WE ARE

REZIL

TRANSFORM FOR RESILIENCE

May 15, 2025

Financial Results Briefing Material for the Third Quarter of the Fiscal Year Ending June 30, 2025

Rezil Inc. (Securities code: 176A)

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FINANCIAL HIGHLIGHTS

Business Performance Highlights for the 3Q /9M of FY2025



REZIL

Executive Summary (9 months)

Highlights

Net Sales

¥35,043 mil

YoY +15.0%

Progress rate vs plan: 79.6%

EBITDA

¥3,547 mil

YoY +3.7%

Progress rate vs plan: 83.3%

Operating Profit

¥2,735 mil

YoY +1.5%

Progress rate vs plan: 87.4%

Profit Attributable to Owners of Parent

¥1,918 mil

YoY +1.2%

Progress rate vs plan: 87.3%

Topics

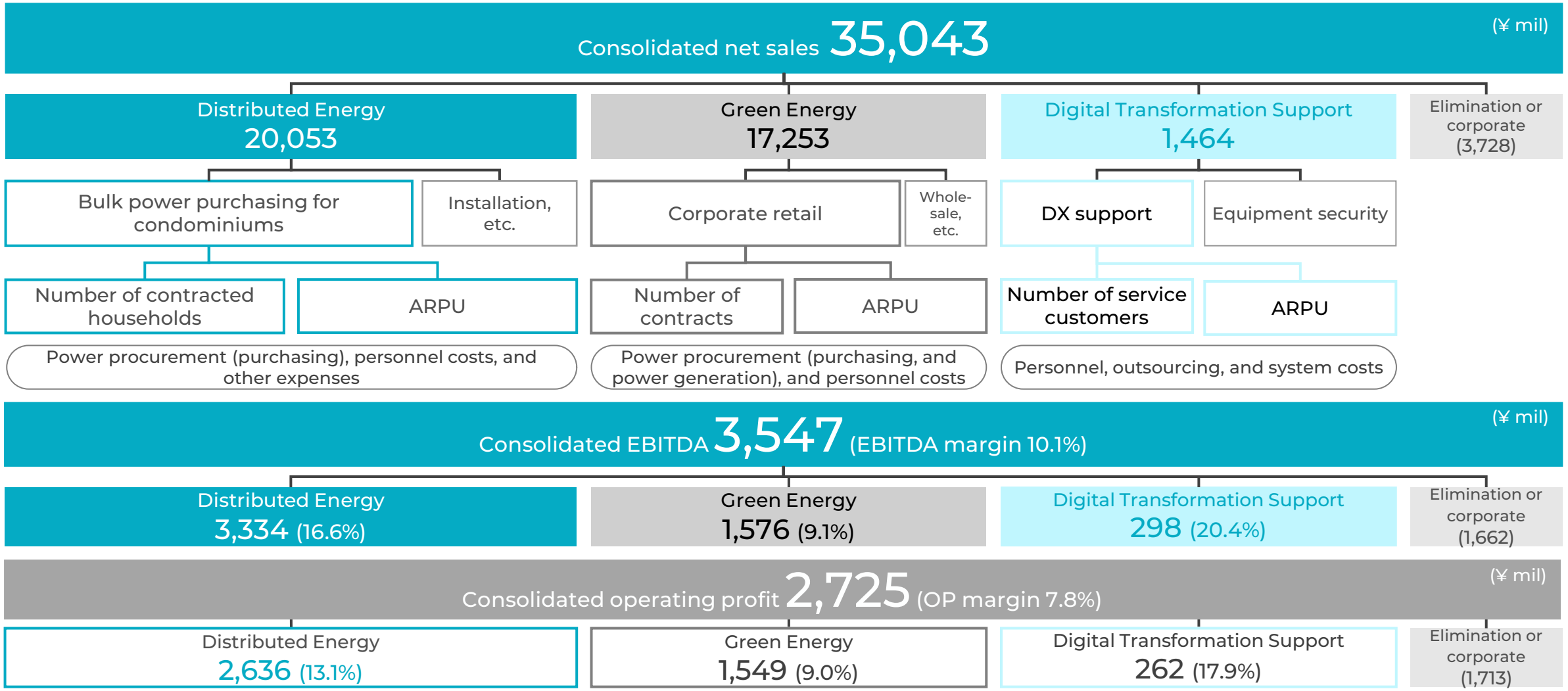
- Net Sales: Consolidation of NTT Anode Energy Corporation business and seasonal factors resulted in 15% YoY growth.
- Profits: All OP, EBITDA and profit attributable to the owners of the parent exceeded 80% of our planned targets.

- Distributed Energy: Began consolidation of the business acquired from NTT Anode Energy Corporation.
- Digital Transformation Support: Contracted to provide operational support for the “Kurashi Service” provided by Tohoku Electric Power Co., Inc. and began providing service.
- Other: Grand Prize recipient in the NIKKEI Decarbonization Awards.

Consolidated Business Performance Highlights (9 months)

(¥ mil)	9M FY2024/6	9M FY2025/6	YoY Change (%)
Net Sales	30,476	35,043	+4,566 (+15.0%)
Gross profit	5,799	6,444	+645 (+11.1%)
Operating Profit	2,696	2,735	+39 (+1.5%)
Ordinary Profit	2,676	2,722	+45 (+1.7%)
Profit Attributable to Owners of Parent	1,895	1,918	+23 (+1.2%)
EBITDA	3,419	3,547	+127 (+3.7%)

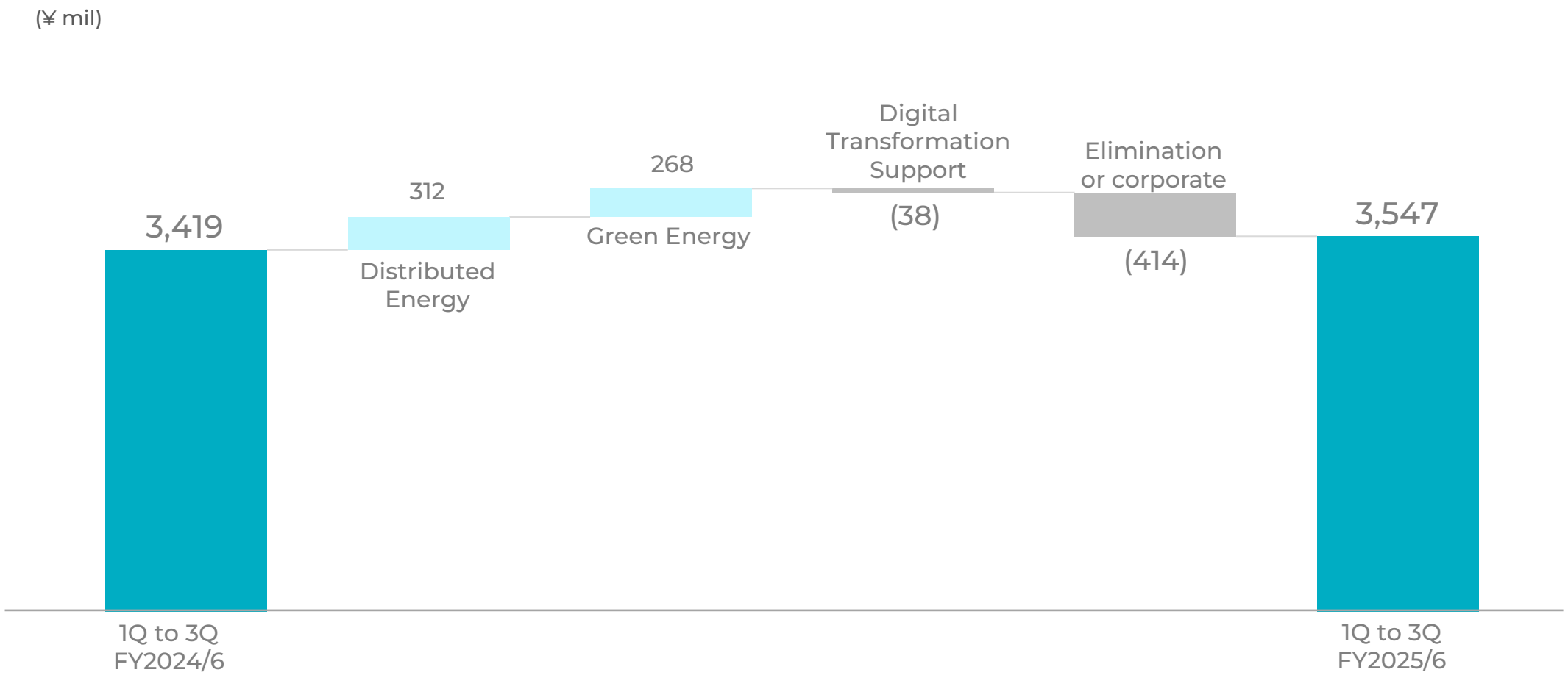
Income by Segment



Note: Distributed Energy + Green Energy + Digital Transformation Support + elimination or corporate = Group-wide
Elimination or corporate include intersegment sales or transfers in sales. Profits include corporate expenses that are not allocated to each segment. Figures in parentheses show OP margin and EBITDA margin.

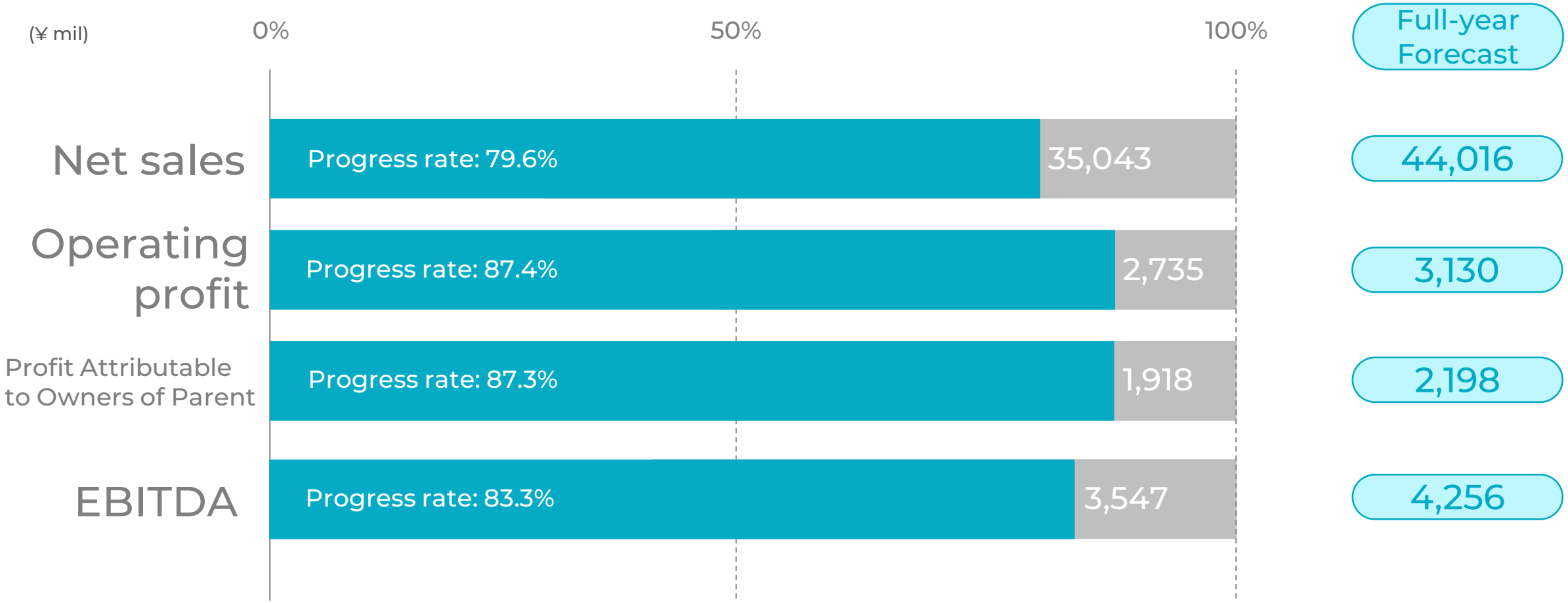
Consolidated EBITDA (Factors behind Changes)

Consolidated EBITDA increased slightly as profit growth in Distributed Energy and Green Energy absorbed personnel costs and other expenses due to the increased headcount to prepare for the company listing in the previous period and to accelerate growth.



Comparison with Consolidated Earnings Forecasts (9 months)

Performance is progressing steadily towards achieving the full-year forecast, with all items tracking at around 80% relative to the plan.



M&A Policy

Pursue disciplined investment in growth to achieve medium-term growth and our goal quickly.

M&A Policy

Approach

Investment for growth that contributes to sustainable improvement in EPS

Investment areas

- M&A that rolls up existing businesses (Key areas)
- Aiming for large-scale M&A in adjacent areas
  - ➡ Strengthen the supply chain and expand the business portfolio

Investment discipline/ Governance

- Investment decisions are made based on the contribution to profit over the medium-term, financial impact, business risks, and other salient factors
- Periodically monitor the achievement status and progress of M&A objectives at the time of investment, expected synergies, business plans, etc., and control their achievement.

Financing

1 Operating cash flow

- All three existing business segments are profitable
- Generate/Grow operating cash flow through sustained business growth

2 Debt financing

- Prioritize debt financing over equity financing, considering the interest rate environment, financial leverage, and the cost of capital. Additionally, effectively utilize the company's stock-based nature and relationships with financial institutions.

3 Equity financing

- Implement financing based on the need to procure funds, stock price level, market environment, financial status, and other salient factors aimed at achieving medium-term growth and our goal.

Topic

We have purchased condominium high-voltage bulk power purchasing services business from NTT Anode Energy Corporation and have achieved a record number of new contracts.

Purpose/Significance	■ To expand the scale of our core business in condominium bulk power purchasing services and further solidify a stable earnings base ■ To surpass our past record in the number of contracted households acquired and exceed 2,600 contracted condominiums and 240,000 contracted households this period
Structure/Closing	■ Carve-out method A new company established by NTT Anode Energy Corporation assumed the business through an absorption-type split, after which we acquired all of the shares of the new company and merged it directly with Rezil through absorption Closed on January 31, 2025.
Financial/KPI	FY2024/3 results ■ B/S: Total assets, ¥6,872 mil; Liabilities, ¥804 mil; Balance, ¥6,068 mil ■ P/L: Net sales, ¥8,264 mil ■ KPI: Number of contracted buildings/Number of units: Approx. 355 buildings/65,000 units (as of September 2024. Geographical distribution, roughly 80% in the Tokyo metropolitan area)
Financing	Equity funds + borrowing of ¥7,000 mil
Goodwill	■ Goodwill balance (as of March 31, 2025), ¥2,105 mil + Amortization of goodwill, ¥26 mil (3 months from January to March) = Goodwill generated, ¥2,131 mil (as of March 31, 2025) ■ Goodwill balance, ¥2,105 mil ÷ Net assets, ¥9,714 mil = Goodwill to net assets, 21.7% (as of March 31, 2025) ■ Goodwill generated, ¥2,131 mil ÷ Amortization of goodwill, ¥8.8 mil/month ≒ Goodwill amortization period of 240 months (20 years) ⇒ The goodwill amortization period mentioned earlier is provisional; we aim to finalize it in the full-year financial results for FY2025/6.

Business Strategy



Who We Are

A company transforming legacy energy systems with our digital strengths

REZIL

Company name:	Rezil Inc.
Locations:	Tokyo Head Office: 14F, Marunouchi Trust Tower North, 1-8-1 Marunouchi, Chiyoda-ku, Tokyo 100-0005 Osaka Head Office: 2F, Kintetsu Namba Building, 1-4-38 Minato-cho, Naniwa-ku, Osaka 556-0017
Established:	November 21, 1994
Representative:	Hozumi Tanji
Number of employees:	240 (as of December 31, 2024)
Business areas:	(1) Distributed Energy / (2) Green Energy / (3) Digital Transformation Support
Subsidiaries:	Chuo Electric Power Solutions Co., Ltd. (wholly owned subsidiary) Chuo Electric Power Energy Co., Ltd. (wholly owned subsidiary)

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
TCFD Consortium
GX League
CDP Discloser 2024
We earned a 'B' score in Feb 2025



Our Purpose / Mission

PURPOSE

A unifying force, persistently tackling social challenges.

MISSION

We make decarbonization effortless

Topic | Grand Prize Recipient in NIKKEI Decarbonization Awards

We created a model case to increase the renewable energy consumption rate in condominiums with the aim of decarbonization of the household sector.

Optimization of electric power in the entire building, including exclusive-use areas, by using batteries, in addition to decarbonization of a whole housing complex that is planned for replacement.

Overview

On-site PPA project for city housing in the Nagaguro area of Kitakyushu city selected

REZIL × Kitakyushu Action! 動かせ、未来。北九州市

- This project increased the solar power self-supply rate of a condominium through a combination of bulk power purchasing and batteries, and was an initiative aimed at creating a model case of decarbonization in the household sector.
- Kitakyushu city adopted the project because it valued several points: the ability to reduce CO_2 emissions by 168 tons/year, ensuring the safety and security of residents by improving resilience to disasters, and generation of new business opportunities utilizing solar power.


CERTIFICATE
of commendation

NIKKEI 脱炭素アワード

NIKKEI NET 0
NIKKEI脱炭素プロジェクト

大賞

一括受電・分散型エネルギー源導入による、
集合住宅の脱炭素化推進モデルケース創出プロジェクト

北九州市 殿
レジル株式会社 殿

貴殿は NIKKEI 脱炭素アワードにおいて
審査の結果、大賞と認められたのでここにその栄誉をたたえます

2025 年 3 月 11 日

日本経済新聞社 NIKKEI 脱炭素プロジェクト

Topic | Recognition at the 2025 Career Ownership Management Award for Best Corporate Culture Reform

Received an award for the Best Corporate Culture Reform (Small and Medium-sized Enterprises (SME) division) in the Personnel/HR Reforms category for the second consecutive year.

Boosting intentional growth of employees through initiatives in system reform and fostering a corporate culture

Overview

Received an award for the second consecutive year in a different division from the previous year recognizing a more in-depth career support system

Our efforts in human capital development

- We updated our system over the past two years based on the concept of “our business model will not change if we don’t change the way we work,” thereby establishing a foundation that supports employees in their work and focusing on job satisfaction in fiscal year ending June 30, 2025 and beyond.
- This fiscal year, we abolished the system based on years of service and grade levels according to job position and switched to a performance-based compensation system. We also changed our policy on job assignments to promote self-directed career building.

Comments by the judges

- The point that the company extricated itself from a top-down management model and managed to establish a management style that starts with the intentions and growth of each employee is extremely progressive.
- I especially appreciated the point that the company revised structured grade levels such as the seniority system and comprehensively designed an environment where ambitious employees can outline their own careers and take on challenges.

2025 Career Ownership Management Award

最優秀賞

（中堅・中小企業の部 人事/HRの変革部門）



Career Ownership Management Awards*1

These awards are presented to companies that pursue career ownership management from three perspectives: 1. Visualization (visualizing human resources who demonstrate career ownership, 2. Expansion (developing and attracting such human resources), and 3. Connection (linking autonomous growth of individuals to growth of the organization). The awards are presented for “career ownership management” as a practical means of maximizing the potential of human capital. The purpose of these awards is to recognize these companies and thereby introduce practical means of maximizing the potential of human capital to society.

*1 URL for the 2025 Career Ownership Management Awards: https://co-consortium.persol-career.co.jp/com-award/ (in Japanese only)
See the May 14, 2025 release for more information on this project. https://rezil.co.jp/news_release/2897/

Management Strategy for Generating Synergies among the Three Businesses (FY2024/6 onward)

We are optimizing resource allocation and business portfolio to build a distributed energy platform.



Procure-ment

Green Energy

Renewable energy procurement and supply

Stabilization of electricity procurement

Improvement in Rezil's operational efficiency



Control

Distributed Energy

Bulk electricity purchasing + Emergency power reserve service and Decarbonization

Systems and operations



Systems

Digital Transformation Support

Provision of systems
BPaaS = SaaS + BPO

Number of contracts for supplying renewable energy*1 to companies and municipalities (As of March 31, 2025)

Approx. **7,400**

Renewable energy adoption rate: 100%

Number of households using Rezil's condominium bulk power purchasing service (As of March 31, 2025)

Approx. **245,000**

Renewal rate: 100%*2

Number of end-user contracts with electric power companies (As of March 31, 2025)

Approx. **465,000**

Renewal rate: 100%*2

Notes: *1 Renewable energy in the green energy business includes effectively renewable energy (the same applies hereinafter).
*2 The renewal rate for condominium bulk power purchasing indicates the rate of renewal for the initial renewal period. The renewal rate for Digital Transformation Support indicates the rate of renewal based on the number of client company contract renewals after services begin.

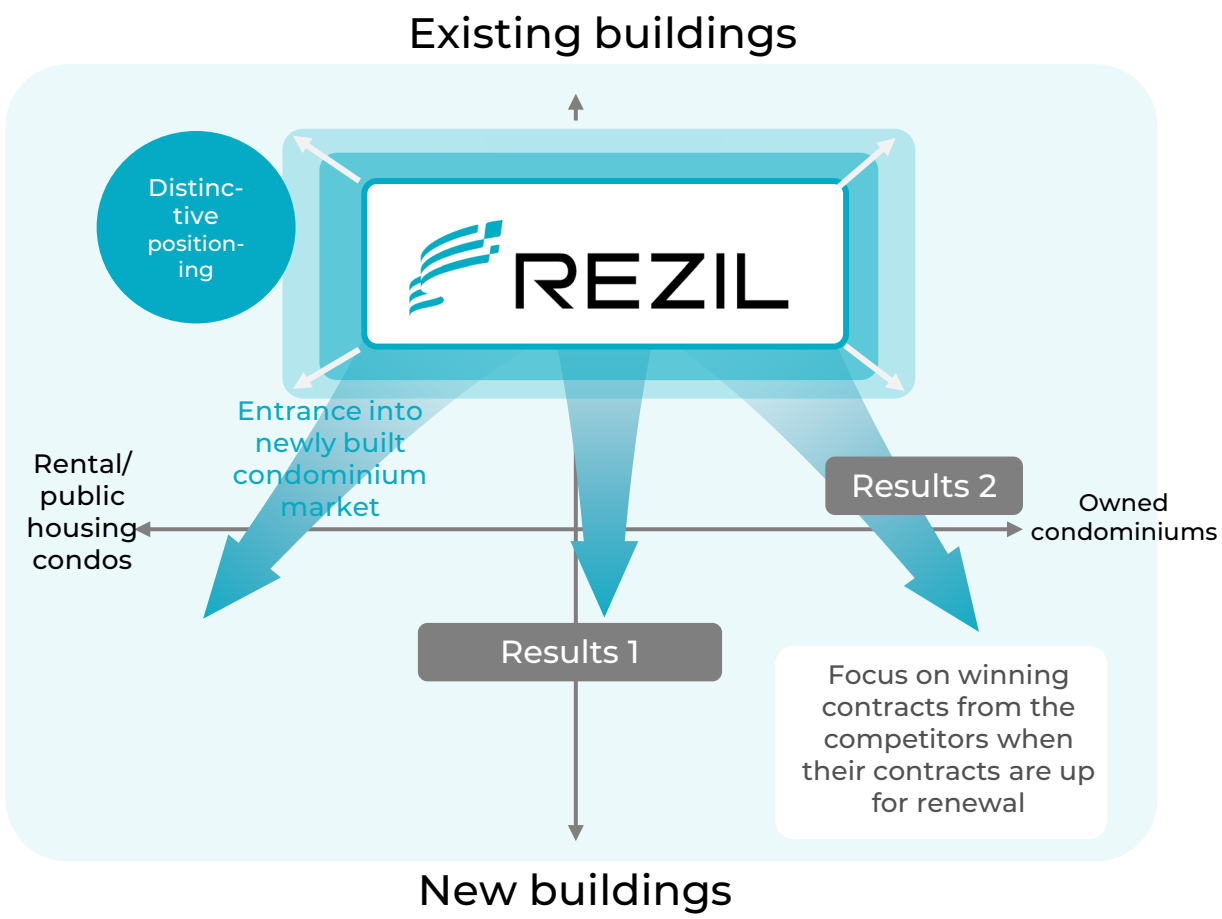
FY2025/6 Business Strategy and Summary of Progress

		Progress in 3Q FY2025/6 (including some data as of April 30, 2025)
Distributed Energy	■ Begin consolidation of bulk power purchasing service business acquired from NTT Anode Energy Corporation. ■ Conclude an agreement with Bay Communications on the transfer and acquisition of the bulk power purchasing service business. ■ Launch pilot project for Moplus and EV on-demand bus service.	■ Approx. 65,000 units/355 buildings acquired ■ Plan to acquire approx. 3,400 units/35 buildings by September 30, 2026.
Green Energy	■ Achieve the target of 100% adoption of renewable energy (including effectively renewable energy) five years ahead of schedule. ■ Continue supporting decarbonization efforts for Scope 2 and Scope 3 emissions in investment properties through electricity supply. ■ Develop and supply commercial business process outsourcing (BPO) and retail electricity products using internal digital transformation expertise.	■ Achieved 100% renewable energy adoption rate ■ Started renewable energy supply to FUKUSHIMA MAZDA
Digital Transformation Support	■ Begin providing standardized packages for new electric power companies in which municipalities have invested. ■ Begin providing value-added BPO services to major regional power companies to enhance our clients' operational efficiency and help them increase their customer unit prices.	■ Began supporting the operation of 3 new municipality-invested electric power companies in April 2025 (4 in total) ■ Expanded BPaaS service to Tohoku Electric Power Company
Decarbonization Solution	■ Expand the company's scope to energy management, beyond specific regions (public bodies).	■ Established an organization exclusively dedicated to energy management.

Distributed Energy | Strategic Positioning in Sales Activities

We will expand sales areas into newly built owned, rental, and public housing condominiums. For existing buildings, we will focus on switching to Rezil as well as business acquisition when contracts are up for renewal.

Sales development positioning



3Q Initiative Results (including some data as of April 30, 2025)

Results 1

Entrance into newly built condominium market and new areas

Total emergency power reserve service installed/ordered

587 units / **3** buildings

(Accumulated total from the previous quarter: 1,034 units/6 buildings)

Began on-demand electric bus pilot project with Moplus

REZIL MOPLUS

Result 2

Acquisition of business from Bay Communications (expected)	Approx. **3,400** units / **35** buildings
Progress on other replacements	**2,705** units / **21** buildings

Accumulated total FY25

Approx. 6,100 units / 56 buildings

Distributed Energy | Progress on Replacement Strategy (1)

Utilizing internal expertise and resources while actively pursuing replacement demand to facilitate rapid contribution to earnings

Roadmap for onboarding bulk power purchasing projects from NTT Anode Energy Corporation

1 Purchase

January 31, 2025

2 Commencement of service

February 1, 2025

Consolidation begins

- We are close to finalizing the electricity procurement contracts after careful consideration of the timing of the existing contract renewals.
- Stable operation of Residents' Association Board relations within the existing framework

3 Optimization

February 2025 to FY2026/6

Improvement in electricity procurement

- Address revision of Rezil's procurement terms, etc.

Sharing of operations

- Utilization of expertise in Digital Transformation Support

Sharing of systems

- Use existing system as we gradually integrate it into Rezil's system

Residents' Association Board relations

- Utilize expertise in bulk power purchasing sales

4 Contribution to profit

FY2026/6 onward

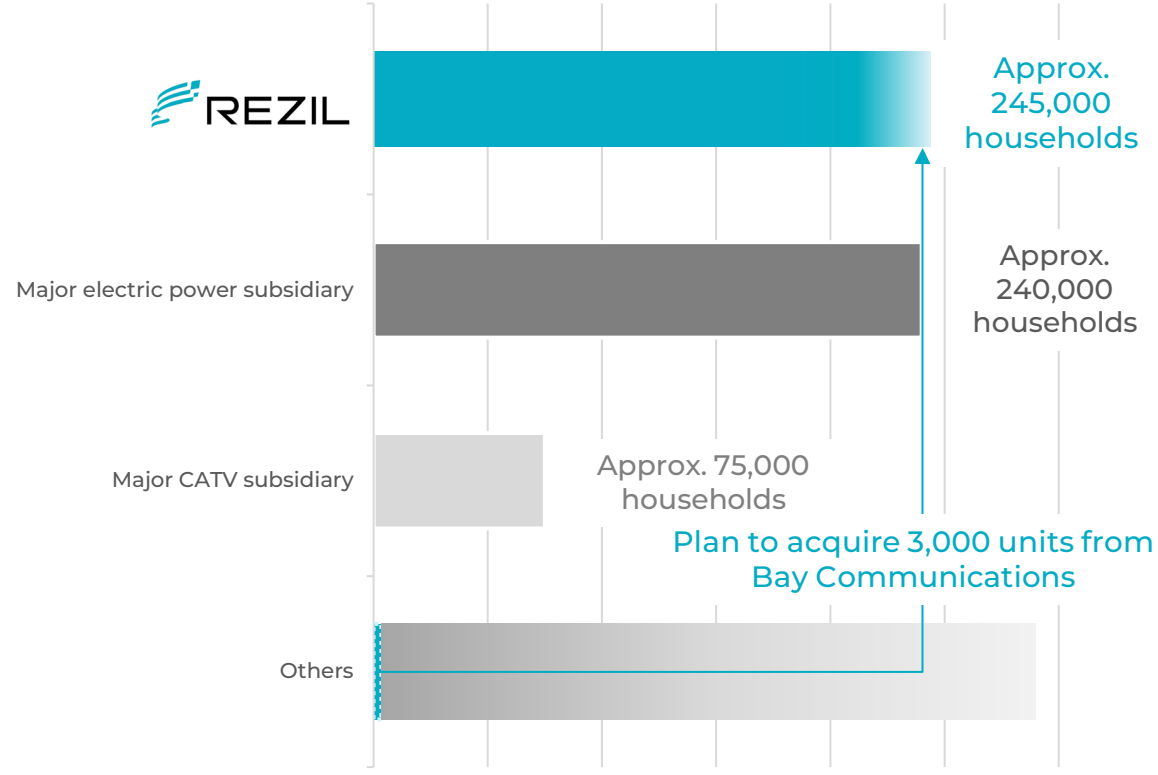
Full-year contribution to profit begins

- Stable operation of processes and systems within the existing framework

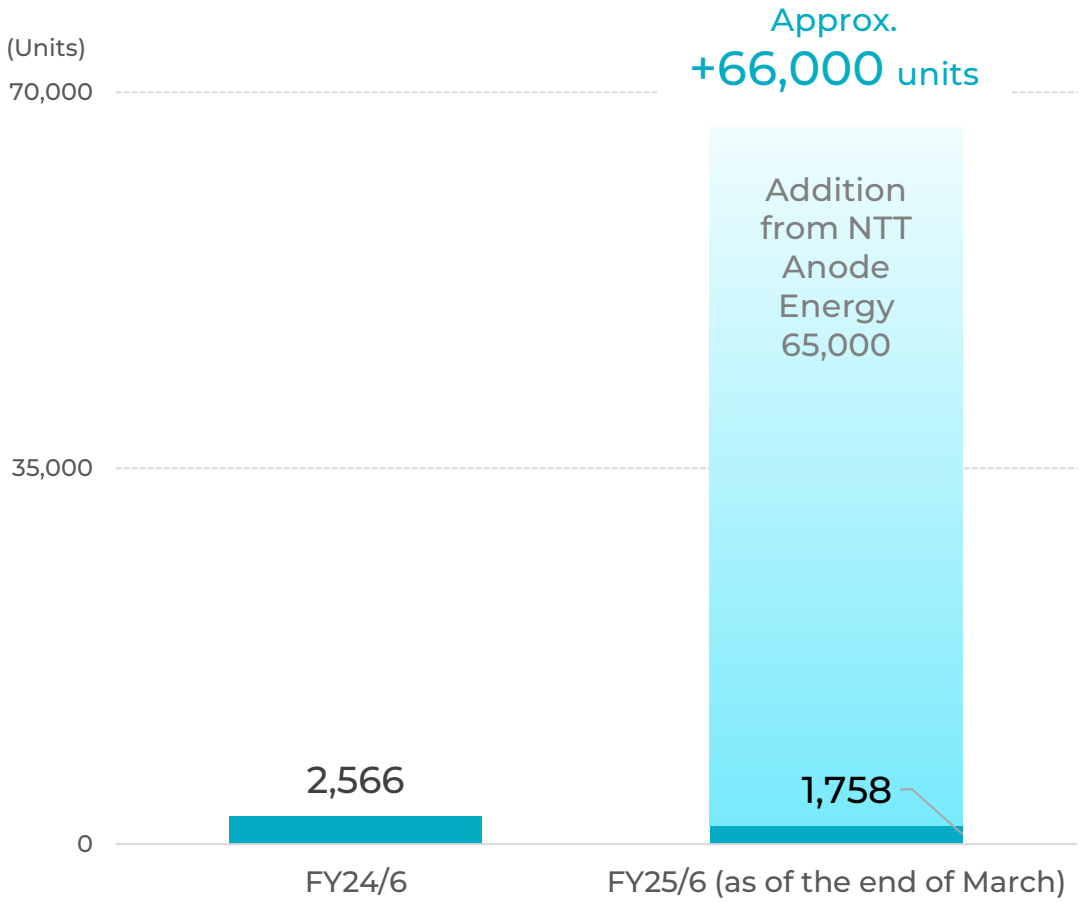
Distributed Energy | Progress on Replacement Strategy (2)

Aim for further growth of the service by increasing the number of properties Rezil handles through the roll-up strategy

Status of introduction of bulk power purchasing for condominiums in condominiums



Introduction results, including replacements (FY2024/6 vs. FY2025/6)



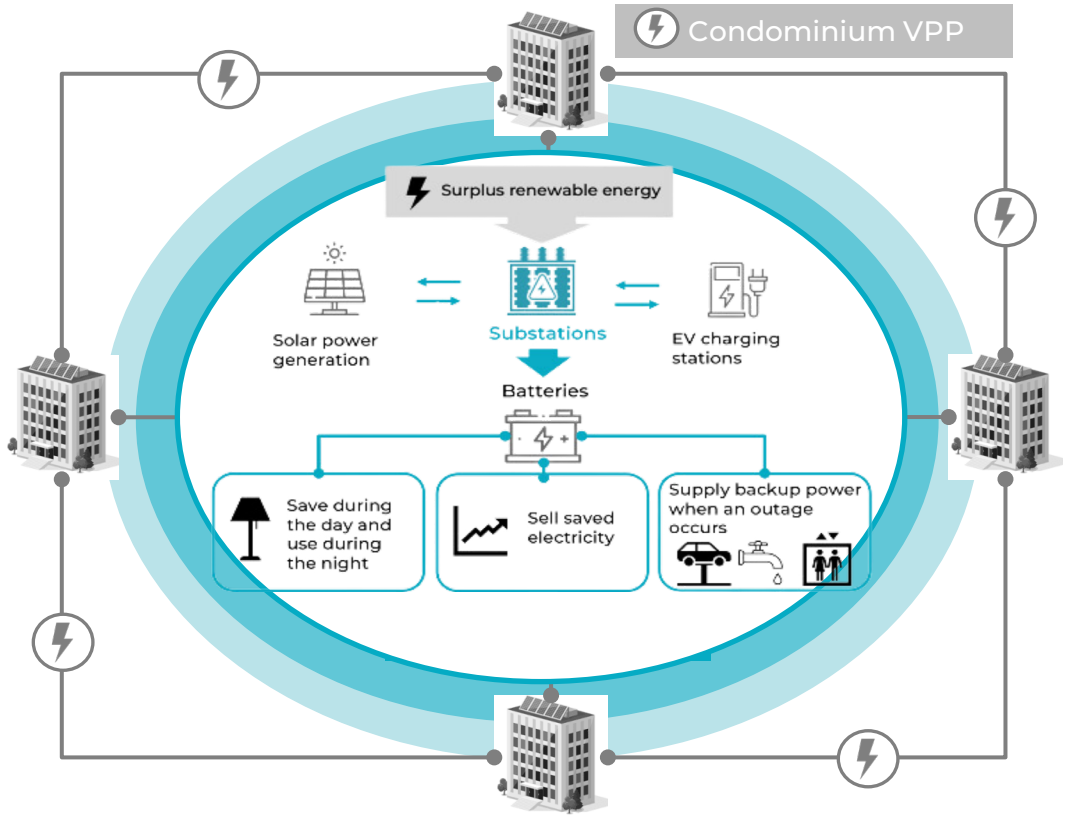
Note: The number of households introducing condominium bulk power purchasing is based on the Fuji Keizai Group Co., Ltd. “2025 Comprehensive survey of markets related to energy management and power systems.”

Distributed Energy | **Launch of Condominium VPP**

Begin exploring optimal energy use through grid-scale batteries, in addition to Condominiums x Distributed energy resources (DER) x Digital electricity control.

Expansion of business model through DER implementation

Commenced full operation of a virtual power plant (VPP) system using integrated control of batteries installed in condominiums with the introduction of emergency power reserve service



Value proposition of condominium bulk power purchasing/emergency power reserve service

Developers/rental property owners

Economic value

Increase the value of condos at no extra cost

Rezil pays for the installation of substation/DER equipment.

Environmental value

Compliant with Scope 3 emissions

Use of effectively renewable energy reduces GHG emissions to zero.

Residents

Economic value

Reduction of electricity charges

Bulk purchasing allows electricity to be received at lower rates than from a regional power company.

Environmental value

Decarbonization and preparation for disasters and emergencies

Achieve decarbonization plus greater resilience during disasters and other emergency situations..

Distributed Energy | Using EVs as “Mobile Batteries”

Enhance resident convenience, support decarbonization efforts, and bolster emergency resilience by integrating EVs into daily life, alongside condominium virtual power plants (VPP).

Demonstration of implementation feasibility of mobility as a service (MaaS) and energy management using EVs as “mobile storage batteries”

Case study

MOU on joint exploration aimed at realizing a decarbonized society concluded with Moplus

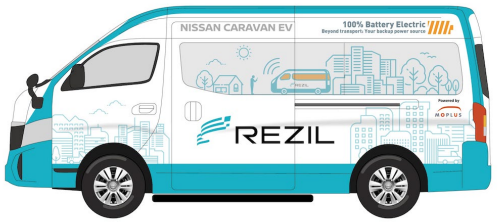
Launch of pilot project for on-demand electric bus service

REZIL × MOPLUS

- This joint project involves the use of EVs as “mobile batteries” to function as distributed energy resources (DER) and demonstrate the practical applicability to strengthening resilience, effective energy management, and improved convenience for condominiums through on-demand bus service (MaaS).
- We will begin operating the service for residents on May 31, 2025, and plan to install EV charging and discharging stations in the condominium, starting in July, to test the effectiveness of energy management.

Launch as a project to co-create value through area-wide collaboration to build sustainable energy infrastructure

In addition to Rezil and Moplus, industry leaders in the mobility sector, such as Spare Technology Solutions, Mitsuba Mobility, and CN HOLDINGS, will participate in this pilot project by utilizing their respective areas of expertise.





MOPLUS

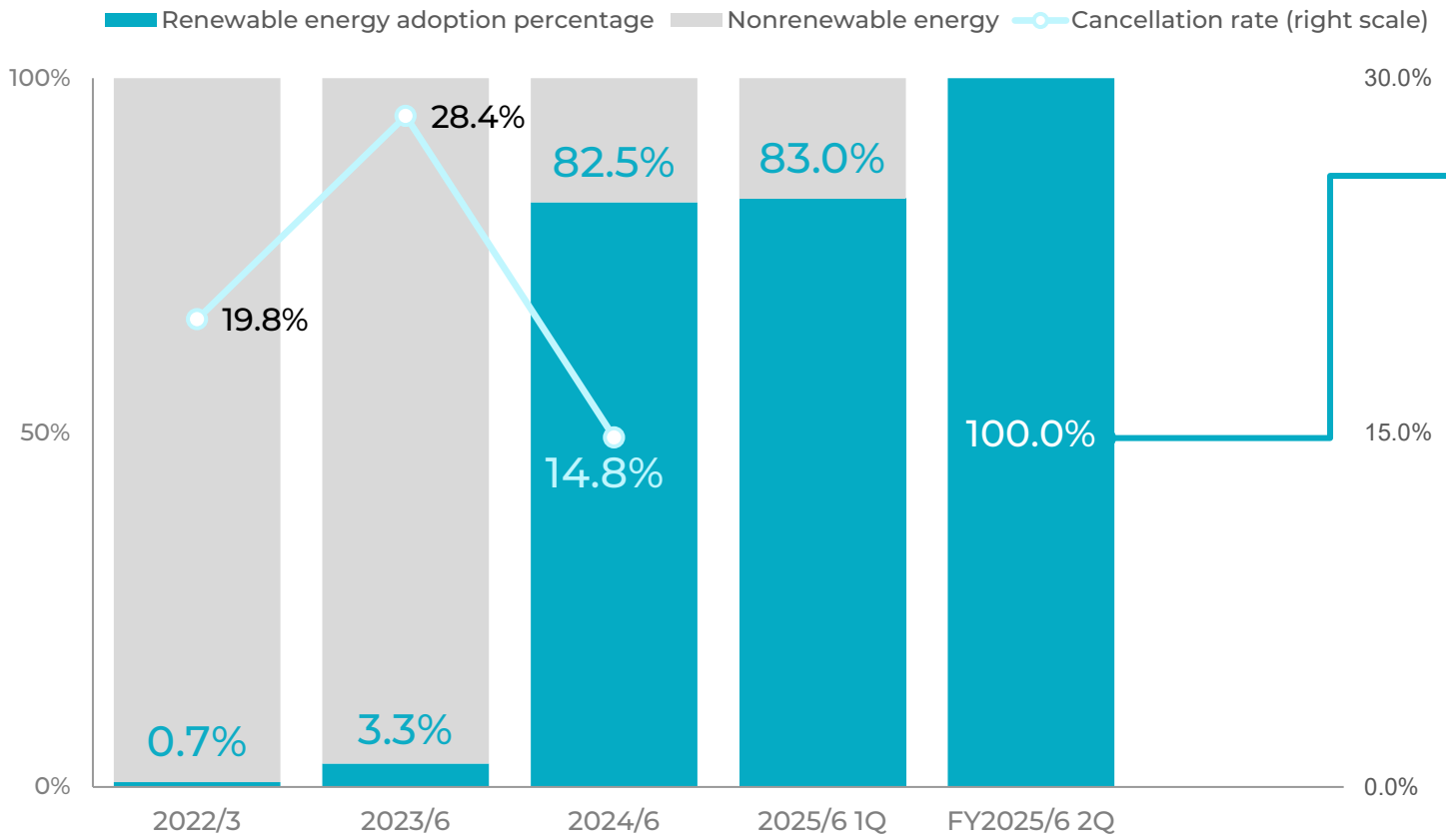
Moplus Inc.
Representative: Ken Yanase, Representative Director and CEO; Kazuaki Nakagawa, COO
- Joint venture established by Nissan Motor and Mitsubishi Corporation.
- Providing mobility services and energy-related services utilizing EVs

See the May 13, 2025 release for more information on this project. https://rezil.co.jp/news_release/2887/

Green Energy | Promoting Improvement in the Renewable Energy Adoption Ratio

Continue to only sell renewable energy (including effectively renewable energy). Since December 2024, our adoption rate has remained at 100%.

Renewable energy adoption rates and cancellation rates



Working on both decarbonization and earnings stabilization

Decarbonization

Achieved the 2030 target of supplying 100% renewable energy early by providing electricity from 100% effectively renewable energy for contracts from FY2024/6.

Earnings stabilization

Continue to stabilize earnings by improving renewal rates through better customer service, in combination with ongoing improvements in procurement and introduction of variable market rate plans.

Note: The ratio is based on the number of electricity supply contracts.

Green Energy | Reduction in Scope 2 and Scope 3 Emissions at Client Companies

Create and provide added value by improving services to encourage companies to adopt renewable energy.

Renewable energy supply to FUKUSHIMA MAZDA

Case study

Supplying renewable energy to FUKUSHIMA MAZDA

Supporting the achievement of 100% of electricity use from renewable energy at all locations; contributing to the reduction of environmental burden by reducing Scope 2 emissions and enhancing brand value

- The Mazda Group aims to achieve carbon neutrality throughout the product lifecycle by 2050 through initiatives involving the entire supply chain.
- We are having the company focus on electricity service that simultaneously enables Rezil to reduce its electric bills while also achieving decarbonization, amid the pursuit of decarbonization management.
- The company decided to introduce the service because reduction in Scope 2 emissions not only contributes to the environment; it can also lead to enhancement of brand value.

Achieved substantial reduction in Scope 2 emissions CO_2



Corporate philosophy:
Energizing our prefecture, Fukushima, by providing driving pleasure and ownership experiences that exceed expectations

FUKUSHIMA MAZDA
Representative: Hiroshi Toda
Number of employees: 320
- Operates 12 dealerships in Fukushima Prefecture
- Mazda direct dealers

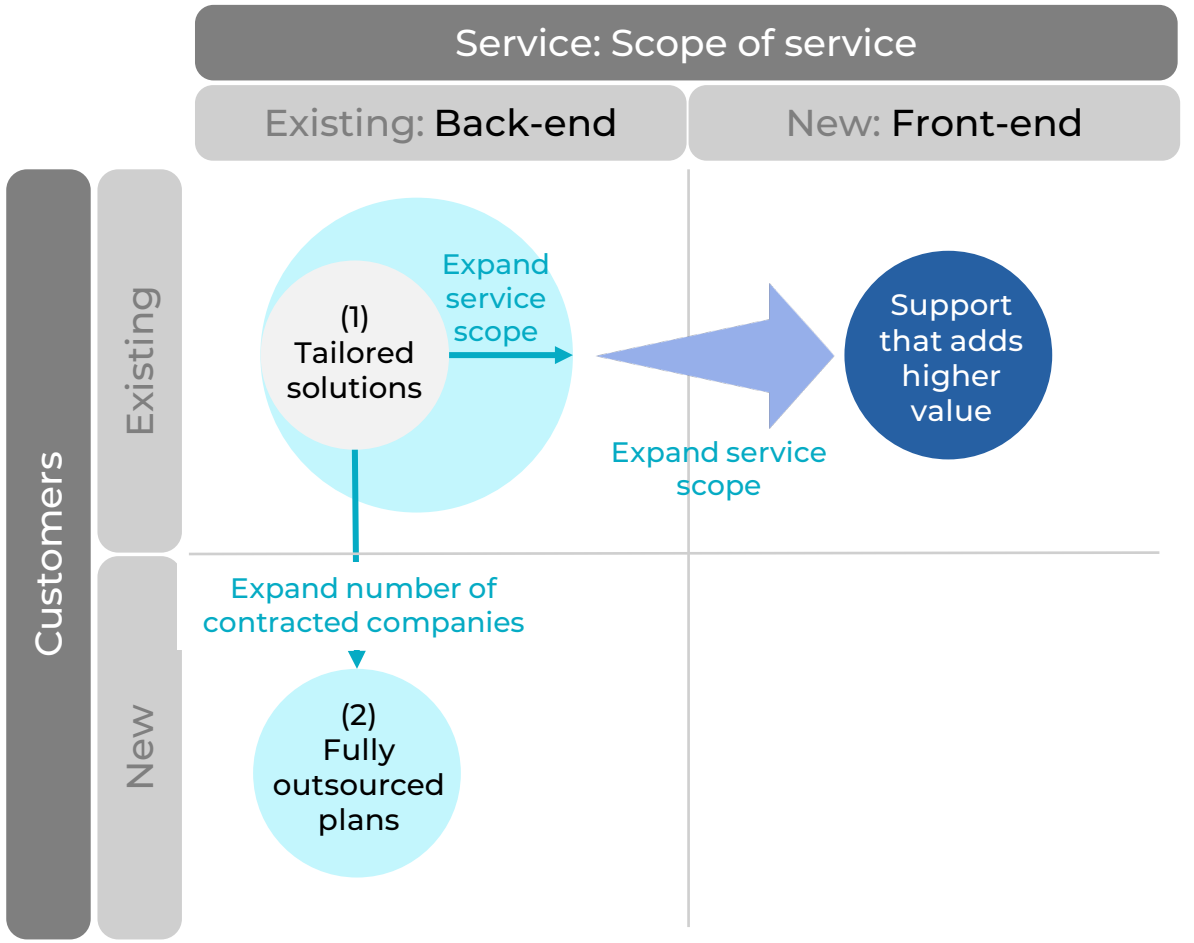
Digital Transformation Support | Expansion of Customer Target Groups and Service Scope

In addition to expanding the scope of business based on the track record of tailored solutions, we are accelerating the number of companies adopting full outsourcing. Improvements in back-end operations enable clients to allocate resources to front-end operations. By providing value-added services, we aim to contribute to enhancing customer ARPU.

Plan comparison

	(1) Tailored solutions	(2) Fully outsourced plans
Overview	Provision of systems and operating processes tailored to each company	Provision of systems and operating processes standardized through the accumulation of expertise in (1).
Introduction lead time	Long	Short
Target	Mainly major new electric power	Mainly municipal-owned or corporate-owned new electric power companies
Service customers	Many	Few

Growth matrix



Digital Transformation Support | Providing BPO Services That Add Greater Value

Begin utilizing our expertise in business process outsourcing (BPO) to support improvement in the quality of services that support consumers and their lives, in addition to the electricity area.

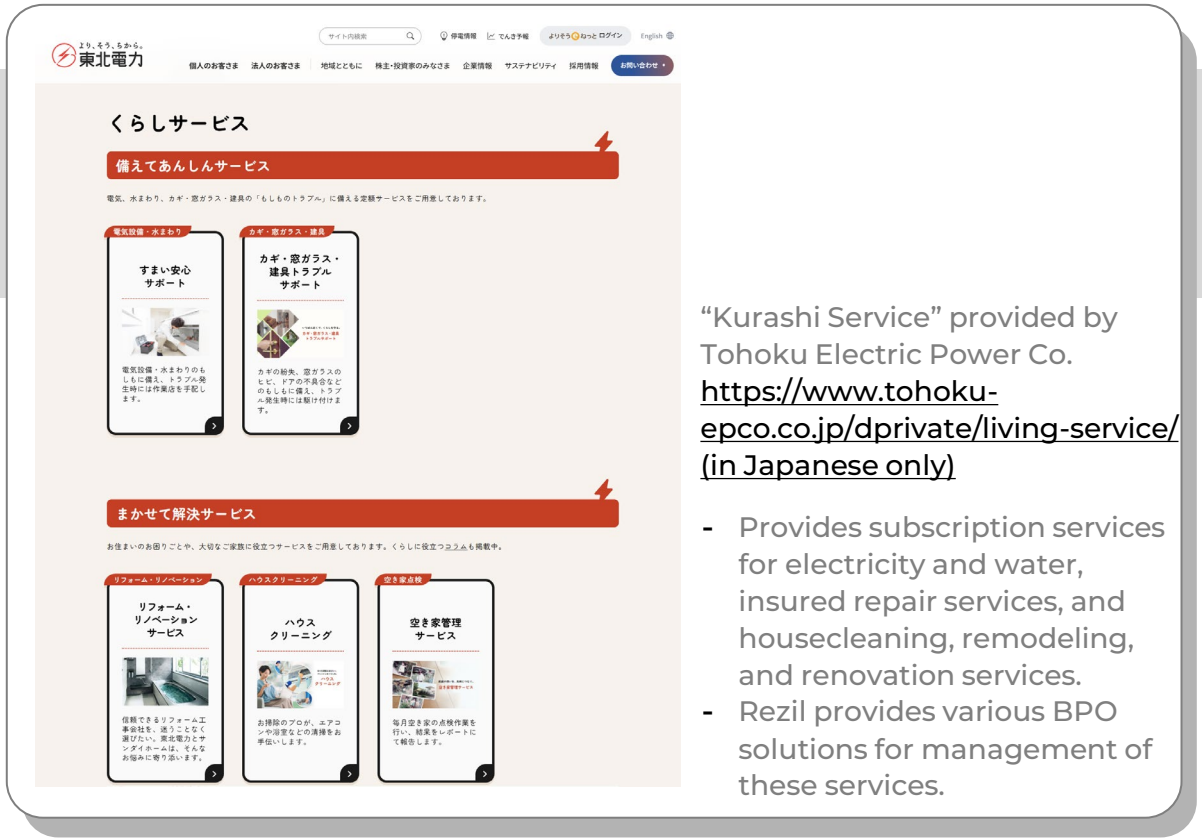
Providing Rezil BPaaS (Business Process as a Service) to major regional power companies

Case study

Began providing operational support for the “Kurashi Service” provided by Tohoku Electric Power Co.

REZIL × より、そう、ちから。東北電力

- Rezil BPaaS provides services to clients that are tailored to their needs and include services ranging from consulting aimed at operational analysis and improvement to system configuration and operation, BPO, and other services.
- Tohoku Electric Power Co. created a new service that did not stop at electricity and began providing services to support consumers’ lives in 2018 to provide them with added value. This service was rebranded as Tohoku Electric Power Co.’s “Kurashi Service” in 2022.
- Rezil has participated in a capital and business partnership with the company since 2023 and strives for collaboration aimed at co-creation of value.



“Kurashi Service” provided by Tohoku Electric Power Co.
https://www.tohoku-epco.co.jp/dprivate/living-service/ (in Japanese only)

- Provides subscription services for electricity and water, insured repair services, and housecleaning, remodeling, and renovation services.
- Rezil provides various BPO solutions for management of these services.

Digital Transformation Support | Tendency to Add Services

Steadily increasing the number of contracted companies. Additionally, the trend of adopting more solutions continues as the years of continuous service grow.

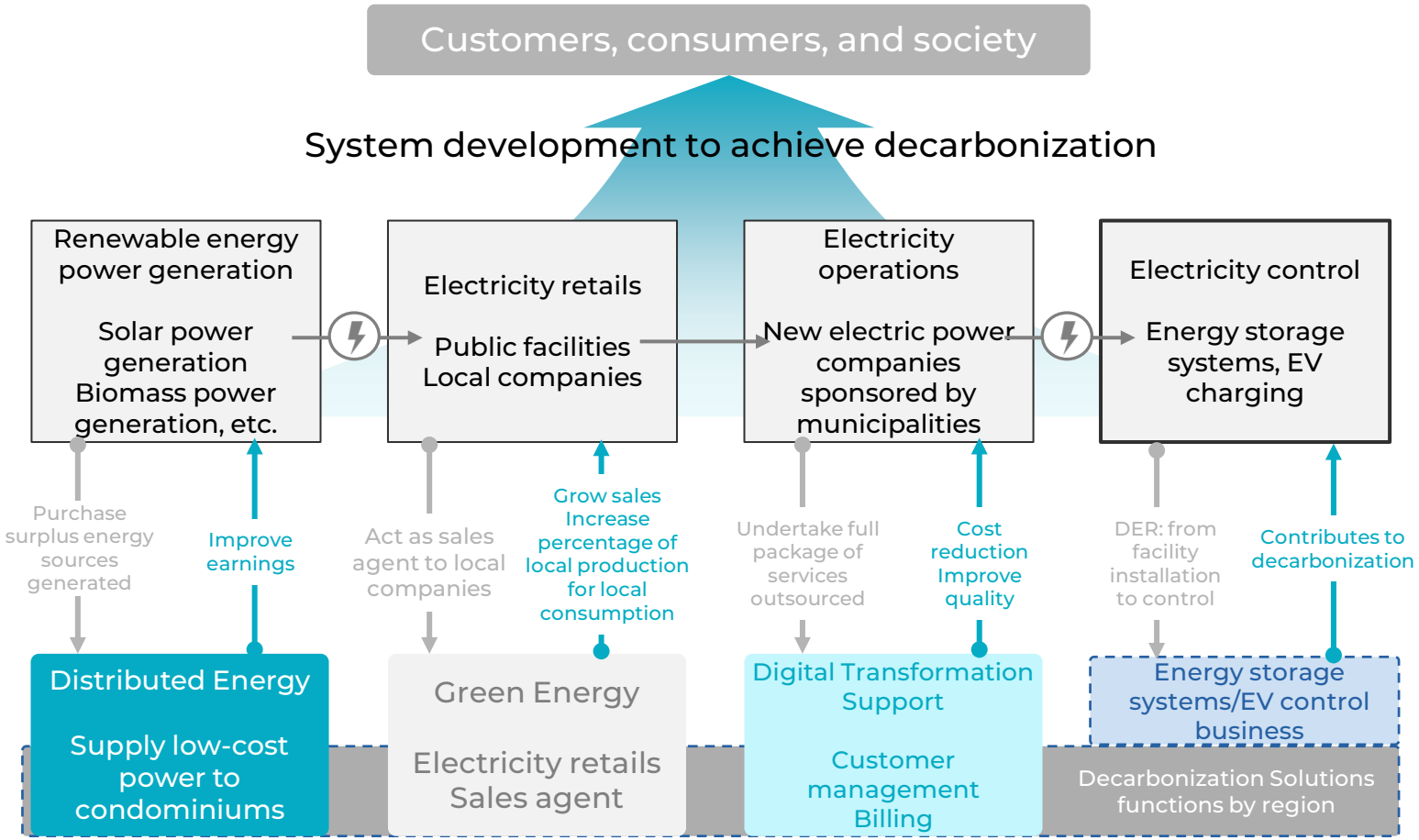
Service areas	Service menu	M	L	K	J	I	H	G	F	E	D	C	B	A
	Contract durations	Short →												Long
Systems	ID/customer management	●	●	●		●		●		●	●	●	●	●
	System development	●	●	●		●	●	●		●	●	●	●	●
	Billing	●	●	●		●		●			●	●	●	●
Consulting	Operation efficiency improvement	●	●	●	●	●	●		●			●	●	●
Business process outsourcing (BPO)	Management of billing	●	●	●	●	●		●			●	●	●	●
	Contracting admins	●	●	●		●	●	●	●		●	●	●	●
	Call center contracting	●	●	●	●	●	●		●		●	●	●	●
	Electricity safety investigation											●	●	●

Note: Excludes one outsourcing company integrated with/switched to in-house operation along with replacement from the 3Q of FY2025/6.

Decarbonization Solutions | Functional Differentiation to Accelerate Business Growth

Pursue more sophisticated energy management functions while utilizing the expertise accumulated thus far to optimize solutions for each business issue and accelerate growth.

Collaboration with electric power companies invested by municipal governments to maximize revenue opportunities for our key businesses



Functional differentiation of the Decarbonization Solutions business

Positioning and past initiatives

- Established as a new organization in August 2024
- Expands customer target groups in existing businesses, with a focus on “public”
- Contributes to accelerating growth in each business by linking the lead acquired through regional collaboration agreements, etc. to each business division

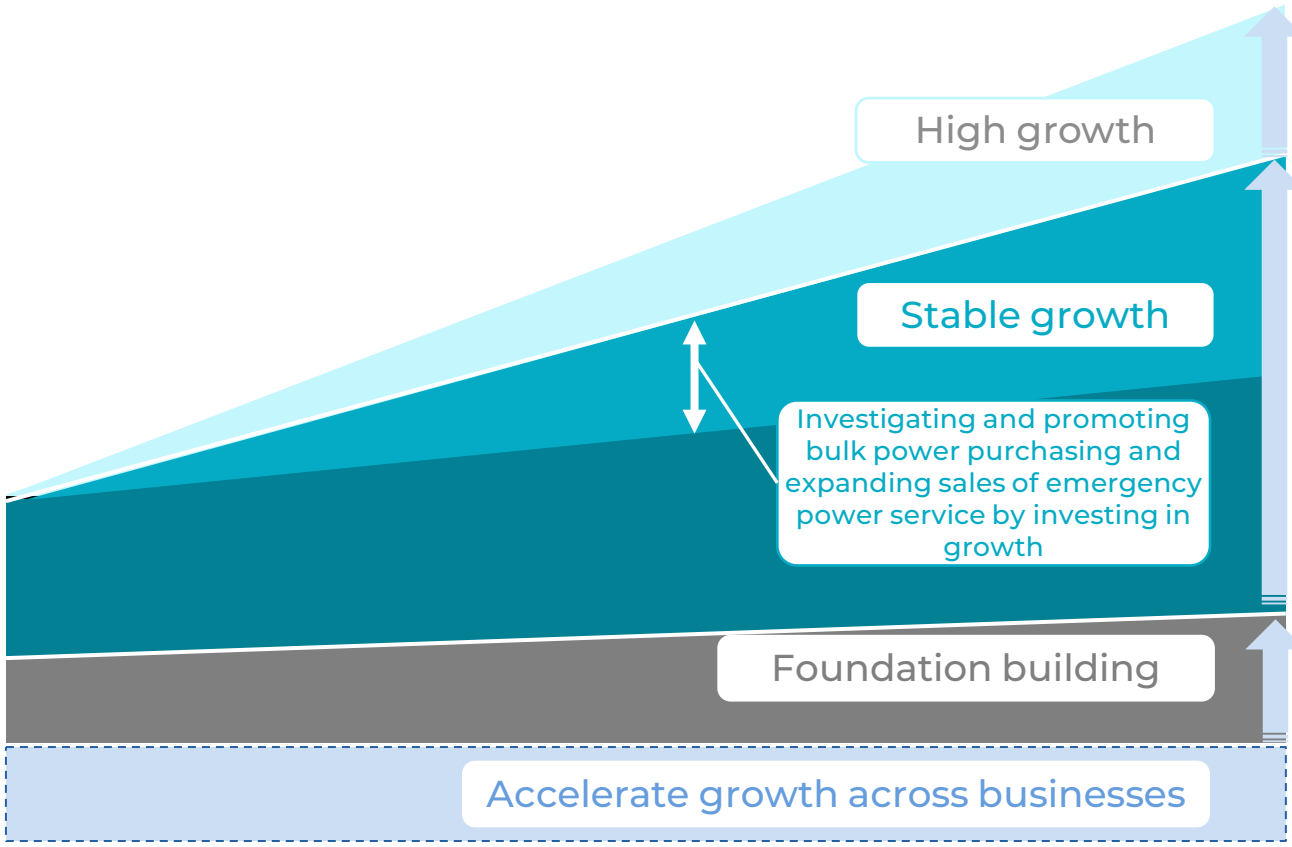
Functional differentiation action plan

- Existing business divisions will incorporate the functions of expanding customer target groups and developing solutions for achieving carbon neutrality, from a regional perspective.
- The installation and control of batteries, EV charging stations, and other distributed energy resources (DER) will be integrated with the Green Energy supply-demand coordination function.
- We want to expand the energy management area, including the grid-scale battery area.

Our Roadmap to Medium- and Long-Term Growth

As well as business growth in each segment, we aim to coordinate the activities of our three businesses to contribute to decarbonization across society.

Illustration of assumed growth based on our strategy by business segments over time



Growth strategies

Digital Transformation Support		New customers • Customized plans • Full outsourcing	Upselling existing customers
Distributed Energy	reserve service for	Investment for growth Market emergency power reserve service to newly-built and repair-reserve-rich condominiums	Investment for growth Move into new buildings for condominiums, public housing, etc.
	Bulk power purchasing for condominiums	Investment for growth Business replacement from existing operators Business acquisitions	
Green Energy		Enhancing power procurement abilities	Renewable energy 100% ratio (2030 target)
Decarbonization Solution		Combine, optimize service packages to address challenges	Strengthen energy management solutions

APPENDIX

Appendix



Consolidated Statement of Income

(¥ mil)	FY2023/6 (12 months)	FY2024/6 (12 months)	FY2024/6 1Q	FY2024/6 2Q	FY2024/6 3Q	FY2024/6 4Q	FY2025/6 1Q to 3Q	FY2025/6 1Q	FY2025/6 2Q	FY2025/6 3Q
Net Sales	41,273	38,709	11,207	9,061	10,208	8,232	35,043	12,585	9,543	12,914
Distributed Energy	23,802	20,329	6,099	4,404	5,622	4,203	20,053	7,161	4,850	8,040
Number of contracted households	175,866	178,502	175,964	178,026	178,069	178,502	244,978	178,733	179,224	244,978
Green Energy	21,301	21,196	6,033	5,284	5,398	4,479	17,253	6,357	5,306	5,589
Number of contracts	7,663	7,511	—	—	—	—	—	—	7,424	—
Digital Transformation Support	1,389	1,911	443	475	487	505	1,464	482	475	506
Number of contracted companies	8	10	—	—	—	—	—	—	11	—
Number of service customers (thousand)	444	425	—	—	—	—	—	—	452	—
Elimination or corporate	(5,220)	(4,727)	(1,368)	(1,103)	(1,300)	(955)	(3,728)	(1,416)	(1,089)	(1,222)
Cost of sales	35,876	31,224	9,009	7,487	8,180	6,546	28,598	9,925	8,042	10,630
Gross profit	5,396	7,485	2,198	1,573	2,027	1,685	6,444	2,659	1,501	2,283
(Gross profit margin)	13.1%	19.3%	19.6%	17.4%	19.9%	20.5%	18.4%	21.1%	15.7%	17.7%
Selling, general and administrative expenses	3,610	4,691	924	1,080	1,098	1,588	3,708	1,208	1,154	1,346
Operating Profit	1,786	2,793	1,274	493	928	97	2,735	1,451	346	937
(Operating profit margin)	4.3%	7.2%	11.4%	5.4%	9.1%	1.2%	7.8%	11.5%	3.6%	7.3%
Ordinary Profit	2,149	2,769	1,245	484	945	93	2,722	1,446	352	922
Profit Attributable to Owners of Parent	1,528	1,986	885	329	680	91	1,918	1,044	236	637
EBITDA	2,869	3,759	1,511	747	1,160	340	3,547	1,684	580	1,282
(EBITDA margin)	7.0%	9.7%	13.5%	8.2%	11.4%	4.1%	10.1%	13.4%	6.1%	9.9%
Distributed Energy	3,297	3,396	1,305	666	1,050	374	3,334	1,642	400	1,291
(EBITDA margin)	13.9%	16.7%	21.4%	15.1%	18.7%	8.9%	16.6%	22.9%	8.3%	16.1%
Green Energy	514	2,003	459	423	424	695	1,576	496	587	492
(EBITDA margin)	2.4%	9.5%	7,6%	8.0%	7.9%	15.5%	9.1%	7.8%	11.1%	8.8%
Digital Transformation Support	131	389	100	105	131	52	298	101	102	94
(EBITDA margin)	9.5%	20.4%	22.6%	22.3%	26.9%	10.5%	20.4%	21.1%	21.5%	18.7%
Elimination or corporate	(1,074)	(2,030)	(353)	(448)	(445)	(782)	(1,662)	(555)	(509)	(596)

Note: EBITDA = Operating profit + Depreciation + Amortization of goodwill

Consolidated Balance Sheet and Statement of Cash Flows

(¥ mil)	As of Jun. 30, 2024	As of Mar. 31, 2025
Total assets	17,519	27,511
Current assets	11,319	13,699
Cash and deposits	4,758	3,044
Accounts receivable - trade	6,167	10,288
Other current assets	392	366
Non-current assets	6,200	13,811
Property, plant and equipment	4,846	9,726
Intangible assets	235	2,285
Investments and other assets	1,118	1,800
Total liabilities	9,187	17,797
Current liabilities	6,663	8,434
Accounts payable - trade	2,562	4,030
Short-term interest-bearing debt	1,750	2,368
Other current liabilities	2,350	2,035
Non-current liabilities	2,524	9,362
Long-term interest-bearing debt	2,481	9,355
Other non-current liabilities	43	7
Total net assets	8,331	9,714
Shareholder's equity	8,301	9,689
Other net assets	29	24

(¥ mil)	1H FY2024/6	1H FY2025/6
Operating cash flow	1,962	957
Investing cash flow	(1,550)	(349)
Free cash flow	411	607
Financing cash flow	(94)	347
Net increase in cash and cash equivalents	317	955
Cash and cash equivalents at end of period	2,516	5,714

Key management indicators

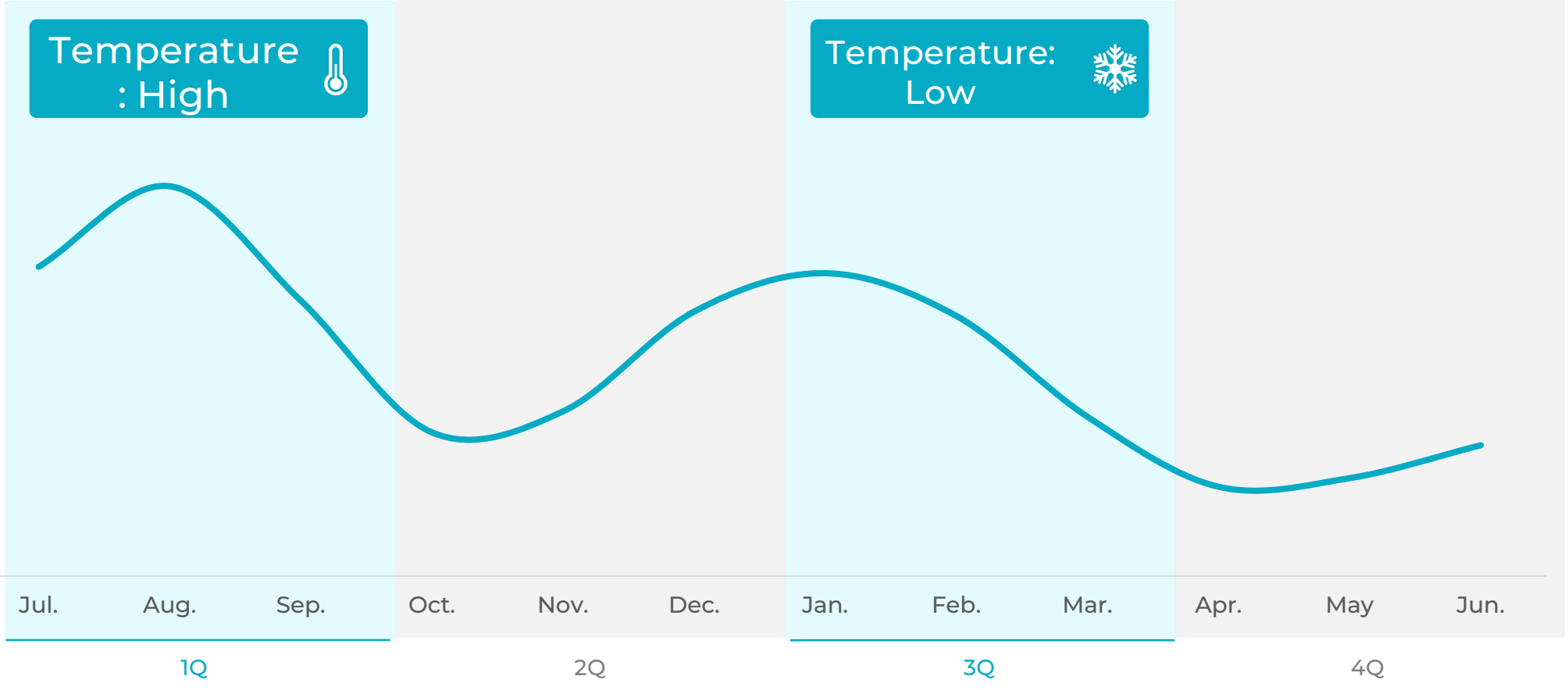
* Figures in parentheses show the average number of temporary workers

	FY2024/6	1H FY2025/6
Equity ratio (%)	47.4	46.5
D/E ratio (times)	0.51	0.60
Net D/E ratio (times)	-0.06	-0.04
Dividend payout ratio (%)	39.5	—
Number of employees*	223 (115)	240 (131)
Distributed Energy	47 (10)	54 (11)
Green Energy	48 (4)	44 (5)
Digital Transformation Support	65 (90)	70 (104)
Shared	63 (11)	72 (11)

Seasonality in Sales (Illustration)

Sales tend to increase in the summer (1Q) and the winter (3Q) when electricity demand is robust and electricity sales volume tends to increase. Summer season demand has tended to increase in recent years, in particular.

Illustration of sales throughout the year

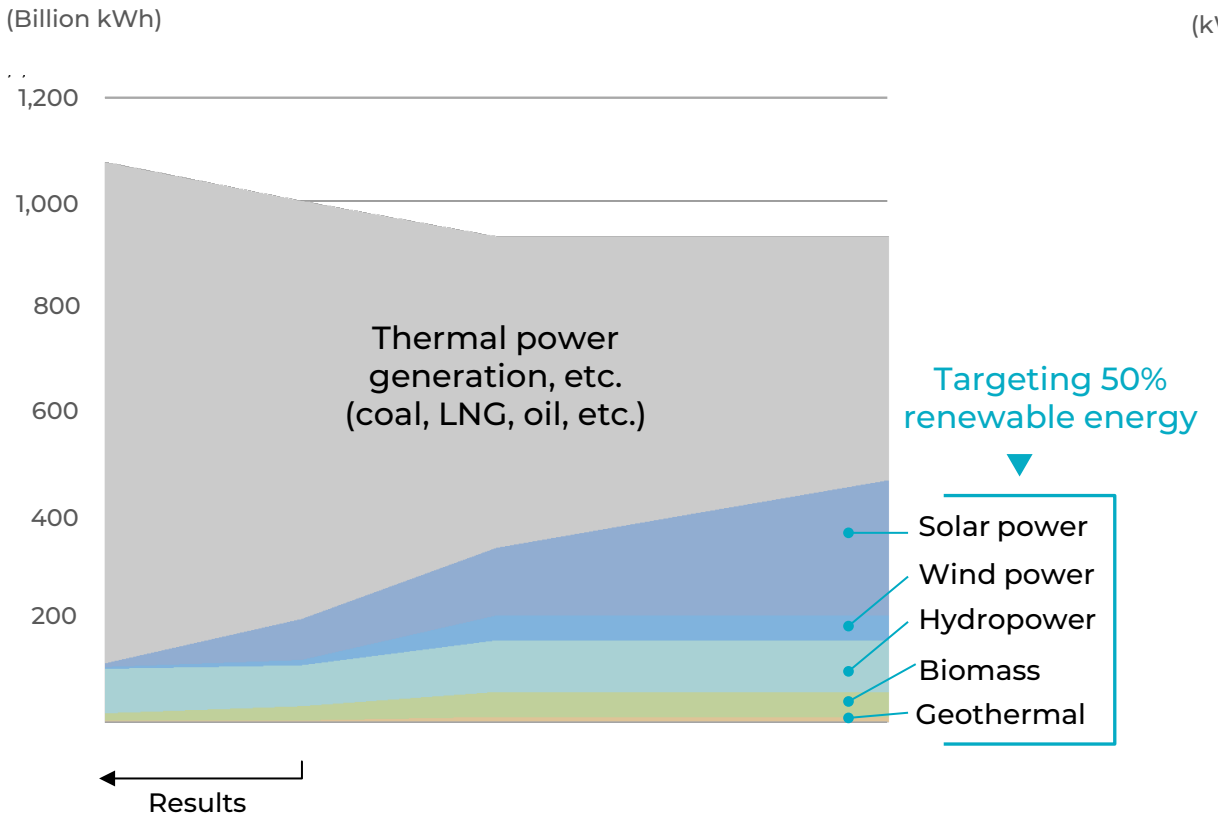


Note: The graph is an illustration and does not indicate specific numerical results or forecasts.

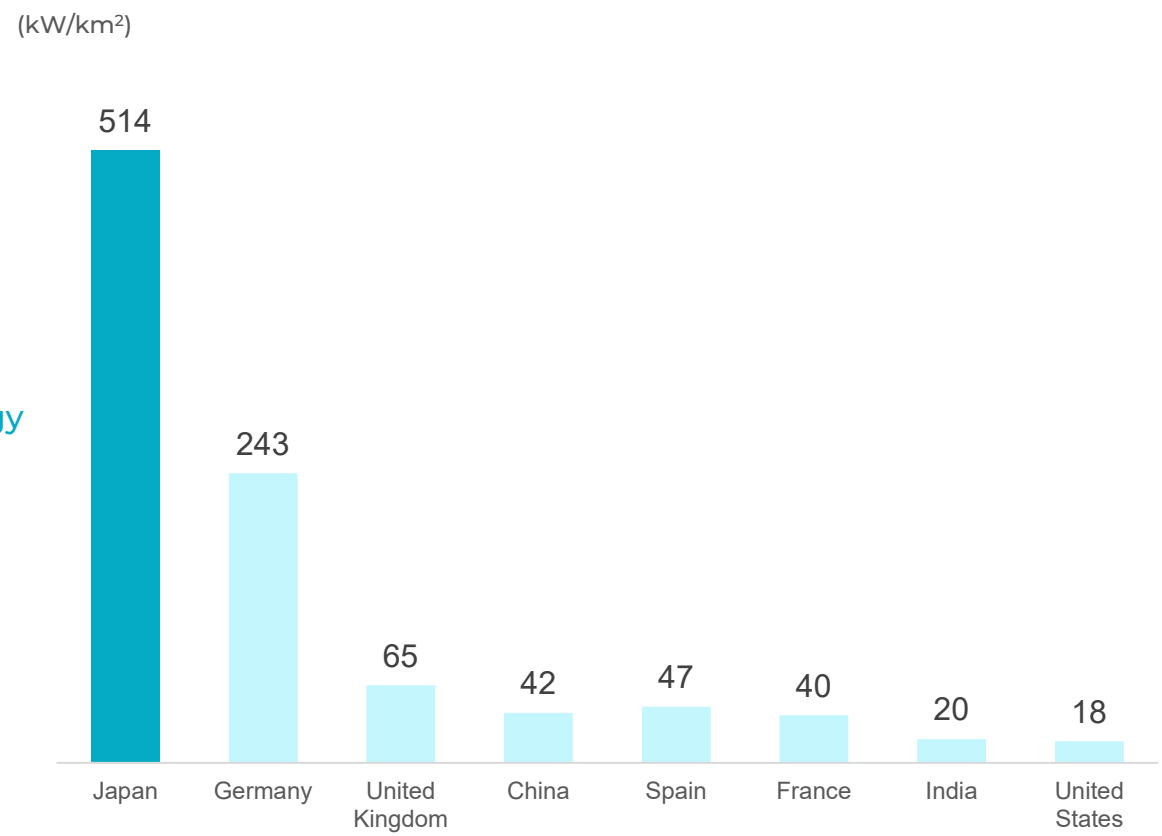
Business Environment Awareness (1)

For decarbonization, if Japan is to make its national target of 50% renewable energy, the country must make efficient use of generated power.

Japan's energy mix forecast*1



Solar power capacity per square kilometer of flat land*2

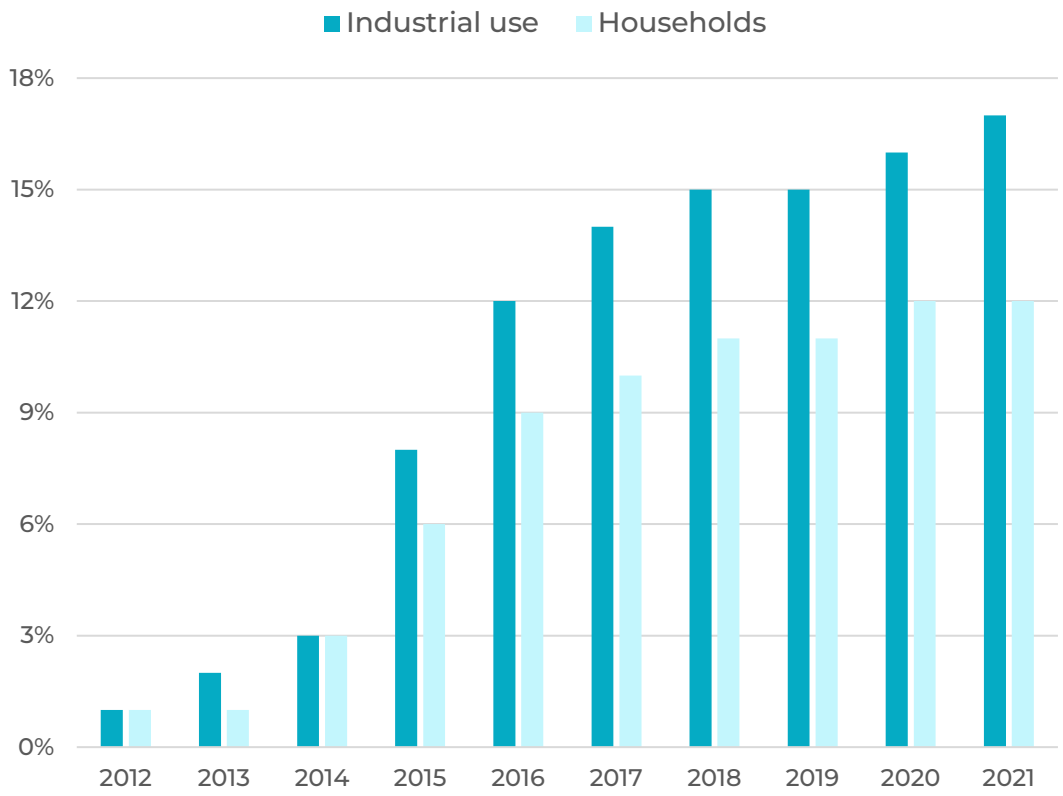


*1 Source: Reference to FY2020 Energy Supply and Demand Report (Revised Report), Ministry of Economy, Trade and Industry, April 2022. Graph shows our estimates for the energy mix breakdown in 2050 if renewable energy were 50% of the total, assuming the same amount of power generation and renewable energy mix in 2050 as in 2030.
*2 Source: Future Renewable Energy Policies, Agency for Natural Resources and Energy, June 2023

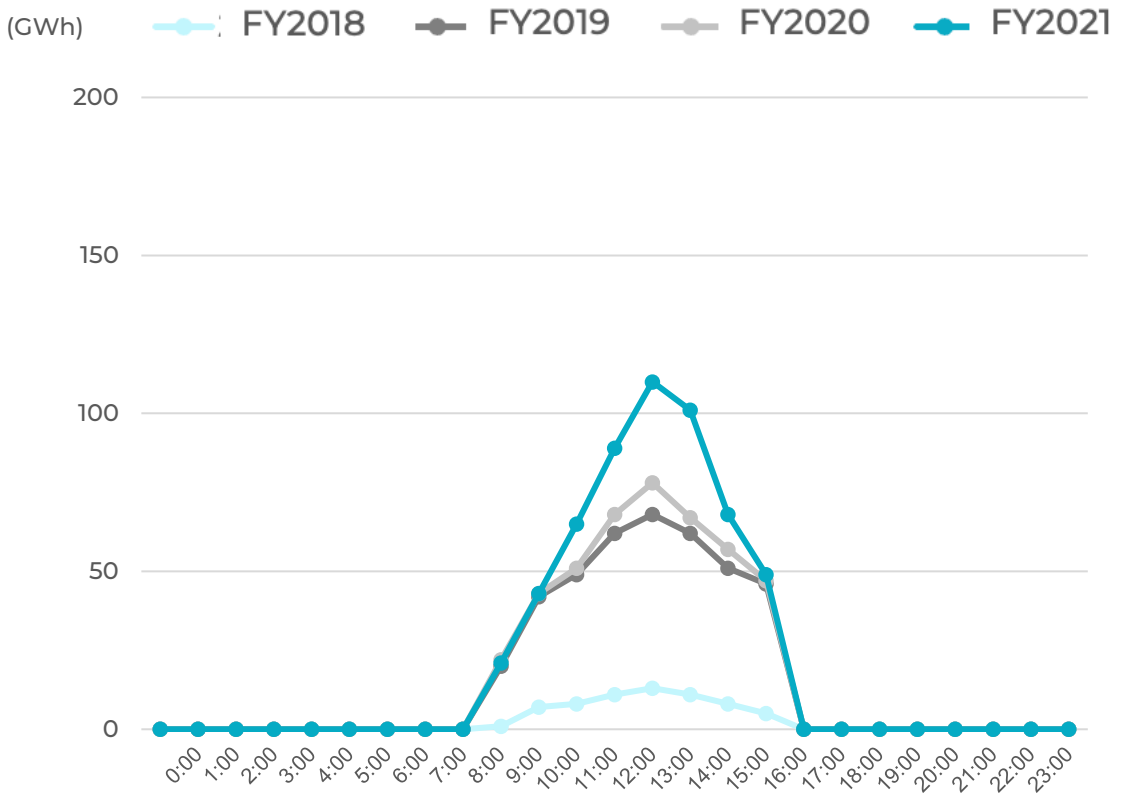
Business Environment Awareness (2)

The Japanese people will face increased costs in the move toward renewable energy, and at the same time there will be more output control. There need to be adjustments on the demand side as well as on the power supply side.

Renewable energy surcharges as a percentage of power/lighting charges*1



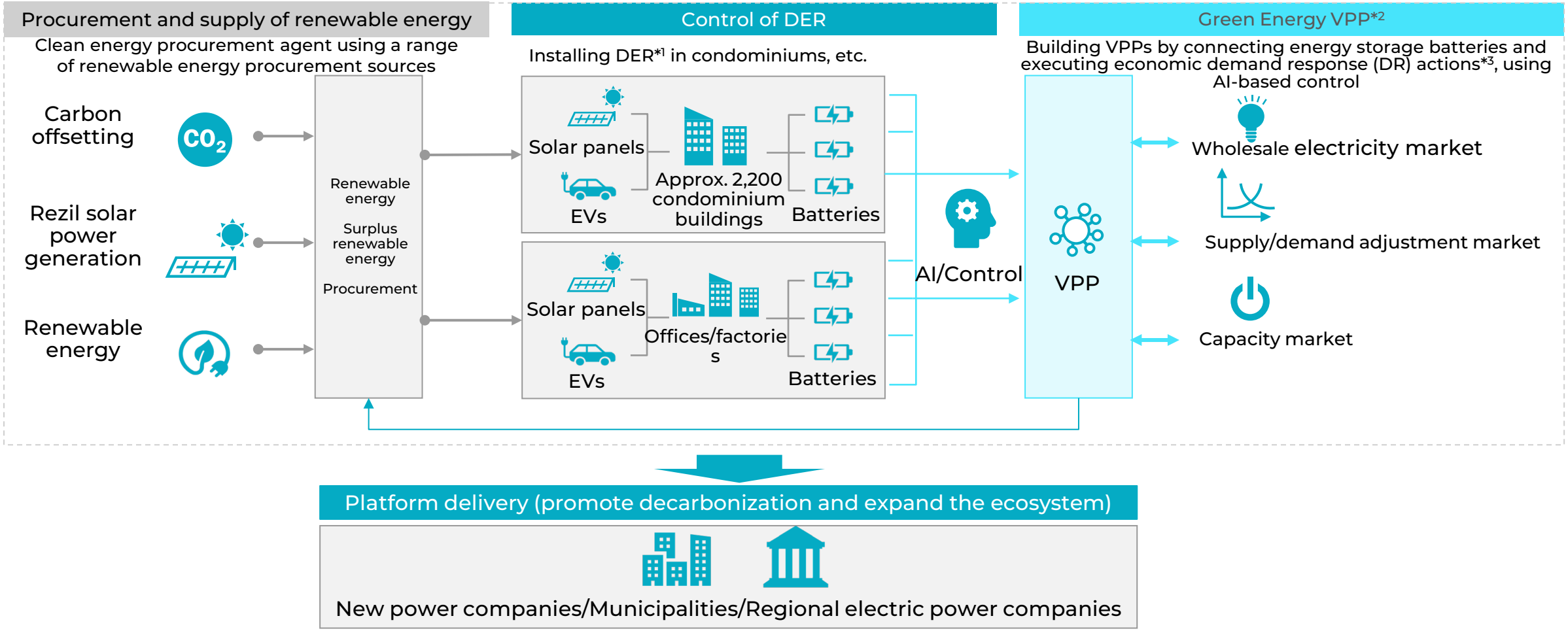
Total output control by time of day for solar and wind power in the Kyushu area



*1 Source: Created by Rezil using materials from the Ministry of Economy, Trade and Industry and the Agency for Natural Resources and Energy
*2 Source: Outlook for Distributed Energy Resources (DER), Nomura Research Institute, December 2022

Our Goal: Creation of a DER Platform

We aim to create a control system on the demand side to manage unstable renewable energy and to deliver this as a low-cost platform, thereby stabilizing Japan's energy resources and contributing to decarbonization for the nation.



*1 Distributed energy resources (DER): Energy sources such as solar power generation systems that are decentralized and owned by consumers in various locations
*2 Virtual power plant (VPP): A network of remote DERs that functions as if it were a single power plant based on integration and coordination by a central control system
*3 Controlling DERs such as energy storage systems with a focus on economic benefits

Looking Back | Initiatives and Results Over the Past Two Fiscal Years

Over the two years since President Tanji took over the reins, Rezil has rebuilt its business model and stabilized earnings structures, transformed organizational structures, and laid the groundwork for further dramatic change.

Further progress with sustainability of stable cash generation

Up to FY2024/6

1 Recovery in the number of new business prospects aimed at increasing the number of contracted households

- Bulk power purchasing service enrollments recovered to 3,000 households a year
- Orders also finalized for the emergency power reserve service (released in 2023)
- Progress in expanding business into rental condominiums and newly built condominiums

2 Earnings structures stabilized, strengthened

- Executed risk-off hedging measures, such as abolishing upper limits, to respond to fluctuating resource prices.
- Improved earnings power and renewal rates in the fiercely competitive Green Energy business, contributing to company-wide performance.

3 Organization restructured

- Headcount increased by 58 in FY2024/6 vs. previous fiscal year
- Won Grand Prize at the Career Ownership Management Award.
- Developed and implemented our own HR performance review system.

Output

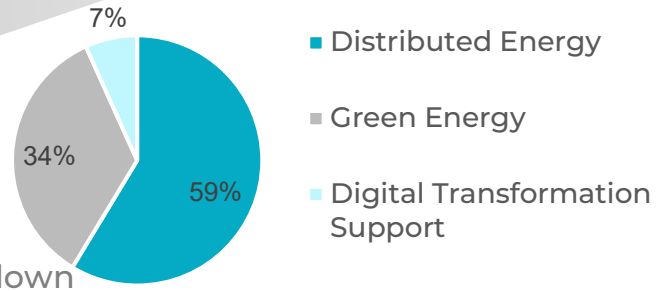
Stabilized the business portfolio and built new earnings pillars.

Pursuit of growth acceleration

FY2025/6

Explore new sources of income using business resources (customers, services, facilities, power capacity)

- Searched for potential new value propositions that combine Rezil's business resources with the restructured business foundation.
- Positioned as the first step to achieve stronger growth in the future.



EBITDA breakdown

Current Challenges Identified

Having identified internal and external challenges, we will steadily execute the next actions for growth.

Challenges identified	Next actions
Inadequate space to install energy storage systems in condominiums 	■ Explore the use of EVs as substitutes for energy storage systems (V2H*). ■ Start exploring the development of small-scale battery networks for household use. ■ Move into newly built condominiums where it is easier to incorporate these facilities from the design stage.
Electricity price instability 	■ Stabilize supplies using electricity futures and adjustment markets. ■ Explore installation of storage batteries for solar power generation systems beyond the Feed-In-Tariff (FIT) period.
Improvement in profitability per employee 	■ Introduce a new performance review system (Role-agnostic career progression system). ■ Close sales faster through alliances.

* Vehicle to Home: A system that uses the high-capacity batteries in EVs or plug-in hybrid EVs (PHEVs) as a source of power for the home

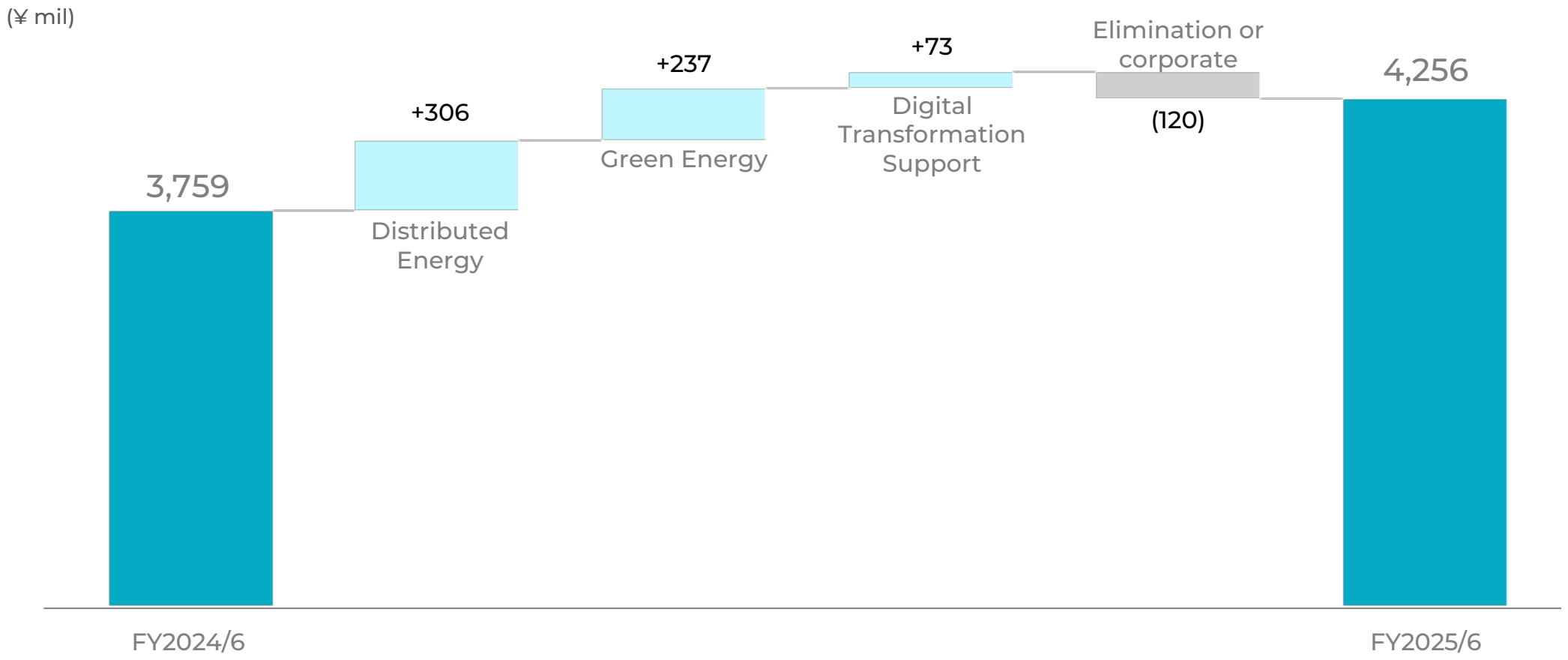
Full-year Consolidated Earnings Forecasts for the Fiscal Year Ending June 30, 2025

We aim to achieve over 10% growth in profits and EBITDA compared to the previous year. We also target record-breaking profits and EBITDA.

(¥ mil)	FY2024/6 (Results)	FY2025/6 (Forecasts)	YoY Change (%)
Net Sales	38,709	44,016	+5,307 (+13.7%)
Operating Profit	2,793	3,130	+336 (+12.1%)
Ordinary Profit	2,769	3,084	+315 (+11.4%)
Profit Attributable to Owners of Parent	1,986	2,198	+211 (+10.7%)
Earnings per Share (EPS) (Yen)	108.85	117.80	+8.95 (+8.2%)
EBITDA	3,759	4,256	+497 (+13.2%)

Consolidated EBITDA Forecast for the Fiscal Year Ending June 30, 2025 (Factors behind Changes)

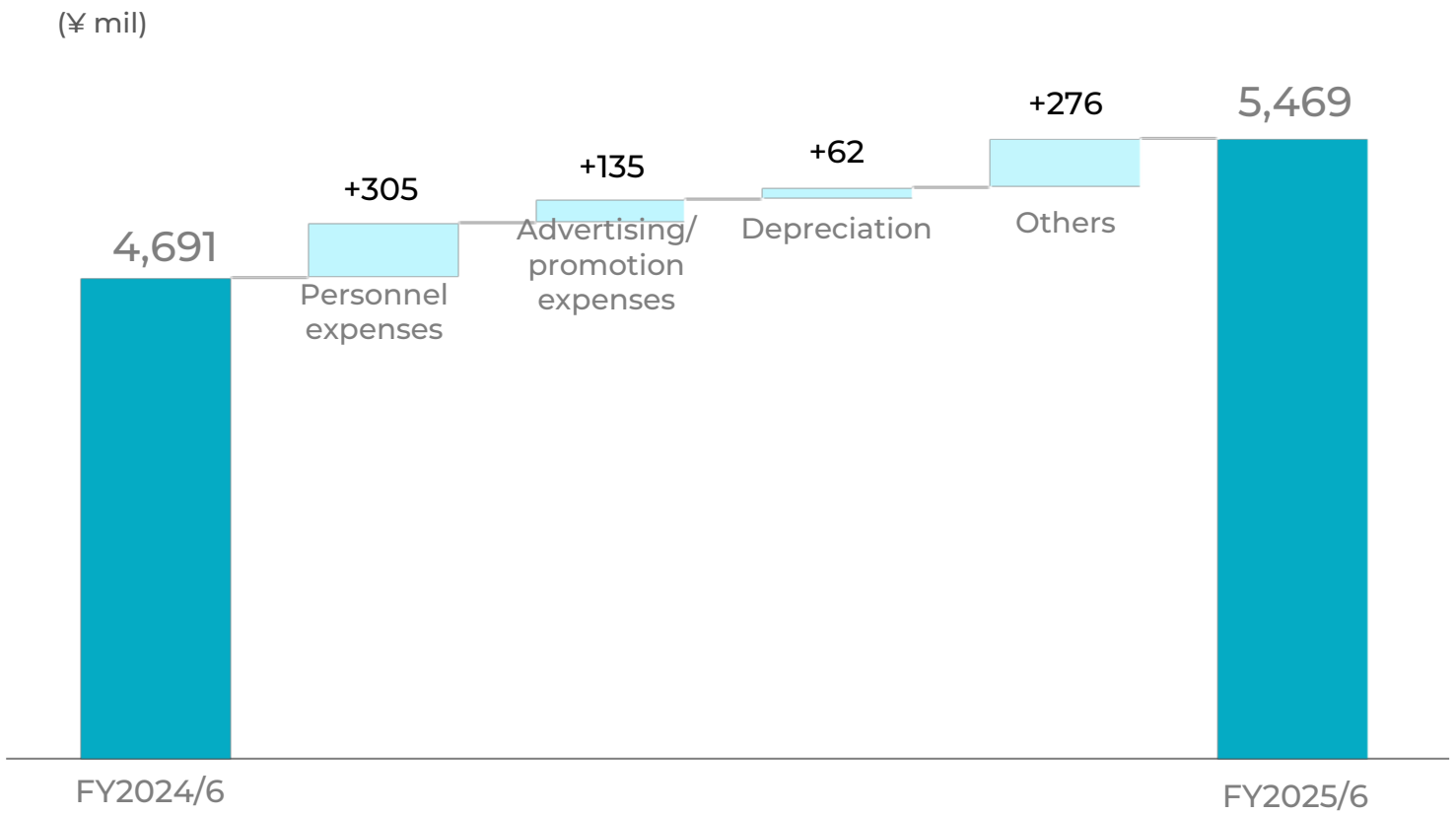
Aiming for EBITDA growth rates of over 10% in all segments



SG&A Expenses for the Fiscal Year Ending June 30, 2025 (Analysis of Factors behind Changes)

We expect an increase in SG&A expenses, including marketing expenses and full-year contributions from personnel expenses due to the increased headcount to develop systems for the company listing in the previous year and to accelerate growth.

Increase/decrease in SG&A expenses (FY2024/6 vs. FY2025/6)



Factors behind changes

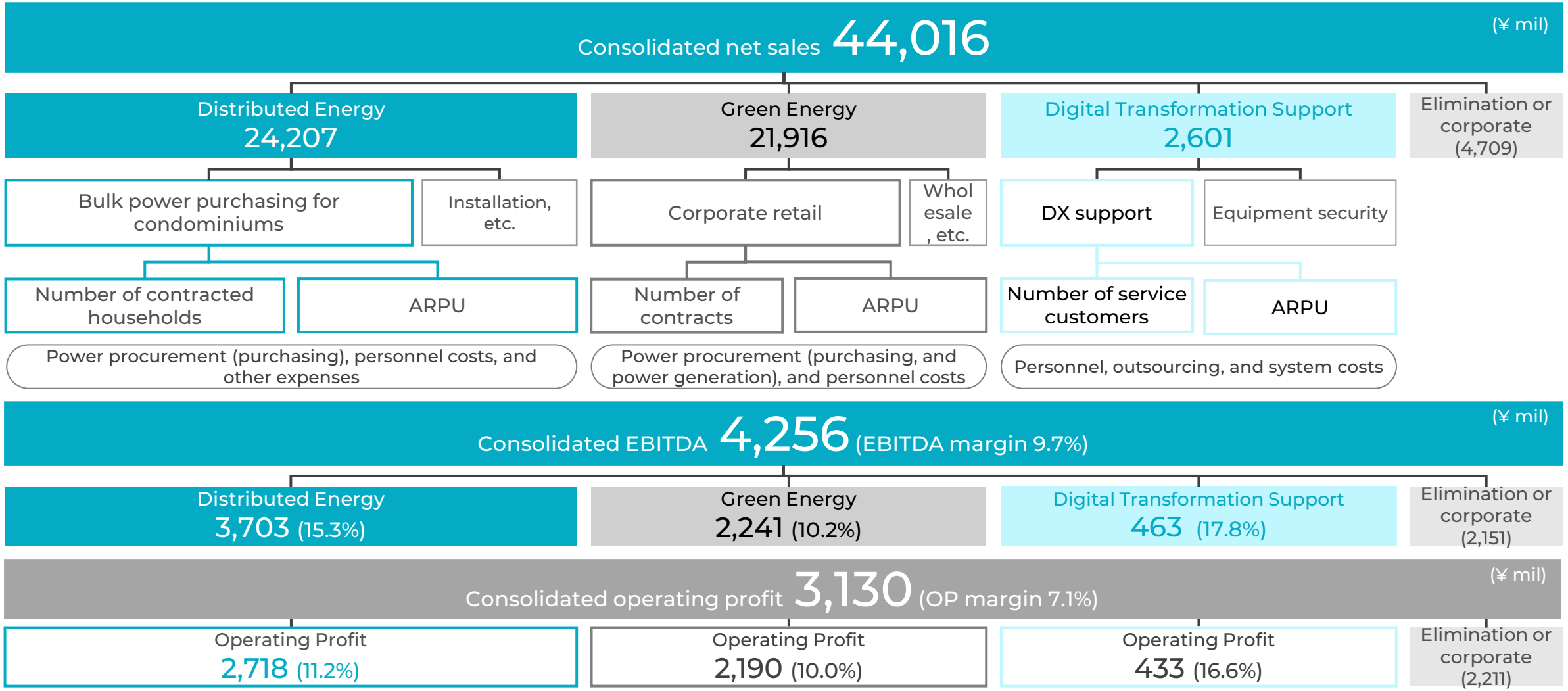
Personnel expenses

- Headcount increased by 58 in FY2024/6 vs. previous fiscal year (over 20% increase).
- In FY2025/6, we expect higher personnel expenses mostly because the increased headcount will contribute across the full year.
- We also expect to increase the headcount further in FY2025/6.

Other items

- We expect marketing expenses such as advertising expenses to increase by approx. JPY140 mil due to full-fledged operation of the Marketing Division newly established in the previous fiscal year.
- We will control other SG&A expenses appropriately, even including outsourcing expenses and other investments for business growth.

Segment Income Forecasts for the Fiscal Year Ending June 30, 2025

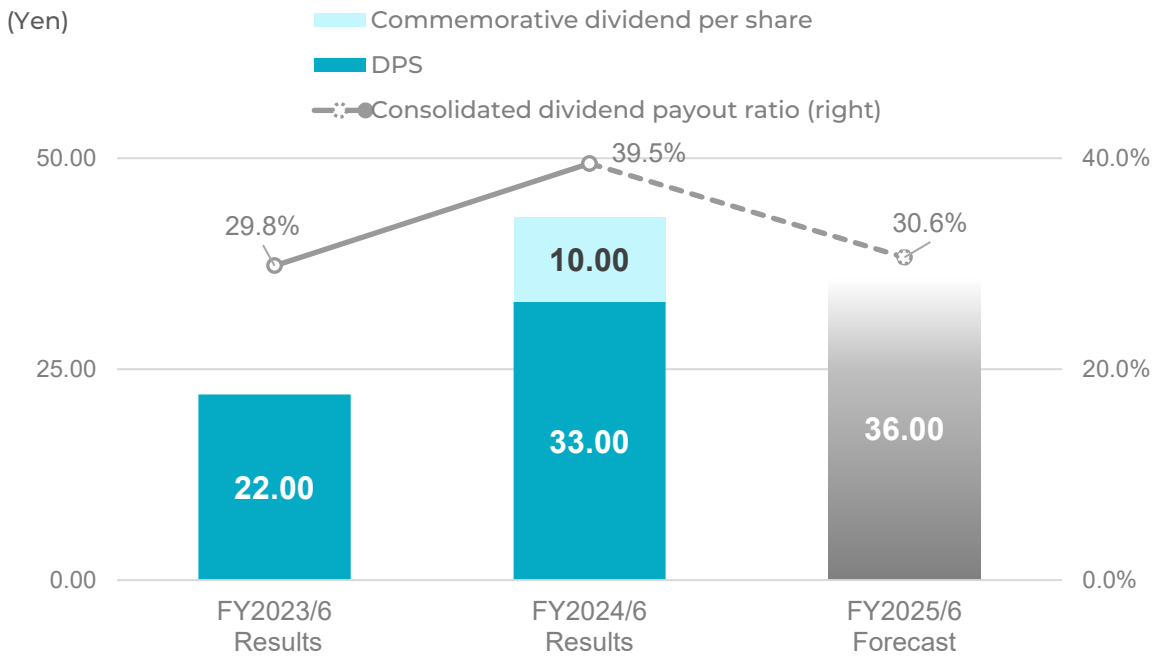


Note: Distributed Energy + Green Energy + Digital Transformation Support + elimination or corporate = Group-wide
Elimination or corporate include intersegment sales or transfers in sales. Profits include corporate expenses that are not allocated to each segment. Figures in parentheses show OP margin and EBITDA margin.

Dividend Policy and Shareholder Returns

For FY2024, we issued a commemorative dividend in addition to a regular dividend, celebrating the company's 30th anniversary.

Continuing a sustained and proactive approach to shareholder returns



	FY2023/6 Results	FY2024/6 Results	FY2025/6 Forecast
ROE	23.4%	27.4%	24.3%
EPS* (Yen)	73.92	108.85	117.80
Total dividends (¥ mil)	400	802	—

Our policy on shareholder returns in FY2025/6

Shareholder returns policy

- We will continue to pay stable dividends over the long term to our shareholders while ensuring we have the internal reserves necessary for future growth.
- We prioritize (1) investment in the future growth, including capital expenditure, M&A/partnerships, and human resource development, ahead of (2) dividends.
- We base our shareholder returns on a 30% consolidated dividend payout ratio.

Commemorative dividend

- FY2024/6 results
- 30th anniversary of the company's founding
- Capital requirements/share price trends

Commemorative dividend per share (yen)

10.00

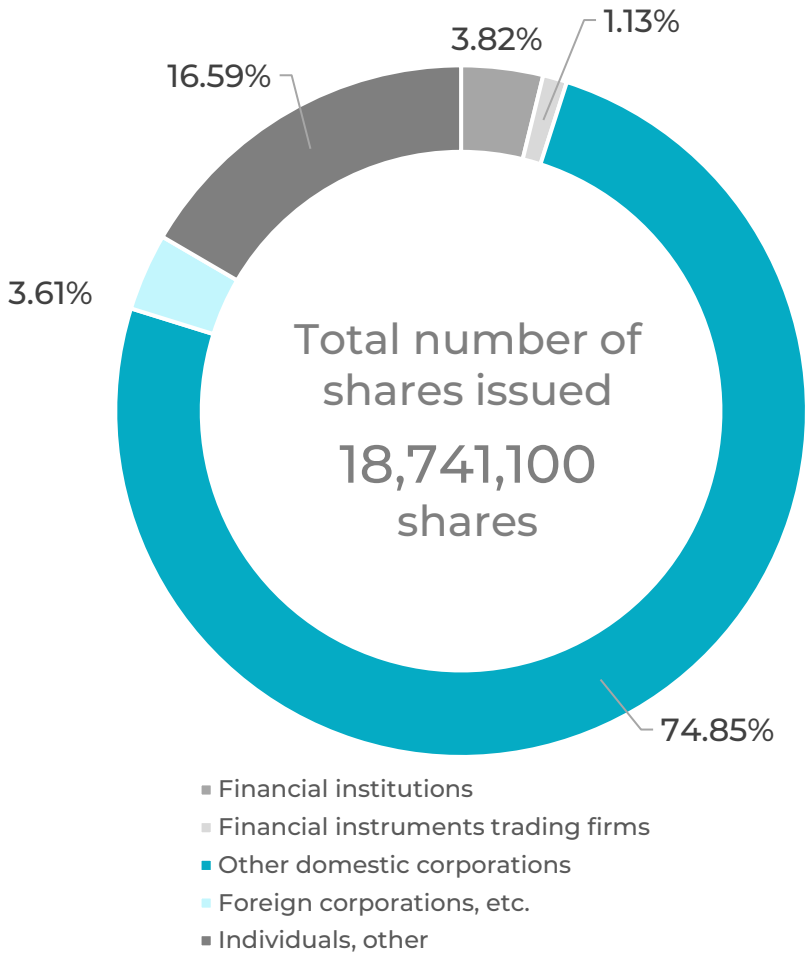
Consolidated dividend payout ratio: 39.5%

* The amount shown for EPS in the fiscal year ended June 30, 2023 takes into account the impact of the 50:1 stock split for common shares implemented on January 25, 2024.

Shareholder Composition

As of December 31, 2024

Name of shareholder	Number of shares (shares)	Shareholding ratio (%)
TEAM ENERGY INC.	9,085,000	48.47
The Kansai Electric Power Company, Incorporated	1,820,000	9.71
Seiji Nakamura	1,539,100	8.21
HIKARI TSUSHIN, INC.	1,517,600	8.09
UH Partners 2, Inc.	1,372,400	7.32
Custody Bank of Japan, Ltd. (trust account)	603,800	3.22
Mizuho Growth Partners Fund No.1 Limited Partnership Mizuho Capital Co., Ltd., unlimited liability partner	280,000	1.49
EEI Smart Energy Limited Partnership for Investment Energy & Environment Investment, Inc., unlimited liability partner	183,500	0.97
BNYM RE BNYMLB GLOBAL PRIME PARTNERS LTD	178,500	0.95
BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD	130,684	0.69



Rezil's Milestones

The essence of our company is to develop the businesses needed to tackle the social challenges of our times. We drive growth through continuous self-improvement in management.



Seiji Nakamura, Founder

- Serial entrepreneur
- Goal of developing 1,000 company presidents

Turn Chuo Electric Power (former company name) into a company that achieves sustainable growth



Yasutoshi Hirano, 2nd President

- Former member of Mitsubishi Corporation and former president of Diamond Power Corporation
- Many years of expertise, experience, and business connections in the electric power industry

Use the customer base to build a platform



Hozumi Tanji, current President

- Record of accomplishments at Rakuten and other platform providers
- An engineer with management expertise

Relaunch to transform the company

1994–2003	2004–2013	2014–2024	For the next 30 years

Changes in main businesses and services

Energy conservation and reduction in electricity costs (from 1994)

Condominium bulk power purchasing service (from 2004)

Electric works/Electricity safety investigation service (from 2012)

Geothermal power generation (Furusato Netsu-den Co., Ltd./launched in 2012, excluded from affiliated companies in 2022)

Electricity retail service (from 2016)

Gas retail service (from 2018)

Solar power generation (from 2021)

Distributed energy resources platform

Renewable energy procurement and supply

Provision of systems/BPaaS

Emergency power reserve service/AI-controlled batteries/VPP

Management Team

Attracting professionals in technology, energy, finance, and other areas to relaunch the business and thrive for the next 30 years



Representative Director and President

Hozumi Tanji

Management strategy and digital transformation

Graduated from the Graduate School of Science and Technology, Tokyo University of Science. Joined Hewlett-Packard Japan in 1998. Joined Rakuten, Inc. in 2001 and served in posts such as General Manager of Rakuten University Division and subsidiary director. Joined MISUMI Group Inc. in 2010. Successfully turned around Cygni Corporation, a subsidiary, from a decade of losses to profitability, elevating it to an industry leader. Joined Rezil Inc. in 2020 after serving in executive roles in various companies and gaining experience in turnarounds.

Became a Director and Executive Officer in April 2021, then assumed the role of Representative Director and President in December 2021.



Director and CFO

Naotaka Yamamoto

Finance and M&A

Graduated from the Faculty of Economics, University of Tokyo. Joined Central Japan Railway Company in 1998. Joined HSBC's Investment Banking Division in 2001 to acquire financial skills. Joined Japan Industrial Partners, Inc. in 2005, handling corporate acquisitions, hands-on management support, and corporate sales. Joined MISUMI Group Inc. in 2011, leading the sale of subsidiaries and acquisition of North American companies as the M&A head in the Corporate Planning Department.

Joined Rezil Inc. in February 2021, appointed Director and CFO in December of the same year.



Director

Yusuke Murata

Business development and organizational development

Graduated from the Faculty of Law, Keio University. Joined Rakuten Group, Inc. in 2006. Was subsequently responsible for new business startups and organizational development and pursued business growth at various companies, including MISUMI Group Inc. Head Office, Recruit Co., Ltd., various start-ups. Joined Rezil Inc. in 2021. Appointed General Manager of the Green Energy Division and Executive Officer in January 2023 and Director in September 2024. Now is in charge of Distributed Energy Division and Green Energy Division. Also serves as Representative Director and President of Chuo Electric Power Energy Co., Ltd.



Director and Audit & Supervisory Committee Member

Hiroshi Kiyota

Compliance

Graduated from the College of Liberal Arts, International Christian University. Joined Sanwa Bank, Ltd. (now MUFG Bank, Ltd.) in 1993, dedicating over 20 years to corporate finance operations. From 2016, focused on compliance-related internal structure and rule development, and dealt with overseas financial authorities as part of the Planning Group in the Compliance Division and Global Financial Crimes Control Division. Seconded to Rezil Inc. as Internal Audit Office manager in 2021.

Transferred to Rezil Inc. in January 2022, appointed as Internal Audit GM, and became a Director and Audit & Supervisory Committee Member in March 2023.



Outside Director and Audit & Supervisory Committee Member

Saki Suzuki

Legal and Accounting

Graduated from the Waseda Law School, Waseda University. Registered as an attorney in 2016 and became a certified public accountant in 2022. Joined Hori Sogo Law Office in 2017, primarily handling corporate law. After about two years in accounting audits at PwC Aarata LLC, joined the Trident law firm in 2022. Appointed as an Outside Director and Audit & Supervisory Committee Member of Rezil Inc. in June 2022.



Outside Director and Audit & Supervisory Committee Member

Kyoichiro Suzuki

Intellectual Property and Systems

Graduated from the Faculty of Engineering, Hokkaido University. Registered as a patent attorney in 2014. Led software product development at Silicon Valley ventures and listed companies for 13 years from 1991. Joined Microsoft K.K. (now Microsoft Japan Co., Ltd.) in 2004, holding roles such as Executive Officer of Developer & Platform Evangelism, CIO for Japan and Asia, and General Manager of the IT Division at the U.S. headquarters. Founded Leftright Corporation in 2012, offering intellectual property management consulting and innovation support. Appointed as Outside Director and Audit & Supervisory Committee Member of Rezil Inc. in March 2023.

Key Offering: Bulk Electricity Purchasing Service for Condominium Buildings

Create a large collective consumption group consisting of approximately 2,600 condominium buildings and 245,000 households allowing us to increase our buying power in procurement and to provide residents with discounted electricity.

Electricity purchase and sale contracts are concluded between the electric companies and Rezil

Rezil is positioned as an electricity consumer

Electric power companies

Power plant

Electricity

Procurement cost

REZIL

A large-scale collective consumption group, consisting of 240,000 households

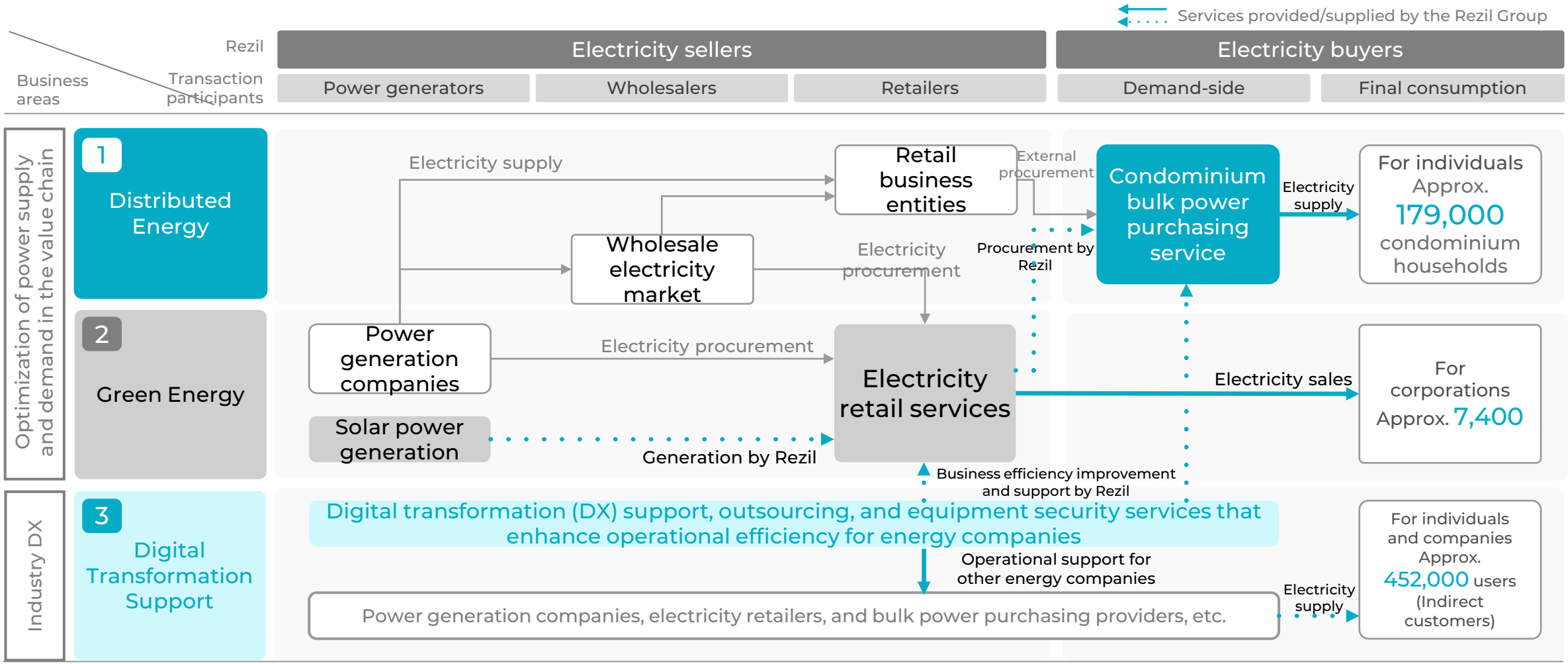
Initial contracts span 10 to 15 years, with automatic renewals for one to three years thereafter.

Equipment supply, meter readings, fee calculation, billing, electricity works, power supply security

Charge the amount equivalent to electricity bill

Business Flow

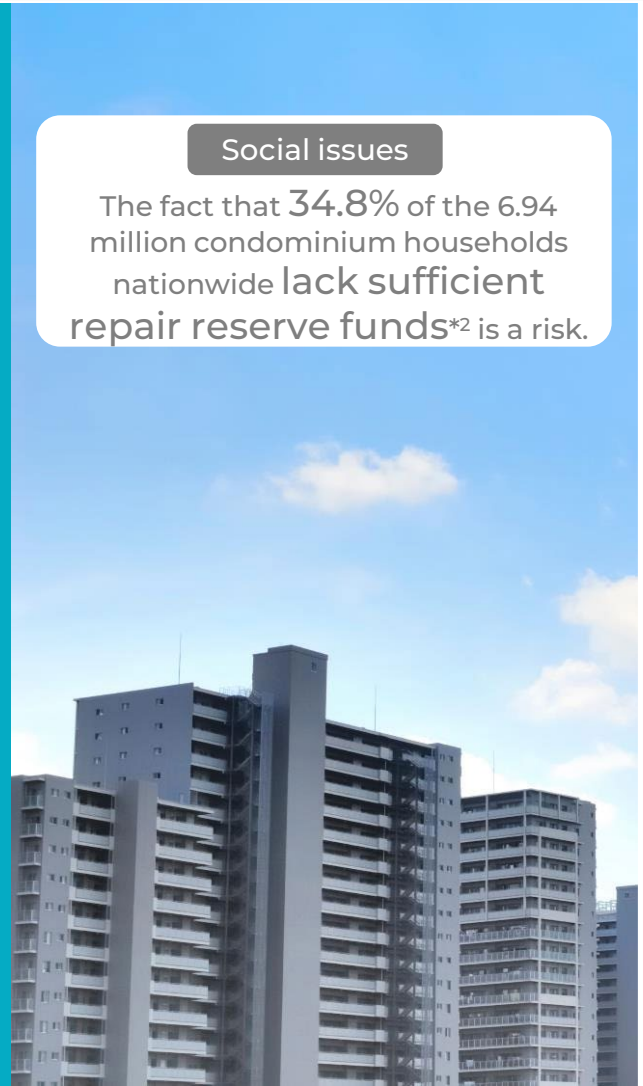
We interweave our three dynamic business cores to increase the value added while also building a system to deliver value to diverse stakeholders.



Note: Final consumption figures above are the figures as of December 2024.

Distributed Energy | Condominium Bulk Power Purchasing

Substations are provided to existing condominiums*1 that lack sufficient repair reserve funds without any upfront investment. We reduce electricity rates mainly for common areas and support the accumulation of reserve repair funds.



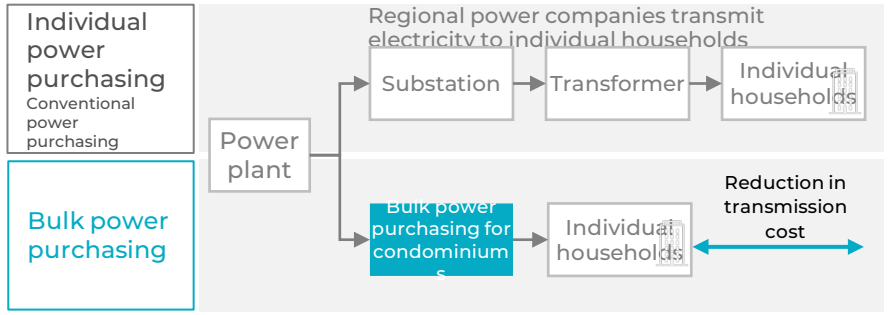
Social issues

The fact that 34.8% of the 6.94 million condominium households nationwide lack sufficient repair reserve funds*2 is a risk.

Business advantages

1 Substations are installed in condominiums

This service enables bulk power purchasing for condominiums and reduces power transmission costs.



2 Rezil procures and installs the necessary equipment

This makes it possible to reduce electricity rates for condominium management associations and residents without any upfront investment.



Substations



Meter

¥ Purchased by Rezil

Value proposition

For condominium management associations

Increase in repair reserve funds

Reducing electricity rates for common areas helps condominiums to accumulate repair reserve funds.

Administrative fees — Electricity rates for common areas



For condominium residents

Reduction in electricity cost burden

Reducing electricity rates for exclusive use areas reduces the burden on the household budget.

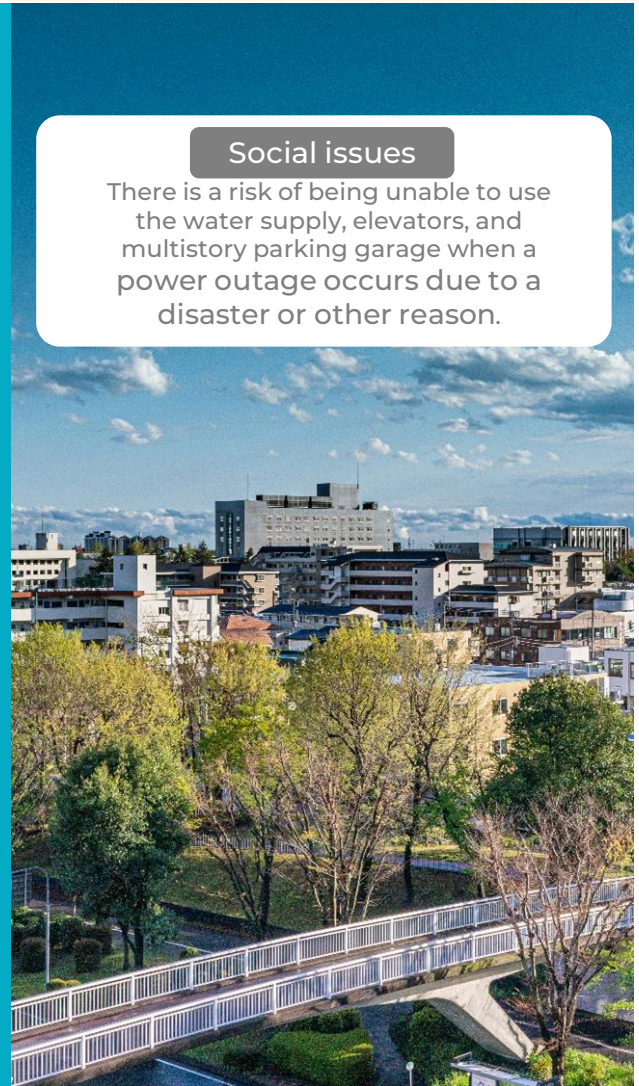
Income — Electricity rates for exclusive use areas



*1 Main targets are properties with 20 or more households per building, mainly in the Kanto and Kansai areas.
*2 See the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) “Comprehensive Survey on Condominiums in 2022” for the number of condominium households across Japan, and the MLIT “Comprehensive Survey on Condominiums in 2018” for the shortage rates for repair reserve funds.

Distributed Energy | Emergency Power Reserve Service for Condominiums (Bulk Power Purchasing + DER Equipment*1)

In addition to installation of substation equipment through bulk power purchasing, we provide a full range of services for installation and control of energy storage systems, power generators, and other equipment to enhance energy resilience*2.



Social issues

There is a risk of being unable to use the water supply, elevators, and multistory parking garage when a power outage occurs due to a disaster or other reason.

Business advantages

1 Necessary equipment is purchased and installed in condominiums as Rezil assets

In addition to substation equipment enabling bulk power purchasing, energy resilience can be enhanced without any upfront investment by condominium associations or residents

Batteries
Rooftop solar power generation
EV charging stations

Purchased by Rezil

2 Reducing electricity costs using AI-based equipment control

By using DER equipment and AI arbitrage to control electricity demand, we can generate revenue by taking advantage of the daytime/nighttime price differential.

Procurement of electricity → DER, energy storage systems → Electricity provision

Generating profits by utilizing rate differences

Value proposition

For condominium residents

Power supply during an outage

The service resolves the lack of freedom and concerns residents have because they are living in a housing complex.

- Water pump (for restrooms)
- Elevator operation
- Emergency power source
- Multistory parking garage



By optimizing electric power supply and demand

Increased value from decarbonization

We promote decarbonization by controlling electricity with DER equipment.

Bulk power purchasing + Solar power generation + Battery control

Decarbonization

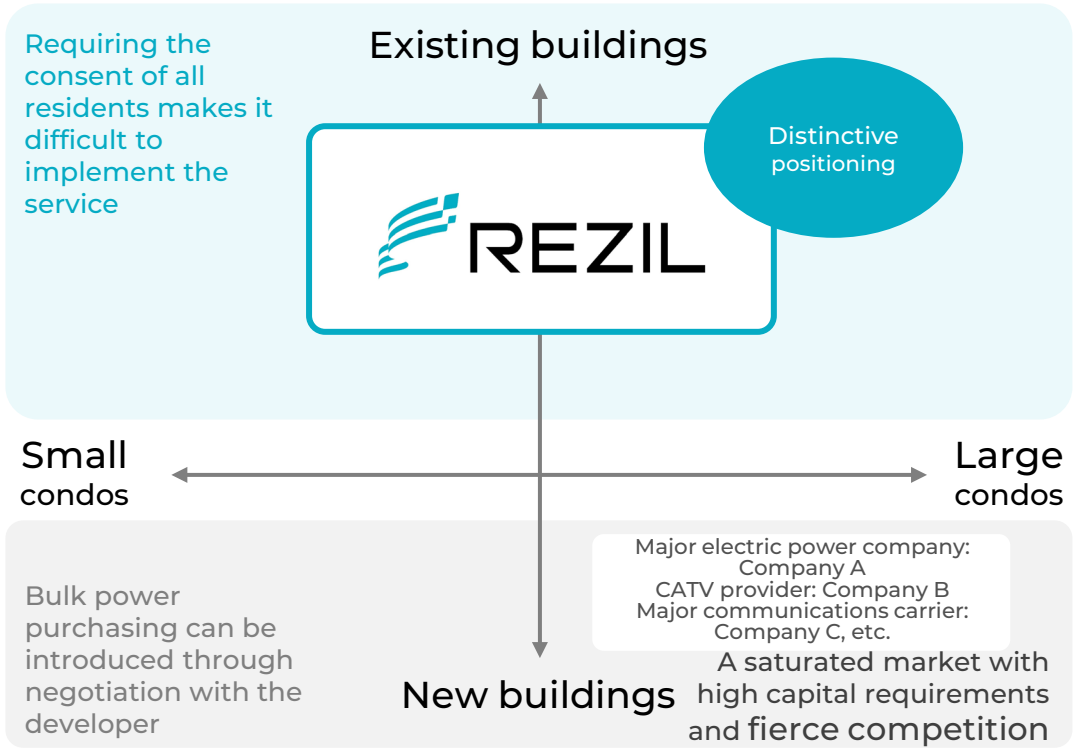


*1 Distributed energy resources (DER) equipment: Equipment for distributed energy resources such as substations, solar power generation, batteries, and EV charging stations
*2 Upselling services to provide discounted electricity rates through bulk power purchasing to free up funds for increasing energy resilience through the use of batteries, etc.

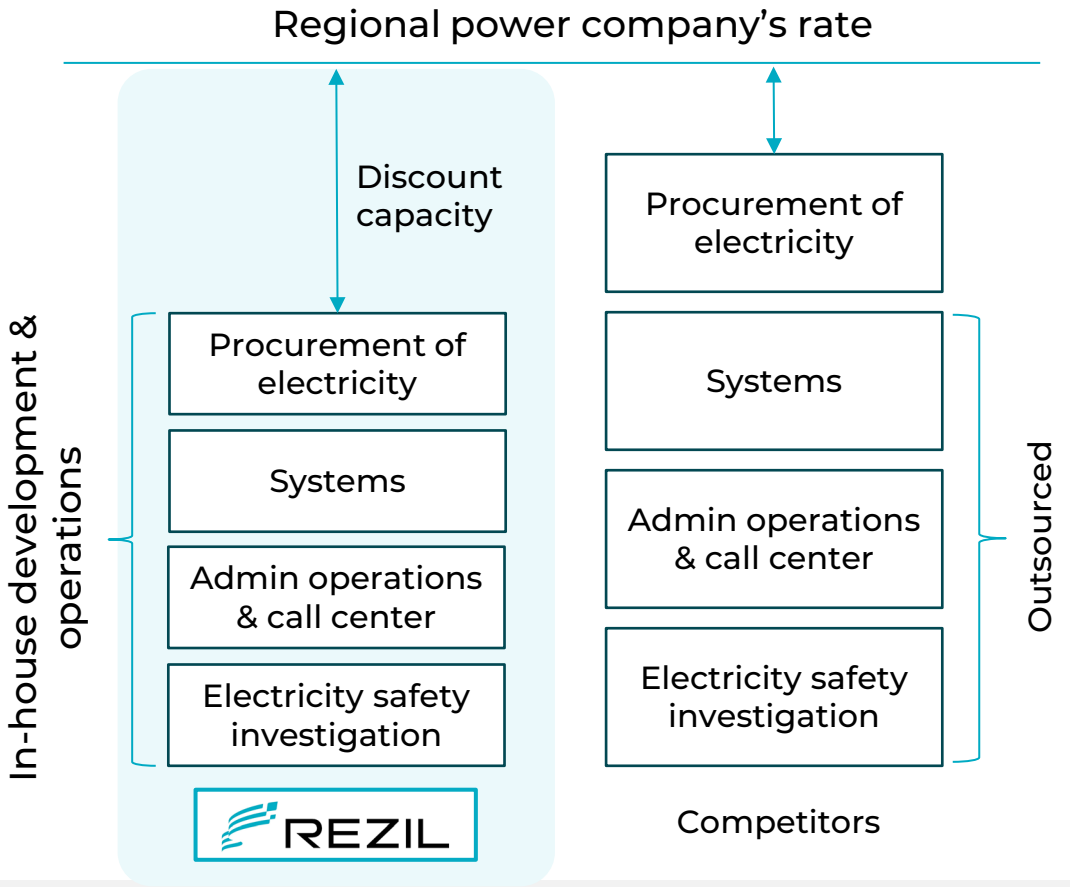
Distributed Energy | Our Competitiveness

As well as our core market with existing buildings, we now aim to win business in new customer segments, with a focus on the emergency power reserve service.

Market positioning: Bulk power purchasing for condominiums



How we generate cost competitiveness (illustration)



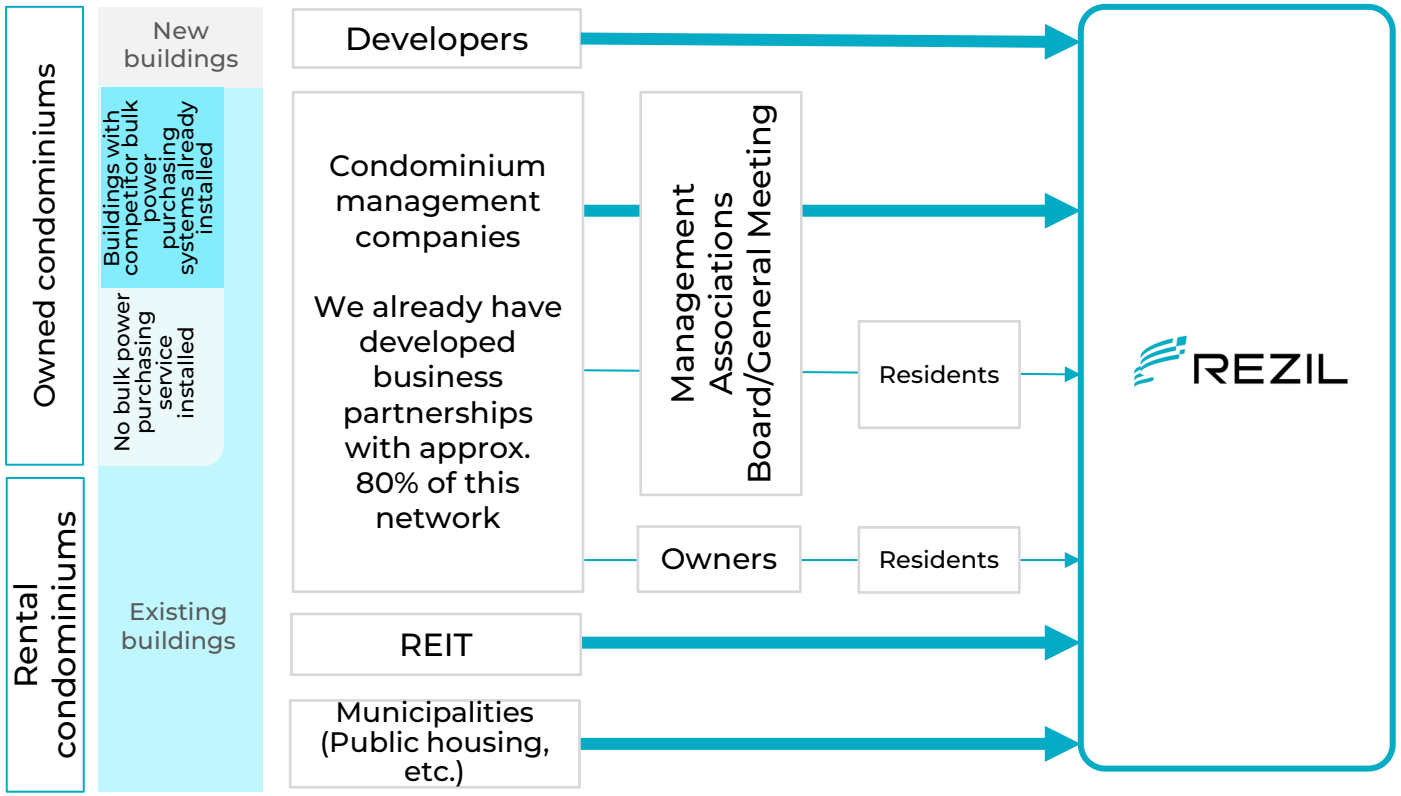
Note: The diagram at left shows our proprietary analysis and evaluation of the market. Definitions of large and small condos: 100+ units and 20+ units of residential buildings, respectively. The size of the market envisioned for existing and new buildings is based on the following figures: 6.94 million units for existing condos (Ministry of Land, Infrastructure, Transport and Tourism [MLIT] "Comprehensive Survey on Condominiums in 2018"), an annual increase of 100,000 units for new-build (refer to the number of new units supplied from 2018 to 2022 in the MLIT "Sales Trends for Condominium Stock"). Condominium management company coverage is calculated by the company based on the number of household units managed by members of condominium management associations that do business with the company.

Distributed Energy | Strategy for Capturing New Customers

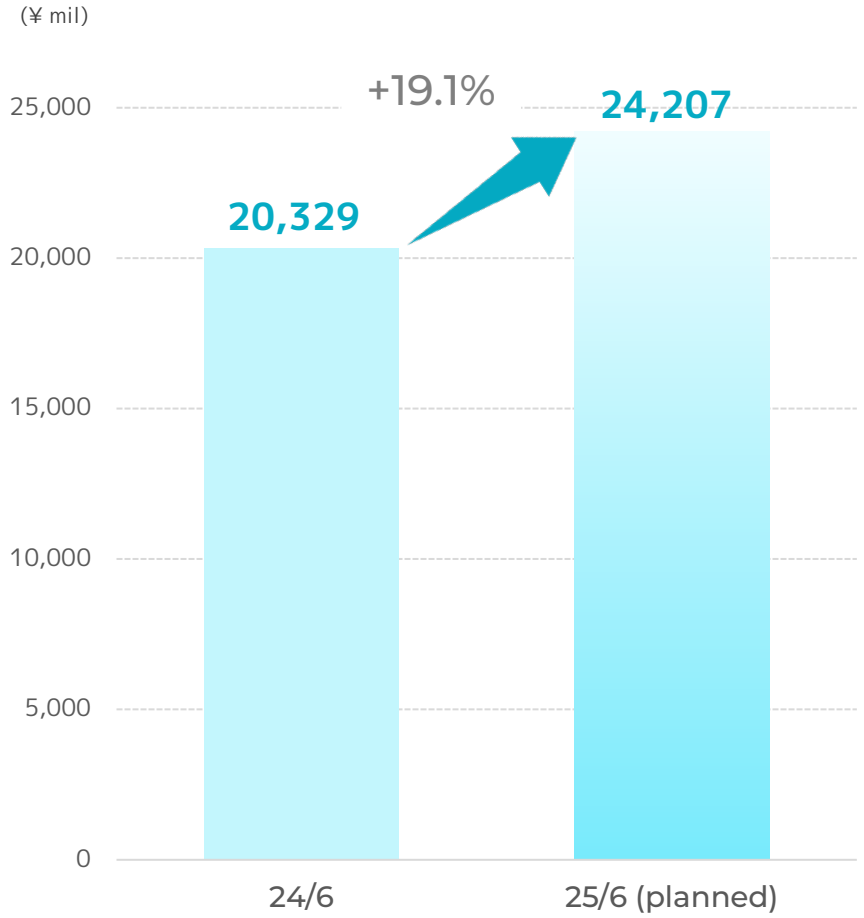
For bulk power purchasing, we focus on switching customers to Rezil as this helps to reduce installation lead times. We will explore new areas by expanding sales of the emergency power reserve service.

Business lead channel for newly built condominium market

Around 30% of new buildings, mainly large ones, have installed bulk power receiving systems, while the remaining 70% have not yet done so, meaning that these potential customers are our target we can focus on acquiring.



Sales plan and progress



Distributed Energy | Support for Pioneering Local Decarbonization Initiatives

Building a system for maximum utilization of existing local assets via collaboration with the Decarbonization Solution Division.

Propelling initiatives in sustainable decarbonization by municipalities

Case study

Signed a collaboration agreement with Yokohama city to promote local decarbonization

Supporting the city to achieve carbon neutrality through CO_2 emission reductions in the residential sector

REZIL × 明日をひらく都市 OPEN×PIONEER 横浜市

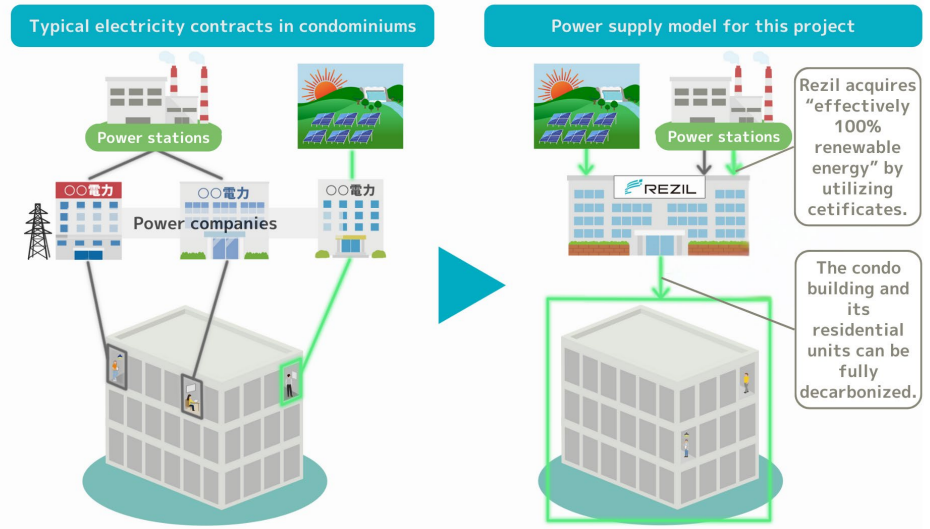
Key agreements

- Introduction of renewable electricity in housing complexes
- Activities that contribute to the promotion of renewable energy electricity in housing complexes
- Promotion of integrated introduction of renewable energy in housing complexes, including solar power generation and storage batteries

Launched '100% Renewable Energy Condo Project' to supply renewable energy to all units in one condominium, made possible by bulk power purchasing

We used the bulk power purchasing system and supplied renewable energy to a condominium in the city which is already using Rezil's condominium bulk power purchasing service.

We expect this to reduce CO_2 emissions by roughly 1,000 tons a year.*



* Calculated based on the annual electricity consumption of the condominium in this project in 2023 (approx. 2.25 million kWh) and the fiscal 2023 emissions factor for the electricity supplied through our condominium bulk power purchasing service.

Distributed Energy | Market Expansion Through Cooperation and Collaboration

Establish a foothold in the newly-built condo market through a multifaceted approach to accelerate the adoption of services.

Cooperative approach with major residential property management company

Case study

Concluded business partnership agreement with Takara Leben

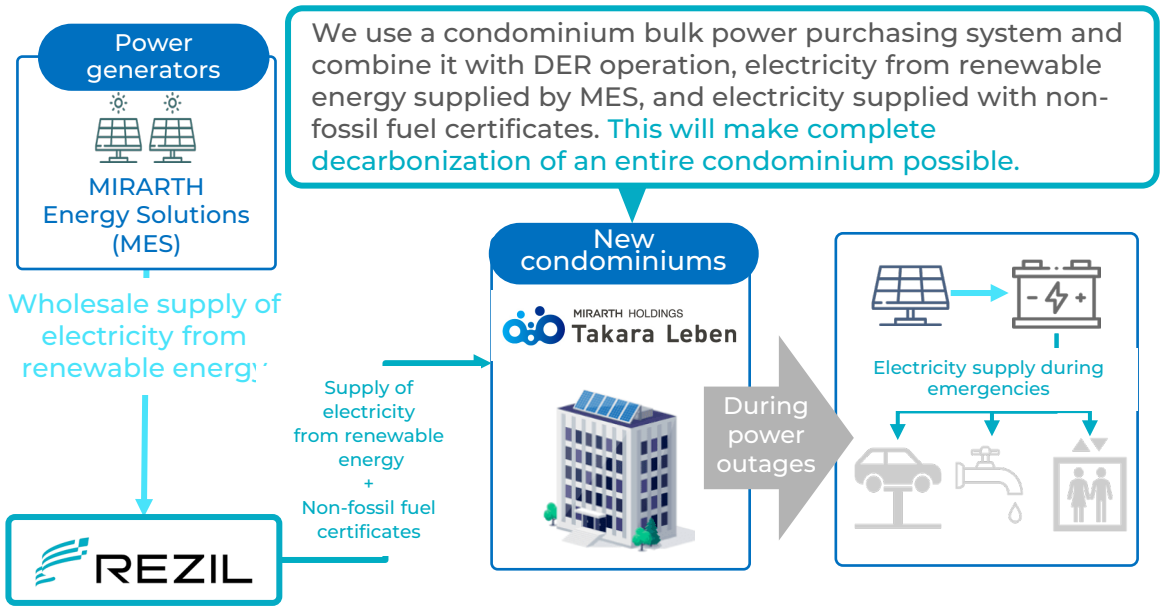
Joint development of new services aimed at decarbonization plus greater resilience during disasters in newly built condominiums

REZIL × MIRARTH HOLDINGS Takara Leben

- We developed a new service that combines the expertise Rezil has accumulated in condominium bulk power purchasing services and DER operating along with management technology with renewable energy from a solar power plant developed by MIRARTH Energy Solutions (MES) in the MIRARTH HOLDINGS Group
- We are pursuing complete decarbonization of new condominiums developed by Takara Leben

We can achieve complete decarbonization of an entire condominium by using renewable energy and non-fossil fuel certificates along with high voltage bulk power purchasing and control and operation of DER in the condominium.

Our collaboration with Takara Leben not only facilitates decarbonization but also enhances resilience during disasters in the newly constructed condominiums.



Green Energy

Our retail electricity services include in-house solar power generation, carbon offsetting, and collaboration with various power companies.



Social issues*1

21.7% compared to Japan's target ratio of 36% to 38% in 2030.

Business advantages

1 Two rate plans provided according to the customer's needs

Customers can select a rate plan that fits their needs.

Fixed	Conforms to the standard rate structure of the major regional power companies
Variable market rate	Electricity rate is linked to the transaction price on the Japan Electric Power Exchange (JEPX)

2 Electricity procurement based on stable demand from bulk power purchasing for condominiums

This not only gives us bargaining power in procuring electricity, but it contributes to maintaining the electric power supply chain for other businesses as well.

Bulk power purchasing for condominiums + Customers = Large-scale electricity demand

Value proposition

For customers

Reduction in electricity cost burden

Reducing electricity rates reduces the fixed cost burden on the customer.

Income − Cost of electricity



For customers

Decarbonization without any special effort

Conventional electric power is offset through non-fossil fuel energy certificates*2.

Conventional electric power + Non-fossil fuel certificates = CO_2-free electric power

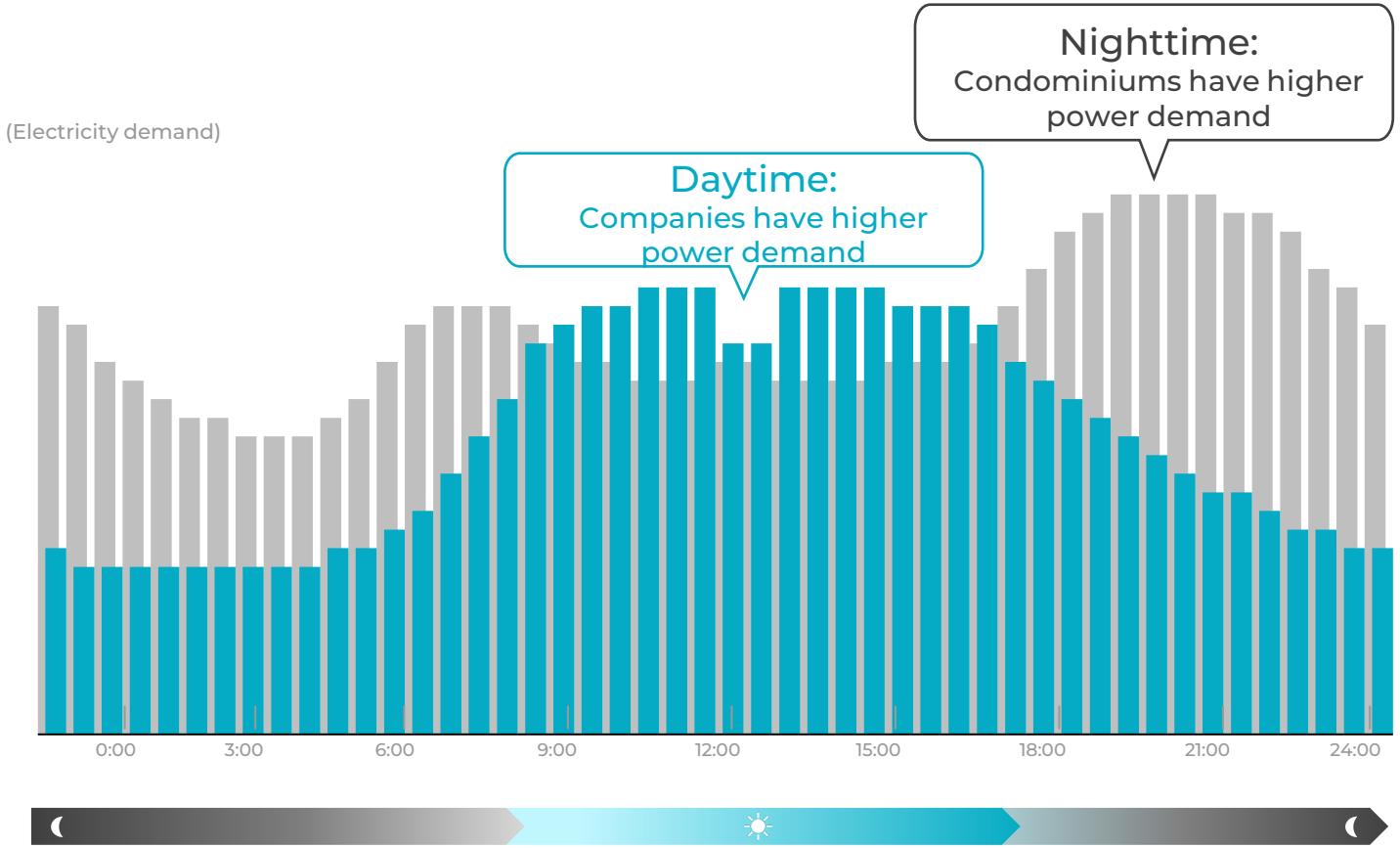


*1 See the Ministry of Economy, Trade and Industry "FY2022 Energy Supply and Demand Results (Preliminary Report)."
*2 A certificate that allows the environmental value of electricity generated from non-fossil fuel sources, namely those that do not emit CO_2, to be separated and traded.

Green Energy | Our Competitiveness

We have established a competitive advantage through our purchasing power that utilizes volume discounts and demand flattening based on daily electricity demand.

Electricity demand curve (condominiums and companies)



Strengths in procurement

Demand flattening based on daily electricity demand

We flatten the demand curve by aligning the demand curve of condominiums with bulk power purchasing and the supply curve in electricity retail

Positioning as a large-scale demand-side player

We procure green energy and attract volume discounts for large-scale consumption, including the bulk power purchasing for condominiums

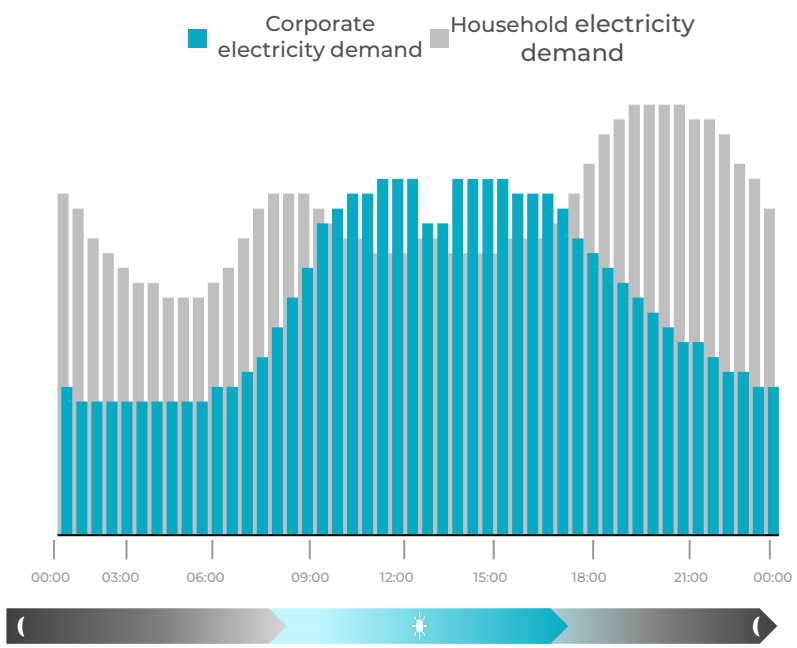
Source: The figure above was created by Rezil based on the electricity demand of condominiums and companies.

Green Energy | Risk Hedging in Procurement

Plan to execute risk hedging through power trading, such as seasonal and regional swaps, as well as balancing day and night demand.

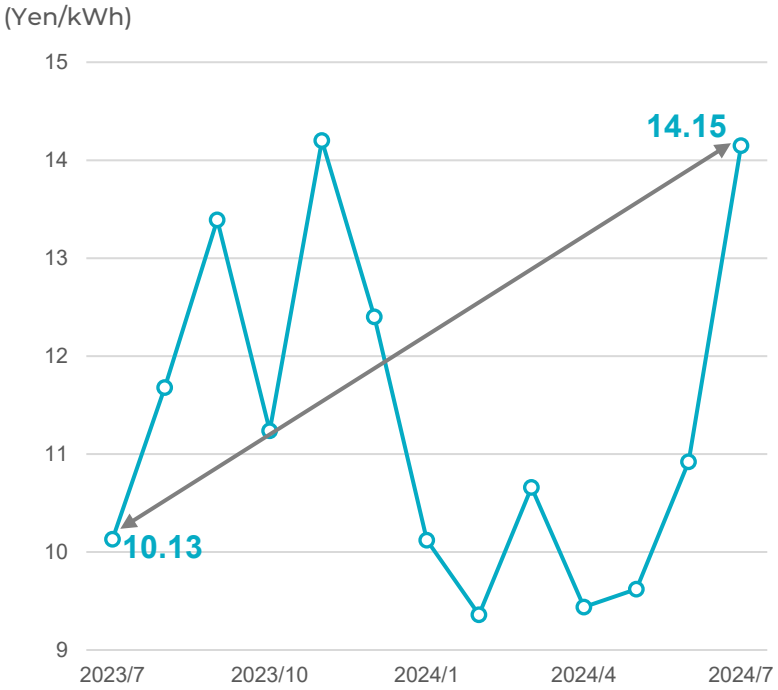
New electricity demand curve

Ensuring a certain level of electricity demand (base power source) throughout the day



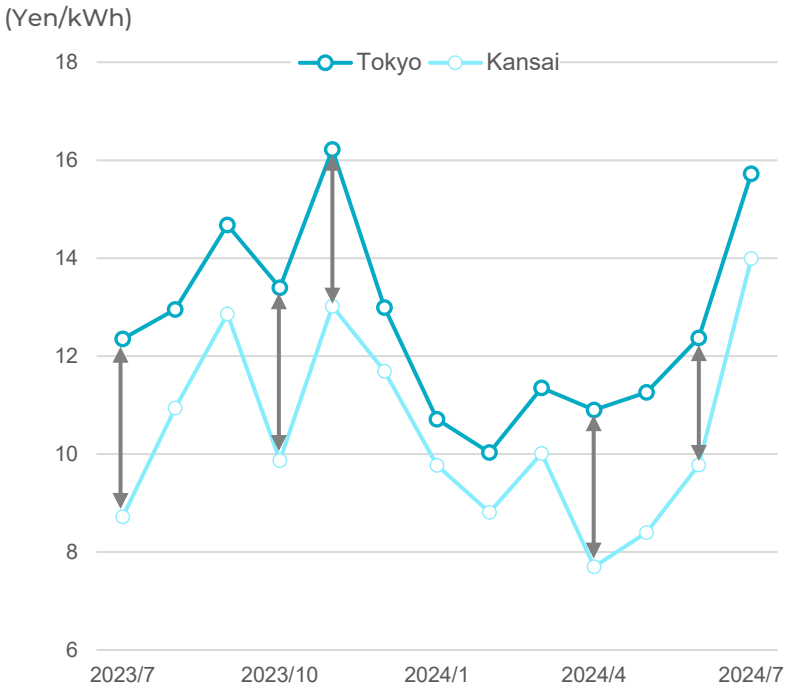
Seasonal fluctuations

Risk hedging of wholesale price differentials (up to 1.5x) through electricity futures trading



Regional swaps

Leveraging price differences between the east and west caused by the operational status of nuclear and solar power plants



Source: The left graph was created by Rezil based on the electricity demand of condominiums and companies. The middle and right graphs were created by Rezil using Japan Electric Power Exchange (JEPX) market trading data.

Green Energy | Reduction in Scope 2 and Scope 3 Emissions at Client Companies

Enhancing Renewable Energy Adoption: Power Supply Expansion to Office Buildings Following Emergency Power Reserve Services for Investment Properties

Supporting decarbonization efforts by major residential property management companies and REITs

Case study

Supply of electricity that meets RE100 criteria to office buildings operated by Sankei Building Asset Management

REZIL × Sankei Building Asset Management Co.,Ltd.

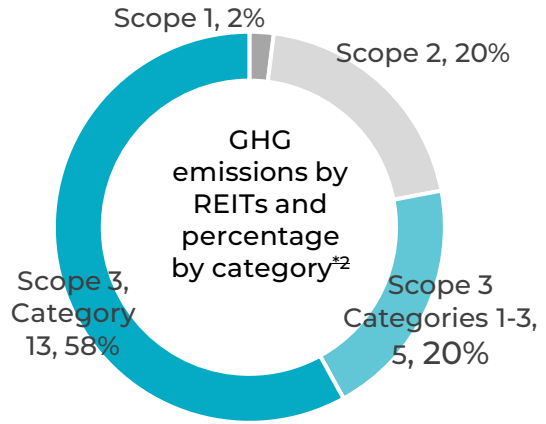
- We have begun supplying an RE100 menu for renewable energy to five office buildings operated by Sankei Building Asset Management.
- We supply electricity that effectively meets RE100 criteria, using feed-in tariff (FIT) non-fossil fuel certificates with tracking information*1

GHG emissions and Scope categories for REITs and real estate developers

Scope 2: Electricity and heat consumption (purchased energy) at properties managed and owned by developers and REITs

Scope 3: Encompasses a wide range, including supply chain and tenant activities, manufacturing and transport of construction materials, and waste generated during construction and demolition

⇒ Response to Scope 3 is increasingly demanded, including the trend toward obligatory disclosure of climate-related information in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)



Main Scope 3 categories for REITs

- Electricity consumption by tenants (Category 13)
- Manufacture and transport of construction materials
- Construction and demolition
- Tenants moving (transportation)
- Waste management

*1 Energy supplied with non-fossil fuel energy certificates with tracking information (certifying that it is electric power derived from renewable energy and which can specify the electricity supplier)
*2 Source: Produced by Rezil based on “Guidance on response to disclosure of climate-related sustainability information in the real estate sector,” Ministry of Land, Infrastructure, Transport and Tourism (Japanese only)

Green Energy | BPO + Retail Electricity

Supply commercial business process outsourcing (BPO) services in areas where it is difficult to convert to renewable energy due to the cost and work required such as electric power agreements.

Supplying renewable energy during large-scale repair work by Mitsubishi Jisho Community

Case study

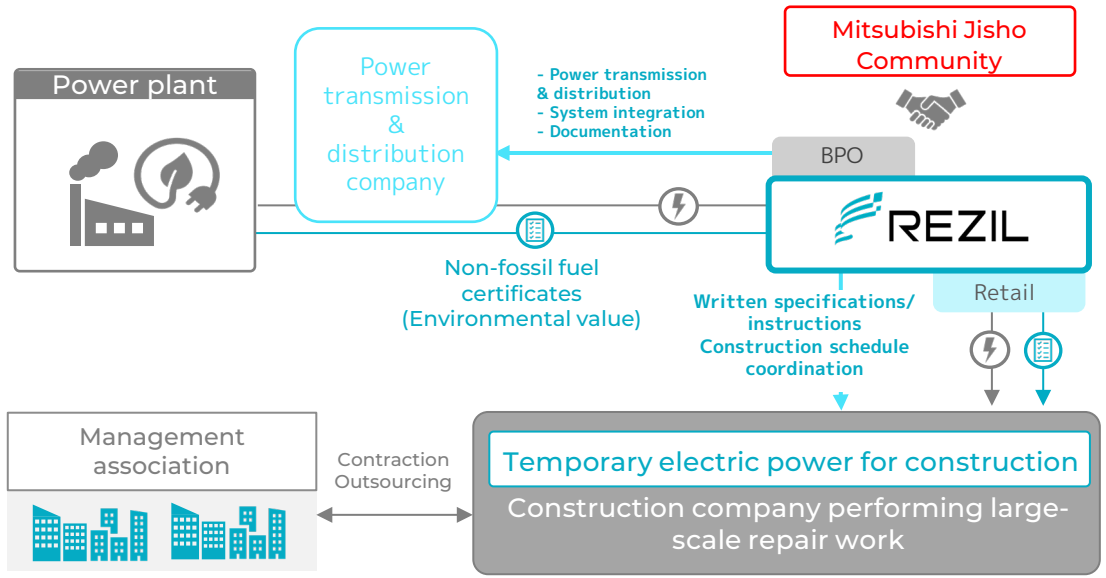
Supply 100% effectively renewable energy for repair work at a property managed by Mitsubishi Jisho Community

REZIL × MITSUBISHI JISHO COMMUNITY

- Mitsubishi Jisho Community has around 270 large-scale repair projects a year and decided this electric power decarbonization would have a certain degree of impact.
- Since the electric power company is not enthusiastic about the project because it requires a certain amount of administrative work while having a short contract term, Rezil created a system to successfully supply renewable energy to the construction work utilizing our digital transformation capability.

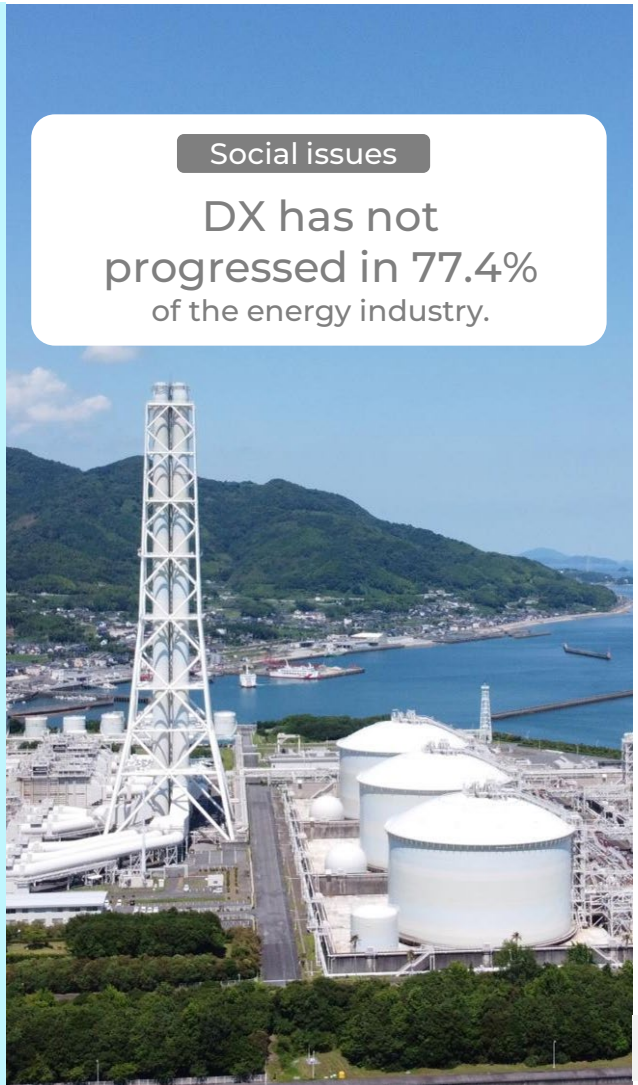
Expected reduction of CO_2 emissions by roughly 225 tons a year: contribution to Scope 3 reduction.

We utilize and systematize our knowledge and expertise unique to the power and construction industry practices cultivated over many years through services provided to condominiums. We decided that controlling the work involved in supplying electricity temporarily installed for construction made it possible to supply renewable energy.



Digital Transformation Support

We provide a wide range of back-end operations as digital transformation (DX) support in addition to equipment security services utilizing Rezil's resources, expertise, and data.



Social issues

DX has not progressed in 77.4%
of the energy industry.

Business advantages

DX support

1 The necessary expertise in back-end operations is **provided without any upfront investment**

We provide consulting and expertise without any upfront investment while operating a software as a service (SaaS) model based on the number of service customers times the amount spent on services.

- Expertise
- Software SaaS
- BPO

Equipment security

2 Providing electricity safety management services that **utilize our resources** in equipment security and inspection

We undertake services in equipment security and inspection for substations and other electric power equipment. A database containing records on past inspection results and other data supports optimal equipment management.

- Maintenance and management

Value proposition

For electric power companies

Reduction in operating cost

Providing DX support and equipment security services improves the efficiency of back-end operations.

Expertise + SaaS = Improvement in operational efficiency → Cost reduction



For electric power companies

Increase in ability to pursue new businesses

Outsourcing back-end operations frees up resources for allocation to key areas.

All operations − Non-key areas = Key areas



Note: The ratio of unachieved DX of 77.4% on the upper left of the slide is the percentage calculated by aggregating the percentage of respondents to the survey in the source who responded "have not implemented and will consider implementing in the future" and "have not implemented and do not intend to in the future." N = 4,559 companies surveyed.
Source: See the Ministry of Internal Affairs and Communications "Status of Digital Transformation Initiatives" (Japan, 2021) and "Research Survey on the Economic Impact of Digital Transformation."

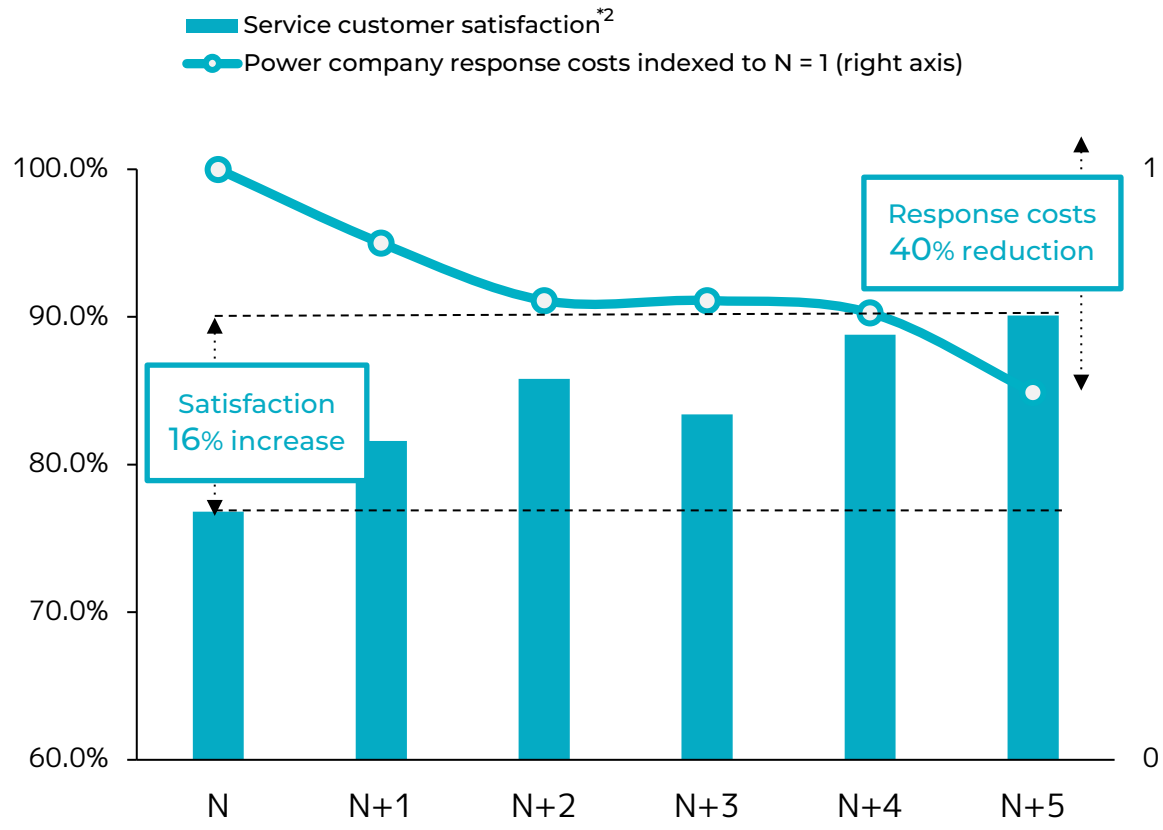
Digital Transformation Support | Our Competitiveness

The expertise that we have cultivated as an energy company enables us to provide integrated services ranging from operating improvement consulting to system provision and business process outsourcing (BPO).

Applicable scope*1

	Industry knowledge	Business improvement expertise	System development	Business operations
REZIL	✓	✓	✓	✓
Consulting	✓	✓	×	×
SIer	×	×	✓	×
Business process outsourcing (BPO)	×	×	×	✓

Business improvement: Monthly transition results (Company X)



*1 The yes/no indications (○/×) are based on Rezil's own analysis and determinations
*2 Service customer satisfaction: Based on the results of an email survey conducted among service customers regarding energy company 's response to inquiries

Sustainability | Rezil's Sustainability Transformation (SX)

We will pursue benefits for all by creating shared value with all stakeholders based on a corporate purpose.

Basic Sustainability Policy

Our purpose is to be "a unifying force, persistently tackling social challenges."

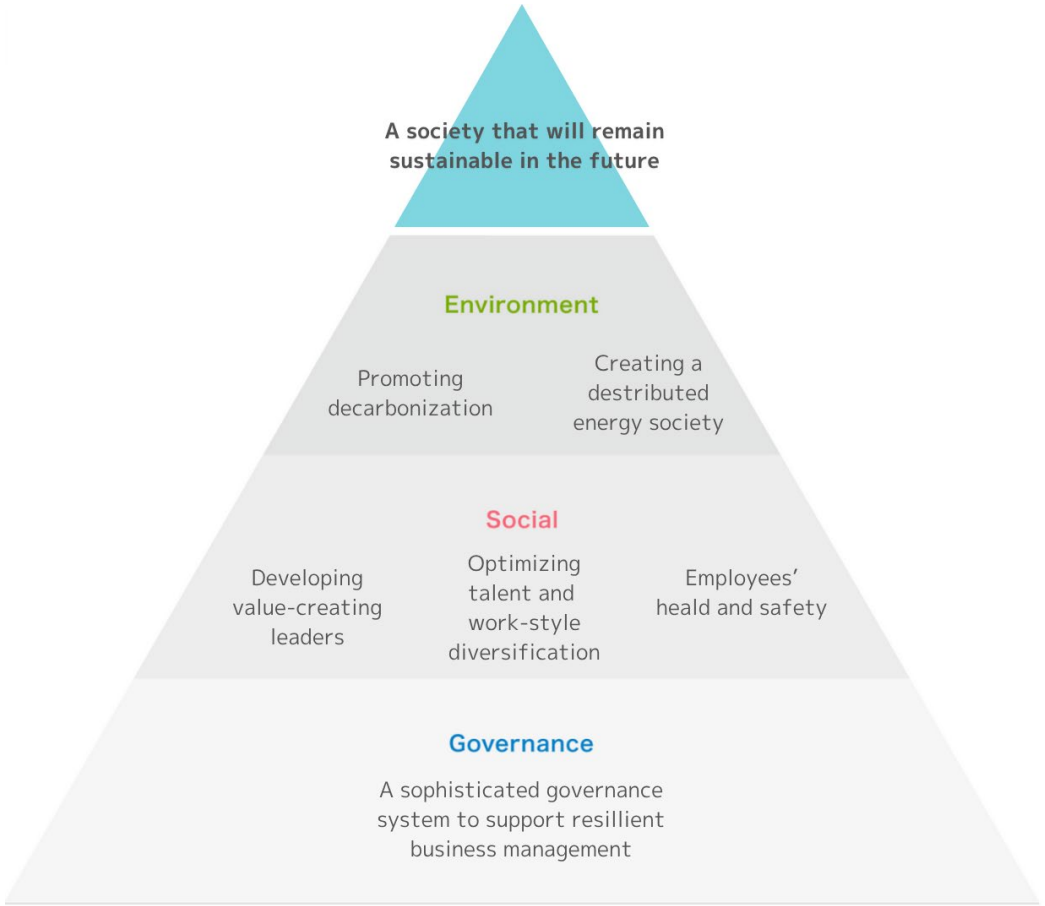
To realize this purpose as a company, we have established the following Basic Sustainability Policy.

- United by expertise, we continue to break down barriers—between companies, industries, countries—to tackle pressing social issues.
- Thriving on diversity, we empower individuals to shine through fair and equal opportunities.
- We will design optimal energy management systems that propel society toward decarbonization.
- We eliminate rigidity, break away from inertia, and encourage taking on new challenges with the support of our sophisticated governance system.

Sustainability | Rezil's Sustainability Transformation (SX)

With our purpose to be "a unifying force, persistently tackling social challenges," we strive to create shared value for all stakeholders.

Identification of double materiality



	Material issues	Value created
E	Promoting decarbonization	• A society that sustains affluent lifestyles while mitigating global warming • Low energy costs and environmental impact • Stable energy supply even in emergencies
E	Creating a distributed energy society	
S	Developing value-creating leaders	• Developing human resources who contribute to society
S	Promoting diversity and flexible work styles	• Workplaces where diverse human resources can work with support and thrive
S	Health and safety of employees	• Promoting employee success based on workplaces with high degrees of psychological safety
G	Creating a sophisticated governance system to support resilient management	• Transparent, fair, and rapid decision-making in management • Information security • Safe business continuity during disasters and pandemics

Disclaimer

- The information provided in this material includes forecasts and forward-looking statements. These forecasts and forward-looking statements were prepared by Rezil based on information available at the time they were prepared.
- They do not guarantee future performance and are subject to risks and uncertainties. Please note that actual results may differ materially from the forecasts due to the changes in the environment and other factors (due to uncertainties).
- Factors that affect actual results include, but are not limited to, fluctuation in interest rates and foreign exchange rates, and the economic conditions in Japan and overseas, in addition to trends in the industries pertinent to Rezil.
- Some of the information contained in this material about matters outside of Rezil has been obtained from publicly available sources and other sources. Rezil has not independently verified the accuracy and appropriateness of any such information and assumes no responsibility for such information.

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