DIGITAL GRID

3Q FINANCIAL RESULTS - FY ENDING JULY 2025

June 13, 2025

350A（TSE Growth Market ）

DIGITAL GRID Corporation

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● Mission

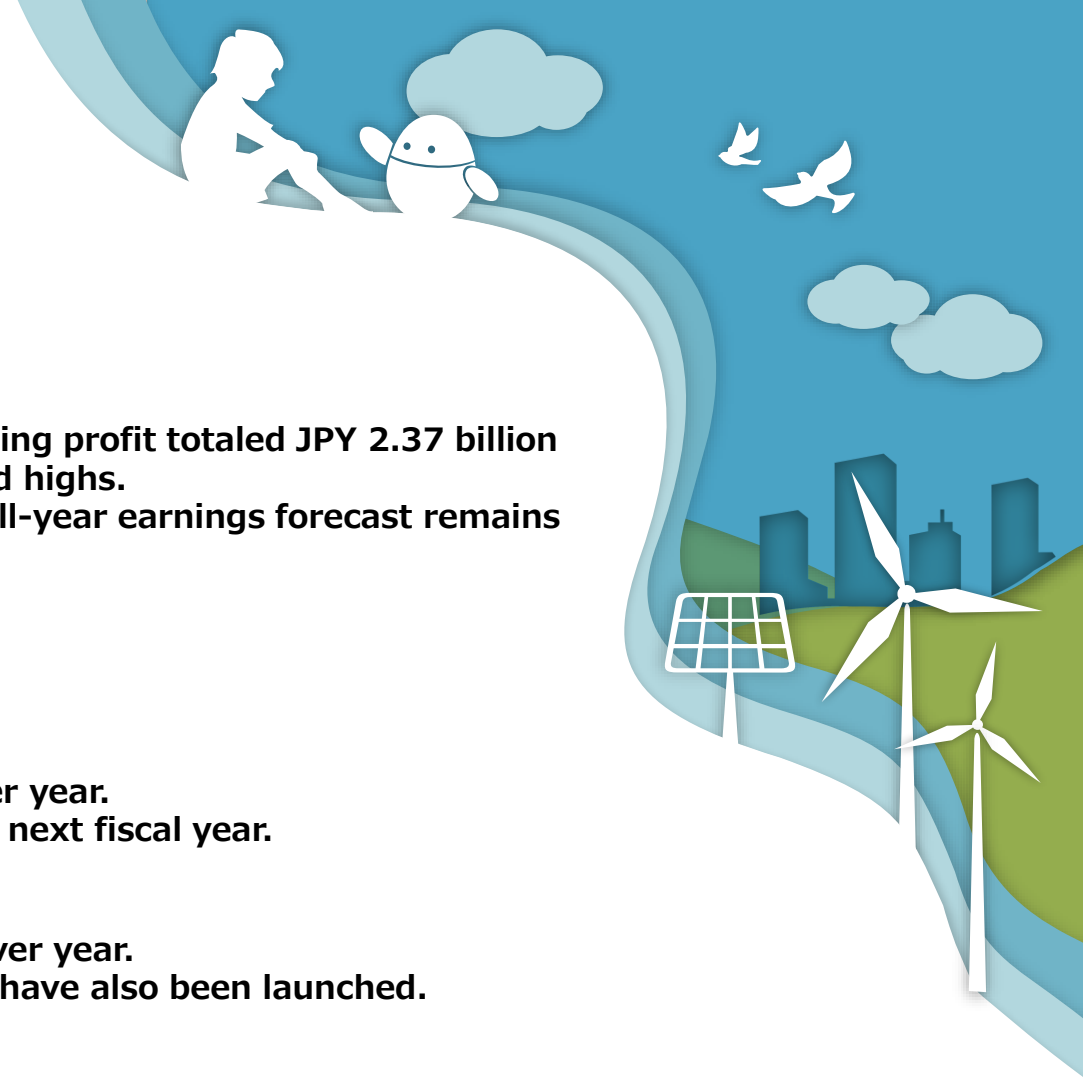
“ Empower the democratization of energy”

Since our inception, we have been committed to developing and deploying a platform that forges a direct link between power generators and consumers. This endeavor is fueled by our aspiration: pass on a world free from energy constraints to the next generation.

Following a period of steady growth, we are proud to announce our listing on the Tokyo Stock Exchange Growth Section as of April 22, 2025. This significant milestone would not have been possible without the steadfast guidance and support we have received from all of you.

We remain committed to establishing clean, renewable energy as the standard for future generations.

3Q Financial Highlights



P04… **Financial Highlights**

- Consolidated net sales reached JPY 4.79 billion and operating profit totaled JPY 2.37 billion for the cumulative period through 3Q, both marking record highs.
- SG&A expenses are expected to increase in 4Q, and the full-year earnings forecast remains unchanged.

P10… **Business Progress**

Power Platform Business (Power PF)

- Contracted capacity increased to 769MW, up 51% year over year.
- Initiatives are underway to acquire lead customers for the next fiscal year.

Renewable Energy Platform Business (RE PF)

- Contracted capacity increased to 249MW, up 125% year over year.
- Initiatives connecting multiple generators and consumers have also been launched.

Others

- Funding has been secured, and investments are planned for the battery storage business.
- Gradual entry into the battery aggregation business is in progress.

P21… **Appendix**

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Financial Highlights



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Year-to-Date Results Through 3Q

- ✓ Net sales in the Power Platform segment increased by 102% year over year, while net sales in the Renewable Energy Platform segment grew by 251% over the same period.
- ✓ Driven by strong sales growth, operating profit increased significantly by 117% year over year.

(JPY million)	3Q Results for the fiscal year ended July 2024 (Non-consolidated*1*2) ①	3Q Results for the fiscal year ending July 2025 (Consolidated*1) ②	Year-over-Year Change (②−①)	Year-over-Year Change (②−①)/①
Net Sales	**2,263**	**4,791**	**+2,528**	**+112%**
Power Platform	2,096	4,235	+2,139	+102%
Renewable Energy Platform	91	319	+228	+251%
Others	76	236	+160	+211%
Operating Profit	**1,085**	**2,374**	**+1,270**	**+117%**
(Operating Profit Margin)	48%	50%	+2pt	-
Power Platform	1,507	2,886	+1,379	+92%
Renewable Energy Platform	-29	118	+147	-
Others	-121	-174	-53	-
Adjustment	-272	-456	-184	-
Ordinary Income	**1,038**	**2,273**	**+1,235**	**+119%**
Net Profit Attributable to Owners of Parent	**726**	**1,587**	**+861**	**+119%**

*1: The Company established a wholly owned subsidiary in August 2024 and has prepared consolidated financial statements starting from the fiscal year ending July 2025. Accordingly, non-consolidated financial statements are presented for the fiscal year ended July 2024, and consolidated financial statements are presented for the fiscal year ending July 2025.The impact of the subsidiary's establishment on the Group's financial position and operating results is considered immaterial.
*2: The non-consolidated financial figures for the fiscal year ended July 2024 are presented as Non-GAAP reference information for comparative purposes.

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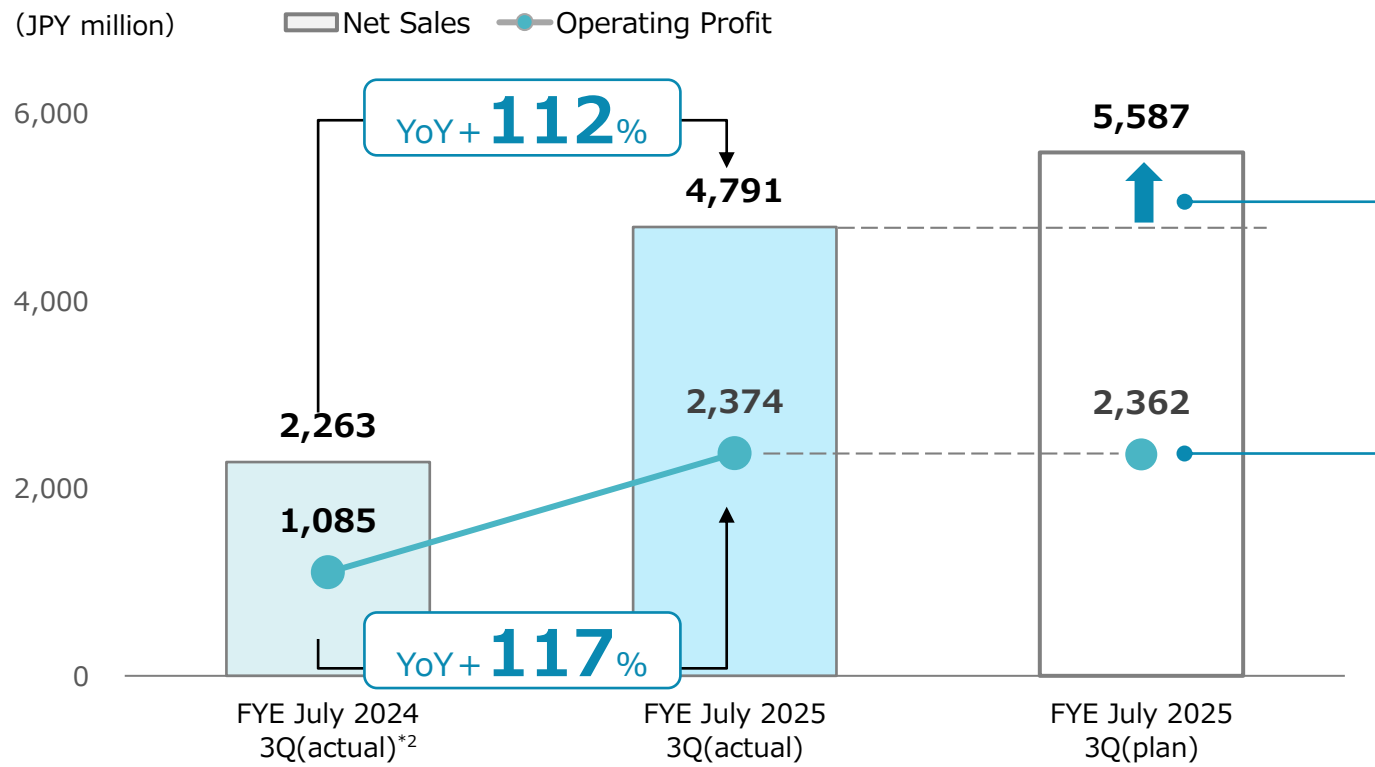
Financial Highlights

- ✓ For the cumulative period through 3Q ended April 2025, net sales totaled JPY 4.79 billion, up 2.1 times year over year, and operating profit also increased 2.1 times to JPY 2.37 billion.
- ✓ To maintain the current trajectory of sustainable growth into future periods, marketing and other strategic expenditures will be allocated in 4Q, while the full-year forecast announced at the time of the IPO remains unchanged.

3Q Cumulative Results[*1] vs. Full-Year Plan



Net sales progress rate

86%

- The **Progress rate** toward the full-year plan reached **86%**, exceeding the benchmark level of 75%.
- In the Power PF business, steady growth in contracted capacity led to a **102%** YoY increase in sales. In the RE PF business, sales surged **251%** YoY, reflecting the successful capture of expanding demand.

Sales rate progress rate

101%

- Operating profit and all subsequent income levels **exceeded the full-year plan** as of the cumulative 3Q.
- Due to increased marketing and other expenses expected in 4Q, we do **not anticipate exceeding the full-year plan by more than 30%, the threshold for timely disclosure**.
- The forecast remains unchanged, but we will disclose any upward revision if results significantly exceed current expectations.

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*2: The non-consolidated financial figures for the fiscal year ended July 2024 are presented as Non-GAAP reference information for comparative purposes.

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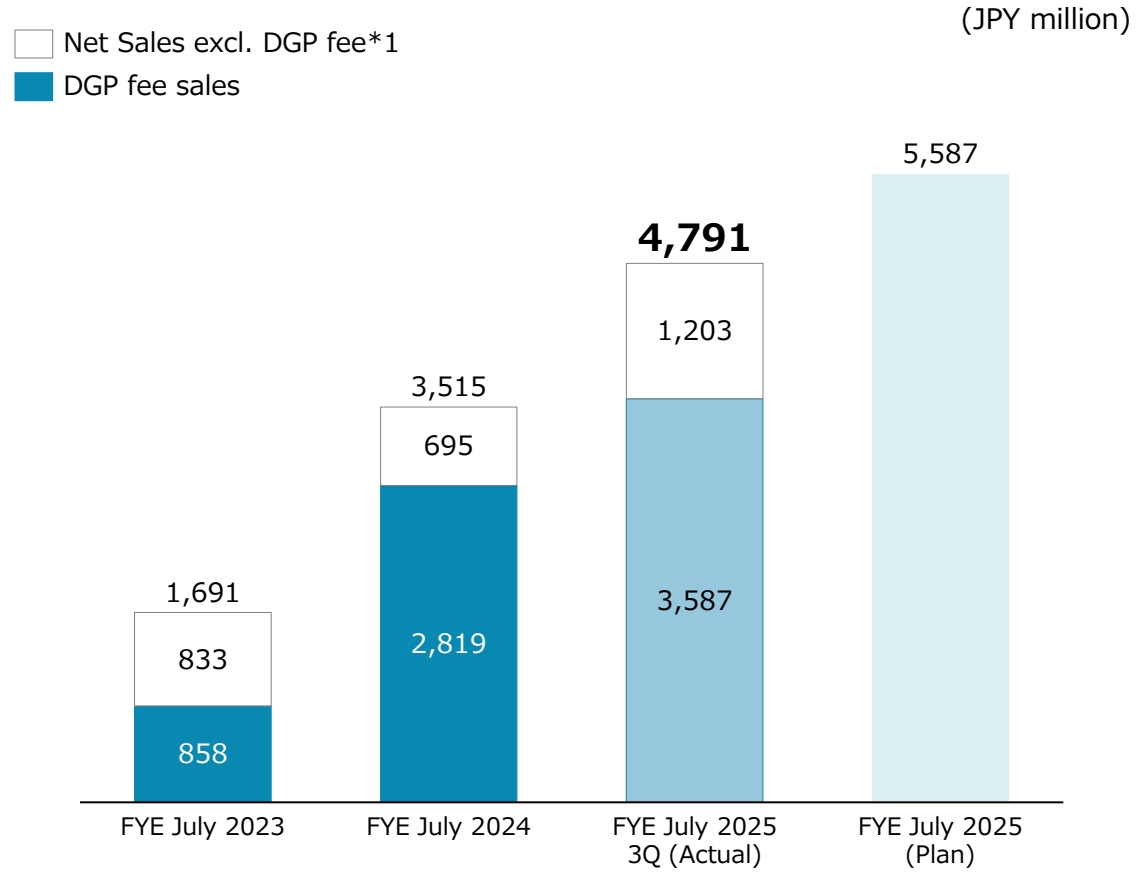
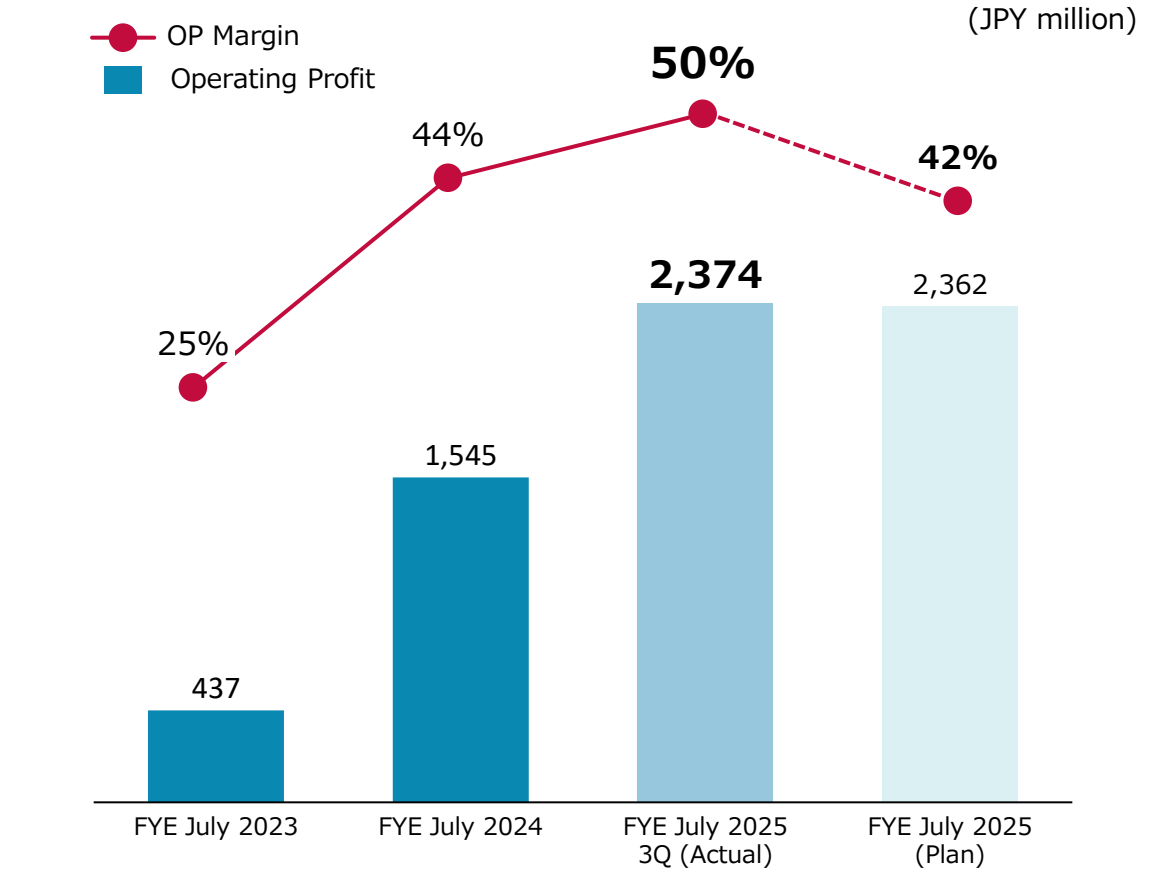
Net Sales, Operating Profit and OP Margin

- ✓ Both net sales and operating profit continued to grow, hitting record highs on a cumulative basis through 3Q.
- ✓ While the operating margin is expected to decline in 4Q due to increased SG&A expenses, including marketing initiatives, we plan to maintain a high level of profitability for the full year.

Net Sales



Operating Profit and OP margin (%)



*1: Figures include settlement amounts with transmission and distribution operators, net sales of J-Credits, and intermediary fees from FIT Non-Fossil Certificate transactions.

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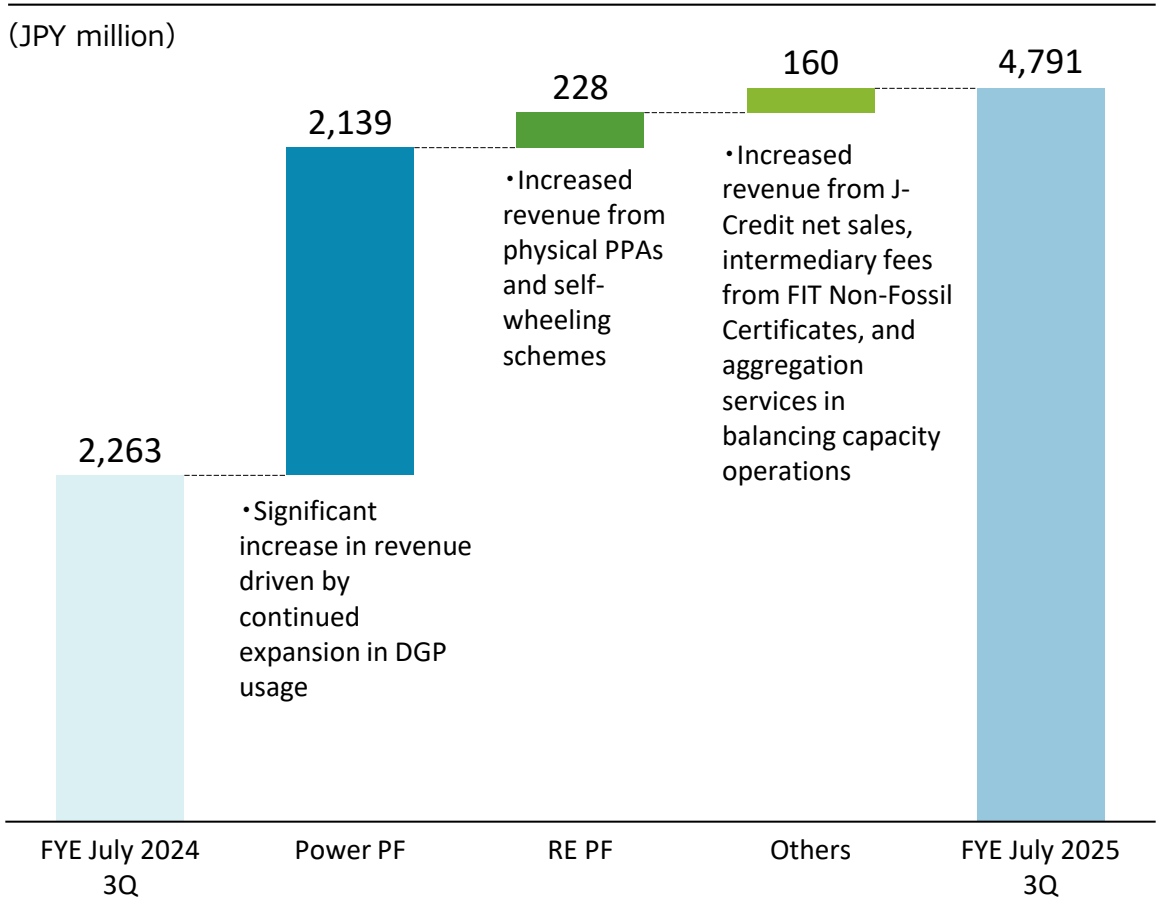
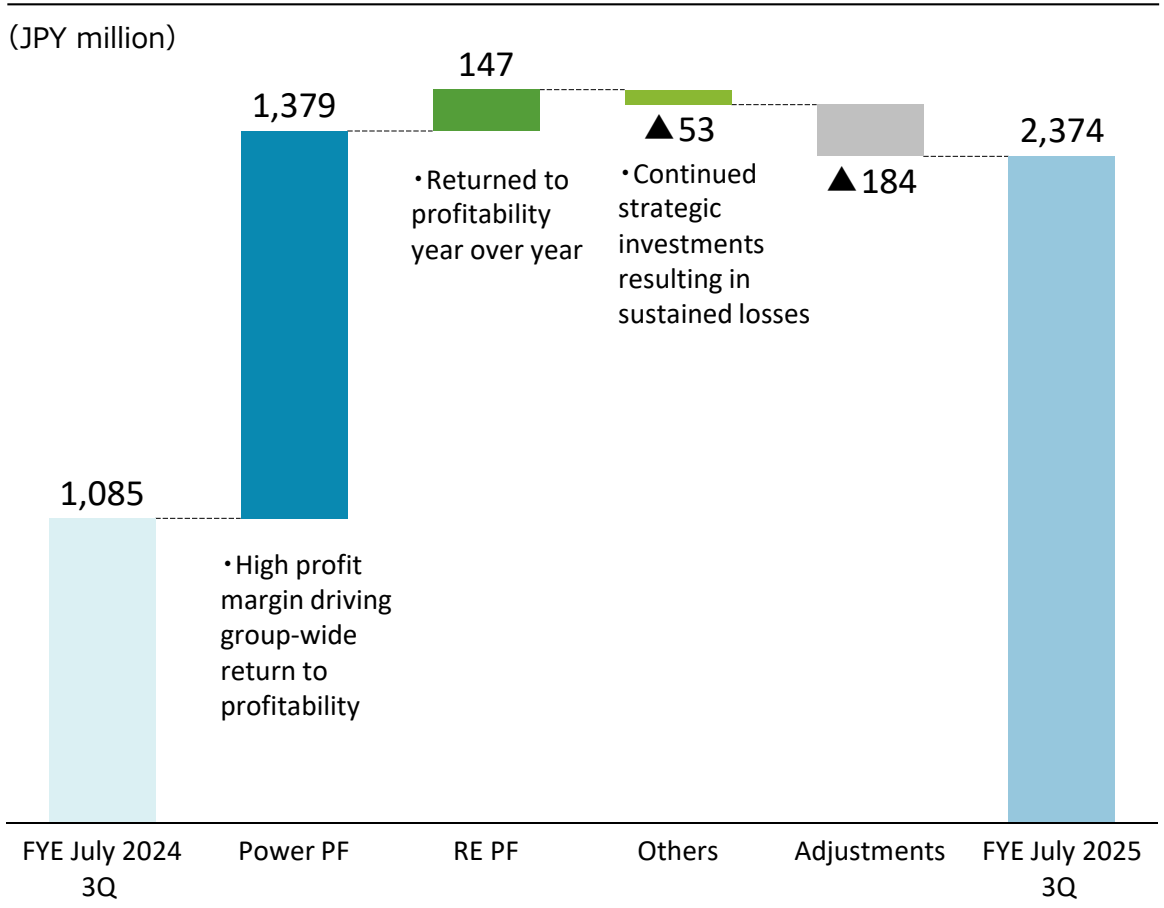
Factors Affecting Changes in Net sales and Operating Profit

- ✓ Growth in the Power Platform Business contributed significantly to the overall performance of the DG Group, while the RE PF Business, which posted a loss in the previous year, returned to positive.
- ✓ Profit slightly declined in other businesses due to upfront investments.

Drivers of Net Sales Growth



Drivers of Operating Profit Growth



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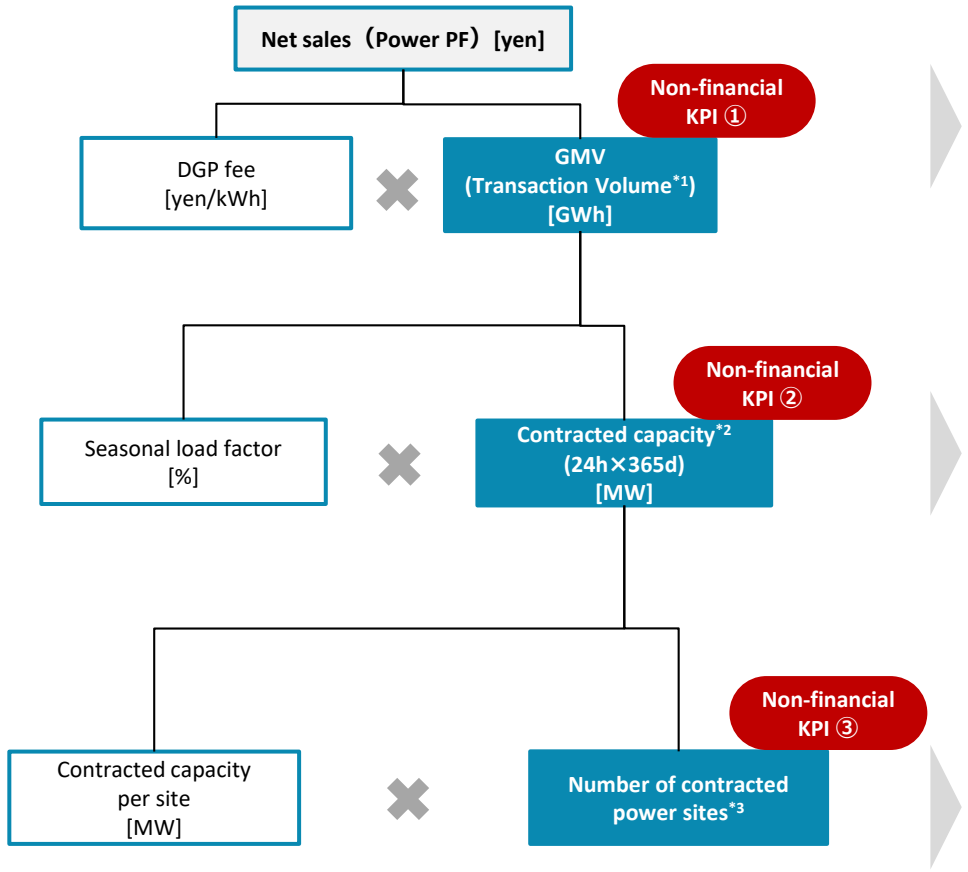
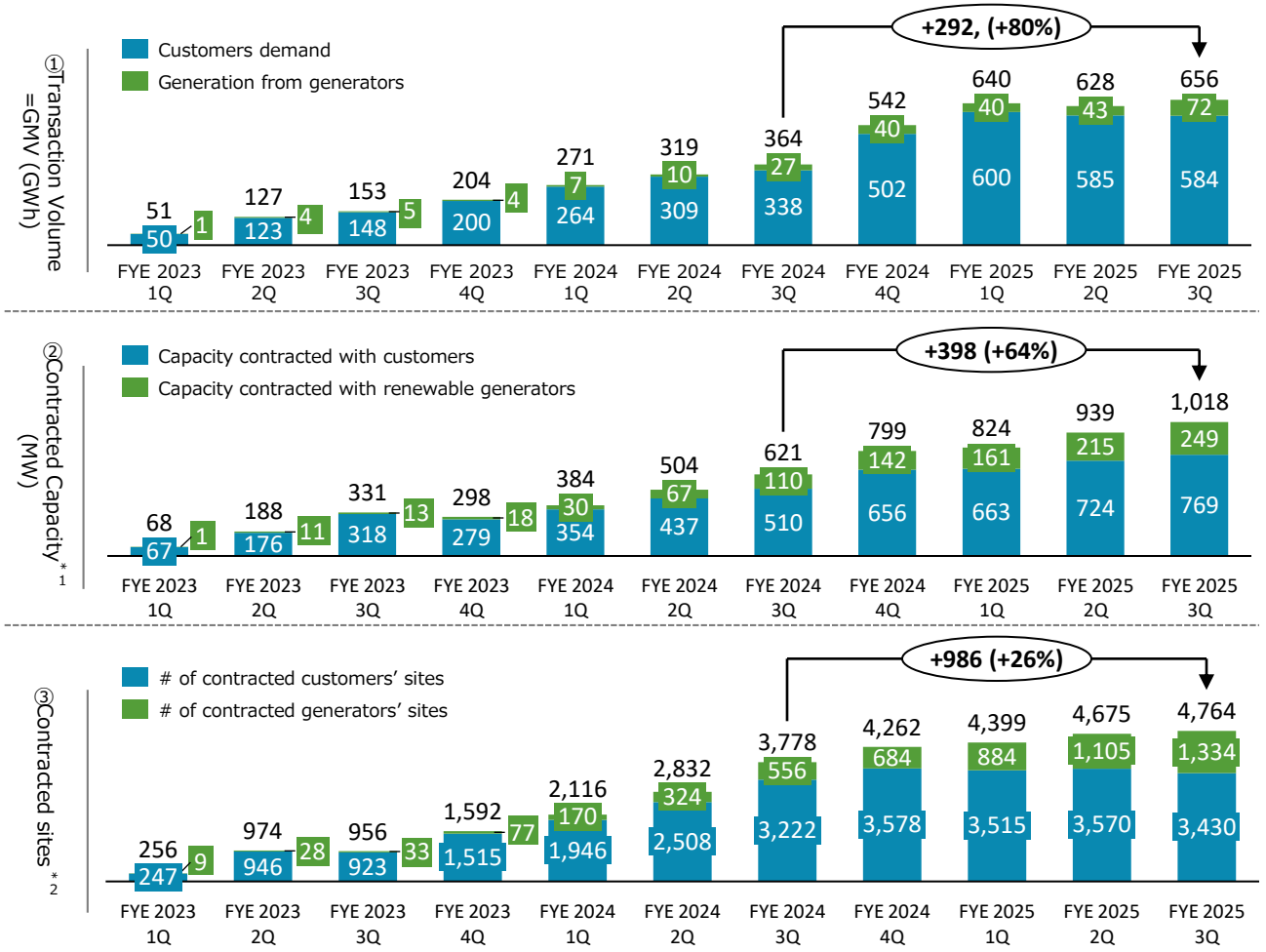
Non-Financial KPI Highlights

- ✓ Electricity volume handled decreased due to seasonal factors, while contracted capacity continued to increase steadily.
- ✓ A robust system infrastructure has been established through DGP to support rapid growth in contracted capacity.





*1: Total volume of electricity transacted via DGP, including both procurement by consumers and transmission by generators
*2: Total capacity of consumer sites procuring electricity via DGP and generator sites managed by our group for balancing
*3: Total number of consumer sites procuring electricity via DGP and generator sites managed by our group for balancing

*1: The contract capacity is the total value based on the transmission month.
*2: Excluding low-voltage sites that have no contractual relationship with our company.
Note: The data presented are based on preliminary transaction information and may be subject to future revisions or updates.

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Business Progress

Power Platform Business (Power PF)

Renewable Energy Platform Business (RE PF)

Others

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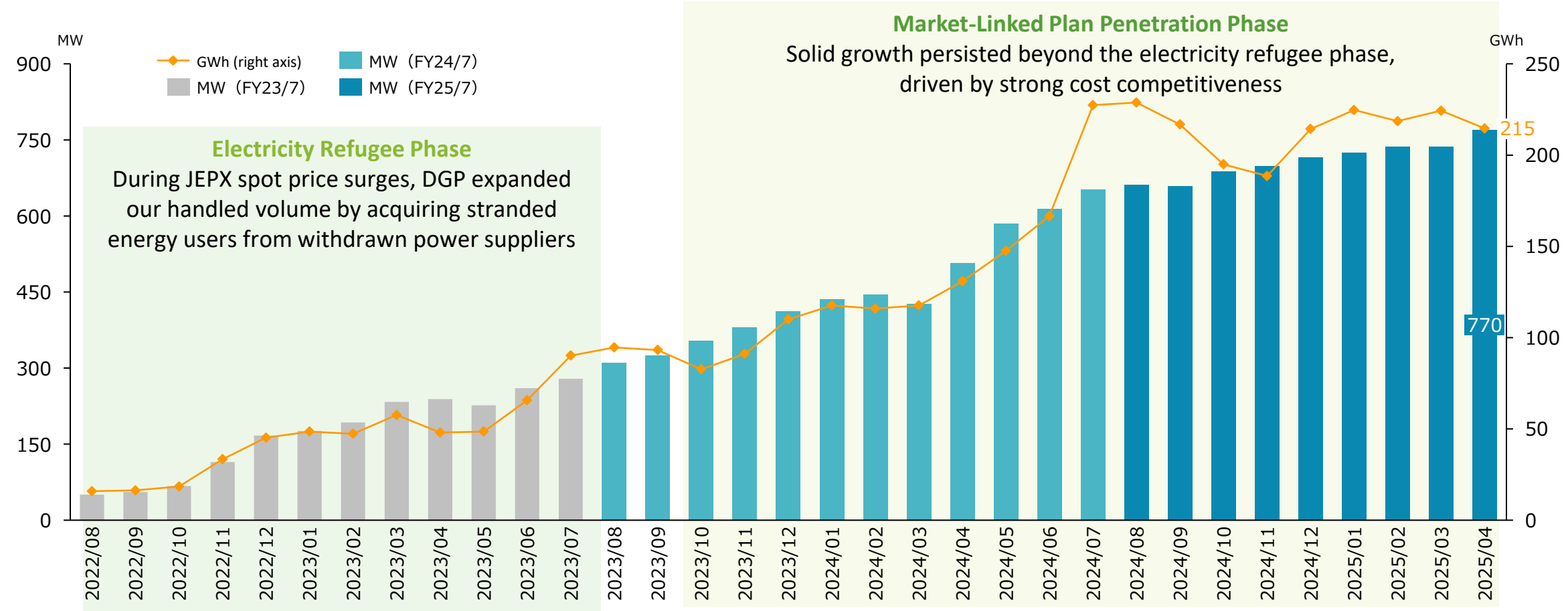
Trends in GMV (Electricity Volume Handled) and Contracted Capacity

- ✓ DGP has maintained steady growth in both contracted volume and capacity, despite fluctuations in the JEPX market-whether elevated or subdued.
- ✓ Average monthly churn rate : about 2.3%[*1] for contracted capacity, about 2.8%[*2] for contracted sites.[*3]



*1: Contracted capacity churn rate = Monthly churned capacity ÷ (Previous month's contracted capacity + Newly contracted capacity in the current month), averaged from May 2024 to April 2025.
*2: Excludes low-voltage demand sites not under direct contract with our group
*3: Contracted site churn rate = Number of sites terminated in the current month ÷ (Contracted site balance at the end of the previous month + Newly contracted sites in the current month), averaged from May 2024 to April 2025.

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Strategies for Sustainable Growth

- ✓ Enhancing communication and delivering value across all customer touchpoints through a comprehensive set of initiatives, in response to increasing market competition.
- ✓ Maximizing lead acquisition through agency and mass marketing, while reducing churn via post-sale engagement.

		Strategy	Action Plan	
Net Sales of Power PF	**Sales from existing customers** (+)	• Growth in per-customer electricity consumption (kWh)	• Expansion of contracted locations	• Identifying demand through close communication with customers • Capturing needs by proposing a diverse range of products, including renewable energy, wholesale transactions, and energy-saving solutions
	Sales from new customers (+)	• Maximizing the number of lead acquisitions	• Deployment of new lead acquisition initiatives	• Increasing brand awareness through mass marketing initiatives • Enhancing customer engagement through strengthened inside sales capabilities
			• Enhancing collaboration with agents	• Expanding sales through partnerships with over 150 agencies • Strengthening deal support and post-contract follow-up to enhance conversion and retention
	Sales loss due to churn (−)	• Minimizing churn ratio	• Strengthening of direct sales operations	• Launching a dedicated direct sales team • Building an end-to-end sales structure covering procurement planning, transaction execution, and customer success for electricity and renewables
			• Product expansion and differentiation	• Highlighting economic benefits by visualizing cost savings • Improving UX through implementation of automated wholesale transactions • Expanding procurement options through diversification of wholesale suppliers

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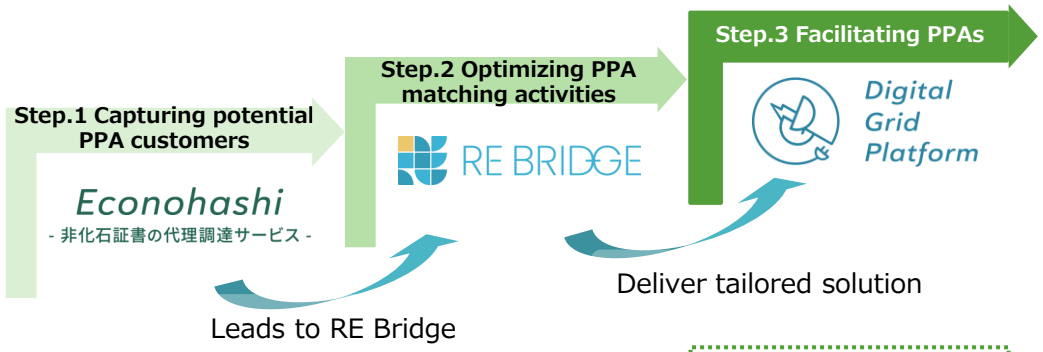
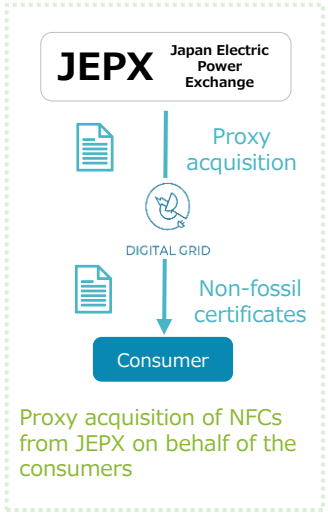
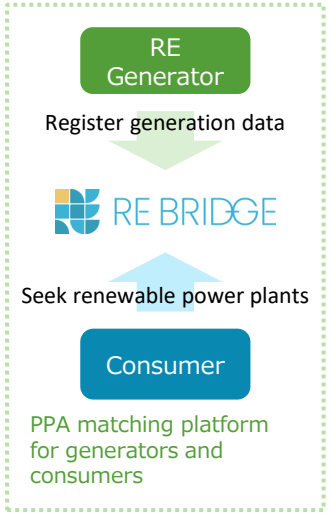
Comprehensive Lineup of Renewable Energy Platform

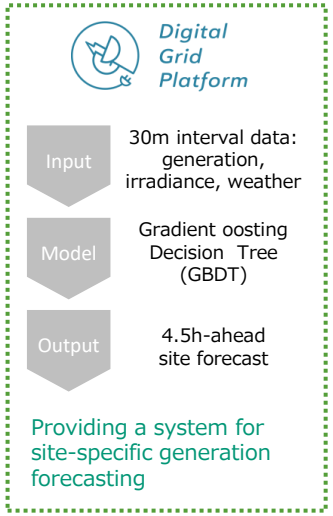
✓ Through DGP's generation-side functionality—such as site-level generation forecasting—along with services like RE Bridge, which connects generators and consumers seeking PPA agreements, and Econohashi, which enables easy access to renewable energy, we can meet a wide range of renewable energy needs on both the supply and demand sides.

Solutions for Diverse Renewable Energy Needs

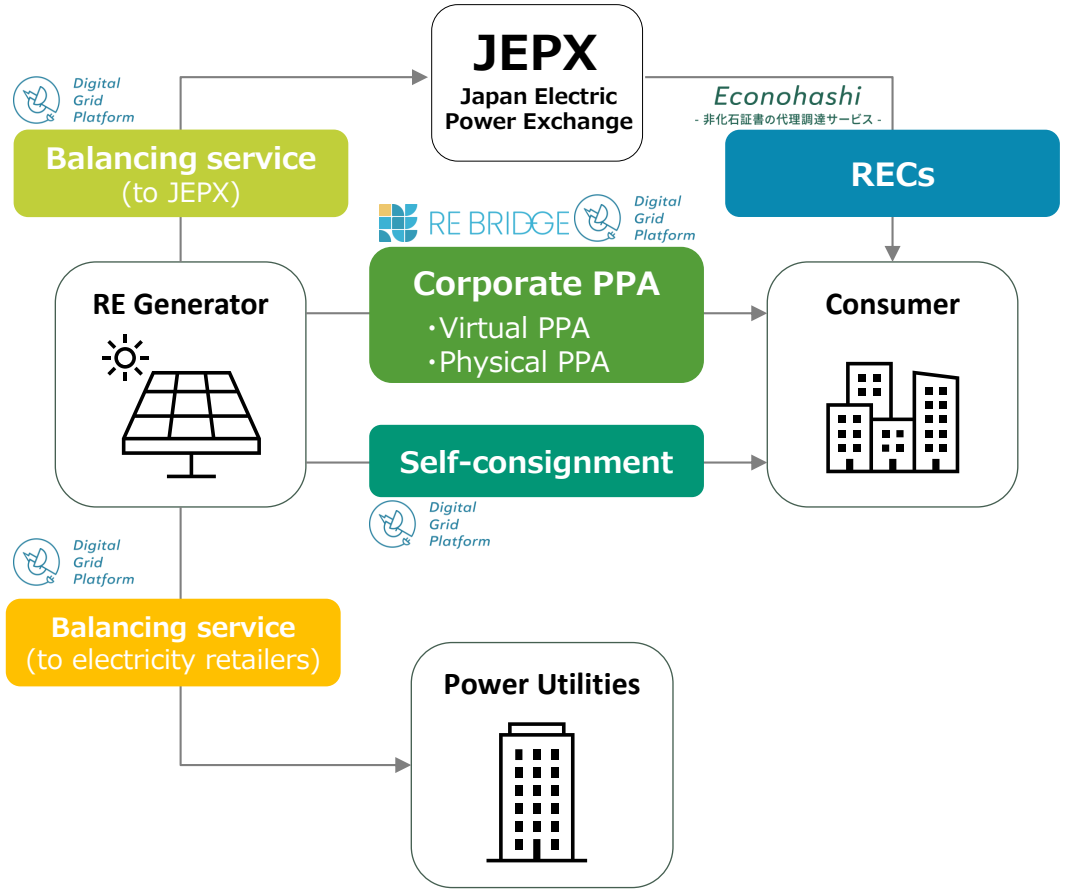








Our Services



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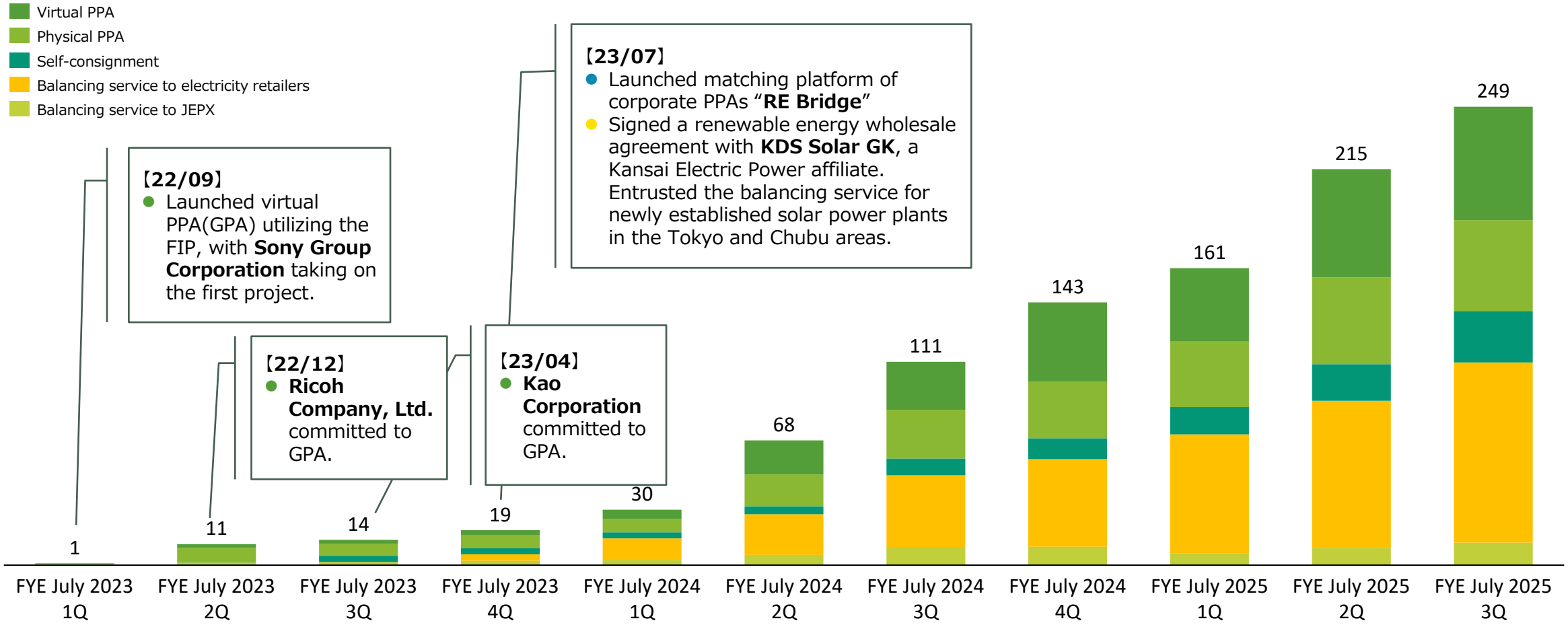
Trends in Renewable Energy Volume Handled

- ✓ Steady increase in renewable energy volume, driven by growing demand for balancing service under the post-FIT transition.
- ✓ Long-term contracts, primarily with 20-year terms, form the core of our business and are expected to continue accumulating as stable stock going forward.

Renewable Energy Volume Handled [MW]



Note: This data is based on preliminary transaction information and may be subject to future revisions or updates.

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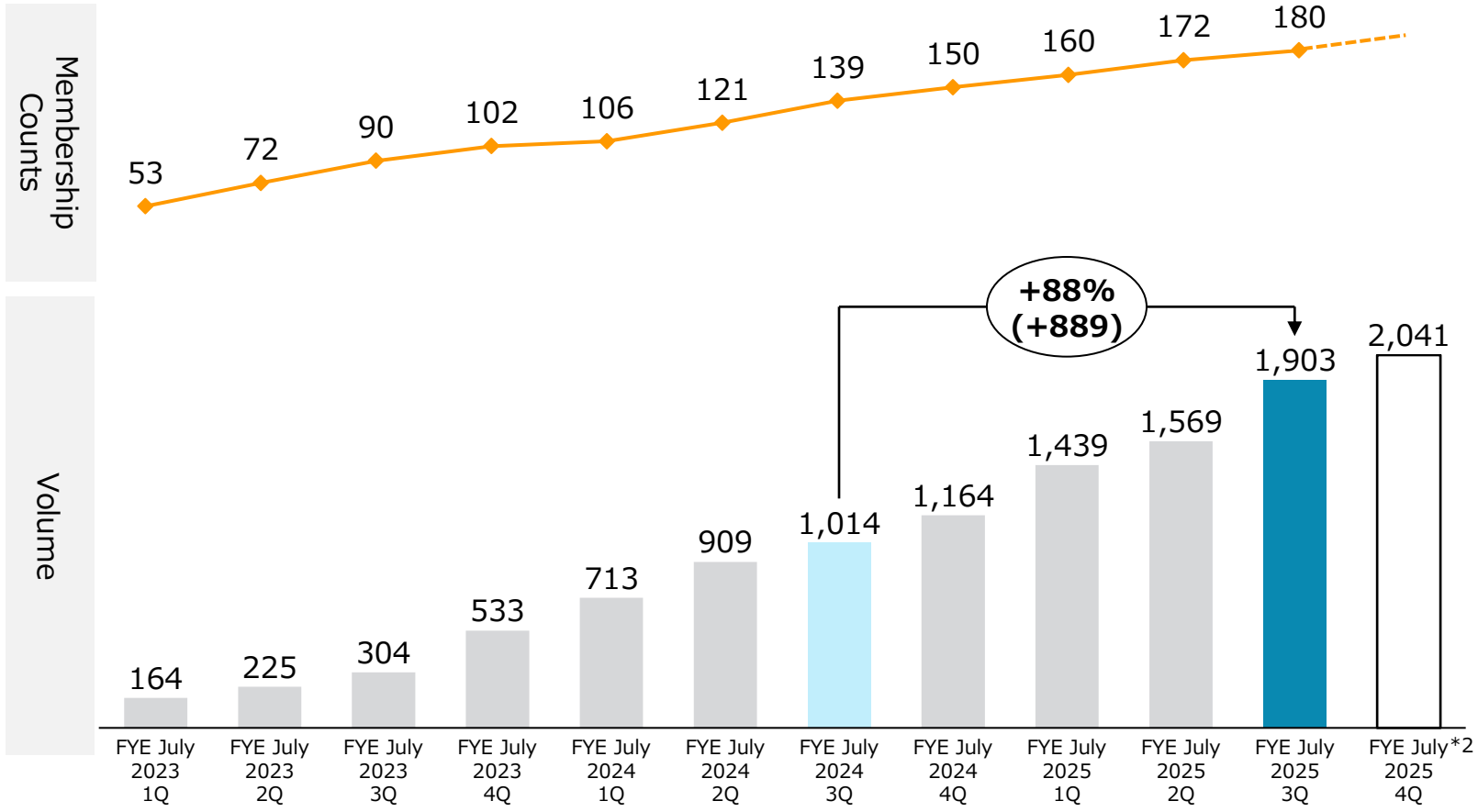
Proxy Procurement of FIT Non-Fossil Certificates

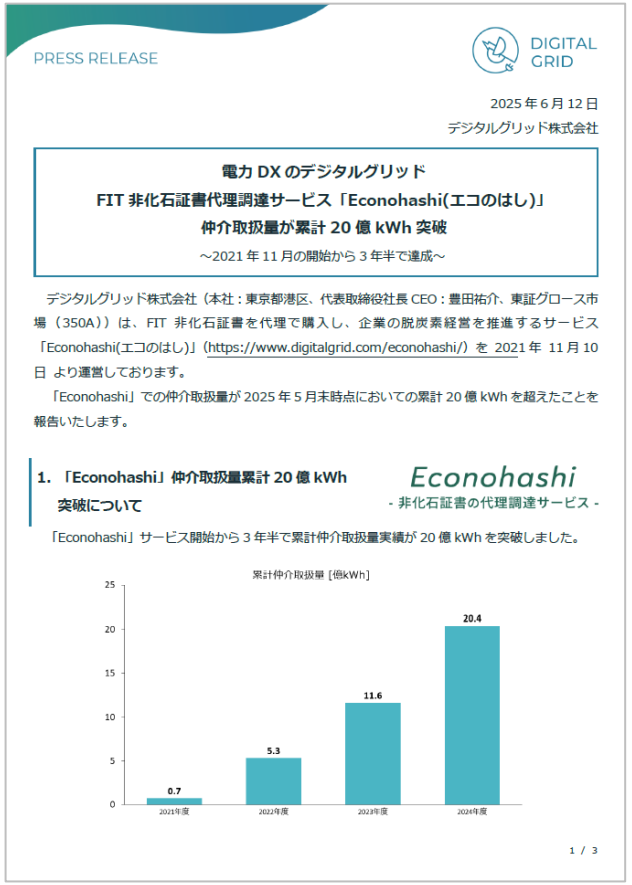
Econohashi
- 非化石証書の代理調達サービス -

- ✓ Cumulative transaction volume of FIT non-fossil certificates handled increased 88% year over year.
- ✓ The number of Econohashi members grew from 139 to 180 compared to the same period last year, and we will continue to support their transition toward corporate PPAs.

Number of Members and Cumulative Volume of FIT-NFCs (GWh)



Cumulative Volume Exceeds 2B kWh*1



PRESS RELEASE

DIGITAL GRID

2025 年 6 月 12 日
デジタルグリッド株式会社

電力 DX のデジタルグリッド
FIT 非化石証書代理調達サービス「Econohashi(エコのはし)」
仲介取扱量が累計 20 億 kWh 突破
～2021 年 11 月の開始から 3 年半で達成～

デジタルグリッド株式会社（本社：東京都港区、代表取締役社長 CEO：豊田祐介、東証グロース市場（350A））は、FIT 非化石証書を代理で購入し、企業の脱炭素経営を推進するサービス「Econohashi(エコのはし)」(https://www.digitalgrid.com/econohashi/) を 2021 年 11 月 10 日 より運営しております。

「Econohashi」での仲介取扱量が 2025 年 5 月末時点においての累計 20 億 kWh を超えたことを報告いたします。

1. 「Econohashi」仲介取扱量累計 20 億 kWh 突破について

Econohashi
- 非化石証書の代理調達サービス -

「Econohashi」サービス開始から 3 年半で累計仲介取扱量実績が 20 億 kWh を突破しました。

累計仲介取扱量 [億kWh]

1 / 3

*1: Disclosed as the transaction volume for 4Q has been finalized; membership figures are subject to change.
*2: Cumulative figures as of the press release date (June 12, 2025).

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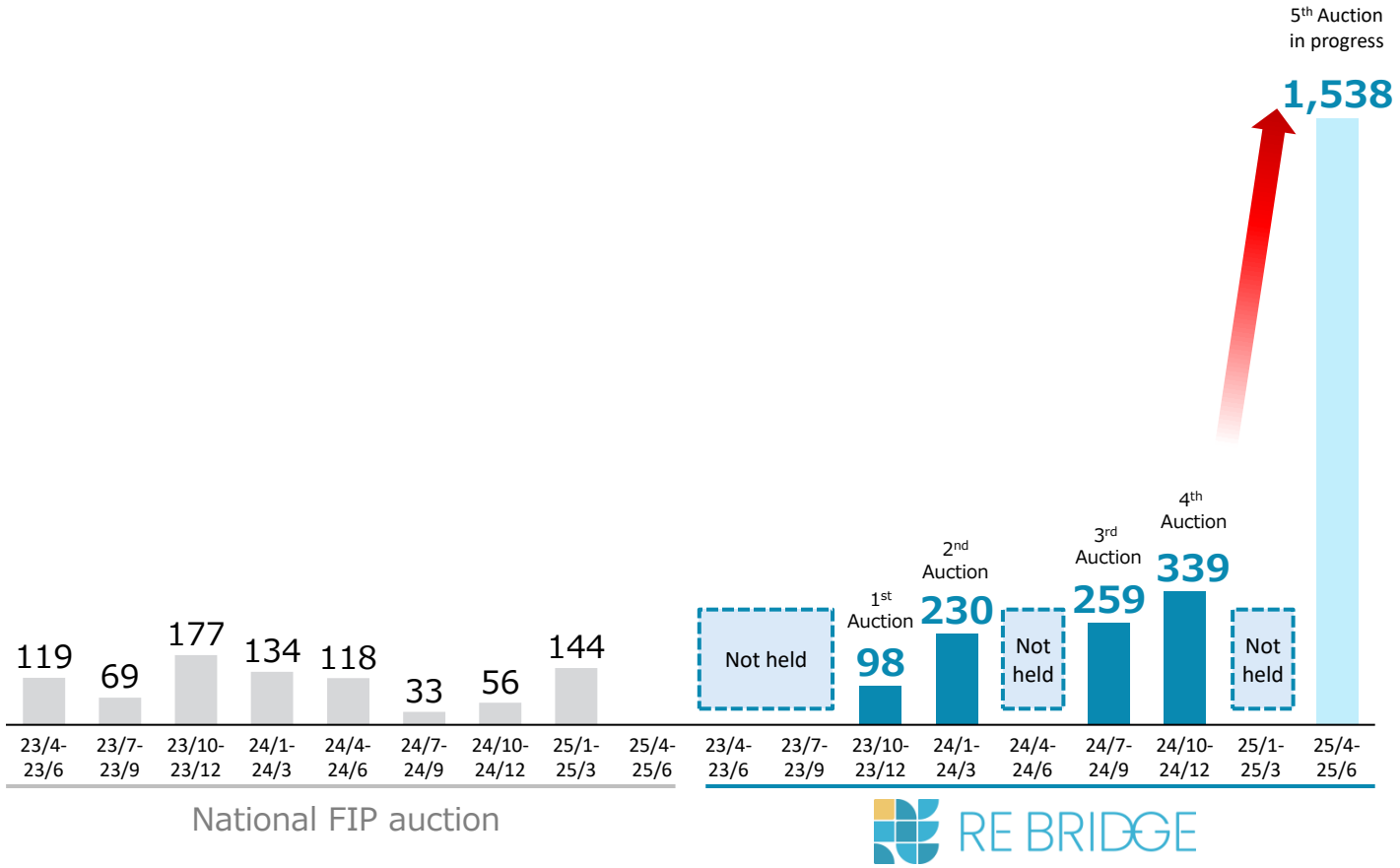
“RE Bridge” - A Matching Platform for PPAs between Generators and Consumers

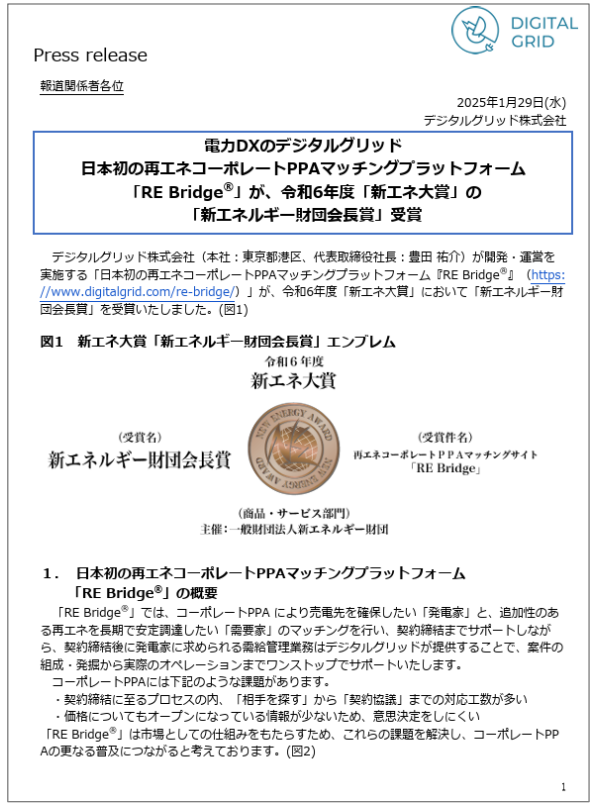
- ✓ PPA auction launched; attracted more power plants than government auction.
- ✓ Received Chairman’s Prize at the FY2024 New Energy Awards

Auctioned Capacity [MW]



Source: OCCTO “Auction Results,” DIGITAL GRID internal data

Received Chairman’s Prize of New Energy Awards



DIGITAL GRID

Press release

報道関係者各位

2025年1月29日(水)
デジタルグリッド株式会社

電力DXのデジタルグリッド
日本初の再エネコーポレートPPAマッチングプラットフォーム
「RE Bridge®」が、令和6年度「新エネ大賞」の
「新エネルギー財団会長賞」受賞

デジタルグリッド株式会社（本社：東京都港区、代表取締役社長：豊田 祐介）が開発・運営を実施する「日本初の再エネコーポレートPPAマッチングプラットフォーム『RE Bridge®』（https://www.digitalgrid.com/re-bridge/）」が、令和6年度「新エネ大賞」において「新エネルギー財団会長賞」を受賞いたしました。(図1)

図1 新エネ大賞「新エネルギー財団会長賞」エンブレム

令和6年度
新エネ大賞
（受賞名）新エネルギー財団会長賞
（受賞作名）再エネコーポレートPPAマッチングサイト「RE Bridge」
（商品・サービス部門）
主催：一般財団法人新エネルギー財団

1． 日本初の再エネコーポレートPPAマッチングプラットフォーム「RE Bridge®」の概要

「RE Bridge®」では、コーポレートPPA により売電先を確保したい「発電家」と、追加性のある再エネを長期で安定調達したい「需要家」のマッチングを行い、契約締結までサポートしながら、契約締結後に発電家に求められる需給管理業務はデジタルグリッドが提供することで、案件の組成・発掘から実際のオペレーションまでワンストップでサポートいたします。

コーポレートPPAには下記のような課題があります。

・契約締結に至るプロセスの内、「相手を探す」から「契約協議」までの対応工数が多い
・価格についてもオープンになっている情報が少ないため、意思決定をしにくい

「RE Bridge®」は市場としての仕組みをもたらすため、これらの課題を解決し、コーポレートPPAの更なる普及につながると考えております。(図2)

1

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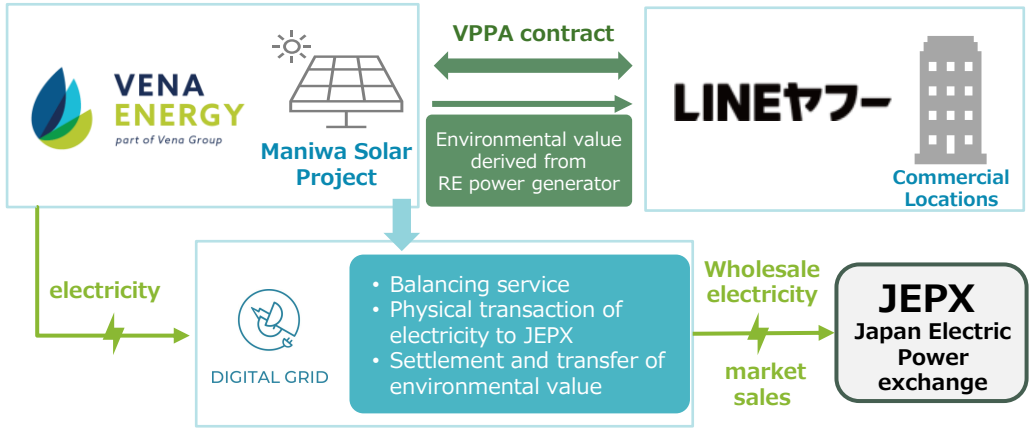
Examples of Successful Matching of “RE Bridge”

RE BRIDGE

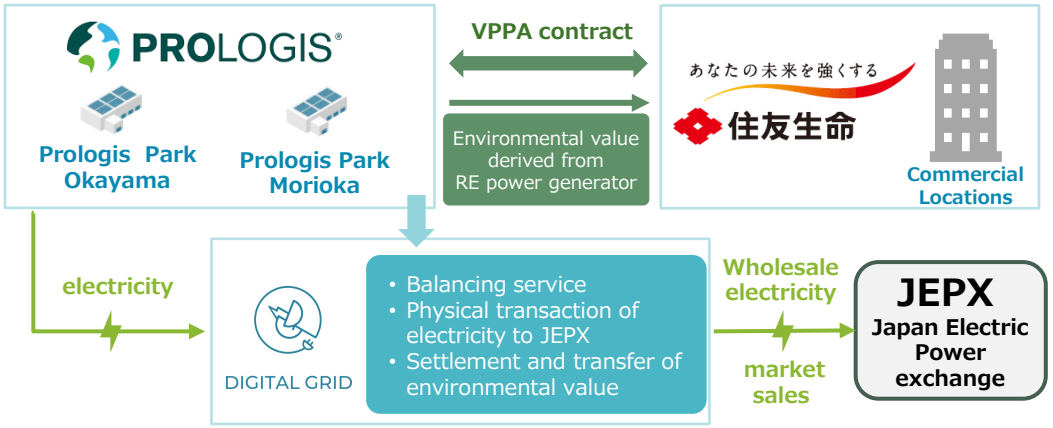
- ✓ LINE Yahoo and Vena Energy signed a GPA*1 agreement through RE Bridge, marking the platform’s first large-scale Extra High Voltage project.
- ✓ Sumitomo Life and Prologis have also signed agreements on RE Bridge.

Matching Example①



- ✓ Environmental value derived from a 71.7 MW solar power plant to be built by Vena Energy in Maniwa City, Okayama prefecture
- ✓ LINE Yahoo to procure environmental value from Vena Energy’s solar power plant as the original off-taker upon commencement of operations
  (※Scheduled to be operational around August 2026)

Matching Example②



- ✓ Environmental value derived from 1.2MW at “Prologis Park Okayama” and 4.6MW at “Prologis Park Morioka,” out of a total 5.7 MW generation capacity
- ✓ Sumitomo Life to procure environmental value from Prologis power plants as the original off-taker for 20 years, starting from the commencement of operations in December 2025

*1: "GPA" is a comprehensive scheme for trading renewable energy, designed to enable consumers to directly purchase environmental values (non-FIT, non-fossil certificates) generated from additional renewable energy sources from FIP-certified operators. By utilizing the FIP scheme and incorporating an innovative settlement method, GPA prevents net settlement (negative pricing of environmental value). This design aims to suppress fluctuations in the environmental attribute price paid by consumers.

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Started Linking Multiple Generation and Load Points

- ✓ Operations linking multiple generation and demand sites commenced in April 2025, marking the first implementation of an automation program under a physical PPA.
- ✓ The aim is to establish flexible groupings of demand and supply in order to enhance operational efficiency.

Operations related to electricity transaction

- Transaction management
- Forecast of generation and demand of electricity
- Plan submission to OCCTO*1
- Billing settlement between generators and consumers

Issues

Increased complexity and higher costs when managing multiple generation and load sites

Solution

Digital Grid Platform

DGP automates a series of tasks and operations

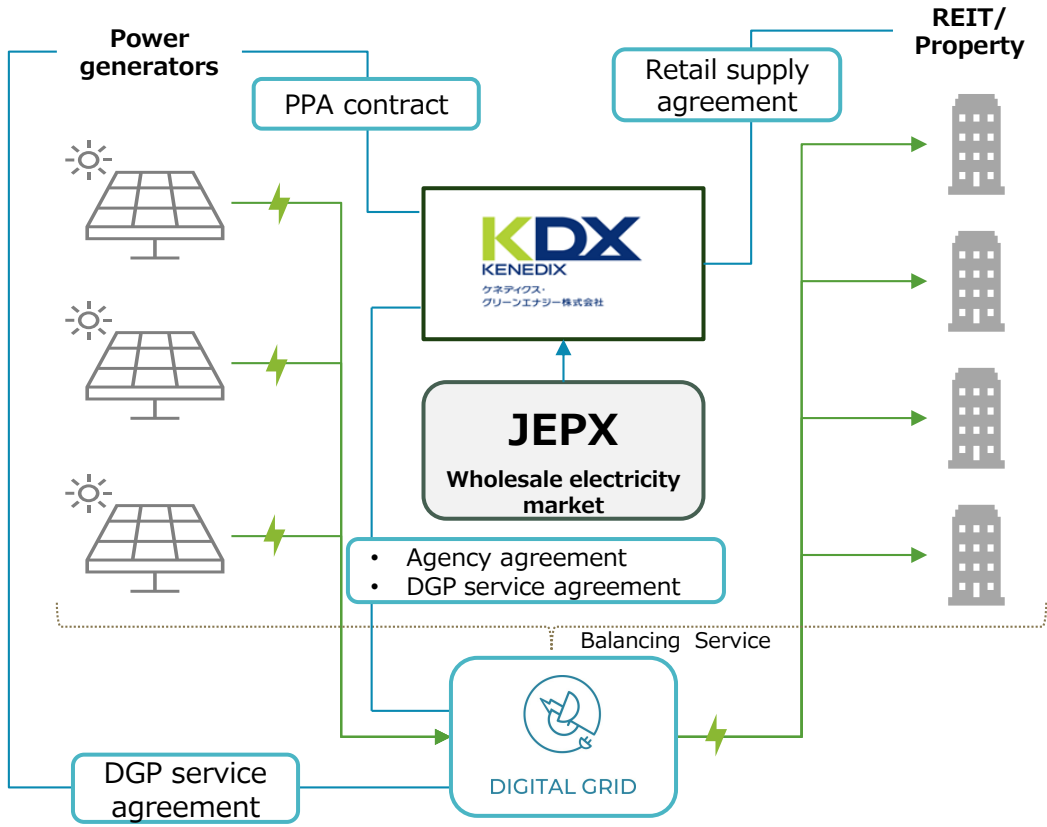
Value Proposition

① Efficient use of renewable energy

- Renewable energy plants with generation capacity exceeding the consumption of a single demand site can efficiently deliver electricity to multiple demand sites.

② Controlling multiple players with complex relationships

- Multiple power plants and demand sites can be grouped and managed as a unit, allowing renewable energy to be shared flexibly within the group.
- Grouping is also possible even if the plants or demand sites span across multiple users.



Scheme diagram

*1: OCCTO stands for “Organization for Cross-regional Coordination of Transmission Operators”

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Use of IPO Proceeds

- ✓ Successfully raised approx. ¥2.14B via issuance of 250,000 shares (public offering) and 274,000 shares (third-party allotment).
- ✓ Entire proceeds to be allocated to investments and loans to DIGITAL GRID ASSET MANAGEMENT (DGAM), a wholly owned subsidiary leading our battery storage business.

Estimated net proceeds from public offering: approx. **JPY 1.01 billion**

+

Estimated net proceeds from third-party allotment: approx. **JPY 1.13 billion**

Total fund raised:
JPY 2.14 billion
(Post-offering capital: approx. JPY 1.13 billion as of the end of May 2025)

All proceeds to be allocated by July 2027 to capital investments in grid battery storage and related facilities, through investments and loans to DGAM
※In the event of an unallocated surplus, the funds are planned to be used for increased working capital for business expansion, increased personnel costs for sales staff and engineers, and repayment of borrowings. Furthermore, until the specific allocation period, these funds will be managed through highly secure financial instruments.

Use of proceeds

Contracts for New Battery Facilities*1 (In-House)

Project	Total Capex (JPY million)	Amount Paid (JPY million)	Start of Construction	Complete (planned)
Grid-scale battery (Chubu area)	**450**	35	2025/01	2026/07
Grid-scale battery (Tokyo area)	**600**	14	2025/01	2029/07
Grid-scale battery (4 facilities in Japan)	**1,800**	-	2025/01	2027/07

*1: This refers to the content of the capital expenditure plan as disclosed to the Tokyo Stock Exchange on March 18, the Listing Approval Date, in the "Securities Report for New Listing." Please note that the certainty of this plan is not guaranteed.

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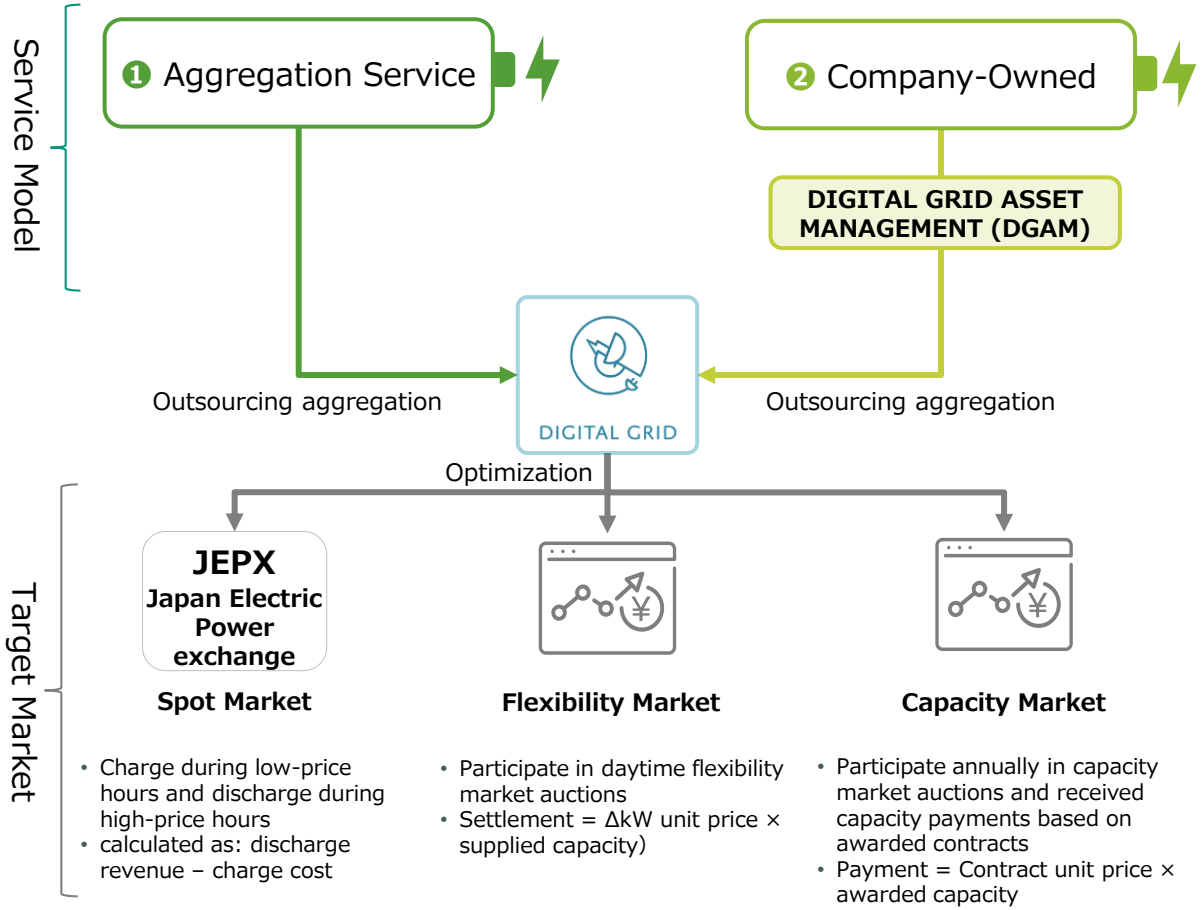
Battery Storage Business

- ✓ The pipeline for balancing capacity projects is steadily growing, although it may take several years for some projects to become operational.
- ✓ Aggregation services began this fiscal year, with revenue recognition starting from 2Q.



Secured Pipeline※1,2

	FY25/7	FY26/7	FY27/7	FY28/7
❶ Aggregation Service※3	16 MW	24 MW	64 MW	64 MW
❷ Company-Owned※4	0 MW	4 MW	4 MW	4 MW

*1 Based on the scheduled commercial operation date (COD)
*2 Project capacity and COD are subject to change depending on development status
*3 Aggregation service figures represent cumulative MW of awarded projects
*4 Company-owned figures represent cumulative MW on an equity basis for projects with investment decisions finalized

Order Example（❶Aggregation Service）

Business Owner	Area	Volume	Grid connection period
Japan Energy Storage Inc.	Chubu	2MW/8MWh	May 2025
i-mobile Co.,Ltd.	Tokyo	2MW/8MWh	Approx. July 2025

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Appendix



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Financial Statement Summary | Consolidated Profit & Loss Statement*1

(JPY thousand)

	FYE 2023	FYE 2024	FYE 2025				Growth rate FYE 2023 vs FYE 2024	Expected growth rate FYE 2024 vs FYE 2025
			Cumulative 2Q	3Q	Total	Full-year plan		
Net sales	**1,691,183**	**3,515,034**	**3,308,189**	**1,482,987**	**4,791,177**	**5,587,000**	**107.8%**	**58.9%**
Power PF	1,550,553	3,168,265	2,913,670	1,322,241	4,235,912	-	104.3%	-
RE PF	87,750	185,125	205,113	113,906	319,020	-	111.0%	-
Others	52,880	161,643	189,404	46,839	236,244	-	205.7%	-
Cost of sales	**403,405**	**809,023**	**848,207**	**351,679**	**1,199,887**	**-**	**100.5%**	**-**
Gross profit	**1,287,778**	**2,706,011**	**2,459,981**	**1,131,308**	**3,591,289**	**-**	**110.1%**	**-**
sales ratio	*76%*	*77%*	*74%*	*76%*	*75%*	-	**-**	**-**
SG&A expenses	**849,751**	**1,158,664**	**749,646**	**467,642**	**1,217,289**	**-**	**36.4%**	**-**
sales ratio	*50%*	*33%*	*23%*	*32%*	*25%*	-	**-**	**-**
Personnel expenses	445,085	610,496	417,731	272,485	690,217	-	37.2%	-
Other SG&A Expenses	404,666	548,168	331,915	195,156	527,071	-	35.5%	-
Operating profit	**438,026**	**1,547,346**	**1,710,334**	**663,665**	**2,374,000**	**2,362,000**	**253.3%**	**52.6%**
sales ratio	*26%*	*44%*	*52%*	*45%*	*50%*	*42%*	**-**	**-**
Non-operating income	**21,516**	**2,787**	**7,721**	**2,862**	**10,583**	**-**	**-87.0%**	**-**
Interest income	25	28	317	2,232	2,435	-	12.0%	-
Others	21,491	2,759	7,403	629	8,147	-	-87.2%	-
Non-operating expenses	**16,489**	**296,761**	**57,699**	**53,141**	**110,840**	**-**	**1699.8%**	**-**
Interest expenses	15,352	40,962	51,477	19,651	71,129	-	166.8%	-
Commission fees	0	253,665	5,922	3,450	9,372	-	**-**	-
Others	1,136	2,133	300	30,039	30,339	-	87.8%	-
Ordinary profit	**443,054**	**1,253,372**	**1,660,357**	**613,386**	**2,273,743**	**2,186,000**	**182.9%**	**74.4%**
sales ratio	*26%*	*36%*	*50%*	*41%*	*47%*	*39%*	**-**	-
Extraordinary income	2,561	0	160	0	160	-	-	-
Extraordinary losses	9,854	0	0	0	0	-	-	-
Loss before income taxes	**435,760**	**1,253,372**	**1,660,517**	**613,386**	**2,273,904**	**-**	**187.6%**	**-**
Income taxes - current	7,754	103,019	475,283	211,348	686,632	-	1228.6%	-
Income taxes - deferred	(229,028)	177,907	0	0	0	-	-177.7%	-
Net profit	**657,034**	**972,446**	**1,185,234**	**402,037**	**1,587,271**	**1,556,000**	**48.0%**	**60.0%**
sales ratio	*39%*	*28%*	*36%*	*30%*	*33%*	*28%*	**-**	**-**

*1: The Company established a wholly owned subsidiary in August 2024 and has prepared consolidated financial statements starting from the fiscal year ending July 2025. Accordingly, non-consolidated financial statements are presented for the fiscal year ended July 2024, and consolidated financial statements are presented for the fiscal year ending July 2025.The impact of the subsidiary's establishment on the Group's financial position and operating results is considered immaterial.

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Consolidated Balance Sheet Statement*1 & Financial Soundness

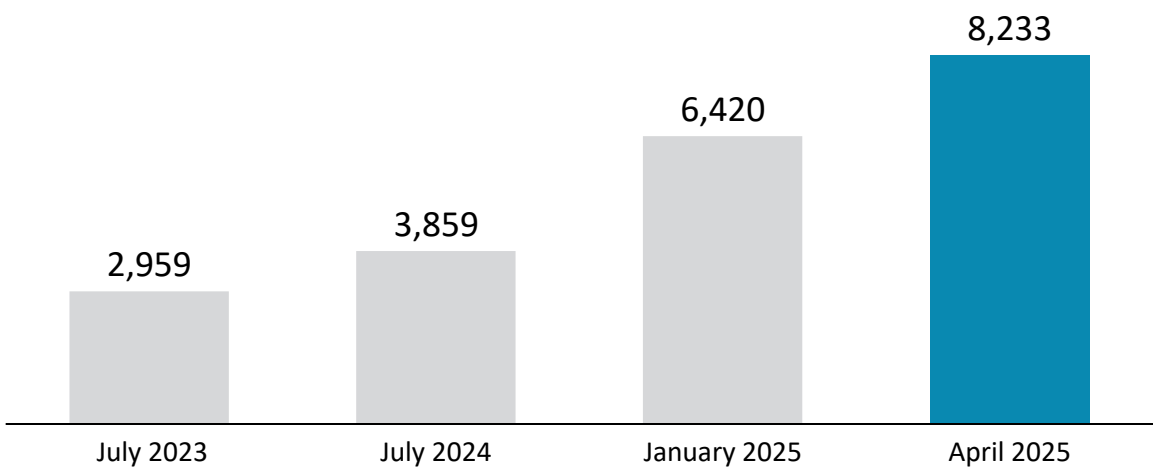
◆Consolidated Balance Sheet Statement*1

(JPY thousand)

	July 2024	January 2025	April 2025
Current assets	**10,768,175**	**15,121,010**	**15,897,220**
Cash and deposits	3,979,699	3,680,345	5,596,612
Accounts receivable	882,235	1,566,900	1,179,459
Accounts receivable-other	5,012,178	9,273,271	8,756,817
Others	897,515	604,539	369,264
Allowance for Doubtful Accounts	△3,452	△4,047	△4,933
Non-current assets	**707,831**	**1,093,320**	**1,110,650**
Property, plant and equipment	25,439	29,108	35,984
Intangible assets	5,607	4,563	39,643
Investments and other assets	676,754	1,059,649	1,035,023
Deposits	603,468	903,468	903,468
Others	73,286	156,181	131,554
Total assets	**11,476,006**	**16,214,330**	**17,007,870**
liabilities	**6,947,651**	**9,558,572**	**9,060,859**
Accounts payable	354,404	589,285	407,383
Short-term borrowings	2,928,541	3,093,615	1,444,891
Current portion of long-term borrowings	0	172,910	278,654
Accounts payable - other / Accrued liabilities	3,334,065	4,668,619	5,414,823
Accrued corporate taxes, etc.	100,280	479,819	702,733
Provision for bonuses	60,000	101,850	187,499
Others	170,361	479,472	624,873
Non-current liabilities	**300,000**	**1,215,330**	**1,091,946**
Long-term borrowings	300,000	1,215,330	1,091,946
Total liabilities	**7,247,651**	**10,773,902**	**10,152,805**
Shareholders' equity	**4,228,194**	**5,413,428**	**6,855,066**
Share capital	50,000	50,000	569,800
Capital surplus	2,593,690	2,593,690	3,113,490
Retained earnings	1,584,503	2,769,737	3,171,775
Total net assets	**4,228,354**	**5,413,428**	**6,855,066**
Total Liabilities and Net Assets	**11,476,005**	**16,187,330**	**17,007,871**

◆Original Net Working Capital*2

(JPY million)



◆Overview of the Commitment Line*2

※ Executed the commitment line agreement in July 2024. Exceeding JPY 10 bn, enabling flexible financing.

Purpose		To be allocated as working capital for the expansion of transaction volume in DGP
Method	Syndicated Commitment Line	• Arranger : Mizuho Bank, Ltd. • Participating banks : Resona Bank, THE TAIKO BANK • Credit limit : JPY 5.6 billion • Contract signing month : July 2024
	Bilateral Commitment line & Overdraft	• Lender : Sumitomo Mitsui Banking Corporation, SHOKO CHUKIN BANK, The Bank of Fukuoka, Ltd. • Credit limit : JPY 5.0 billion • Contract signing month : Jul~Aug, 2024

*1: The Company established a wholly owned subsidiary in August 2024 and has prepared consolidated financial statements starting from the fiscal year ending July 2025. Accordingly, non-consolidated financial statements are presented for the fiscal year ended July 2024, and consolidated financial statements are presented for the fiscal year ending July 2025.The impact of the subsidiary's establishment on the Group's financial position and operating results is considered immaterial.
*2: This indicator is calculated by subtracting current liabilities (including accounts payable, short- and long-term borrowings, and other payables) from current assets (including cash and deposits, accounts receivable, advances paid, and accrued revenue). We manage this as a key metric that reflects the Company's financial soundness.

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Company Overview

✓ Founded at the University of Tokyo, the company aims to realize a future without energy constraints for the next generation.

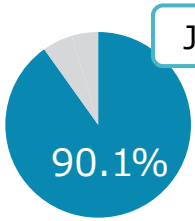
Company Overview

Company Name	DIGITAL GRID Corporation
Founded	October 2017
Fiscal Year	August 1st to July 31st
Headquarters	Akasaka Enokizaka Building 3F, 1-7-1 Akasaka, Minato-ku, Tokyo
Number of Employees	76*1 (as of Apr 30, 2025)
Share Capital	JPY 569 million (as of Apr 30, 2025)
Subsidiary	DIGITAL GRID ASSET MANAGEMENT Corporation
Credentials	・CDP Accredited Renewable Energy Provider (2021~2025) ・SBT validation(2021)

Business Segments and Revenue Composition (FYE 2024 Actual)

Power PF
- Non-renewable energy transactions on DGP

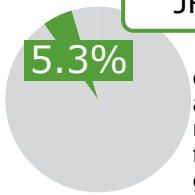
Digital Grid Platform



JPY 3.16 bn

・Sales driven by customer acquisition through agencies.

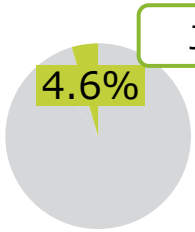
RE PF
- Renewable energy transactions on the DGP
- "RE BRIDGE," an auction site for Corporate PPAs*2
- "Econohashi - 非化石証書の代理調達サービス -", a proxy procurement service for FIT Non-Fossil Certificates*3



JPY 0.18 bn

・Sales driven by commissioned supply and demand management services for renewable energy generators.

Others
- Battery business: aggregation service and self-owned
- REC related business except for FIT-NFC such as J-Credit



JPY 1.6 bn

・Revenue driven by the sales of J-Credits

*1: Excluding officers and dispatched workers
*2: The form of Power Purchase Agreement (PPA) between power generators and consumers, for more details please refer to Appendix "Glossary"
*3: Certificates created to trade the 'environmental value' of non-fossil fuel power sources, for more details please refer to Appendix "Glossary"

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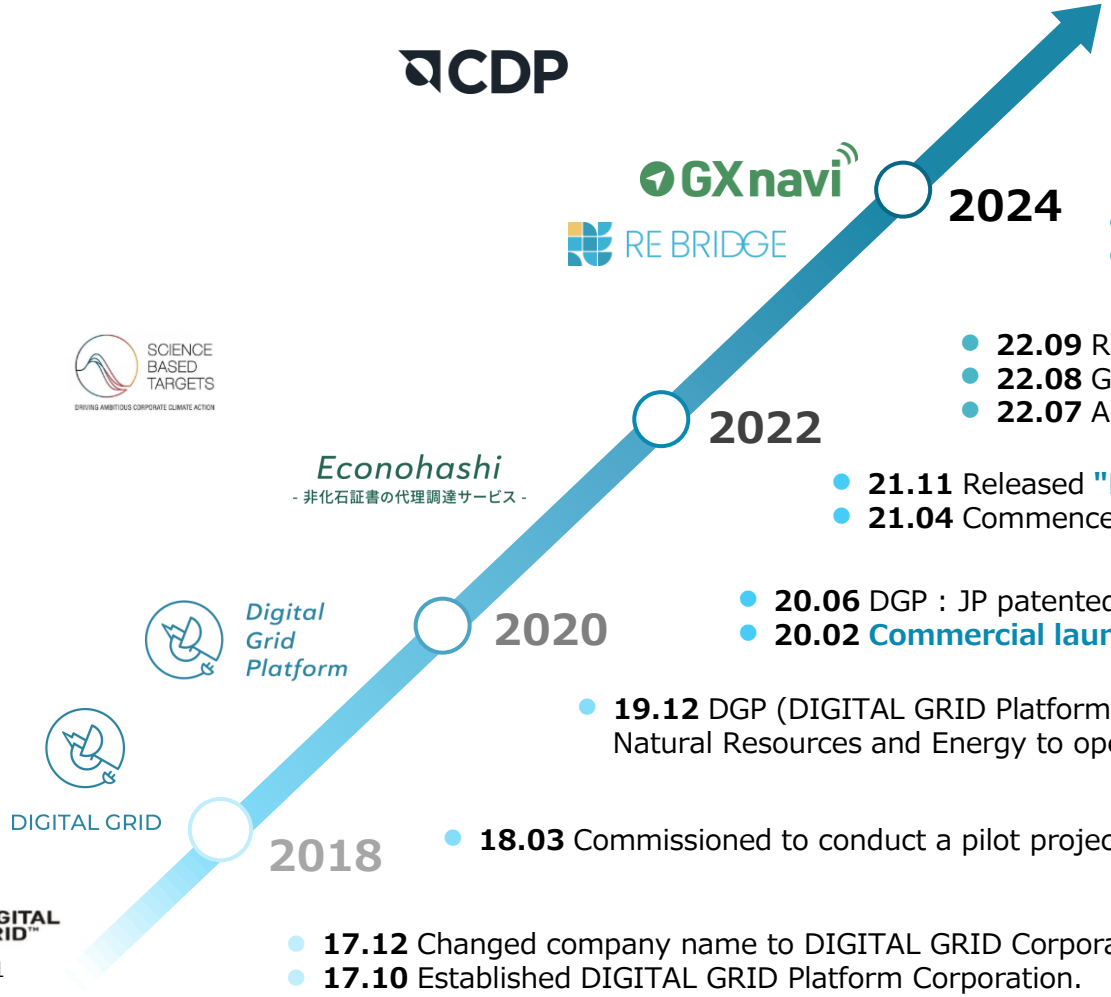
History

✓ Seven years have passed since founded, we diverse services with DGP.



- **24.12** Started aggregation service of stand-alone stationary storage batteries
- **24.08** Established **DIGITAL GRID ASSET MANAGEMENT Corporation**[*4] to provide battery storage services

- **23.07** Released **RE Bridge**, a corporate PPA specific matching platform
- **23.04** Released βver of **"GX navi"** educational decarbonization for business people

- **22.09** Released **GPA, VPPA service using the FIP system**
- **22.08** Green Purchase Agreement (GPA) : JP patented (No. 7266259)
- **22.07** Aggregator license obtained

- **21.11** Released **"Econohashi"** a proxy procurement service for FIT Non-Fossil Certificates
- **21.04** Commencement of self consignment service through DGP

- **20.06** DGP : JP patented (No. 6782479)
- **20.02** **Commercial launch of DGP**, which enables electricity transaction on a demand-oriented basis.

- **19.12** DGP (DIGITAL GRID Platform) obtained the necessary license from the Agency for Natural Resources and Energy to operate electricity transaction[*3]

- **18.03** Commissioned to conduct a pilot project by the Ministry of Environment[*2]

- **17.12** Changed company name to DIGITAL GRID Corporation.
- **17.10** Established DIGITAL GRID Platform Corporation.

*1: Previous logo
*2: P2P electric power transaction demonstration and environmental value transaction demonstration
*3: Electricity Retailer license obtained under a business model that enables direct transactions between consumers and generators
*4: Wholly owned subsidiary

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Board of Directors

✓ Our executives and independent directors have broad expertise in energy, financial services and information technology.

						
Name Title	**Yusuke Toyoda** Representative Director, President and CEO	**Takuma Chikakiyo** COO, Director	**Takehisa Shimada** CFO, Director	**Tatsuya Kurokawa** CTO, Director	**Ryuko Inoue** Independent Director	**Rikuo Otsuki** Independent Director
Management	●	●				●
Finance	●		●			
HR/Governance	●		●	●	●	
IT				●		
Power/ Renewables	●	●				●
Policy					●	●
Profile	• Master of M/E, The University of Tokyo • Ex-Goldman Sachs and Integral	• Master of M/E, The University of Tokyo • Ex-McKinsey & Company	• Ex-Managing Director of Goldman Sachs and UBS	• Master of M/E, The University of Tokyo • Ex-DeNA, PKSHA Technology	• LL.B, The University of Tokyo • LL.M, University of Washington • Lawyer since 2017	• BA, The University of Tokyo • Ex-Managing Executive Officer, TEPCO

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Purpose of IPO

- ✓ Since its founding, our group has been dedicated to making renewable energy—whose generation fluctuates with the weather—the primary source of future energy supply using digital technology. Our mission is to free humanity from energy constraints.
- ✓ In 2020, we launched commercial operations of "DGP," enabling not only renewable energy transactions but also the flexible selection of conventional thermal power sources, offering optimal power procurement solutions for consumers. Looking ahead, we aim to establish Japan's leading fair and transparent electricity and environmental value trading platform. Additionally, we will accelerate business expansion by investing in growth areas such as renewable energy product development and new ventures like grid-balancing battery storage projects.
- ✓ To support this growth, we have decided to go public in April 2025. Through our listing, we seek to: ①Enhance fundraising capabilities, ②Strengthen credibility and brand recognition, and ③Attract top talent

Purpose of IPO	Detail	Relation to Growth Strategy
①Enhance fundraising capabilities	The funds raised through the IPO will be allocated to capital investments in grid-scale battery storage facilities.	The operation of grid-scale battery storage is expected to generate revenue from electricity sales, while also integrating valuable grid-balancing capabilities into DGP, creating synergistic benefits with social impact.
②Strengthen credibility and brand recognition	The IPO will reinforce our financial foundation by strengthening equity capital and enhancing internal management systems, clearly demonstrating compliance with established standards.	As a company providing services in the energy sector, a key social infrastructure, our IPO will enhance our customer acquisition capabilities and market reach.
③Attract top talent	The IPO will enhance our credibility, providing a competitive edge in attracting skilled engineers and specialized talent, while also enabling the implementation of incentive programs to support long-term retention.	We aim to enhance platform usability and strengthen business continuity as an infrastructure company.

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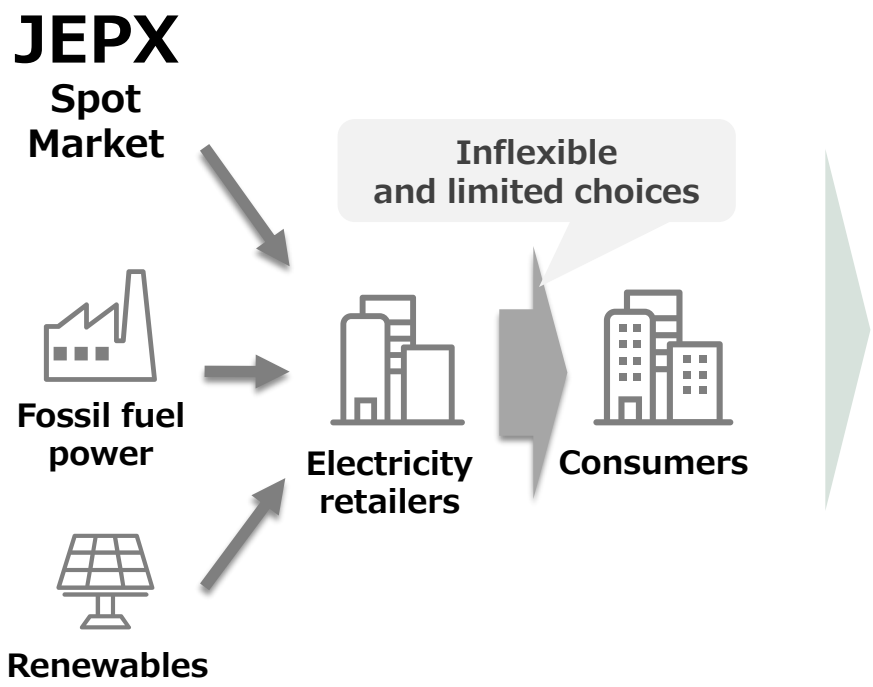
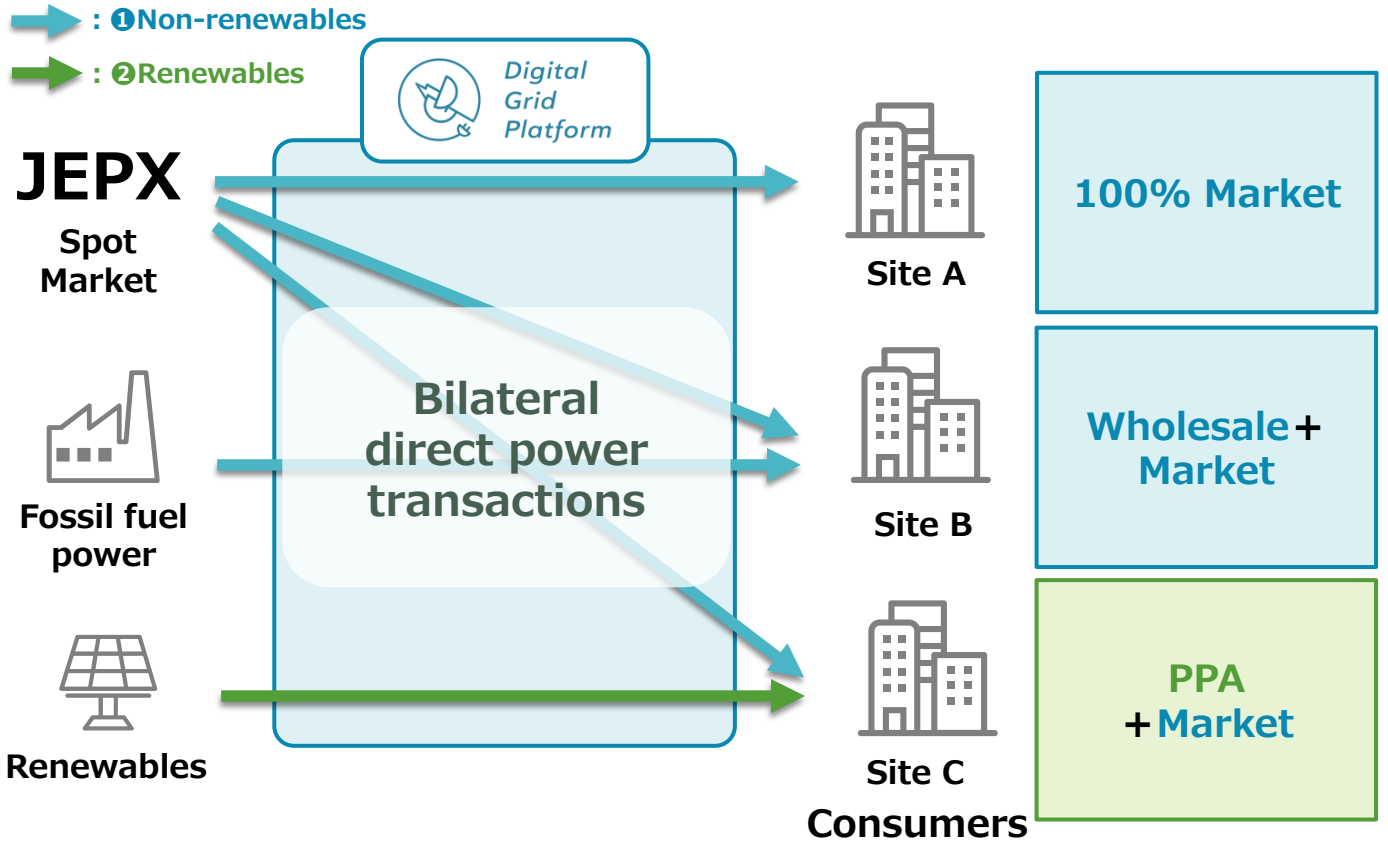
Our Core Service | DIGITAL GRID Platform (DGP)

- ✓ DGP enables consumer to engage in bilateral direct power transactions aligning with its own risk tolerance and renewable energy strategies.
- ✓ Power generators can flexibly supply and sell to multiple consumers, while renewable energy producers can establish direct contracts with off-takers.

Conventional Structure



DGP : Highly Customizable Transactions



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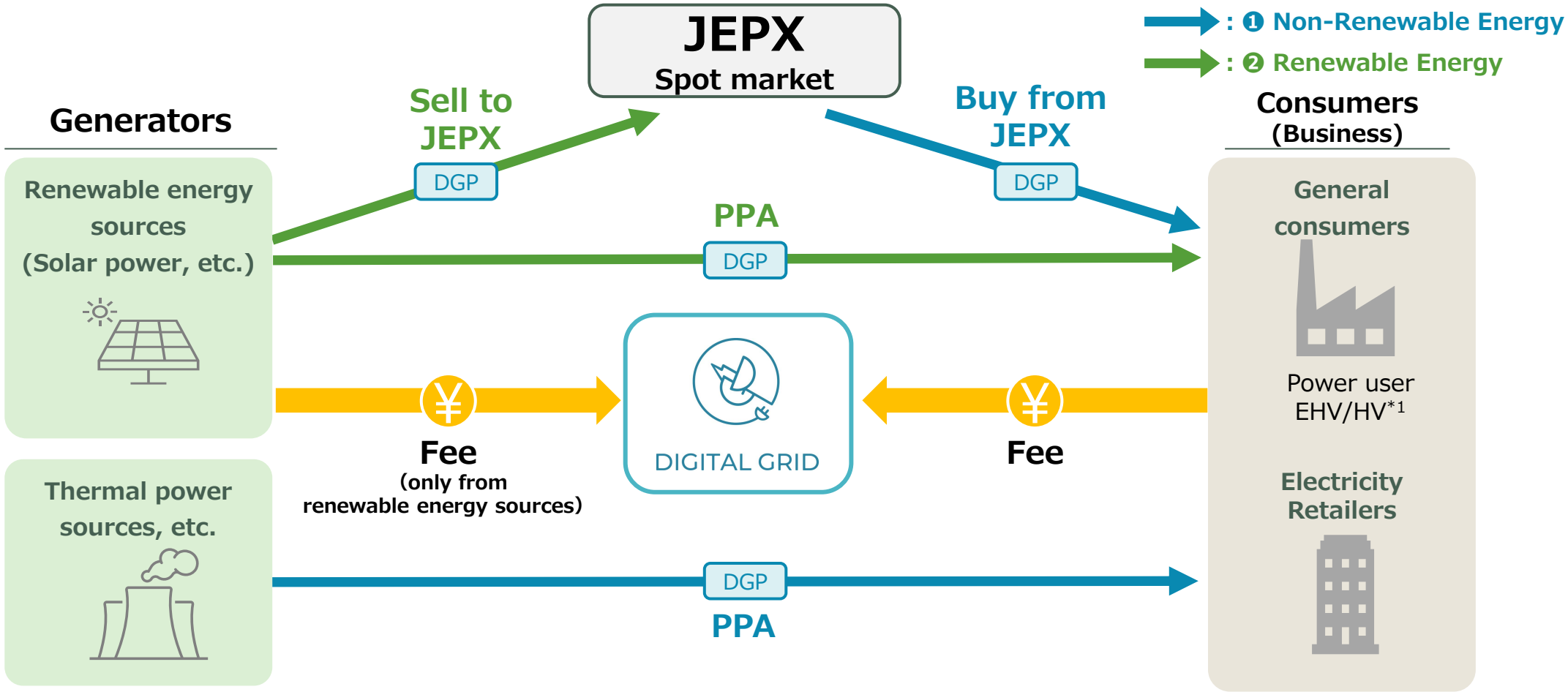
Business Structure of DGP

- ✓ Generators and consumers conduct power transactions through DGP and we receive commission from both generators and consumers based on transaction volume.
- ✓ From generators, we receive commission only from renewable energy producers.



*1 Extra-high voltage is for large-scale facilities with a contracted power of 2,000kW or more. High voltage is for facilities with a contracted power of 50~2,000kW.

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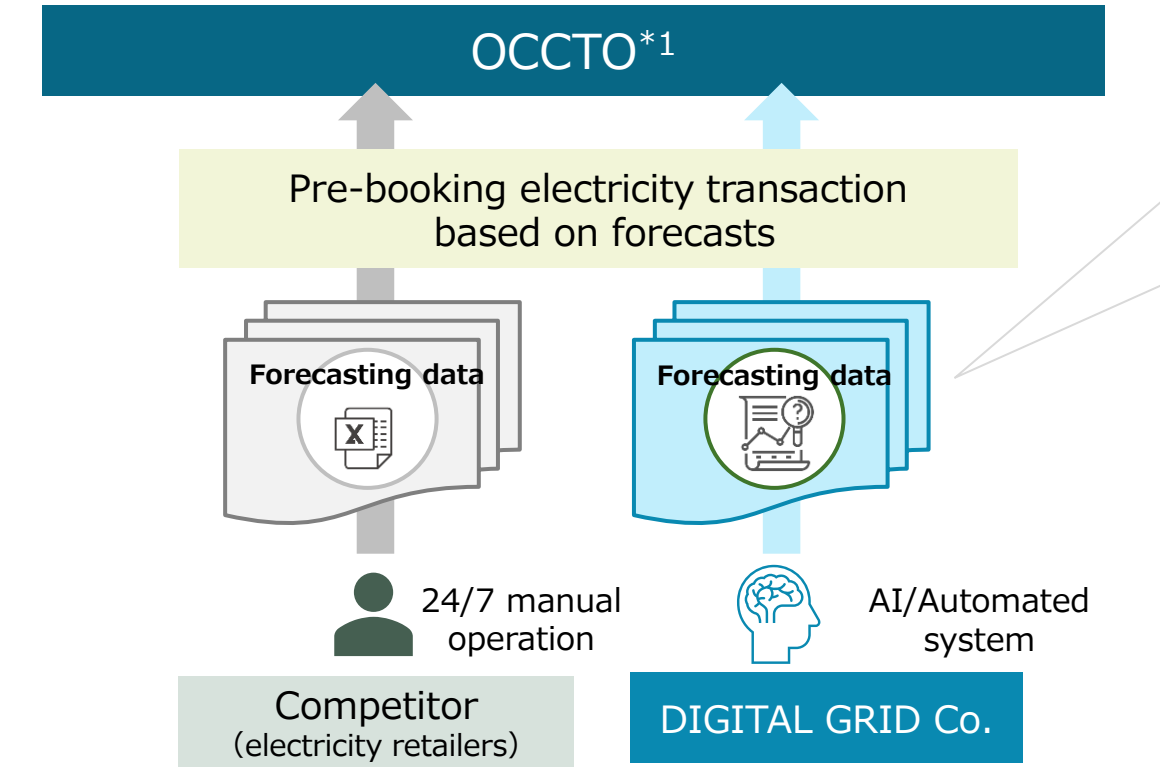
Cost Advantage through Automation of Balancing Service

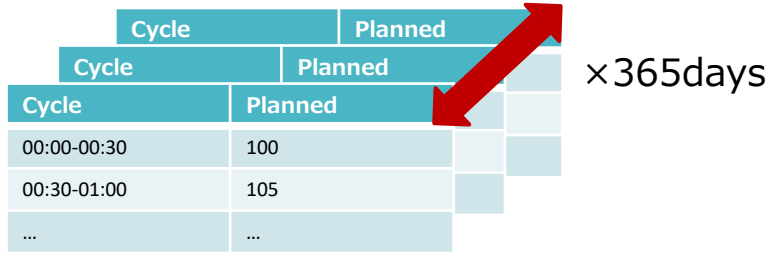
- ✓ By utilizing AI and automated transaction systems, we are building a mechanism to offer cost-effective electricity plans while reducing operational expenses compared to traditional electricity retailers.
- ✓ Through advanced management, the settlement of discrepancies between actual and planned values prevents annual losses and reduces the burden on customers.

Operation

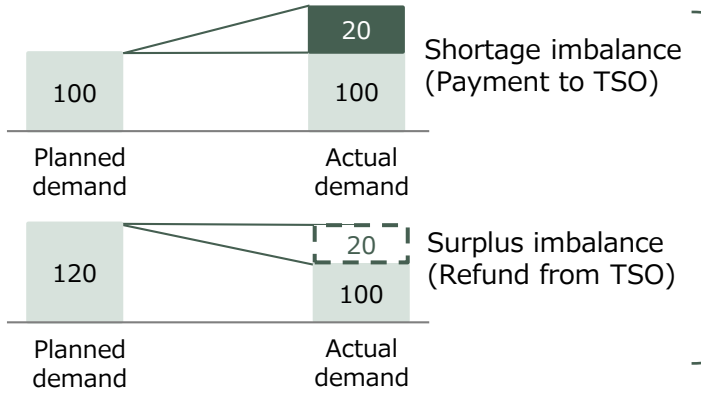


Concept for Plan submission

- Requires a transmission reservation based on prediction of consumption & generation volume every 30 minutes, 365 days a year



In case of a shortage or surplus



- Imbalance caused by electricity retailers and Power generators, are adjusted by TSO.
- Discrepancies occurred planning and actual differences will be settled.

*1 OCCTO stands for Organization for Cross-regional Coordination of Transmission Operators.

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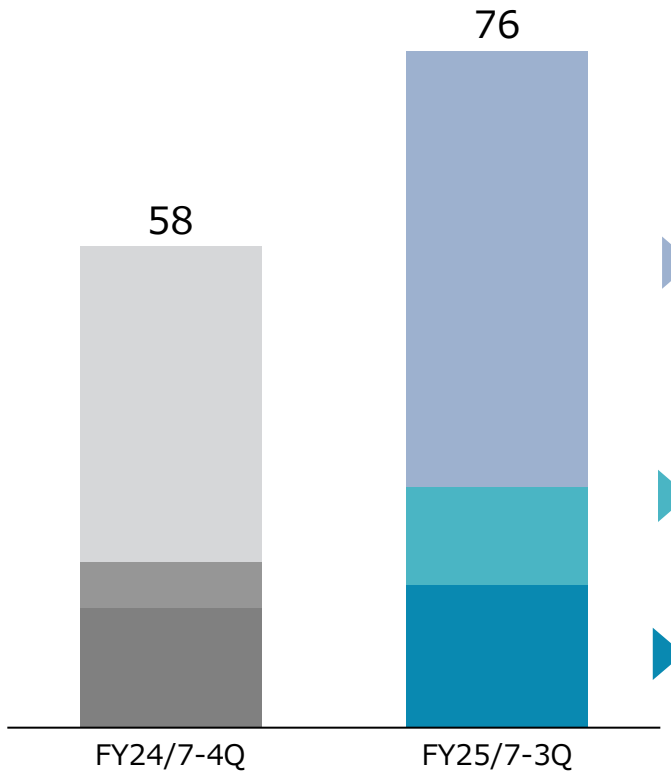
Hiring Record / A Top-Tier Team of In-House Engineers

- ✓ To support our next growth stage, we are actively investing in human capital through a carefully curated and strategic hiring process.
- ✓ According to the DORA[*1] survey, our engineering team has been evaluated as having top-class speed and stability.

Hiring Record by Business Growth[*2]



Sales department
Driven by rapid expansion, actively scaling up recruitment
Offer Rate[*3]≒2.0%

Engineer department
Driving rapid development with a small, top-tier team
Offer Rate[*3]≒0.4%

Back Office department
Steadily expanding
Offer Rate[*3] ≒1.9%

Top-class engineers [*4] in Japan

	Speed		Stability	
	Deployment frequency (deployments per day)	Lead time for changes (hours per change)	Time to restore service (hours per incident)	Change failure rate (%)
Elite	Greater than 1.0	Less than 24h	Less than 1h	Less than 15%
High	0.2 or more and up to 1.0	24h or more and less than 168h	1h or more and less than 24h	15% or more and less than 30%
Medium	0.04 or more and less than 0.2	168h or more and less than 720h	24h or more and less than 168h	30% or more and less than 45%
Low	Less than 0.04	720h or more	168h or more	45% or more
	Elite	Elite	High	Elite
	DIGITAL GRID deploys **4.84 times** per day	DIGITAL GRID takes **22.5 hours** for a change	DIGITAL GRID takes **3.59 hours** restore the service from an incident	DIGITAL GRID has **0.3 %** failure rate for a change

*1 DORA (DevOps Research and Assessment) is a research program on software development run by Google Cloud. *2 w/o execs & temps *3 assessment : FY25/7 H1 *4 assessment : FY22/7～FY2

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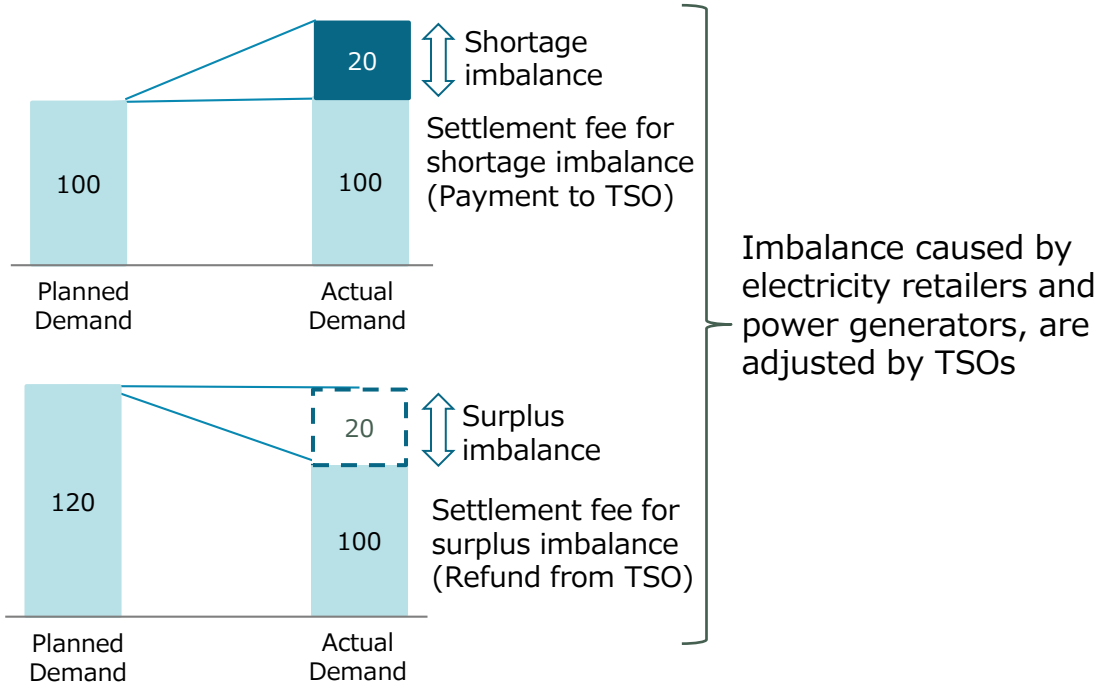
Profit and Loss caused by Payment to/from Transmission System Operator (TSO)

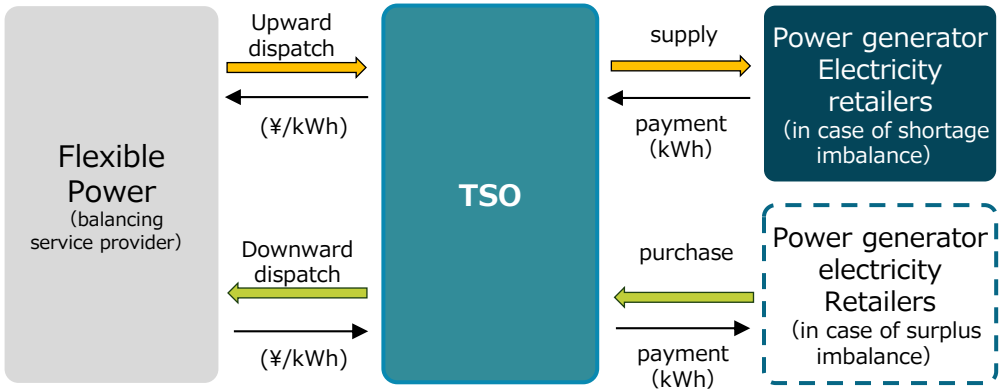
1. Retail electricity providers and power generators are required to prepare demand and generation schedules in 30-minute intervals, dividing each day into 48 settlement periods.
2. Any deviation from these schedules in actual supply and demand is referred to as an imbalance, which is adjusted by TSOs.
3. Generators or retailers that cause imbalances must settle the corresponding electricity volumes with TSOs after the fact.

Plan Submission and Imbalance



Settlement of Imbalance

- Any power generators and electricity retailers who caused imbalance will settle the payment with TSOs.
- TSOs pay compensation to balancing capacity providers for the amount of balancing capacity activated in response to dispatch instructions.



Source: Electricity and Gas Market Surveillance Commission Network Surveillance Division Jan.28, 2022 Imbalance Charge system

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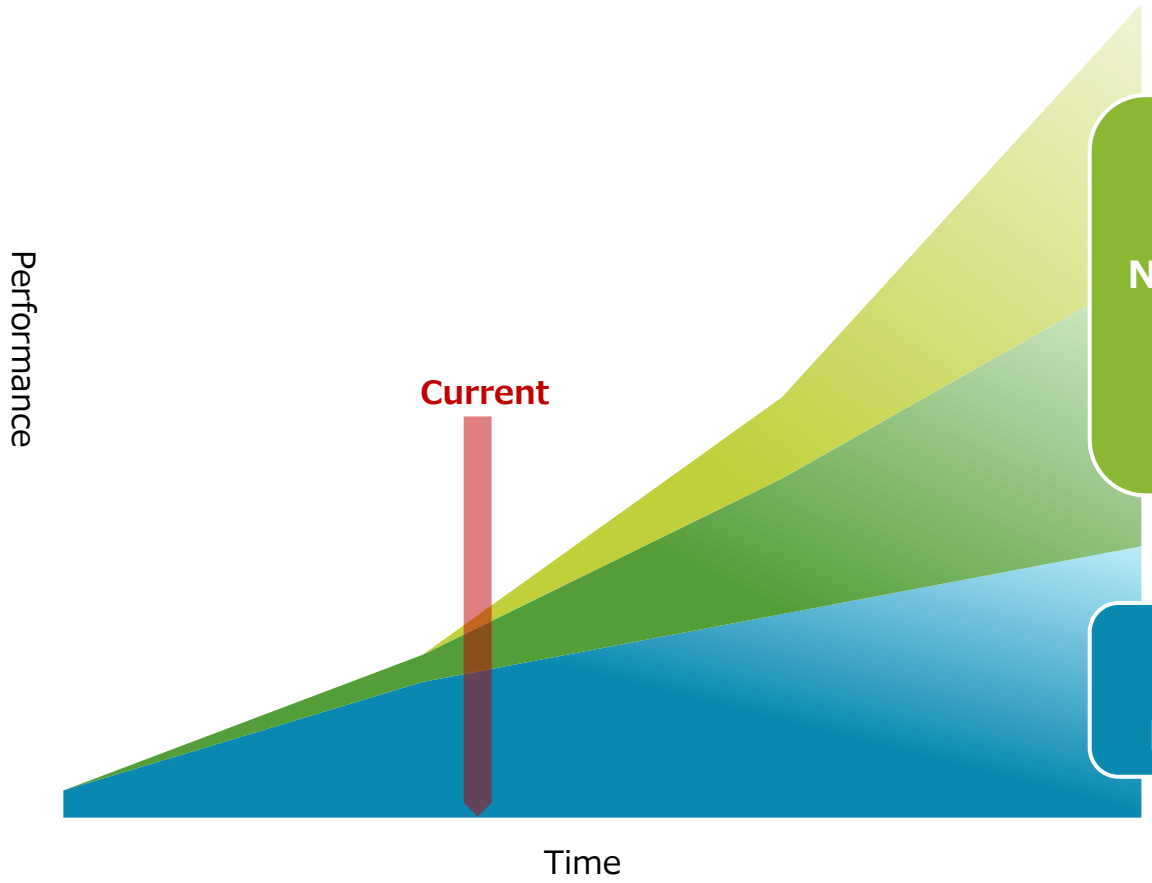
Growth Strategy

- ✓ To achieve energy democratization, we will deepen existing businesses and establish new revenue streams.
- ✓ By growing our renewable energy and battery storage businesses, we will drive scale, strengthen differentiation, and set a new benchmark in electricity trading.

Growth Image



New revenue streams

Deeping existing businesses

Investment areas for new business growth

New **Battery**

- Aggregation service
- In-house development projects
- Integration with DGP

New **Renewables**

- Strengthening direct sales
- Customer journey support
- Product improvement

Non-renewables

- Strengthening direct sales
- Efficient management of agencies
- Enhancing hedge menu offerings

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Risks and Countermeasures in the Anticipated Market Environment

	Probability	Impact on Power Market	Impact on Our Business
Surge in JEPX Market Prices	High	✓ Many Electricity retailers in deficit ✓ Growing demand for power hedging	✓ Temporary revenue decline (↘) due to the exit of 100% JEPX customers ➢ During past JEPX surges, growth was driven by absorbing unmet demand from other providers ✓ Offering hedging options for fixed electricity costs and hybrid plans combining fixed and variable pricing (↗)
Emergence of Competitors	Medium	✓ Accelerating market red ocean ✓ Customer attrition & rising service costs	✓ Potential revenue decline (↘) due to market monopolization in dynamic pricing ✓ Enhancing unique services and features, including DGP (↗) ✓ Expanding service lineup and continuously pursuing new business opportunities (↗)
Response to Risks from Electricity Market Reforms	Medium	Responding to Various Regulatory Changes ✓ 2016: Full liberalization of Electricity retailers ✓ 2020: Legal unbundling of transmission and distribution ✓ 2024: Introduction of the capacity contribution system	✓ Potential impact on financial position and business performance due to unexpected regulatory changes (↘) ✓ Strengthening lobbying and monitoring efforts for regulatory changes (↗)
Regulatory Changes in Decarbonization	Medium	✓ Introduction of carbon pricing ✓ Transition to a renewable energy-centered power mix ✓ Increase in market prices	✓ Rising LNG-fired power generation costs may increase market procurement costs, impacting profitability (↘) ✓ Growing demand for corporate PPAs driving an increase in renewable energy supply-demand contracts (↗)
Profit and Loss Related to Settlement with Transmission System Operators	Medium	✓ Achieving real-time supply-demand balancing ✓ Incentives for accurate supply-demand planning	✓ Establishing a system for optimizing supply-demand balance every 30 minutes through in-house systems and a monitoring team (↗) ✓ Significant surplus or shortage imbalances due to failure in real-time balancing may impact financial position and business performance (↘)

As a platform capable of handling diverse power transactions, we maintain growth and profitability amid changing market conditions.

Note: Analysis conducted by our company

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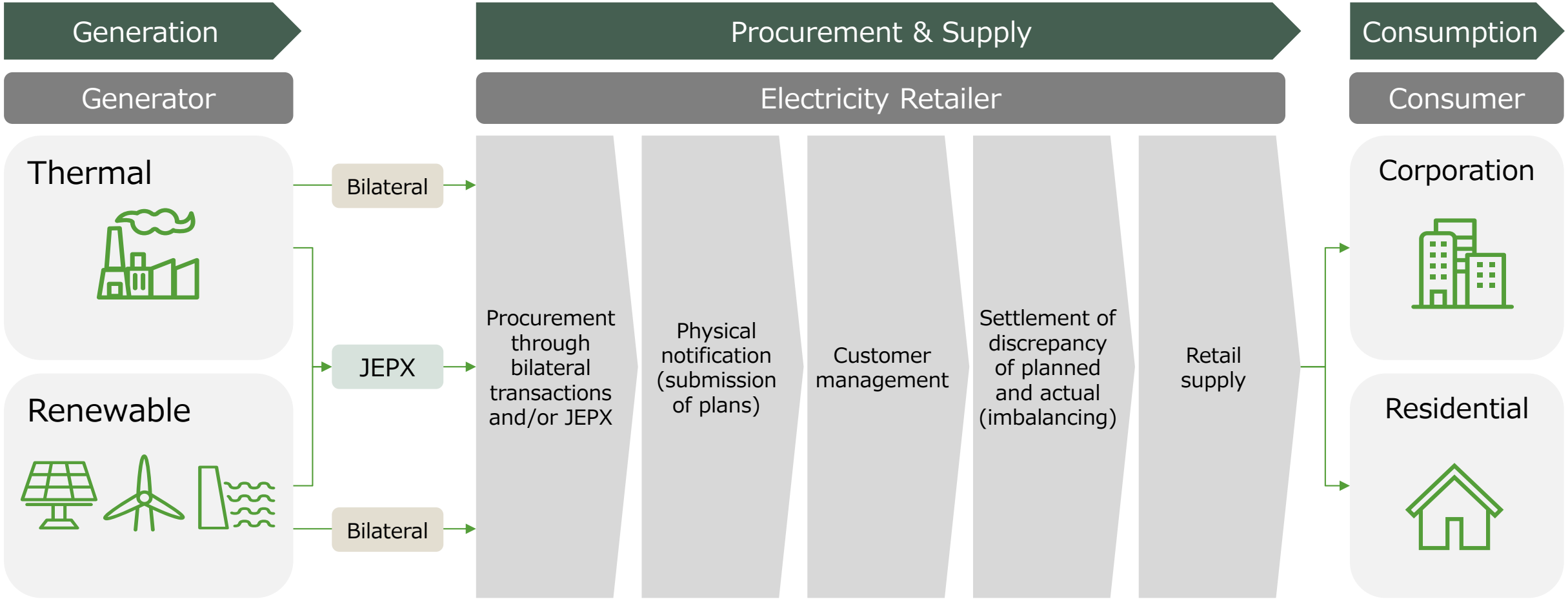
Electricity Trading Value Chain

- ✓ Value chain of electricity transaction extends from the point electricity is generated to its delivery to end consumers via electricity retailers
- ✓ Consumers can only choose from the pricing menus offered by Electricity retailers



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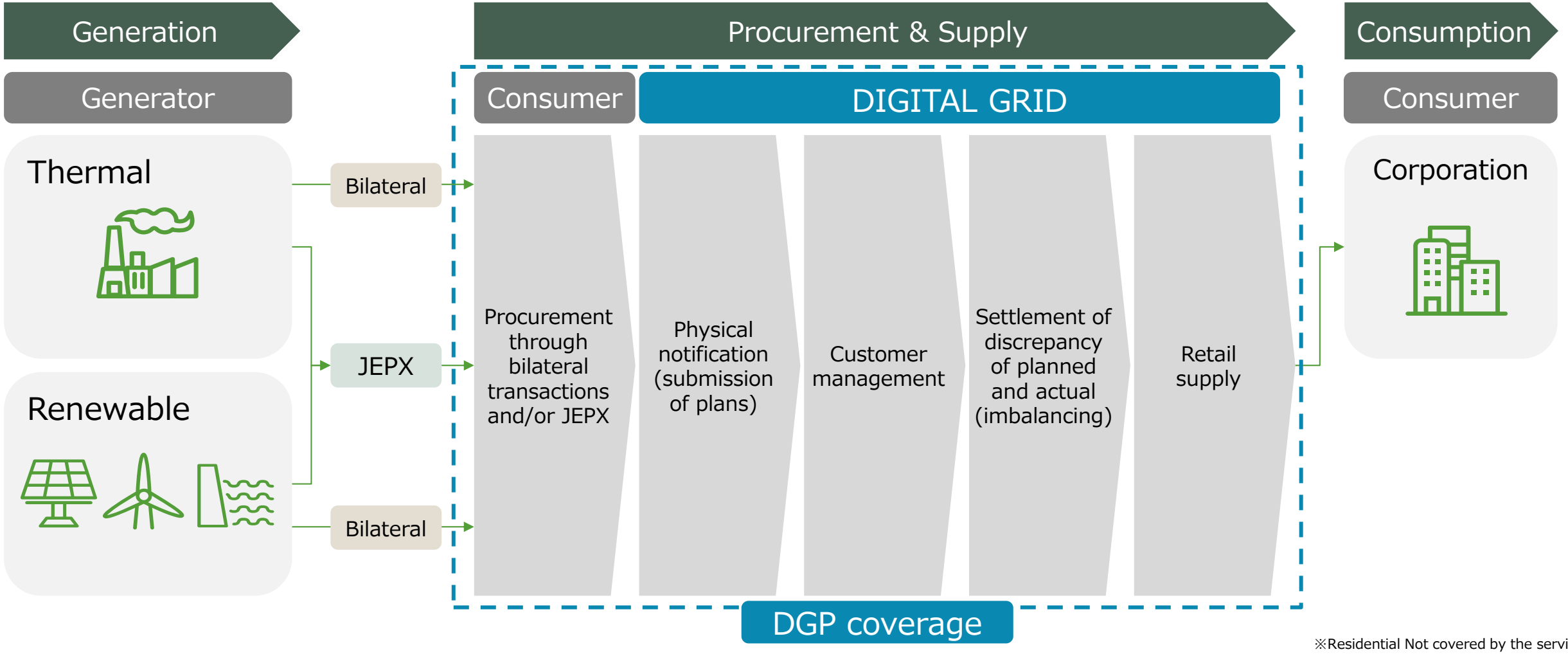
Digital Grid ‘s Value Proposition in the Electricity Trading Value Chain

- ✓ By utilizing DGP, consumers can directly trade with Power generators and the market (JEPX), themselves
- ✓ DGP is equipped with necessary mechanisms for electricity trading and supply, enabling consumers to trade without knowledge, system nor professional team



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Glossary

W (watt) and difference in Wh (watt-hours)	The unit for the actual electrical energy consumed per second is the watt (W). 1 watt-hour (Wh) is the amount of electricity used for 1 hour of power.
Corporate PPA	This is a power purchase agreement between a generator and a consumer. An off-site PPA is a method in which a power generator away from a customer directly enters into a long-term contract on a relative basis to procure renewable energy power generated by a newly installed solar power facility at a long-term, fixed unit price. There are two main types of PPA, Physical PPA and Virtual PPA (VPPA), depending on the value provided to the customer. Physical PPA is a method in which electricity generated by renewable energy power plants and environmental value are delivered to customers as a set, while VPPA is a method in which electricity and environmental value are considered separately and only environmental value is delivered to customers.
Self-delivery	This is a system whereby the transmission and distribution network owned by a general transmission and distribution utility is used to transmit electricity generated by a customer who owns private power generation facilities at a factory or other facility to a customer at a different location or to a customer who has a close relationship with such a customer at a factory or other location.
Non-fossil certificate	This is a certificate for transaction the "environmental value" of non-fossil power sources such as renewable energy. Electricity produced from non-fossil energy sources can be considered to have an environmental value of "no carbon dioxide emissions" in addition to its value as electricity, and this environmental value can be certified and traded together with the electricity.
Aggregators licenses	This is the notification required to conduct a specified wholesale supply business. Aggregators (specified wholesale suppliers), derived from the English word "aggregate," are companies that aggregate the energy resources of consumers and stand between consumers and electric power companies to control the balance between supply and demand of electricity and to maximize the use of each consumer's energy resources. The term "aggregate" refers to a business entity that bundles energy resources owned by consumers and stands between consumers and electric power companies to control the balance between supply and demand of electricity and to maximize the use of energy resources of each consumer.
FIP system	FIP is an abbreviation for "feed-in premium," which promotes the introduction of renewable energy by adding a certain amount of premium to the price at which electricity is sold on the wholesale market by renewable energy power producers, rather than purchasing electricity at a fixed price as under the FIT (Feed-in Tariff) system. This is to promote the introduction of renewable energy by adding a certain amount of premium to the price at which electricity is sold on the wholesale market.

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