PowerX Q1 FY2026
Financial Results Briefing

PowerX, Inc.

May 2026 (Securities Code: 485A)

This document is an English translation of the original Japanese document titled “2026年12月期 第1四半期 決算説明資料” and is provided for reference purposes only.
In the event of any discrepancy between this translation and the original Japanese version, the original shall prevail.

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2. Q1 FY2026 Financial Results

3. Business Highlights

4. FAQ / Company Overview (Appendix)



Executive Summary

- Q1 YoY: Achieved Revenue and Profit Growth
- Q1 Full Year Production Progress: 34%
- Order Backlog as of May: ¥89.0 billion *1 (+ ¥8.9 billion since February)
- Market: Strong Tailwinds (Japan and Overseas)
- Regarding Global Strategy
- New Product Launch

The AI-readable version of today's materials (MD file) can be downloaded here.

*1 Total value of "Signed Orders" and "Probable Orders" for fiscal years 2026 through 2030 as of May 14, 2026. Includes amounts already recognized as revenue. See p.16 for detailed definitions.

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Revenue and profit increased year on year. Deliveries from contracted order backlog are concentrated in the second half, and Q1 performance landed in line with expectations.

(Unit: Millions of yen)

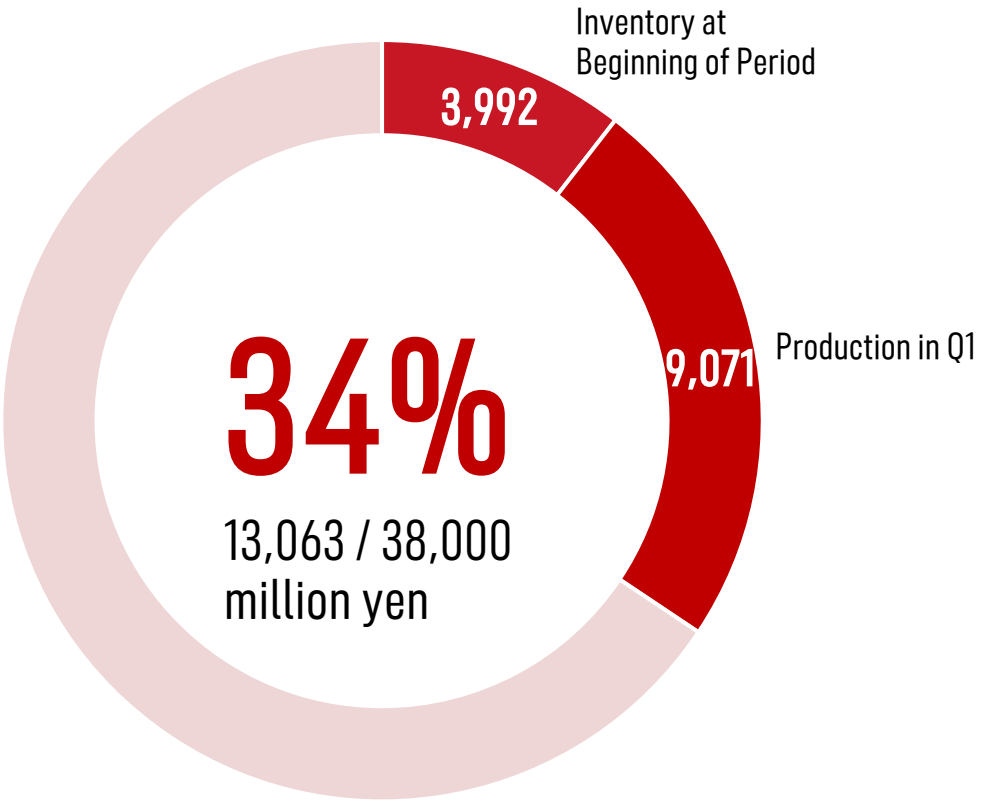
	Actuals			
	FY2025 Q1 Actuals	FY2026 Q1 Actuals	YoY Change	Progress vs. Forecast
Revenue	1,757	**1,945**	**10.6%**	**5.1%**
Gross Profit	553	**673**	**21.7%**	-
Operating Profit	(803)	**(697)**	-	-
EBITDA(1)	(652)	**(551)**	-	-
Ordinary Profit	(1,225)	**(1,039)**	-	-
Profit Attributable to the Owners of the Parent	(1,222)	**(1,007)**	-	-

(1) EBITDA = Operating Profit + Depreciation and Amortization + Share-based payment expenses

- In Q1, revenue was JPY 1,945 million (+10.7% YoY), operating loss was JPY 697 million (improved by JPY 106 million YoY), and loss attributable to owners of parent was JPY 1,007 million (improved by JPY 215 million YoY), resulting in YoY revenue and profit growth.
- As with the previous year, due to sales seasonality, progress against the full-year forecast remained at 5.1% at the end of Q1. However, the current order backlog, including probable orders, covers 99.7% of the full-year net sales forecast, and we believe we are safely on track to meet guidance.
- Gross profit margin improved to 34.6%, driven by strong battery power plant operation services performance and temporary profitability improvements in the EVCS business. From Q2 onward, module procurement costs are expected to trend in line with full-year forecast assumptions.
- SG&A expenses were contained to JPY 1,370 million (+1% YoY), and cost controls also progressed in line with expectations.
- As a result, operating loss, EBITDA, ordinary loss, and loss attributable to owners of parent all improved YoY and progressed within the assumptions of the full-year forecast.

While sales are seasonal, production is being leveled throughout the year. Production is progressing steadily, with no concerns regarding manufacturing capacity.

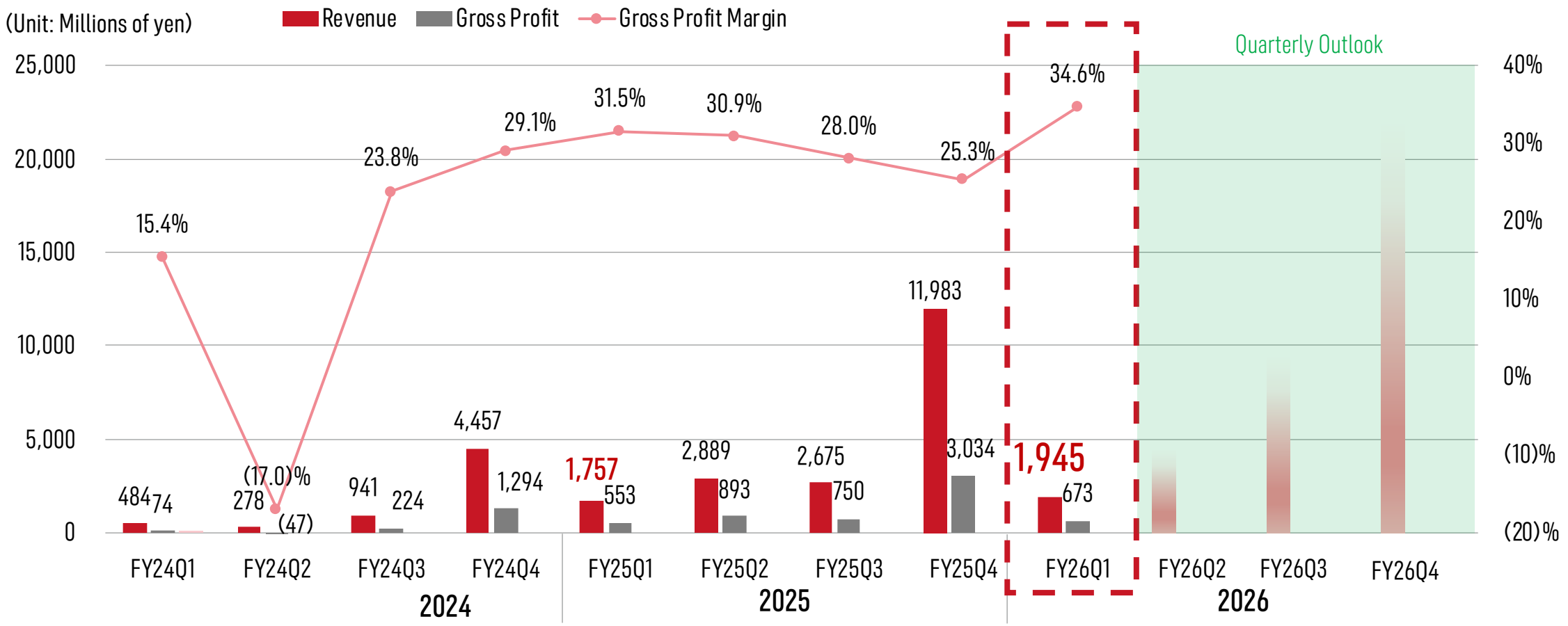
Production Progress (2)



(2) Revenue-equivalent value based on produced inventory

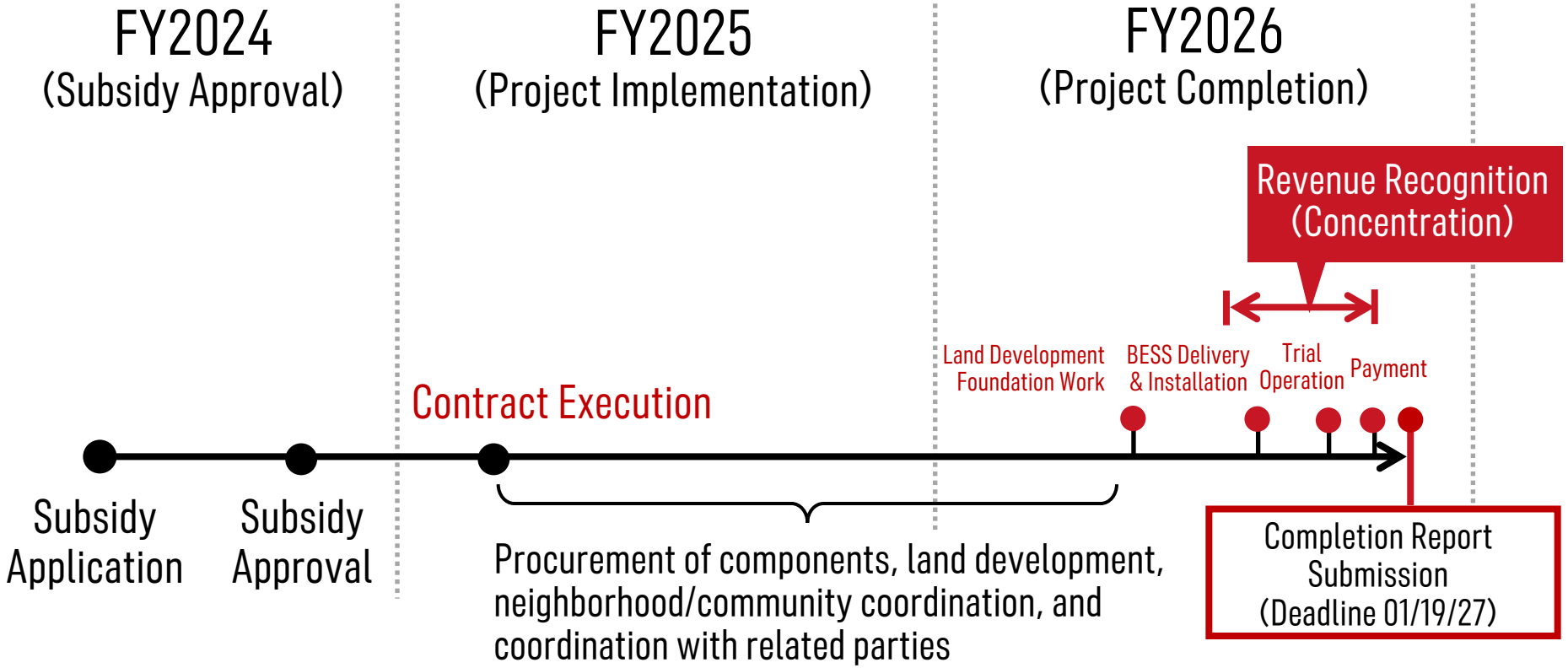
- By leveling production throughout the year, the Company aims to control costs, maintain product quality, and improve operational efficiency.
- Production equivalent to 34% of the full-year revenue forecast has been completed as of Q1, with manufacturing progressing steadily and no capacity concerns.
- As our product is mass produced yet made on order, we produce inventory for contracted projects generally deliverable within the next six months.

Delivery timing for contracted backlog remains concentrated in the second half, and Q1 revenue progressed in line with forecasts. We expect revenue to increase towards the second half of the year as inventory is delivered.



Note: Many of the Group's major customers have fiscal year-ends in December or March, and many subsidy programs used by customers require orders to be finalized by the fiscal year-end (March). As a result, customer budget execution tends to concentrate in the second half, and the Group's revenue are therefore also weighted toward the second half. Quarterly outlook figures are illustrative only and do not represent specific quarterly financial forecasts.

Product delivery dates are agreed upon with our customers at the signing of the purchase order, products are manufactured and ownership is transferred at the date agreed upon in the contract. For customers that use subsidies, January 19th 2027 is a hard deadline and most deliveries are scheduled in December.



Even for non-subsidy projects, battery system deliveries tend to be concentrated in the second half due to customers' annual budgeting cycles (primarily companies with March fiscal year-ends) and project schedules that assume subsidy application timelines. The Company expects this trend to continue for the foreseeable future.

Gross margins are lower for peripheral equipment and higher for our own products. Depending on when and what is delivered, growth margin may seem to fluctuate but it will be consolidated at year's end. An increase in O&M and electricity sales is expected as accumulated deliveries rise.

Segment	Equipment Sales Revenue		Recurring Revenue	
	Battery Systems (In-house Products)	Peripheral Equipment (Third-party Products)	Maintenance & Operation	Electricity Sales
BESS Business	Mega Power PowerX Cube (+PX PCS 100)	PCS*1、TR*2 ESS Monitoring Systems High-voltage receiving equipment, etc.	Maintenance and operation services	–
Power Business			• Battery power plant operation services • Maintenance and operation services	PowerX Energy (Electricity supply services)
EVCS Business	Hypercharger	–	Maintenance and operation services	PowerX Charge Station (EV charging services)

*1 PCS (Power Conditioning System): Converts direct current (DC) and alternating current (AC), functioning as the interface between batteries and the power grid.
*2 TR (Transformer): Adjusts voltage levels to enable appropriate grid connection.

Strong battery operation services drove 157.4% YoY revenue growth and positive segment profit in the Power Business.

(Unit: Millions of yen)

Segment		FY2025 Q1 Actuals	FY2026 Q1 Actuals	YoY Change
BESS Business	Revenue	1,399	1,421	+1.6%
	Operating Profit	310	80	(73.9%)
Power Business	Revenue	115	298	+157.4%
	Operating Profit	(39)	82	-
EVCS Business	Revenue	242	225	(7.0%)
	Operating Profit	(121)	32	-
Adjustments (Company-wide)	Revenue	-	-	-
	Operating Profit	(952)	(892)	-
Consolidated	Revenue	1,757	1,945	+10.6%
	Operating Profit	(803)	(697)	-

- BESS Business: Although profitability appeared temporarily weaker due to a higher sales mix of peripheral equipment described earlier, deliveries of Mega Power systems are concentrated in the second half, and profitability is expected to improve significantly in the second half. Q1 results progressed in line with expectations, and production continued steadily toward deliveries in the second half of the FY (production progress: 34%).
- Power Business: Revenue from battery operation services performed strongly, resulting in 157.4% YoY growth. Tolling-related revenue also contributed to profitability, leading segment profit to turn positive.
- EVCS Business: Revenue declined slightly YoY; however, segment profit turned positive due to several high-margin projects. As these were one-time factors, efficient operations will continue to be prioritized from Q2 onward.

While continuing to invest in necessary sales activities, the Company maintained disciplined cost control primarily in G&A expenses, contributing to improved operating profit.

(Unit: Millions of yen)

	FY2025				FY2026	
	Q1	Q2	Q3	Q4	Q1	YoY
Revenue	1,757	2,889	2,675	11,983	**1,945**	**+10.6%**
COGS	1,203	1,995	1,925	8,948	**1,271**	**+5.6%**
S&M(1)	405	418	474	453	**478**	**+18.0%**
R&D	360	560	413	441	**352**	**(2.4%)**
G&A(2)	591	675	481	634	**540**	**(8.6%)**
Total SG&A	1,357	1,653	1,370	1,529	**1,370**	**+1.0%**
Operating Profit	(803)	(759)	(619)	1,505	**(697)**	**-**

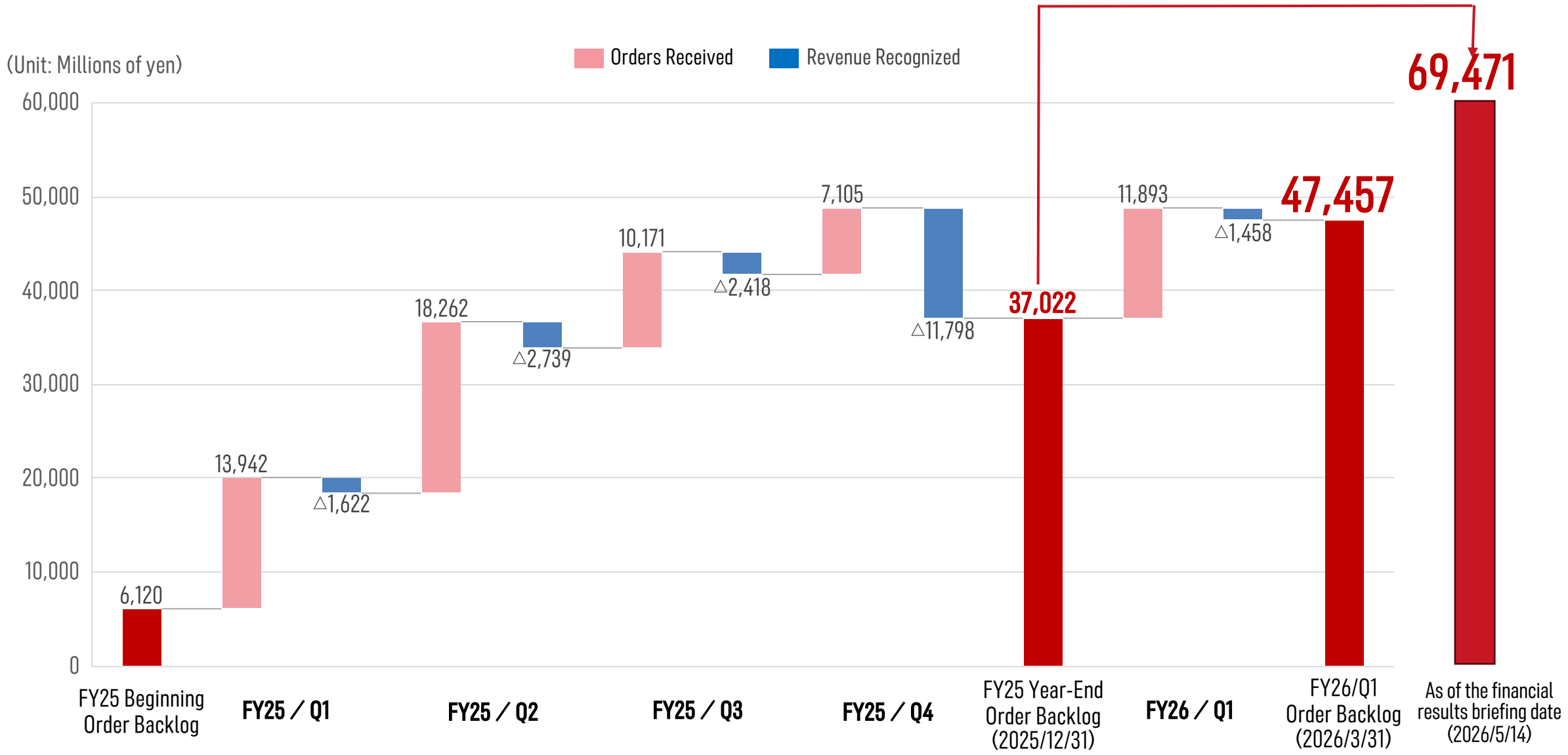
- SG&A expenses increased only 1.0% YoY despite a 10.6% YoY increase in revenue, as the Company continued investing in S&M activities to support order expansion while maintaining disciplined control over G&A expenses and overall operational efficiency.
- R&D expenses were temporarily lower due to the timing of expense recognition, though the Company expects this to normalize over the course of the fiscal year.
- As a result of improvements in gross profit and SG&A efficiency, operating loss improved by JPY 106 million YoY. As noted earlier, Q1 losses were in line with expectations due to deliveries being concentrated in the second half of the fiscal year.

(1) S&M = Sales and Marketing
(2) G&A = General and Administrative

FY2026 Q1 > Order Backlog (Signed Orders) Trend

Conversion of probable orders into signed contracts drove 87.6% growth in signed order backlog from FY2025 year-end.

Signed Order Backlog +¥32,448 mm

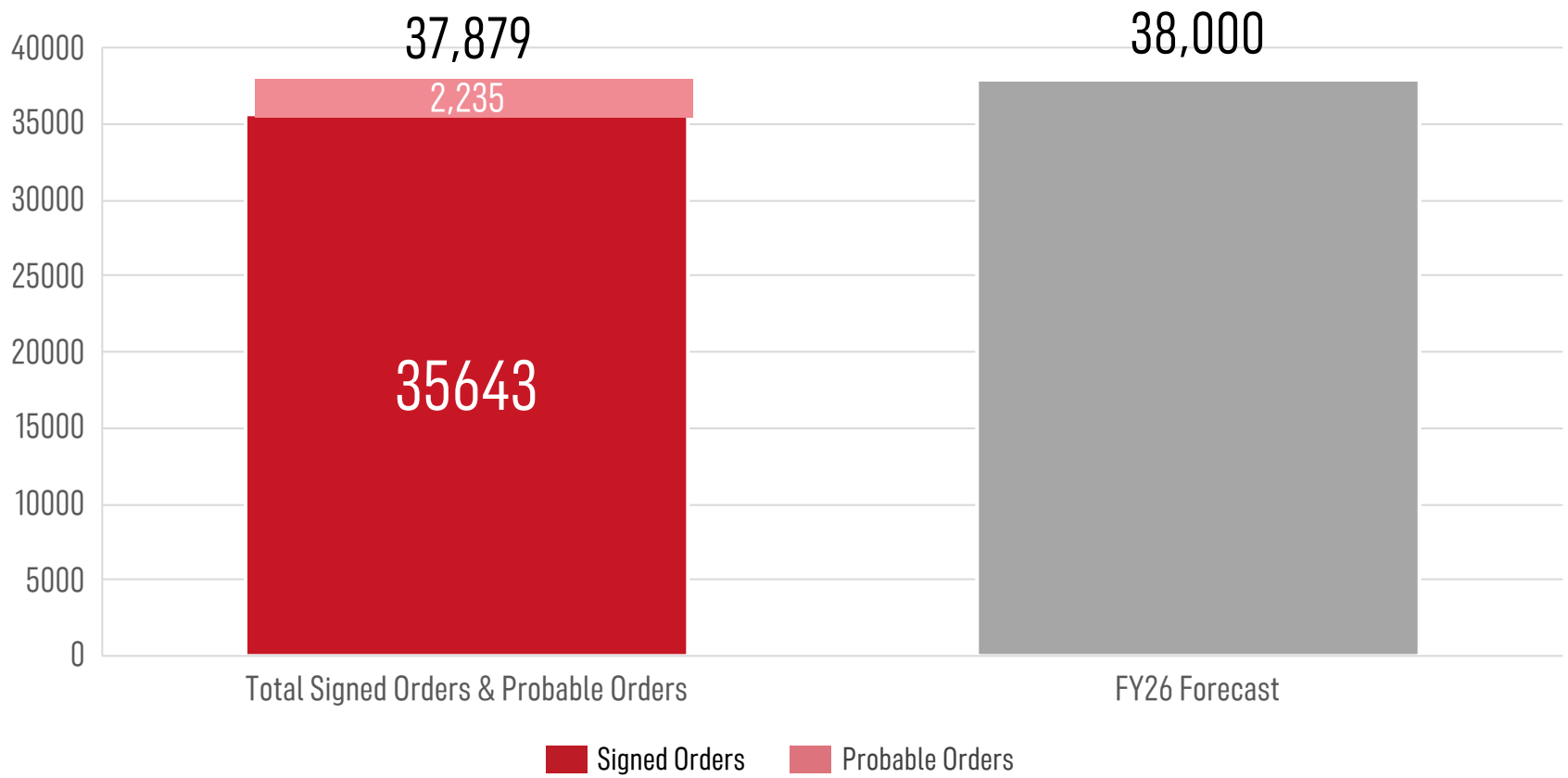


*The figures above include signed orders only and do not include the amount of "probable orders" described on page 12 or tolling-related revenue. "Signed orders" refer to binding orders that have been officially placed by customers and for which sales contracts have been concluded. However, please note that there is a risk that orders may be canceled or changed in terms of price or quantity before the contract is concluded, or that all or part of the expected revenue from concluded contracts may not be recognized.

Progress against the FY2026 financial forecast reached 93.8% based on signed orders, and 99.7% including probable orders, effectively reaching the full-year forecast.

Signed & Probable Orders Expected to Be Recognized in FY2026 vs. FY2026 Forecast(1)

(Unit: Millions of yen)



*1 The total of "signed orders" and "probable orders" for fiscal year 2026 as of May 14, 2026. Includes amounts already recorded as revenue, including recurring revenue. "Signed orders" refer to binding orders that have been officially placed by customers and for which sales contracts have been concluded, and include recurring revenue. "Recurring revenue" refers to revenue expected to be continuously recorded over a certain period based on long-term contracts related to electricity retail and battery power plant operation in the Power Business, as well as long-term contracts related to maintenance and software provision associated with equipment sales in the BESS Business and EVCS Business, for which revenue has been agreed with customers at the time of contract execution. "Probable orders" refer to any of the following expected orders: (i) those for which the adoption of government subsidies from the Japanese government, Tokyo Metropolitan Government, etc. has been approved, or (ii) orders that are in the final stages of the sales contract conclusion process, with the customer's internal approval of our final proposal regarding the main terms, and are therefore estimated to have a high probability of being ordered in the near future. However, please note that there is a risk that orders may be canceled or changed in terms of price or quantity before the contract is concluded, or that all or part of the expected revenue from concluded contracts may not be recognized.

The commitment line was increased to JPY 8.0 billion to support working capital needs toward the second half of the fiscal year. Discussions are also ongoing regarding funding for the factory through a combination of equity and borrowings.

(Unit: Millions of yen)	2024/12	2025/12	2026/3
Assets			
Cash and deposits	1,244	7,454	**5,629**
Accounts receivable and contract assets	2,160	5,881	**1,058**
Inventory	2,136	4,517	**8,116**
Other current assets	684	2,344	**3,764**
Total current assets	6,226	20,197	**18,569**
Property, plant and equipment	4,365	4,948	**4,992**
Intangible assets	55	74	**81**
Investments and other assets	183	1,016	**964**
Total fixed assets	4,604	6,038	**6,038**
Total assets	10,830	26,236	**24,608**

(Unit: Millions of yen)	2024/12	2025/12	2026/3
Liabilities			
Short-term borrowings and current-portion of long-term borrowings	2,868	4,750	**2,250** *1
Contract liabilities	1,118	9,153	**11,462**
Other current liabilities	1,567	2,929	**2,267**
Total current liabilities	5,547	16,833	**15,980**
Long-term borrowings	3,325	2,000	**-**
Other non-current liabilities	287	754	**692**
Total liabilities	3,612	2,754	**692**
Net Assets			
Shareholders' equity	1,431	6,165	**6,746**
Total net assets	1,670	6,648	**7,935**
Total liabilities and net assets	10,830	26,236	**24,608**

*1 : As of the end of March 2026, the JPY 8.0 billion commitment line remained fully undrawn, with only the long-term borrowing portion utilized.

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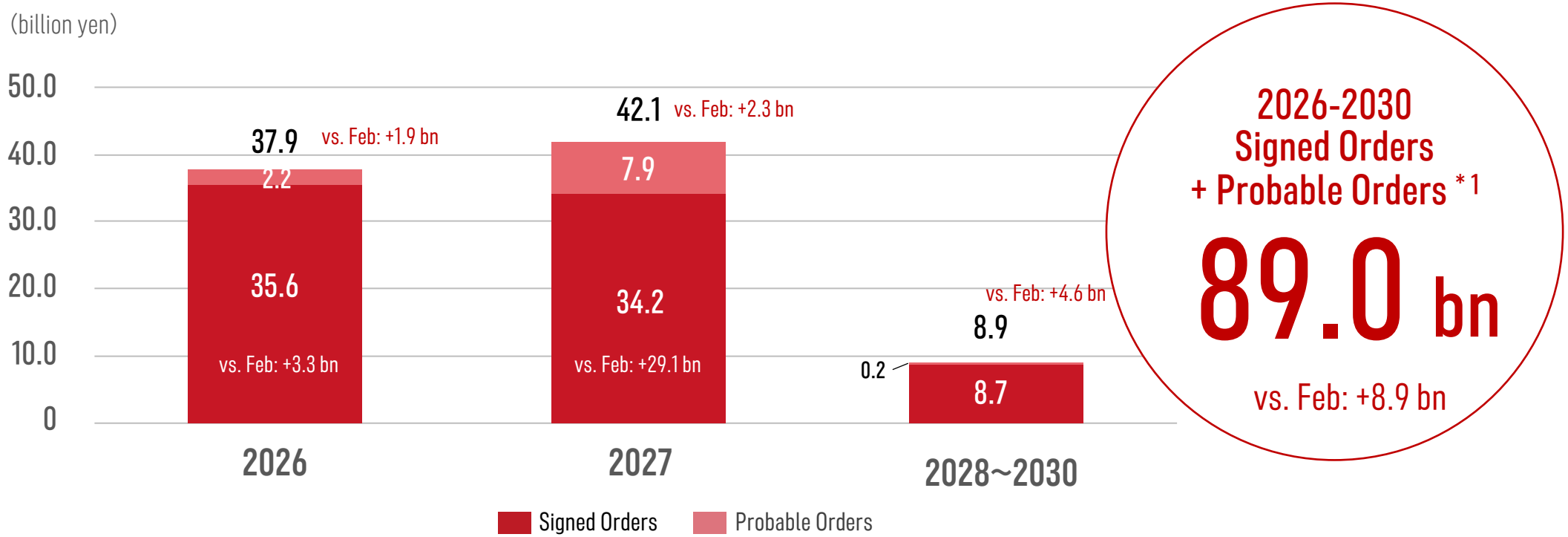
Order Backlog and Forward Outlook

Breakdown of backlog (including probable orders) - by fiscal year

Order Backlog: Probable orders for FY27 have grown substantially due to the selection for subsidies. The combined total of signed and probable orders between FY26 and FY30 is projected to reach 89 billion yen.

(As of May 14)

2026-2030 Signed Orders & Probable Orders *1 (Unit: billion yen)



2026-2030 Signed Orders + Probable Orders *1

89.0 bn

vs. Feb: +8.9 bn

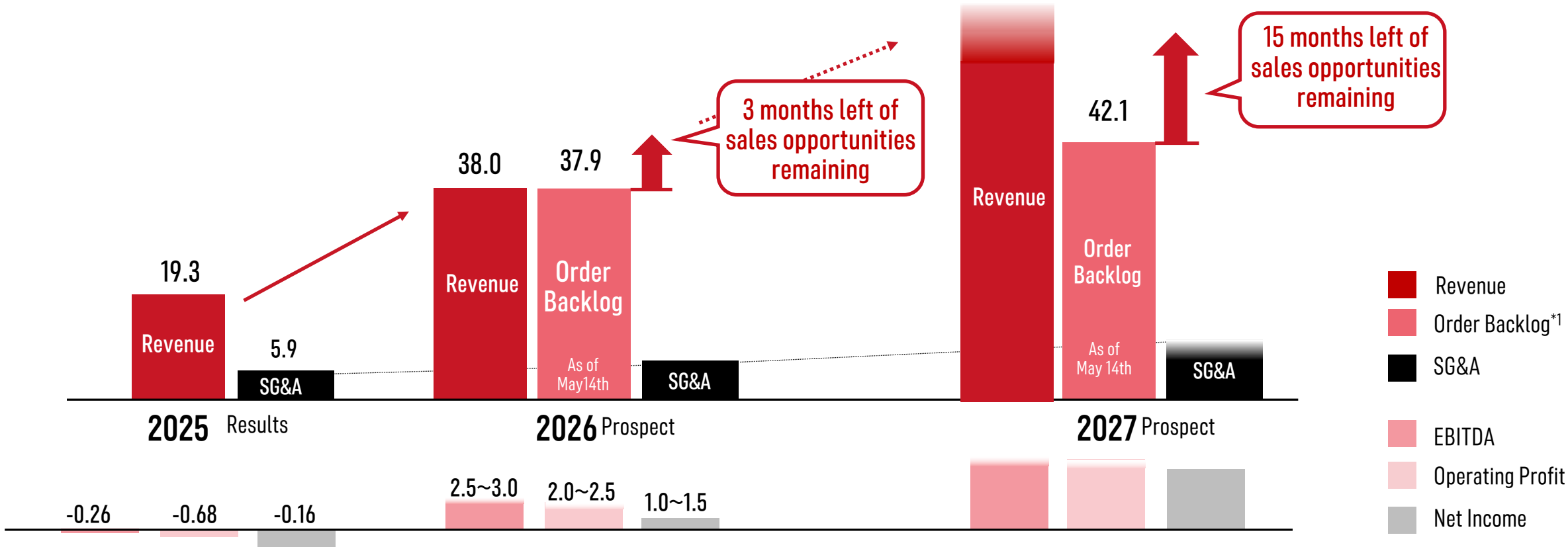
*1 The total of “signed orders” and “probable orders” for fiscal years 2026 to 2030 as of May 14 , 2026. Includes amounts already recorded as sales. “Signed orders” refer to binding orders that have been officially placed by customers and for which sales contracts have been concluded and include recurring revenue. Recurring revenue refers to sales that are expected to be recognized continuously over a fixed period, based on long-term contracts agreed upon with customers at the time of conclusion. These include long-term contracts for electricity retail and energy storage plant operations in the Electric Power business, as well as those for maintenance and software services associated with equipment sales in the BESS and EVCS businesses. "Probable orders" refer to any of the following expected orders: (i) those for which the adoption of government subsidies from the Japanese government, Tokyo Metropolitan Government, etc. has been approved, or (ii) orders that are in the final stages of the sales contract conclusion process, with the customer's internal approval of our final proposal regarding the main terms, and are therefore estimated to have a high probability of being ordered in the near future. However, please note that there is a risk that orders may be canceled or changed in terms of price or quantity before the contract is concluded, or that all or part of the expected revenue from concluded contracts may not be recognized.

Breakdown of backlog (including probable orders) - by fiscal year

Financial Outlook for FY26 and FY27

2026: Order backlog stands at 37.9 billion yen (+96% YoY).
2027: Already secured 42.1 billion yen in backlog; performance expected to exceed current FY levels through additional orders over the next 15 months.

2025-2027 Order Backlog*1, Revenue, and SG&A Forecast (As of 2026/5/14) (Unit: billion yen)



*1 The total of "signed orders" and "probable orders" for fiscal years 2026 to 2027 as of May 14 , 2026. Includes amounts already recorded as sales. "Signed orders" refer to binding orders that have been officially placed by customers and for which sales contracts have been concluded and include recurring revenue. Recurring revenue refers to sales that are expected to be recognized continuously over a fixed period, based on long-term contracts agreed upon with customers at the time of conclusion. These include long-term contracts for electricity retail and energy storage plant operations in the Electric Power business, as well as those for maintenance and software services associated with equipment sales in the BESS and EVCS businesses. "Probable orders" refer to any of the following expected orders: (i) those for which the adoption of government subsidies from the Japanese government, Tokyo Metropolitan Government, etc. has been approved, or (ii) orders that are in the final stages of the sales contract conclusion process, with the customer's internal approval of our final proposal regarding the main terms, and are therefore estimated to have a high probability of being ordered in the near future. However, please note that there is a risk that orders may be canceled or changed in terms of price or quantity before the contract is concluded, or that all or part of the expected revenue from concluded contracts may not be recognized.

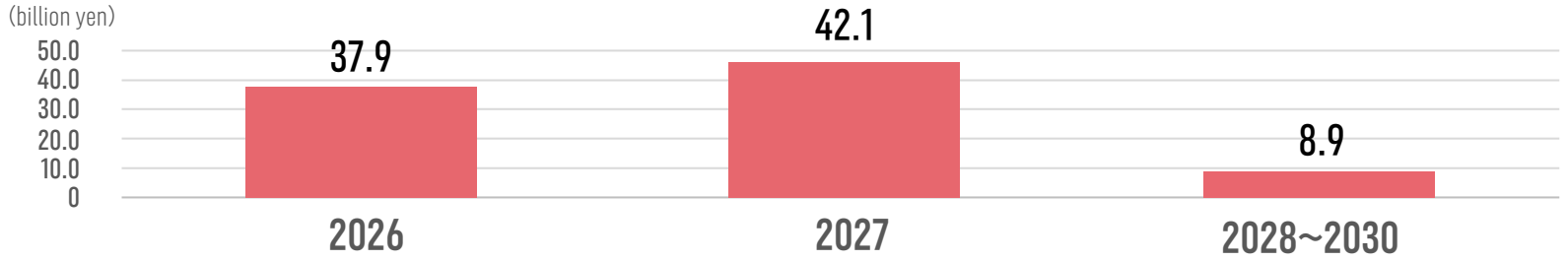
Order Backlog + Active Negotiations with Clients

Status of Projects under Negotiation for FY30

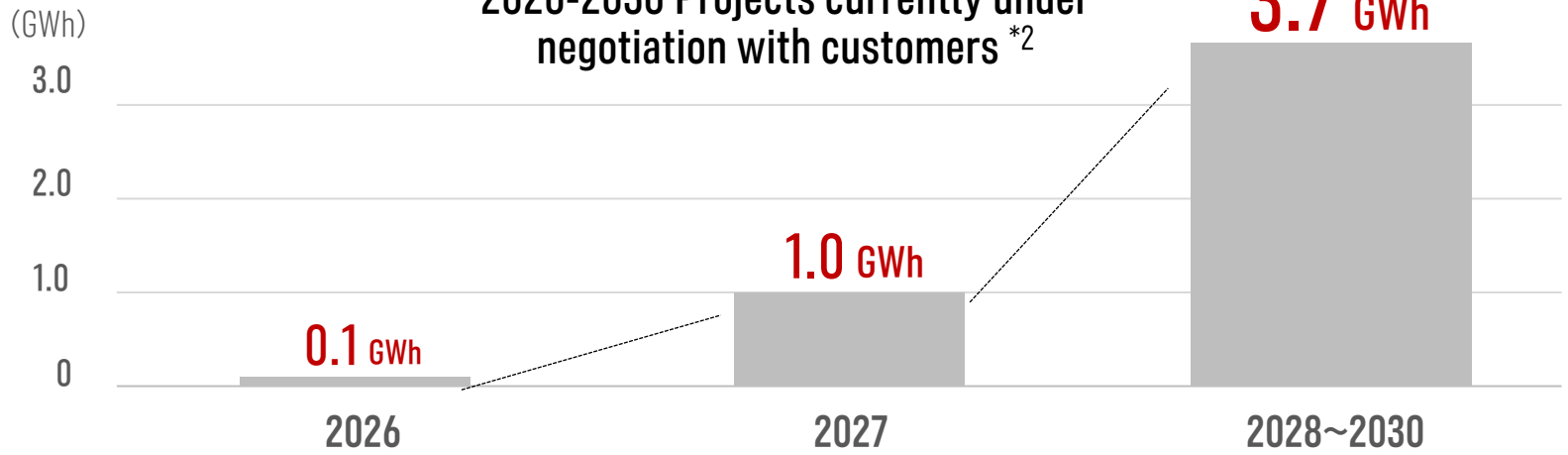
Projects currently under negotiation with customers *2, which are not yet included in the order backlog *1, total 4.8 GWh through 2030. We plan to convert these into future orders.

(As of May 14)

2026-2030 Signed Orders & Probable Orders *1 (Unit: billion yen)



2026-2030 Projects currently under negotiation with customers *2



2026-2030 Signed Orders + Probable Orders *1

89.0 bn

+

2026-2030 Projects currently under negotiation with customers

~4.8GWh

*1 The total of "signed orders" and "probable orders" for fiscal years 2026 to 2030 as of May 14 , 2026. Includes amounts already recorded as sales. "Signed orders" refer to binding orders that have been officially placed by customers and for which sales contracts have been concluded and include recurring revenue. Recurring revenue refers to sales that are expected to be recognized continuously over a fixed period, based on long-term contracts agreed upon with customers at the time of conclusion. These include long-term contracts for electricity retail and energy storage plant operations in the Electric Power business, as well as those for maintenance and software services associated with equipment sales in the BESS and EVCS businesses. "Probable orders" refer to any of the following expected orders: (i) those for which the adoption of government subsidies from the Japanese government, Tokyo Metropolitan Government, etc. has been approved, or (ii) orders that are in the final stages of the sales contract conclusion process, with the customer's internal approval of our final proposal regarding the main terms, and are therefore estimated to have a high probability of being ordered in the near future. However, please note that there is a risk that orders may be canceled or changed in terms of price or quantity before the contract is concluded, or that all or part of the expected revenue from concluded contracts may not be recognized.

*2 Total GWh capacity of projects currently under negotiation, excluding the "Signed Orders" and "Probable Orders" mentioned above. "Projects under negotiation" refers to cases where we have received initial inquiries, confirmed and finalized detailed requirements, and submitted final proposals or quotations to customers. This excludes projects that have already been lost or cancelled but includes ongoing projects (those that are pending without being lost or cancelled). Please note that there are risks of order cancellation prior to contract conclusion, or changes in price and quantity, as well as the risk that all or part of the expected revenue may not be recognized under the contract. Furthermore, as these are projects currently under negotiation, there is a risk that orders may not be placed in the future or that the GWh figures may be subject to change.

Business Updates and Topics

Market Trends Related to BESS

Market trends supporting strong long-term growth in the adoption of battery energy storage systems

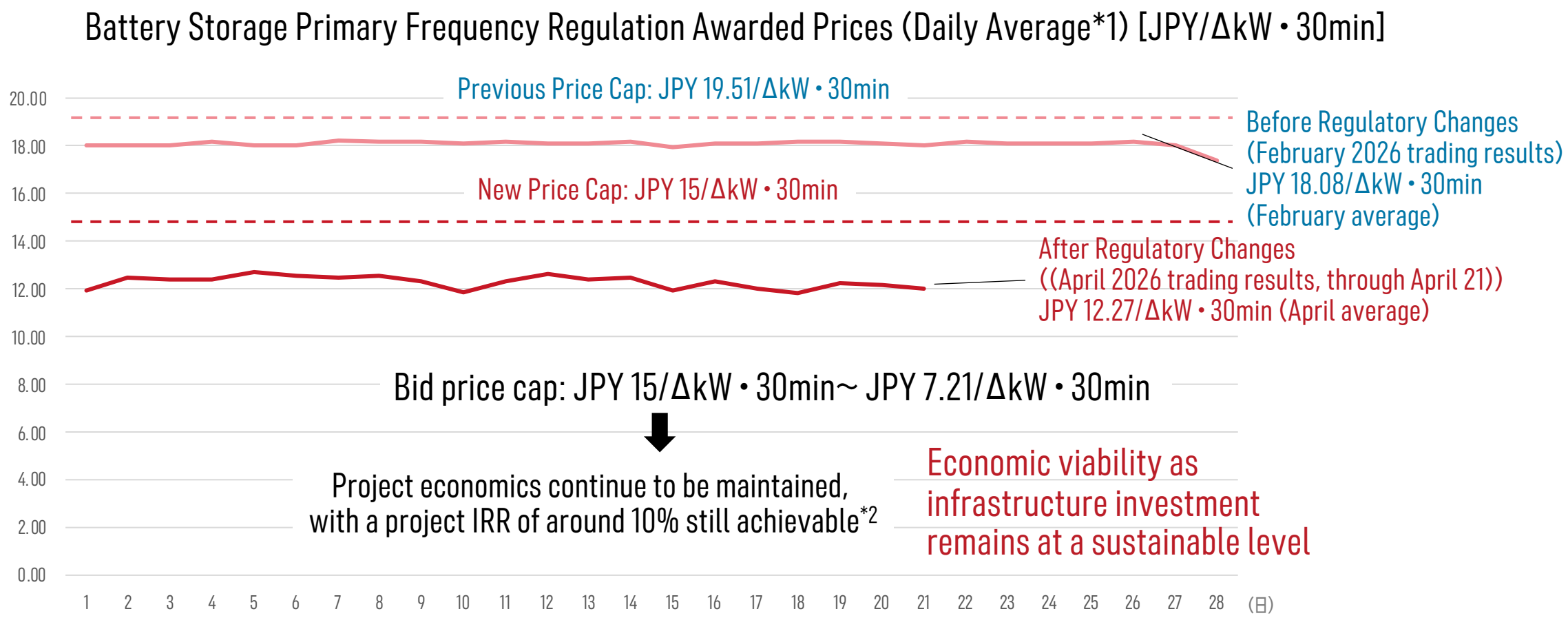
1. The balancing market (primary frequency regulation) continues to maintain economic viability as infrastructure investment even after regulatory changes (recent average successful bid prices have remained around JPY 12/kWh*1)
2. Widening price spreads in the JEPX spot market*2 are expected to further enhance the economics of BESS-based energy arbitrage trading
3. The benchmark price (Net CONE) for the main capacity market auction has been revised upward*3, also benefiting new battery storage facility development
4. JC-STAR (security requirement conformity assessment and labeling scheme) to become incorporated into grid code requirements (from April 2027)*4

For more details, please refer to the video

*1 Weighted average of awarded prices exceeding the minimum bid price in the balancing market
*2 Japan Electric Power Exchange (JEPX) spot market
*3 OCCTO announcement dated December 18, 2025 regarding revisions to capacity market auction benchmark pricing
*4 Ministry of Economy, Trade and Industry announcement regarding cybersecurity requirements for distributed energy resources aggregation businesses and battery systems

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Recent Battery Storage Primary Frequency Regulation Trading Results



*1 Source: Electricity Balancing Market Trading Organizationhttps://www.eprx.or.jp/information/results.php Average of awarded prices weighted by awarded volume for each block. Since the market rules were revised in March 2025, February 2026 data prior to the regulatory changes is shown for comparison purposes, assuming a successful bid based on certain operational conditions.

*2 Assumptions: 20MW / 80MWh (4-hour) battery storage project with a 20-year project period based on DCF methodology. Revenue from primary frequency regulation is calculated using values aligned with publicly disclosed guidelines after deducting balancing market and capacity market values. Operating hours assumed at 8,760 hours/year, battery cycle life at 95%, battery degradation rate at 2% per year, PCS/inverter loss rate at 7%, and annual operating hours at 7,740 hours. Award ratio assumed at 50%. Battery degradation over 20 years is assumed (100% in year 1 → 70% in year 20). Aggregator success fees are assumed at 8% of revenue.

Market Trends Related to BESS

Market trends supporting continued medium- to long-term growth in the value of battery energy storage systems

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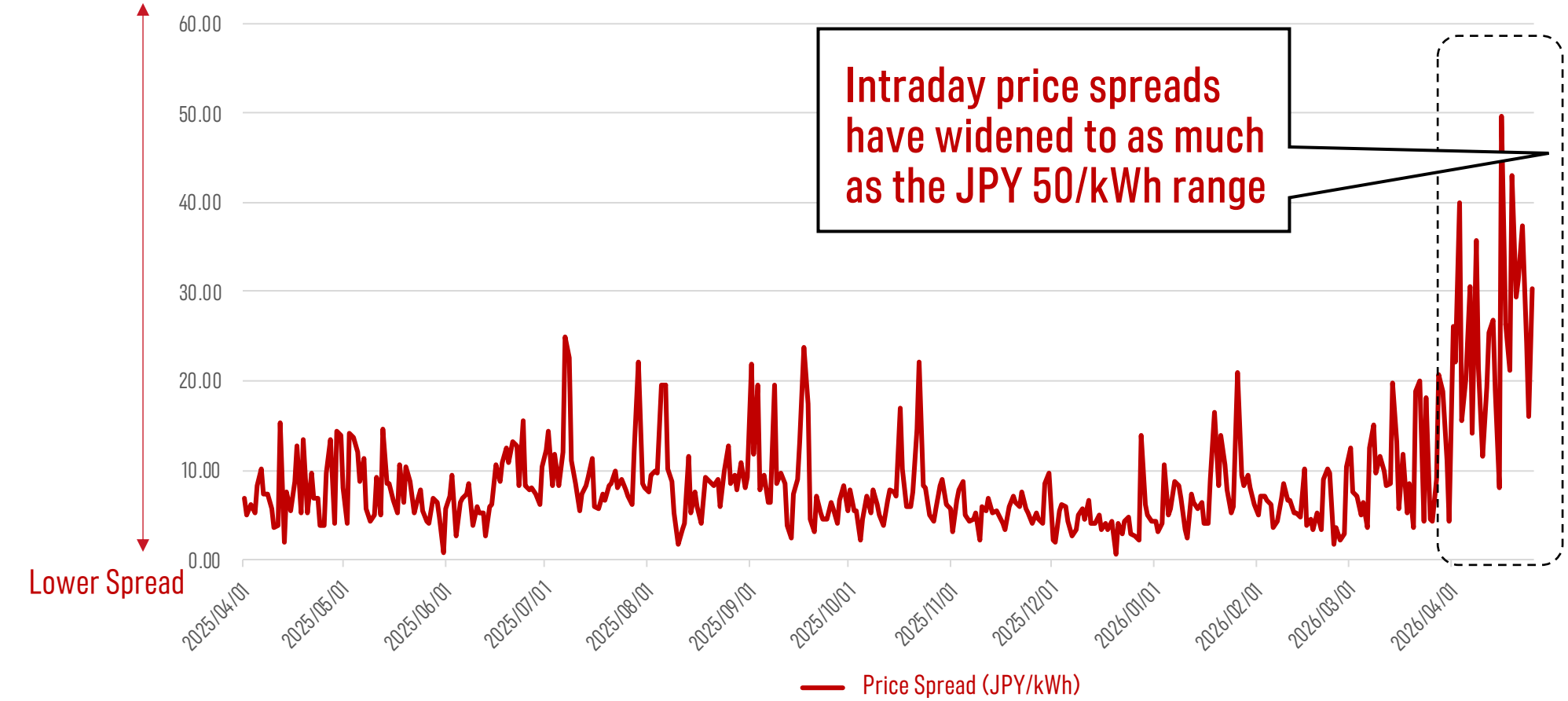
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Intraday Spot Price Spreads Have Been Expanding in FY2026

Tokyo Area Spot Market Daily Price Spread Trends (April 2025 – April 2026) * (JPY/kWh)

Market conditions increasingly support the economics of daytime–nighttime energy arbitrage using BESS



*Source: Japan Electric Power Exchange (JEPX)https://www.jepx.jp/electricpower/market-data/spot/
Daily price spread is calculated as the difference between the average of the top three hourly clearing prices and the average of the bottom three hourly clearing prices for each day.

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Revision of Net CONE Benchmark Price in the Capacity Market Main Auction

Net CONE is used as the benchmark price

Total cost of constructing new power generation facilities — revenue from other markets such as the kWh market = fixed costs on a "net" basis

Net CONE is currently based on thermal power CCGT as the model plant, and total cost assumptions have historically used figures from the 2015 Power Generation Cost Verification Working Group.

Until Now

Benchmark Price (Net Cone)

JPY 10.1 thousand / kW

Based on figures from the 2015 Power Generation Cost WG

Future Outlook

Benchmark Price (Net CONE)

JPY 20.5 thousand /kW

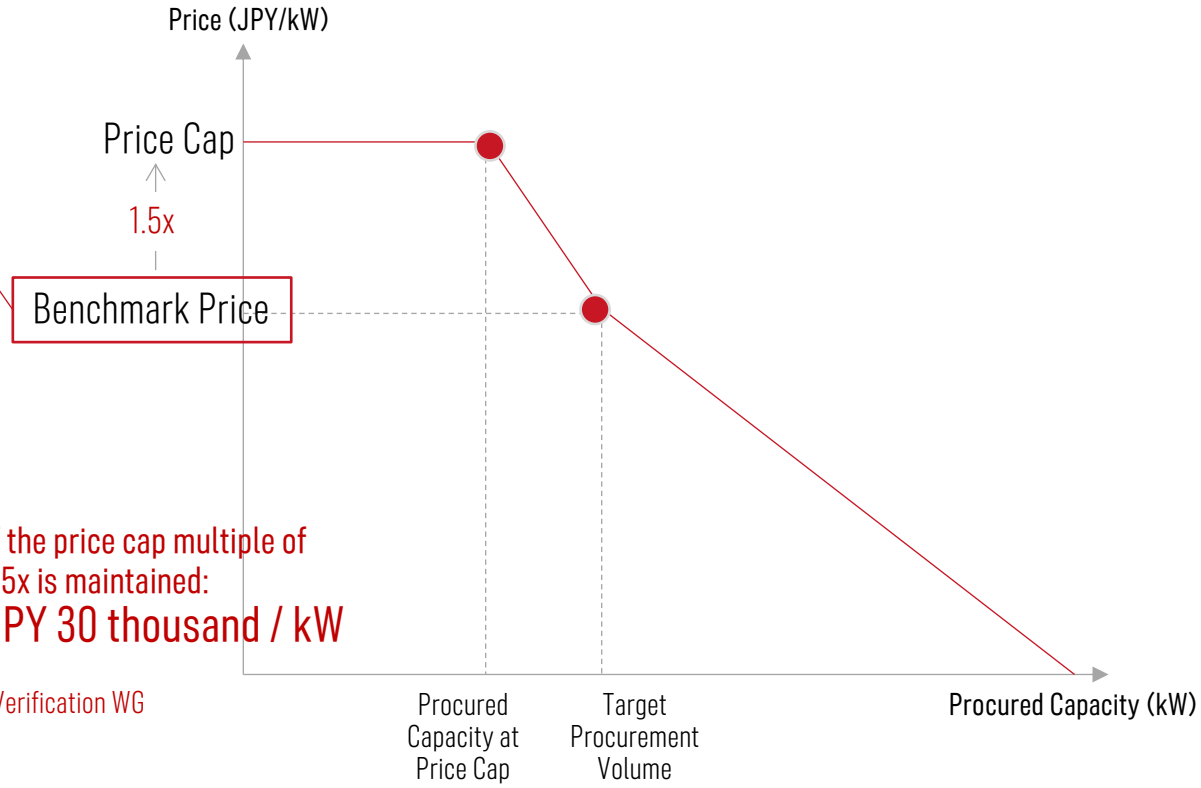
Based on figures from the 2025 Power Generation Cost Verification WG

If the price cap multiple of 1.5x is maintained:

JPY 30 thousand / kW

Due to significant increases in model plant construction and maintenance costs

Capacity Market Main Auction Demand Curve (Illustrative)



Reference: Organization for Cross-regional Coordination of Transmission Operators (OCCTO), July 31, 2025"FY2025 Main Auction Demand Curve"

Source: Study Group Secretariat on the Future Design of the Capacity Market, December 18, 2025, "Methodology for Calculating the Capacity Market Demand Curve"

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*1 Weighted average of awarded prices exceeding the minimum bid price in the balancing market
*2 Japan Electric Power Exchange (JEPX) spot market
*3 OCCTO announcement dated December 18, 2025 regarding revisions to capacity market auction benchmark pricing
*4 Ministry of Economy, Trade and Industry announcement regarding cybersecurity requirements for distributed energy resources aggregation businesses and battery systems

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Market Trends Related to BESS– Update on Cybersecurity Requirements

Growing Importance of JC-STAR Certification and Expansion of Future Compliance Requirements

JC-STAR ★1 certification will become required for solar power generation and battery storage systems beginning in April 2027 for high-voltage systems and October 2027 for low-voltage systems. In addition, the government has begun recognizing the need for implementation of JC-STAR ★2 and above.

Current (~2026)

- Under the FY2025 grid-scale battery storage subsidy program

→ JC-STAR ★1 is effectively required

PowerX: Already obtained JC-STAR ★1 certification

Next year (2027~)

- April 2027 (high-voltage) / October 2027 (low-voltage)

→ JC-STAR ★1 to become a formal regulatory requirement for solar + battery storage systems

- Government working groups have also begun discussions regarding the need for JC-STAR ★2 and above

JC-STAR ★1 is moving beyond a subsidy requirement toward becoming a market-wide requirement regardless of subsidies, while the necessity of JC-STAR ★2 and above is also being discussed.

Cybersecurity is evolving from a “subsidy requirement” to a “market entry requirement”

Source: OCCTO 21st Grid Code Review Committee,“Cybersecurity Requirement Standardization for Distributed Energy Resources”
Source: METI 10th Industrial Cybersecurity Study Group Working Group 1(Systems, Technology, and Standardization) Electricity Working Group,“Cybersecurity Measures for Distributed Energy Resources”

BESS Business Topics

BESS business: Orders remain robust, driven by energy storage plants, with an increase in large-scale extra-high voltage projects.

In the BESS business, an additional **31.5 billion yen** in signed orders was secured over the three-month period since February. Furthermore, projects su as community microgrids and on-site energy storage systems have commenced implementation.*

Signed Orders



•Operator: Kamigumi Hiyoshihara Energy Storage Project LLC
•Number of battery containers: 36 units (81.2 MWh)
•Operation start: March 2029 (Planned)



•Operator: Kuriharant Co., Ltd.
•Number of battery containers: 16 units (40.1 MWh)
•Operation start: Within 2028 (Planned)



•Number of battery containers: 72 units (162.4 MWh)
•Operation start: 2029 (Planned)



•Number of battery containers: 32 units (87.7MWh)
•Operation start: 2029 (Planned)

Commencement of operations



•Operator: Toyota Motor East Japan, Inc.
•Number of battery containers: 1 unit
•Operation start: April 1, 2026



•Operator: Suzuyo Shoji Co., Ltd.
•Number of battery containers: 2 units
•Operation start: March 24, 2026



•Location: Imabari Shipbuilding Co., Ltd., Saijo Shipyard, Higashi-Hiuchi Division
•Operator: Yonden Demand Side Storage LLC
•Number of battery containers: 2 units
•Operation start: April 1, 2026



•Location: Hakodate City, Hokkaido
•Operator: NTT Anode Energy Corporation
•Number of battery containers: 3 units
•Operation start: March 2026

*Includes projects that were classified as “Probable Order" as of the February and have since become “Signedl Order“ .

BESS business Recent Press Releases

View Press Releases →

EPCG



2026.05.08

Number of MegaPower units: (TBD)
Battery capacity: (TBD)
PCS output: (TBD)

Toyota Motor East Japan, Inc. Suzuyo Shoji Co., Ltd.



2026.4.24

Number of MegaPower units: 3
Battery capacity: 8.2 MWh
PCS output: - MW

Chugin Energy Co., Ltd.



2026.04.20

Number of MegaPower units: 3
Battery capacity: 8.2 MWh
PCS output: 1.9 MW

Kuriharant Co., Ltd.



2026.4.9

Number of MegaPower units: 16
Battery capacity: 40.1 MWh
PCS output: 9.4MW

Shikoku Electric Power Co., Inc. Imabari Shipbuilding Co., Ltd.



2026.04.01

Number of MegaPower units:2
Battery capacity: 5.4MWh
PCS output: 2.0MW

NTT Anode Energy Corporation



2026.03.03

Number of MegaPower units: 3
Battery capacity: 8.2 MWh
PCS output: 1.9 MW

Chubu Electric Power Miraiz Co., Inc.



2026.02.20

Number of MegaPower units: 2
Battery capacity: 5.4 MWh
PCS output: 0.9 MW

Tokugin Tomoni Linkup Co., Ltd.



2026.2.20

Number of MegaPower units: 3
Battery capacity: 8.2 MWh
PCS output: 1.9 MW

Nomuraya Holdings Co., Ltd.

2026.02.09

Number of MegaPower units: 18
Battery capacity: 48.6 MWh
PCS output: 1.9 MW

NISHIMU Electronics Industries Co., Ltd. Kyuden Mirai Energy Co., Inc.



2026.02.06

Number of MegaPower units: 3
Battery capacity: 8.2 MWh
PCS output: 1.9 MW

Sanei Sangyo Co., Ltd.

2026.01.26

Number of MegaPower units: 9
Battery capacity: 24.6 MWh
PCS output: 1.9 MW

The Kansai Electric Power Co., Inc. (KEPCO), Kyoei Food Co., Ltd.



2025.12.25

Number of PowerXCube:3
Battery capacity: 969kWh
PCS output: 1.3MWh

Kuriharant Co., Ltd.



2025.12.18

Number of MegaPower units: 3
Battery capacity: 8.2 MWh
PCS output: 1.9 MW

Maeda Corporation



2025.12.04

Number of MegaPower units: 3
Battery capacity: 8.2 MWh
PCS output: 1.9 MW

au Renewable Energy Corporation



2025.11.19

Number of MegaPower units: 9
Battery capacity: 24.6 MWh
PCS output: 1.9 MW

INPEX CORPORATION



2025.10.28

Number of MegaPower units: 2
Battery capacity: 5.4 MWh
PCS output: 1.9 MW

Japan Petroleum Exploration Co., Ltd. (JAPEX)



2025.10.06

Number of MegaPower units: 38
Battery capacity: 106.9 MWh
PCS output: 20 MW

ITOCHU Corporation



2025.09.19

Number of MegaPower units: (TBD)
Battery capacity: (TBD)
PCS output: (TBD)

NTT Anode Energy Corporation, Kandenko Co., Ltd.



2025.09.11

Number of MegaPower units: 28
Battery capacity: 76.7 MWh
PCS output: 118.2MW

MIRARTH Asset Management Co., Ltd.



2025.09.08

Number of MegaPower units: 3
Battery capacity: 7.4 MWh
PCS output: 1.9 9MW

Power Business Topics

PowerX Overview of the Power Business

- PowerX develops its power business by fully leveraging its position as a battery storage system manufacturer.
- Vertical integration of power, aggregation, and assets enables the delivery of economical and stable services.
- In addition to power plant operation and electricity retail, it is also expanding sales of battery storage systems.

Electric Power Business

Electricity Supply Services

- Electricity retail for corporate customers integrated with battery storage

Flat | Semi-Flat | Advance

Aggregation Services

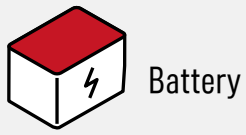
- Operation and monitoring of energy storage plants
- Electricity trading of energy storage plants*1

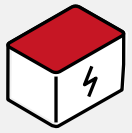
Grid-Scale Energy Storage Plant | Co-located with Power Plants | Co-located at Demand Sites

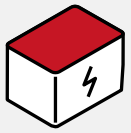
Asset Services

- Development of energy storage plants
- Sales of energy storage plants

Site Development | Engineering and Procurement | Build-to-Sell (BTS)







Sales of battery storage systems bundled with power plant operation and electricity retail services

NEW

Power Business: Strong adoption of power plant operations and electricity retail services; battery hardware sales pipeline also expanding

In addition to contracts for power plant operations and electricity retail services, discussions for battery hardware sales bundled with future tolling arrangements are progressing steadily.* The pipeline currently under negotiation has reached approximately 1.5 GWh.

Power Business Segment – Adoption Results

- Power Plant Operations Adoption Results*

(as of April 30, 2026)

17 sites、33MW of capacity

Vs February : **+10sites +19MW**

*Total of grid-scale power plants and co-located batteries

- Electricity Retail Service Adoption Results

(as of April 30, 2026)

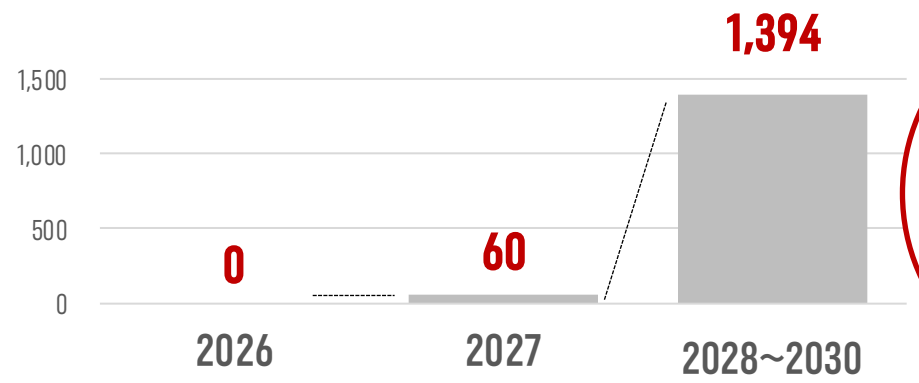
80 sites、22MW of capacity

Vs February : **+9sites +3MW**

Power Business Segment – Topics

- Nationwide rollout of power operation services for co-located solar and battery projects
- Launch of "Battery Option," an electricity retail service for corporate customers
- Promotion of a locally generated and locally consumed renewable electricity scheme with the Chukyo Group

Power Business Segment – Battery Hardware Sales: Pipeline Under Negotiation (MWh)



2026-2030 Projects currently under negotiation ~1.5GWh

*"Under negotiation" excludes "signed orders" and "probable orders" and refers to the aggregate GWh volume of projects currently under discussion with customers. Projects under negotiation are based on specific inquiries received from potential customers, for which detailed requirements have been confirmed and assumptions have been defined, after which proposals and quotations have been submitted to the customer. Since projects under negotiation do not constitute formal contracts or legally binding commitments, there is a risk that volumes may change or projects may not materialize. The Company is not obligated to deliver all projects currently under negotiation, and there is also a risk that the expected future GWh volume may not be realized.

PowerX Overseas Go-to-Market Strategy

PowerX Overseas Go-to-Market Strategy

Target Market Selection Criteria

Large Total Addressable Market
The market has sufficient addressable scale and clear demand for battery energy storage systems.

Attractive Competitive Landscape
Competition is relatively limited, making it easier for PowerX to establish a position as an early entrant.

Cost Competitiveness
PowerX's kWh unit cost can demonstrate competitiveness in the local market.

Strategic Geographic Fit
The country or region has strong relations with Japan.

Go-To-Market

In expanding our BESS business overseas, PowerX positions markets that meet these four conditions as strategic targets.

As key focus areas that meet these conditions, we have identified Southeast Asia, Africa, South America, and Eastern Europe, and will move forward with full-scale entry into these regions.

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Trends in the European Battery Energy Storage Market

In Europe, critical infrastructure sectors, including battery energy storage systems, are increasingly required to implement robust security measures. At the same time, EU-funded projects are moving toward restrictions on the use of control equipment from "high-risk countries."

Proposed Industrial Accelerator Act (IAA)*1

- Introduces **"Made in EU" and low-carbon requirements** for public procurement and public support schemes.
- BESS is included among the "strategic sectors" covered by the proposed act.
- Large-scale foreign direct investment into strategic sectors by non-EU investors must meet criteria related to ownership structure, labor practices, procurement, and other requirements.
- The European Council aims to reach agreement by the end of 2026, although the review process may take time.

Restrictions on Inverters and PCS from "High-Risk Countries"*2

- The European Council is moving to restrict the use of inverters and PCS from "**high-risk countries**," including China, Russia, Iran, and North Korea, in EU-funded renewable energy and BESS projects.
- According to media reports, the Council has already asked EU financial institutions to provide information on existing pipeline projects, including cases that may qualify for grandfathering exemptions through Sep. 2026.
- Companies owned or controlled by high-risk-country entities may also be excluded, even if their products are manufactured in Europe.

Cyber Resilience Act (CRA)*3

- EU regulation setting cybersecurity standards for digital products.
- Entered into force on December 10, 2024. By the end of 2027, cybersecurity measures will be mandatory from the design and development stage for nearly all internet-connected hardware and software.
- "Important digital products" that perform critical cybersecurity functions, or whose compromise could cause significant disruption, **will require third-party certification and EU-type examination**.

*1 Sources: European Commission (https://ec.europa.eu/commission/presscorner/detail/en/ip_26_515) and Ashurst (https://www.ashurst.com/en/insights/a-new-chapter-for-industrial-europe-the-industrial-accelerator-act/). The "Made in EU" requirement also incorporates a reciprocity mechanism, under which countries that provide equivalent market access to EU companies may receive treatment equivalent to EU-made products.
*2 Source: ESS News (https://www.ess-news.com/2026/05/04/eu-funding-ban-on-high-risk-inverters-including-chinese-suppliers-extends-to-bess-pcs/).
*3 Source: European Commission (https://digital-strategy.ec.europa.eu/en/policies/cyber-resilience-act

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PowerX Signs MOU with Montenegro's National Utility EPCG for Strategic Cooperation on BESS

Strategic cooperation centered on BESS, with potential expansion into containerized data centers and EV charging platforms



PowerX signed an MOU with Montenegro's state-owned utility EPCG for strategic cooperation.



During PowerX CEO Masahiro Ito's visit to Montenegro, he paid a courtesy visit to Prime Minister Milojko Spajić.

BESS deployment of **500 MWh** over the first three years,
with an indicative baseline of approximately **200 MWh per year**

epcg

- Accelerate relevant permitting processes
- Support expansion of grid interconnection capacity
- Support legal procedures for renewable energy projects

Power X

- Provide BESS solutions and technical know-how
- Propose partnership structures
- Consider investments such as local assembly facilities, service centers, and R&D laboratories

May 7, 2026
EPCG / PowerX MOU signedd

Within 6 months

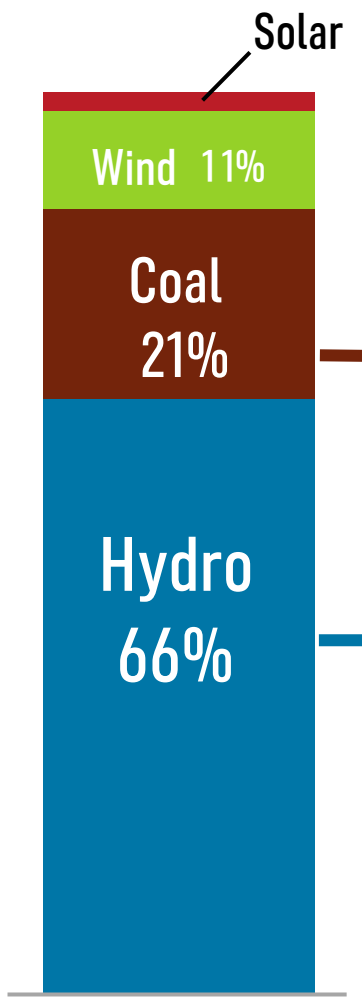
~ November 2026
EPCG / PowerX Definitive agreements to be signed

- FID for the first project
- Decision on commencement of assembly facility construction
- Orders from neighboring countries

*Excluding Article 8, quasi-governing law; Article 10, dispute resolution; and the NDA in the appendix, the MOU itself is not legally binding. This is a standard format for an initial cooperation framework with a state-owned enterprise and does not constitute revenue recognition or an investment commitment by PowerX at this stage.

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Montenegro's Energy Strategy and the Need for BESS



Future Outlook

~2030
Rapidly increase the share of renewable energy*2

~2040
Coal is expected to be phased out through the EU accession process*3

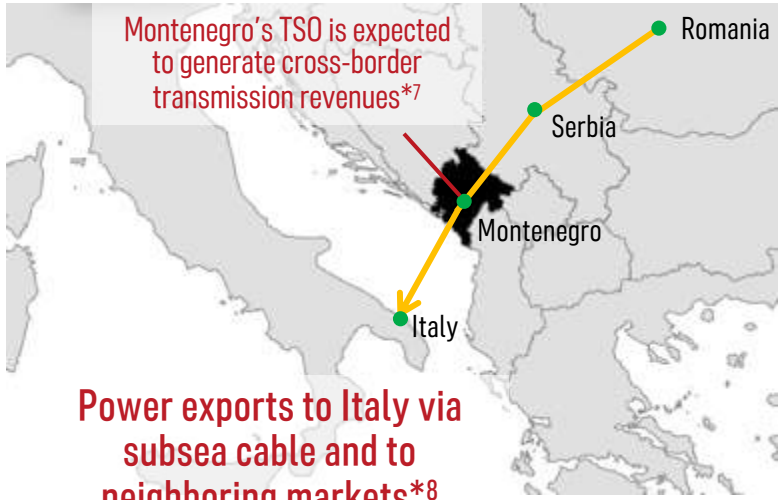
~2050
Run-of-river hydro: down 20%
Reservoir hydro: down 15%*1

Expansion of Renewables in Montenegro

As renewable energy deployment expands in Montenegro, BESS will become essential for grid stability and renewable energy integration.*4

+

The "Energy Highway," which carries electricity from east to west, will pass through Montenegro*6



Power exports to Italy via subsea cable and to neighboring markets*8

EPCG Chairman Đukanović (Oct. 2025):

"Solar plants + battery systems = our oil"*5

2023 Montenegro Power Generation Mix*1

*1 NATIONAL ENERGY AND CLIMATE PLAN OF MONTENEGRO (October 15, 2025) Final Document

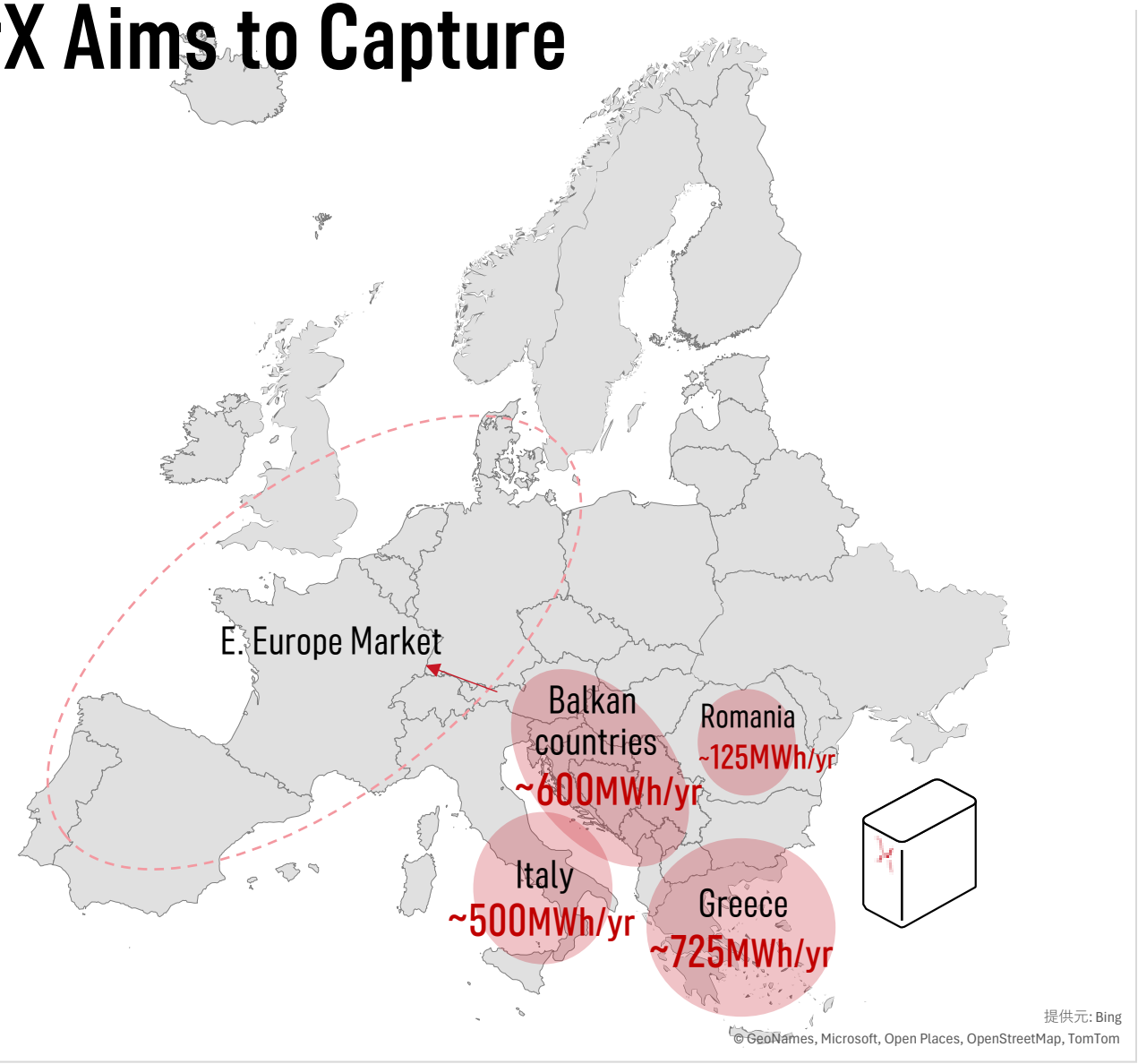
*2 NATIONAL ENERGY AND CLIMATE PLAN OF MONTENEGRO (October 15, 2025) Final Document. 同文書によると、2030年までに最終エネ消費に占める再エネ比率 50%以上電力部門の再エネ比率 70%を目指す。
*3 Monte Business News (https://monte.business/montenegros-energy-transition-hydropower-expansion-coal-phase-out-by-2041-and-environmental-challenges/)
*4 Balkan Green Energy News (https://balkangreenenergynews.com/dukanovic-epcg-is-implementing-three-key-strategic-policies/)
*5 Monte Business News (https://monte.business/montenegro-to-maintain-stable-electricity-prices-as-renewable-and-hydro-projects-expand/)
*6 Balkan Green Energy News (https://balkangreenenergynews.com/serbian-section-of-trans-balkan-electricity-corridor-put-into-operation/)
*7 Argus Media (https://balkangreenenergynews.com/serbian-section-of-trans-balkan-electricity-corridor-put-into-operation/)
*8 Balkan Green Energy News (https://balkangreenenergynews.com/montenegro-adopts-national-energy-and-climate-plan/)

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Scale of BESS Demand PowerX Aims to Capture (MWh/year (2027-2030))*1

- With Montenegro as the anchor base, our initial goal to capture the demand in the Balkan countries (up to 600MWh).
- Leveraging the geographical advantages of Montenegro's maritime and land transportation infrastructure, we also aim to target neighboring markets such as southern Italy, Greece, and Romania

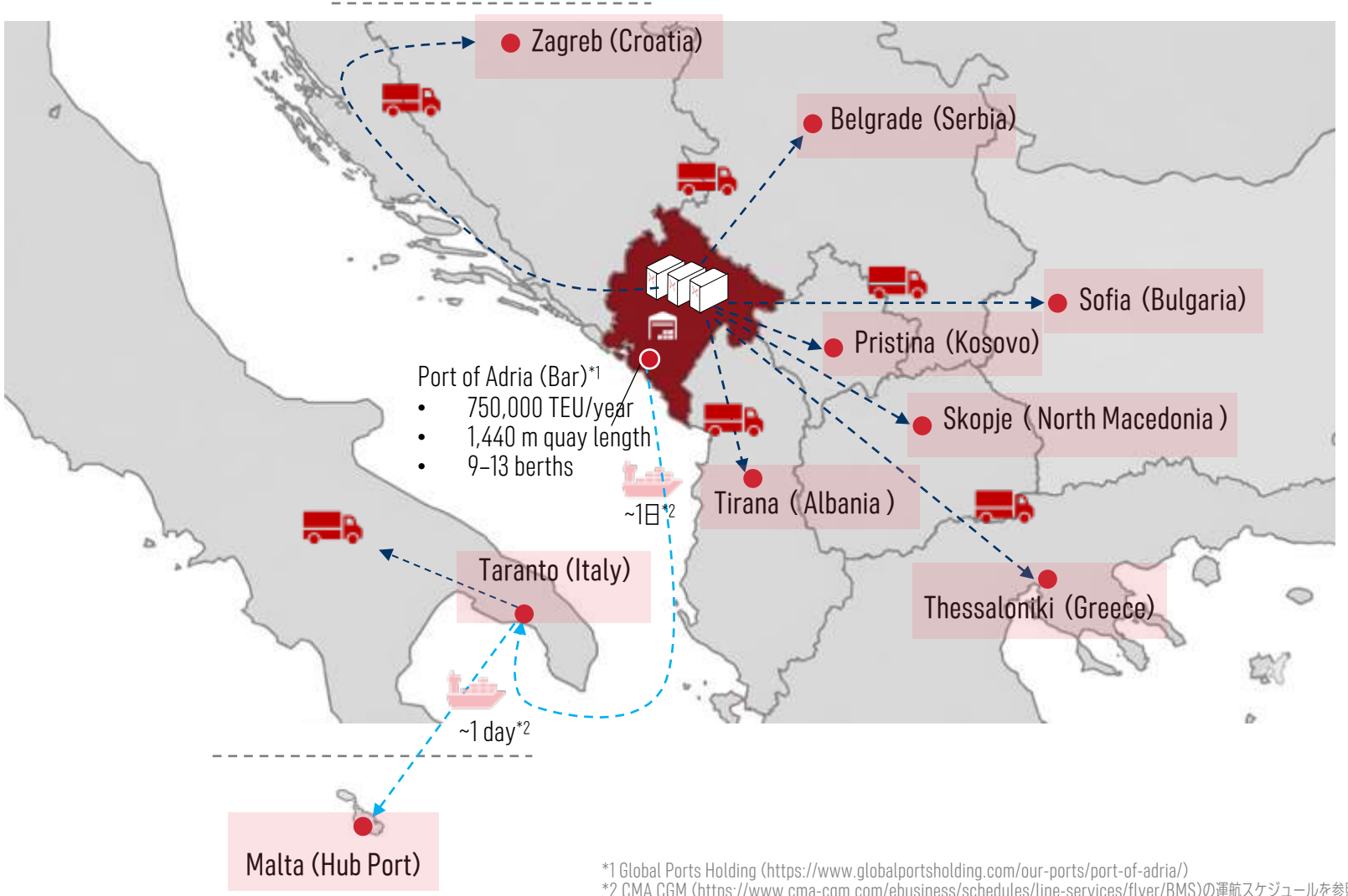
Initially targeting the Balkan countries, southern Italy, and Greece, we aim to capture approximately **1.95 GWh/year** of BESS (Battery Energy Storage System) demand by 2027-2030.



*1 - For details on the calculation basis for each market's figures, refer to pages 39 and 40. These estimates are based on publicly available information, with our company's own calculations. Additionally, regarding Montenegro, this is based on the aforementioned Memorandum of Understanding (MoU).

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From Montenegro to the Western Balkans, Southern Italy, Bulgaria, Greece, and Beyond



Strategic Rationale for the MOU with EPCG, Montenegro's State-Owned Utility

- Securing a national-level dialogue partner in Europe
- Montenegro's competitive position as an export hub for Europe
  - → Montenegro is strategically positioned near the Western Balkans, Southern Italy, Northern Greece, and Bulgaria, with access to both land and maritime routes.
  - → A local assembly facility could leverage this location and agile maintenance/service capabilities to compete with regional system integrators.
  - → Montenegrin-origin products may also benefit from free trade frameworks such as CEFTA and the EU–Montenegro Stabilisation and Association Agreement.

*1 Global Ports Holding (https://www.globalportsholding.com/our-ports/port-of-adria/)
*2 CMA CGM (https://www.cma-cgm.com/ebusiness/schedules/line-services/flyer/BMS)の運航スケジュールを参照。

Reference: Calculation Process for BESS Demand PowerX Aims to Capture

Demand PowerX Aims to Capture by 2030 per country in MWh per year	Calculation Logic	Source
Montenegro 200MWh	Over the initial three years, we aim to consider the deployment of BESS with an estimated baseline of approximately 200 MWh per year, totaling around 500 MWh.	MoU本文はこちらから：XX
Serbia 137MWh	According to Serbia Energy's estimates, Serbia will need 800 to 1,200 MW (1,600 to 2,800 MWh over four hours) of fast-response flexibility capacity by 2030 for renewable energy integration. Of this, 400 to 700 MW is expected from BESS. Over three years (2027-2030), the annual requirement ranges from 400 to 700 MWh. EMS data shows cumulative grid connection applications for BESS totaling 5,899 MWh as of September 2025. Assuming a 30% operational rate (1,700 MWh), this translates to an annual requirement of 425 MWh over four years (2027-2030). The median value between these ranges is 550 MWh; if PowerX targets a 25% share, it would aim for approximately 137 MWh annually.*1 Serbia Energy: Provider of estimates.*2 EMS: Transmission and distribution company in Serbia.	*1 https://serbia-energy.eu/battery-storage-in-serbia-investor-economics-tso-system-logic-financing-strategy-and-policy-blueprint-for-strategic-national-deployment/ *2 https://balkangreenenergynews.com/batteries-totaling-5899-mwh-in-grid-connection-procedure-in-serbia/
North Macedonia 152MWh+	In February 2026, the government approved the 2026 Annual Construction Plan for 4.9 GWh of storage capacity (2.2 GW). The Law on Energy implemented in 2025 mandates annual adoption of such plans. Given that the timeline for these projects is unspecified, we estimate most will be operational between 2027 and 2030.Assuming a 50% implementation rate over four years (4.9 GWh x 0.5 / 4 = 610 MWh), PowerX aims to capture a 25% share, resulting in:PowerX's targeted annual share: 152 MWh Annual Construction Plans are adopted yearly, offering potential for upward adjustments.1 The timeline for implementing the 4.9 GWh projects is yet to be determined.	*1 https://balkangreenenergynews.com/north-macedonia-unveils-eur-5-7-billion-plan-for-new-power-plants-energy-storage/
Croatia 87.5MWh+	According to research from the University of Zagreb, based on Croatia's NECP 2030 renewable energy expansion targets, approximately 350 MW (1,400 MWh over four hours) of storage capacity will be needed. Annually over four years (2027-2030), this translates to 350 MWh per year. PowerX aims for a 25% share: 350 x 0.25 = 87.5 MWh.*1 The research also indicates that solving bottlenecks in Croatia's transmission grid would require approximately 1,340 MW of storage capacity, making the 350 MW scenario a conservative estimate.	*1 https://www.pveurope.eu/solar-storage/croatia-study-outlines-need-large-scale-battery-deployment
Albania -	Albania has not incorporated specific BESS MW/MWh targets into its national plans, unlike other Balkan countries.*1 Unlike other Balkan countries, Albania does not have specific BESS MW/MWh targets in its national plan.	*1 https://www.medreg-regulators.org/Portals/_default/Skede/Allegati/Skeda4506-911-2025.3.18/RES_WG_Report_Final.pdf
Kosovo 22.3MWh	Millennium Challenge Account Kosovo (MCA-K) initiated a prequalification tender for a battery storage project (45 MW/90 MWh + 125 MW/250 MWh, totaling 340 MWh) at the end of 2024. However, MCA-K announced the suspension of the prequalification process on January 12, 2026. Although the project itself remains intact, the procurement process has been reset, likely delaying decisions regarding EPC and BESS suppliers (the initial operational target was August 2028, leading to a probable delay of one or two years). Therefore, if PowerX aims for a 25% share of the 340 MWh project, this translates to 85 MWh, or approximately 21.3 MWh per year.	*1 https://balkangreenenergynews.com/prequalification-open-for-170-mw-of-battery-storage-in-kosovo/ *2 https://www.mcakosovo.org/wp-content/uploads/2025/09/Annulment-Notice_Pre-Qualification-Process-01-2024.pdf

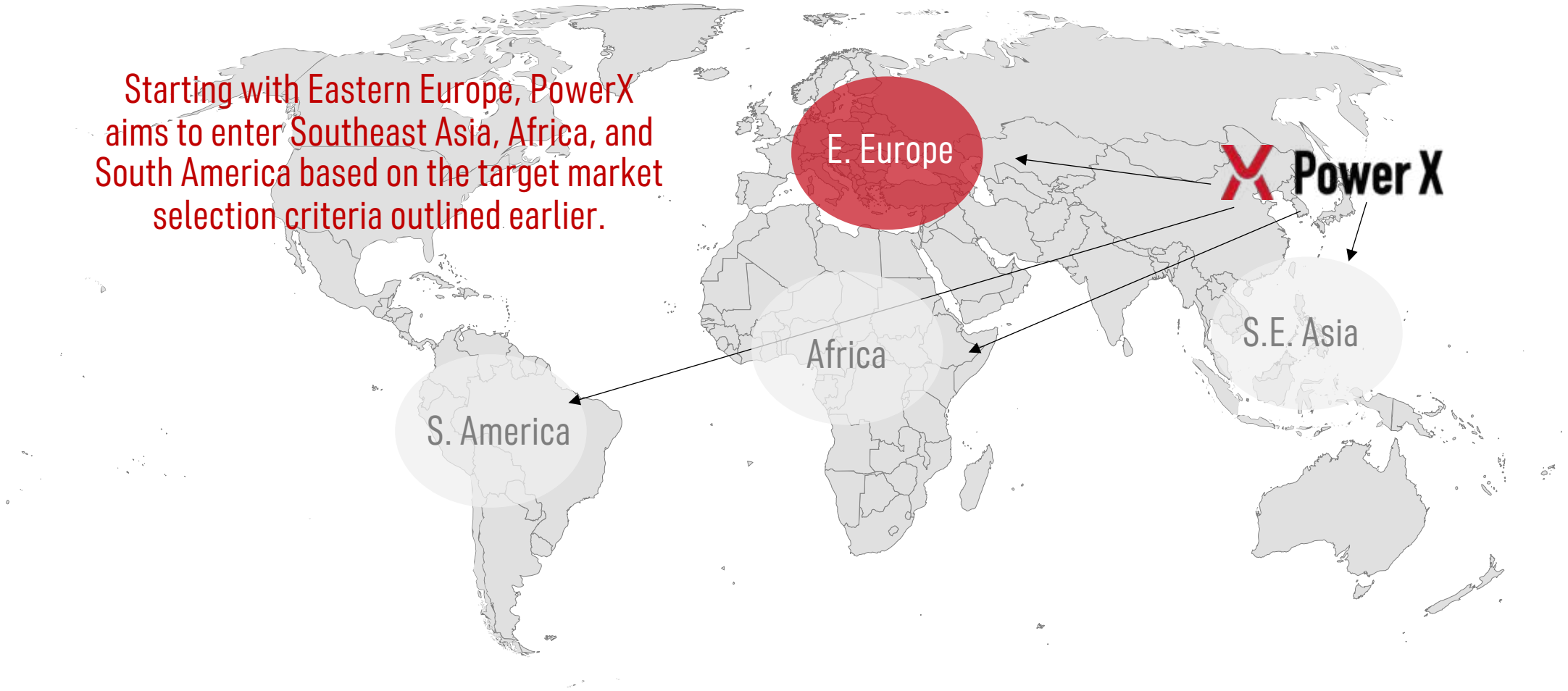
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Reference: Calculation Process for BESS Demand PowerX Aims to Capture(2)

Demand PowerX Aims to Capture by 2030 per country in MWh per year	Calculation Logic	Source
Romania 125MWh	According to the Romanian Solar Industry Association, a realistic BESS target for Romania by 2030 is 2 GWh (1 GW). Considering that the country's transmission and distribution system expected 500 MW to be reached by the end of 2025, the remaining target is 1 GWh. Another source (Global Legal Insights) states a goal of 2 GW by 2030, which, after accounting for existing projects of 500 MW, leaves 3 GWh. Taking the median value between 1 GWh and 3 GWh, we estimate the remaining target to be 2 GWh over four years. Given the presence of existing BESS manufacturing facilities with a production capacity of 2.3 GWh per year and ongoing projects by existing players, PowerX aiming for a 25% share is ambitious but feasible, resulting in an annual target of 125 MWh (25% of 500 MWh).	*1 https://www.ess-news.com/2025/04/30/romania-bess-market-investments-targets-2030/ *2 https://www.globallegalinsights.com/practice-areas/energy-laws-and-regulations/romania/ *3 https://www.romania-insider.com/prime-batteries-second-ro-may-2025
Bulgaria -	Based on grid connection contracts, BESS demand has reached 21 GWh. However, Aurora Energy Research predicts that due to construction constraints, only 1.8 GW will be operational by 2026 and 3 GW by 2030 out of a pipeline for 5 GW. Assuming a three-hour operation duration, the base target is 9 GWh (3 GW x 3 hours). Already adopted are approximately 13.7 GWh from Restore 1 & 2 projects. Considering supply constraints, only 4.9 GWh (0.36 times 13.7 GWh) will be implemented by 2030. Additionally, BYD has a 500 MWh BESS operational at Maritsa East 3 coal-fired power plant. Sunterra Re has partnered with Sungrow to add over 1 GWh of storage capacity in Bulgaria's largest solar sites. International Power Supply (IPS) plans to open a 5 GWh BESS factory by Q2 2026, assuming 30% for domestic use, which is 1.5 GWh. Summing up the projects: 4.9 GWh + 0.5 GWh (from BYD) + 1 GWh (Sungrow) + 1.5 GWh (IPS) = 7.9 GWh. The remaining BESS demand by 2030 is 1.1 GWh (9 GWh - 7.9 GWh), translating to an annual capacity of 275 MWh. PowerX aims for a 25% share, which would be 68 MWh annually. However, given the large scale of Restore 1 & 2 projects and conservative estimates, this is not included in the current calculations.	*1 https://balkangreenenergynews.com/bulgaria-approves-restore-funds-for-over-4-gwh-in-bess-projects/ *2 https://www.ess-news.com/2025/04/22/bulgarian-tender-awards-nearly-10-gwh-of-energy-storage/ *2 https://www.ess-news.com/2025/08/27/bulgaria-launches-consultation-on-1-9-gwh-energy-storage-subsidy-program/ *3 https://www.enlit.world/library/contourglobal-opens-500mwh-bess-project-in-bulgarian-coal-power-plant *4 https://balkangreenenergynews.com/bulgaria-preparing-more-bess-subsidies-amid-boom-in-construction-of-large-facilities/ *5 https://www.pv-magazine.com/2025/10/14/ips-inaugurates-bulgarias-first-battery-storage-gigafactory/
Greece 725MWh	The revised NECP aims to install 4.3 GW of capacity by 2030. Three rounds of subsidy tenders have already awarded projects totaling approximately 900 MW (189 MW, 300 MW, and 411 MW), which translates to about 3.6 GWh assuming a four-hour operation. Subtracting this from the total target of 4.3 GW (17.2 GWh), the remaining capacity is 13.6 GWh. Additionally, ContourGlobal has already secured grid connection approval for a 2 GWh project, leaving 11.6 GWh. Annualized over four years, this results in 2.9 GWh per year. If PowerX aims to capture a 25% share, it would target 725 MWh annually.	*1 https://www.pv-magazine.com/2025/02/26/greece-presents-3-5-gw-standalone-battery-storage-rollout-plan/ *2 https://www.renews.biz/87531/greece-concludes-first-storage-tender/ *3https://www.pv-magazine.com/2024/02/19/greece-awards-300-mw-in-storage-tender/ *4https://www.ess-news.com/2025/03/24/greece-awards-189-mw-of-battery-storage-in-third-auction/ *5 https://www.contourglobal.com/news/contourglobal-enters-greece-with-acquisition-of-500-mw-battery-storage-portfolio-and-37-mwp-of-operating-solar-pv/
Italy 500MWh	MACSE, a mechanism in southern Italy that uses long-term contracts to auction off battery storage facility construction, aims to secure 50 GWh of capacity by 2030. The first auction in 2025 already awarded 10 GWh for projects set to be operational by 2028. With the remaining target being 40 GWh, PowerX's potential share is assessed based on Aura Research's findings that there are already 40 GWh of BESS projects approved in southern Italy (supplier selection not confirmed; Chinese suppliers are reportedly involved). Additionally, considering that the first round cases were priced at EUR60-80/kWh for profitability. Assuming PowerX aims to capture a 5% share of the remaining demand, it would target an annual capacity of 125 MWh (40 GWh / 4 years = 10 GWh annually; 10 GWh x 5% = 500 MWh).	*1 https://www.ess-news.com/2025/09/25/competition-in-italys-future-macse-auctions-could-be-just-as-fierce-as-in-the-first/ * 2 https://www.energy-storage.news/italys-exceptionally-competitive-first-macse-energy-storage-auction-concludes-procuring-10gwh/ *3 https://www.energy-storage.news/italy-ipp-orders-220mwh-from-sungrow-as-macse-approaches/ *4 https://www.pfie.com/emea/2320647/macse-tender-opens-bess-opportunities-and-challenges

Targeting Expansion into Southeast Asia, South America, and Africa, in Addition to Eastern Europe

Starting with Eastern Europe, PowerX aims to enter Southeast Asia, Africa, and South America based on the target market selection criteria outlined earlier.



Confidential and Proprietary, PowerX, Inc.

PowerX Data Center Products

PowerX Data Center Products

Announced in February 2026

Mega Power DC



Announced today

Modular Data Center Business : Packaged Offering with Dell Technologies Integrated Rack Solutions

- **Currently evaluating a packaged offering combined with Dell Technologies integrated rack solutions.**
- Planned to offer optimized rack configurations tailored to the server GPU and cooling method
  (GPUs: NVIDIA Blackwell series, Hopper series, etc.)



Rack



PowerX Data Center Products

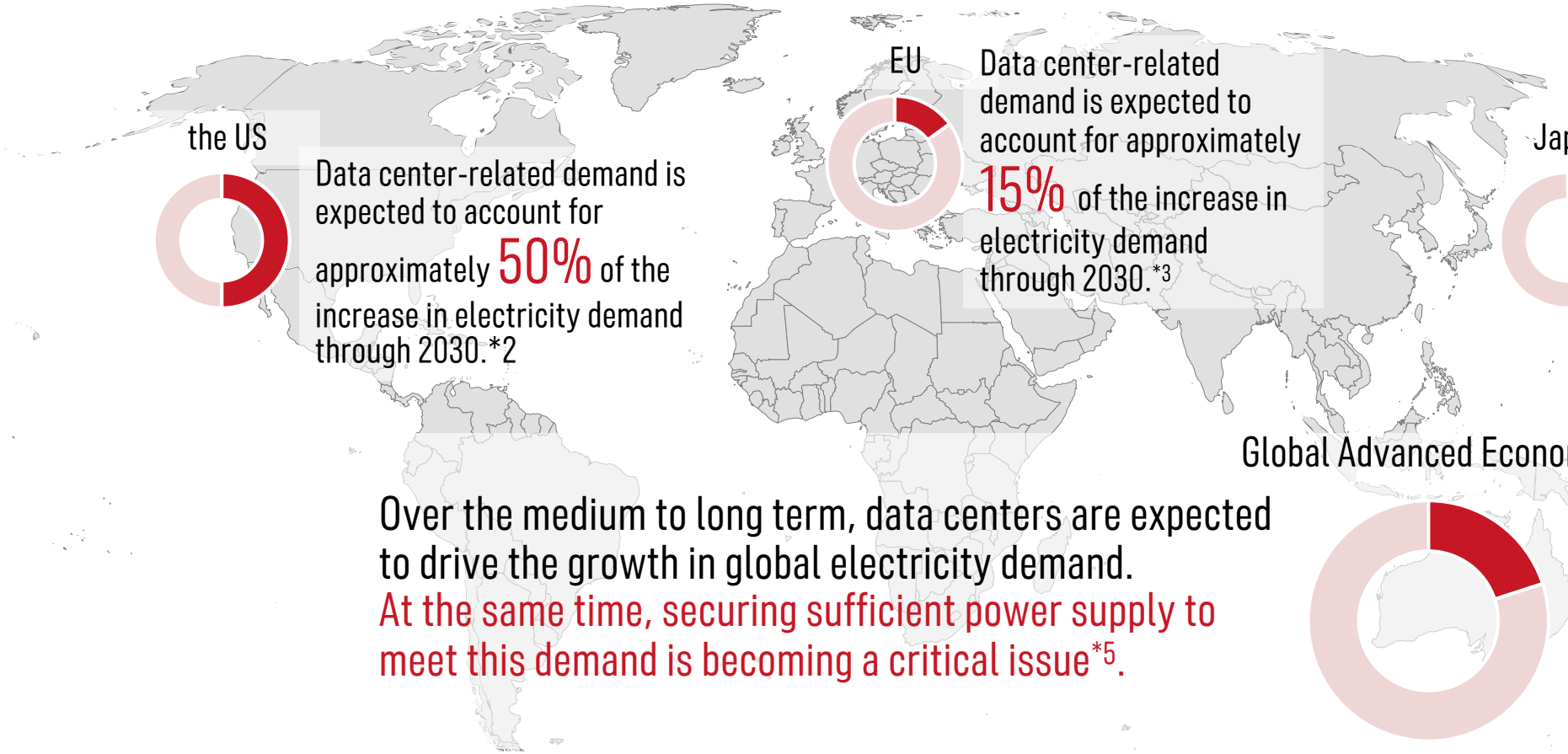
Announced in February 2026

Mega Power DC



Announced today

Power Demand related to Data Centers is Expected to Continue Increasing Worldwide, Driving an Urgent Need to Address Power Supply Challenges.



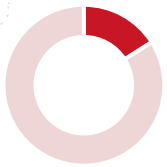
the US

Data center-related demand is expected to account for approximately 50% of the increase in electricity demand through 2030.*2

EU

Data center-related demand is expected to account for approximately 15% of the increase in electricity demand through 2030.*3

Japan



By 2050, data center-related demand is expected to account for approximately 16% of total electricity demand.*4

Global Advanced Economies

Data center-related demand is expected to account for approximately 20% of the increase in electricity demand through 2030*1.

Over the medium to long term, data centers are expected to drive the growth in global electricity demand.
At the same time, securing sufficient power supply to meet this demand is becoming a critical issue*5.

*1 IEA April 10, 2025 "Energy and AI" (https://www.iea.org/reports/energy-and-ai)
*2 IEA February 6, 2026 "Electricity 2026" (https://www.iea.org/reports/electricity-2026)
Based on the regional analysis in report *2, electricity demand across Europe is projected to increase by approximately 300 TWh over the next five years through 2030. Meanwhile, according to report *1, data center electricity demand in Europe is expected to increase by approximately 45 TWh by 2030. Accordingly, the ratio was calculated by dividing 45 TWh by 300 TWh.
*4 Refer to the Organization for Cross-regional Coordination of Transmission Operators, Japan (OCCTO), "Study Group Report on Future Power Supply and Demand Scenarios" (June 26, 2025).
*5 For example, in Japan, there are cases where power supply connections for data centers are reportedly subject to wait times of up to 10 years. (Source: Nikkei, September 10, 2025, "Accelerating Data Center Operations: Regulatory Easing to Shorten '10-Year Wait' for Power Supply")
(https://www.nikkei.com/article/DGXZQOUA194H00Z10C25A8000000/)」

PowerX's Vision

For a Sustainably Prosperous Future

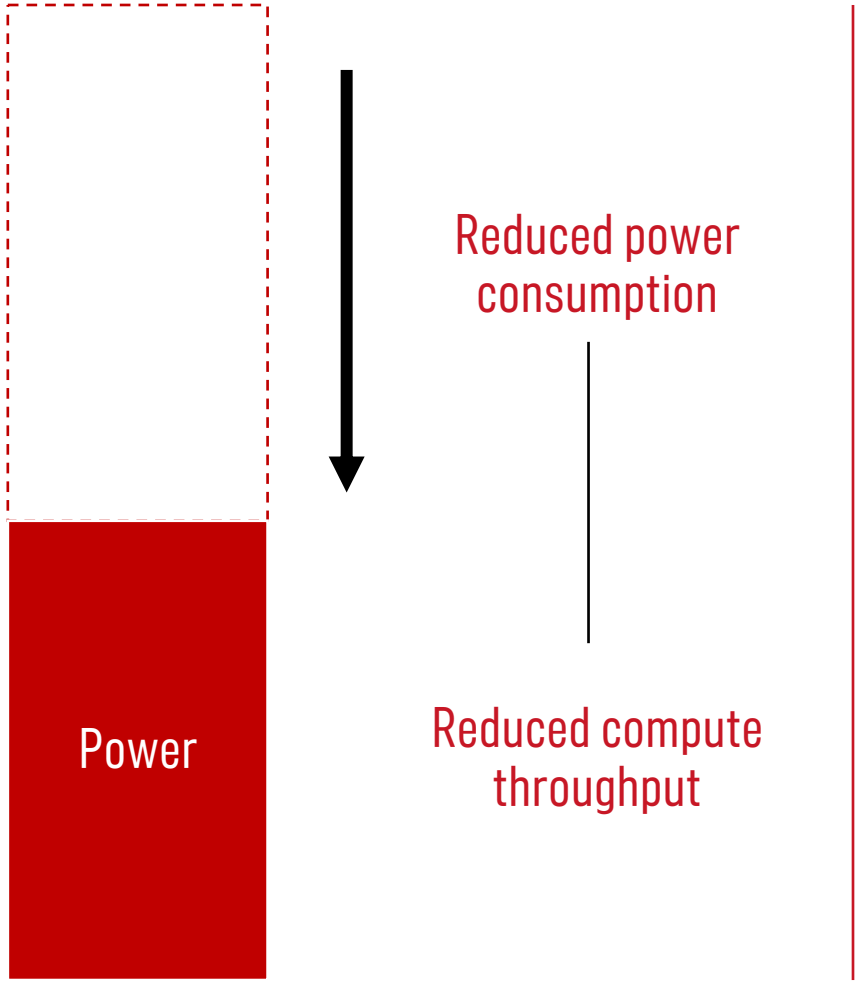


Conducted extensive research on the theme of:

"How to address the energy challenges arising from the rapid growth of data centers."

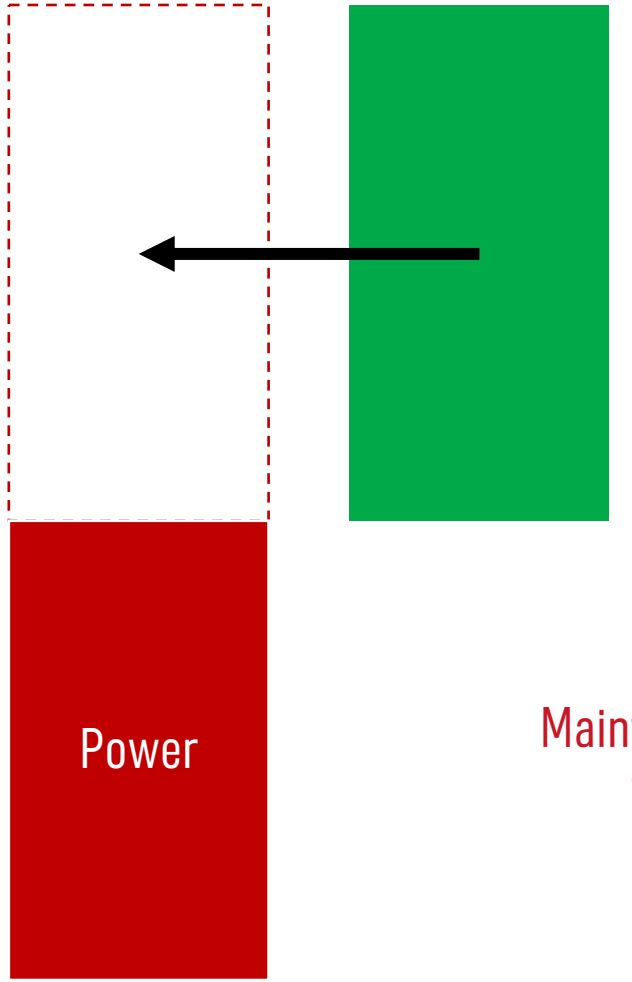
Core Concept of Our Demonstration

Grid Event → Demand Load Suppression



Reduced power consumption

Reduced compute throughput



Maintaining compute throughput

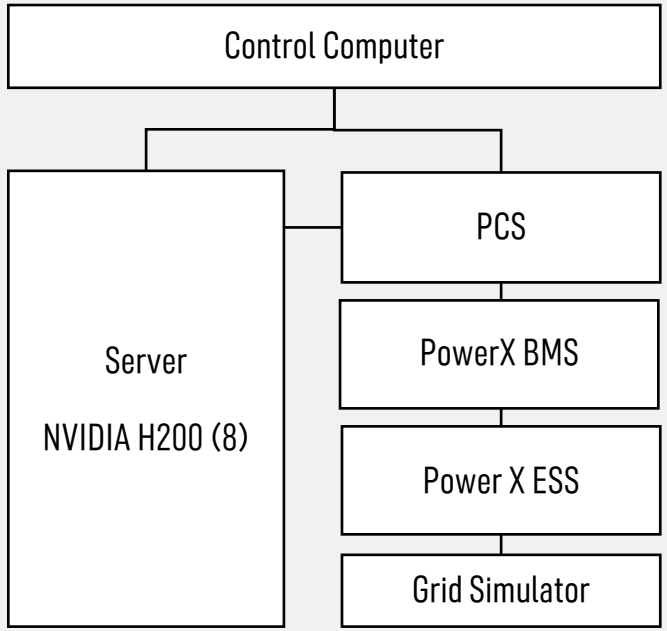
Our Initiatives to Address Data Center Power Challenges – Proof-of-Concept Demonstration

Test Bench

Experimental equipment assembled at our R&D facility, “Powerd Lab”



Configuration



1. The Grid Simulator artificially reproduces a grid event, such as a simulated TSO command or an event that mimics the automatic detection of a frequency deviation.

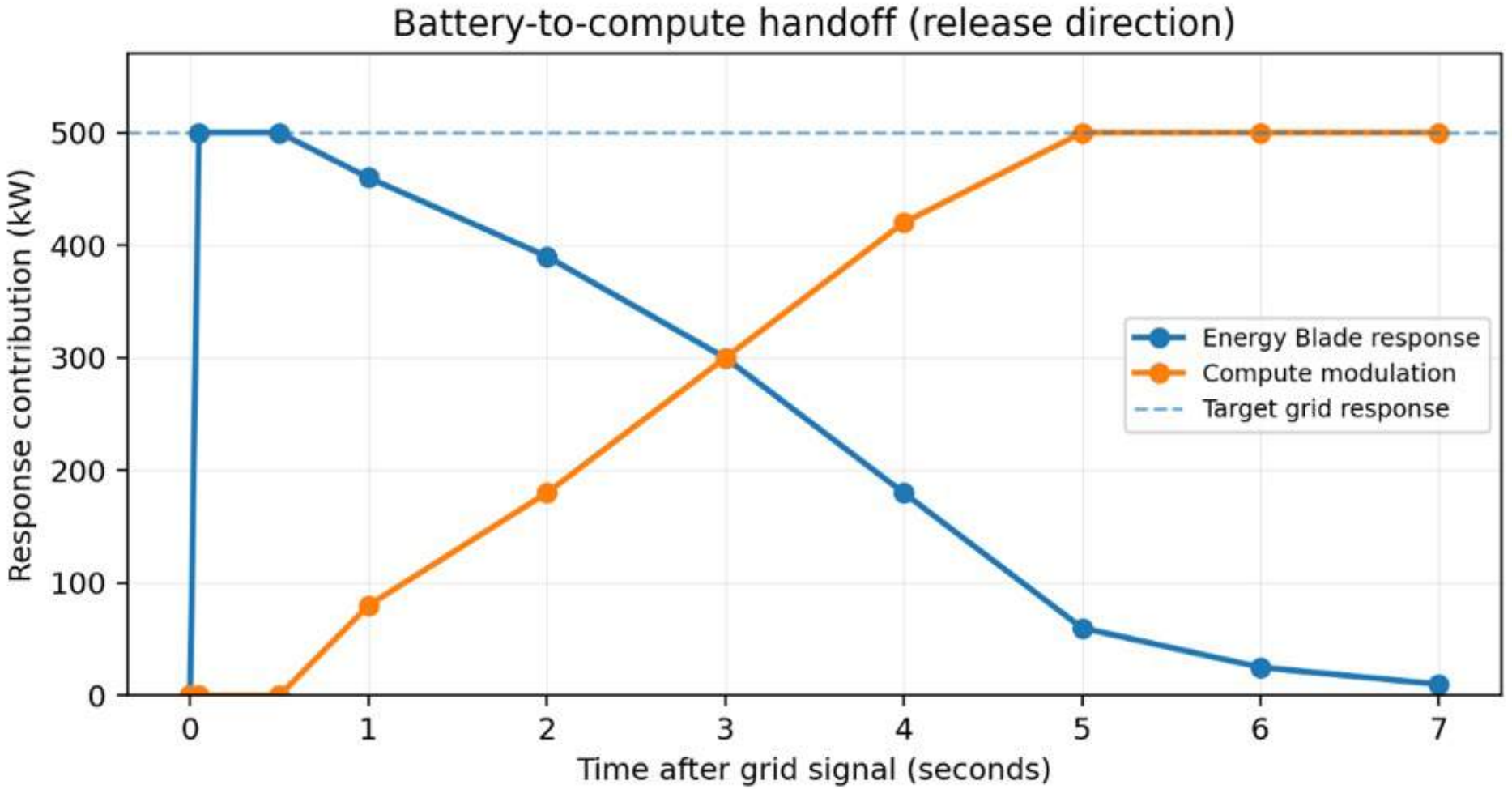
2. The Control Computer simultaneously sends a discharge command to the PowerX BMS and instructs the Server to optimize the workload currently being processed and reduce the output of certain GPUs.

3. Discharge begins from the PowerX ESS, and the system continuously adjusts only the amount of power required by the Server.

4. After several minutes, once Server output has been reduced and workload migration is complete, the ESS stops discharging and the entire system transitions to low-power mode.

5. When the Grid Simulator signals the end of the grid event, the Control Computer issues instructions to restore all systems. The Server resumes normal operation, and the ESS begins charging in preparation for the next operation.

Results of Power Discharge and GPU Power Suppression During Grid Events



Proprietary Software: Operational Log During Grid Events (1)



Proprietary Software: Operational Log During Grid Events (2)



Findings and Conclusions from the Demonstration

Findings & Conclusions

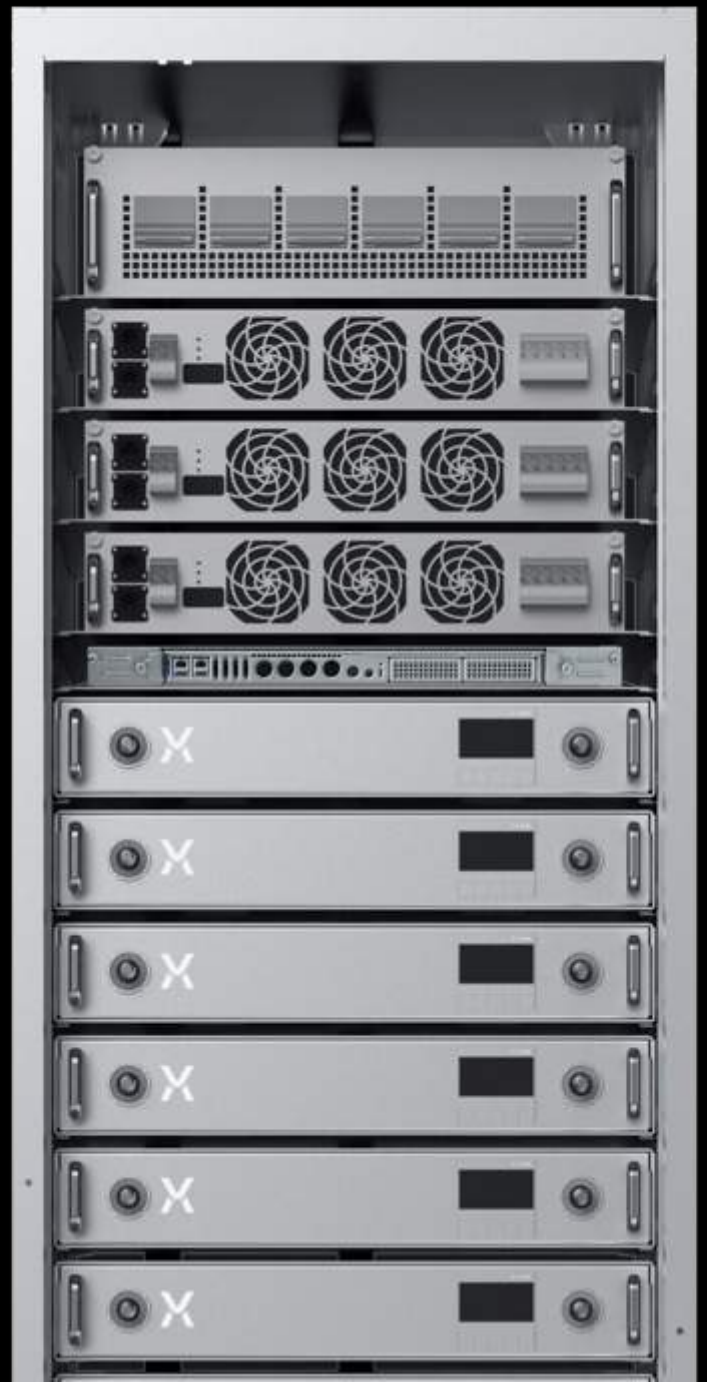
- The experiment suggests that, by utilizing high-capacity, high-output battery storage systems and DC control equipment for servers, AI infrastructure can respond to power grid events without sacrificing computational performance.
- Efficiently reducing GPU power loads requires a proper understanding and classification of GPU workloads; simply controlling power supply alone is not sufficient to achieve effective optimization.

The challenge of coordinating power control and computer control can be resolved in a highly efficient and rational manner through the integration of advanced dedicated hardware and software.

VISION :
PowerX Energy Blade 2027

PowerX Energy Blade

Rack-mounted energy storage
for faster grid connection and
more AI per connection.



PowerX
Energy Blade Rack



PowerX
Energy Blade Rack



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PowerX Energy Blade



PowerX Energy Blade



Rack-mounted Battery System Delivering up to 48 kWh, 120 kW, and 800 V DC for Data Centers

PowerX Energy Blade

(Blade-Type Battery System)

A highly scalable, modular high-output ORV3 blade battery system. Equipped with isolated power conversion, supporting both grid services and connection to 48 V OCP servers.

- **8C** 21700(NMC)
- **~49.5V** compatible
- **1~3kWh** capacity

PowerX Energy Blade Rack

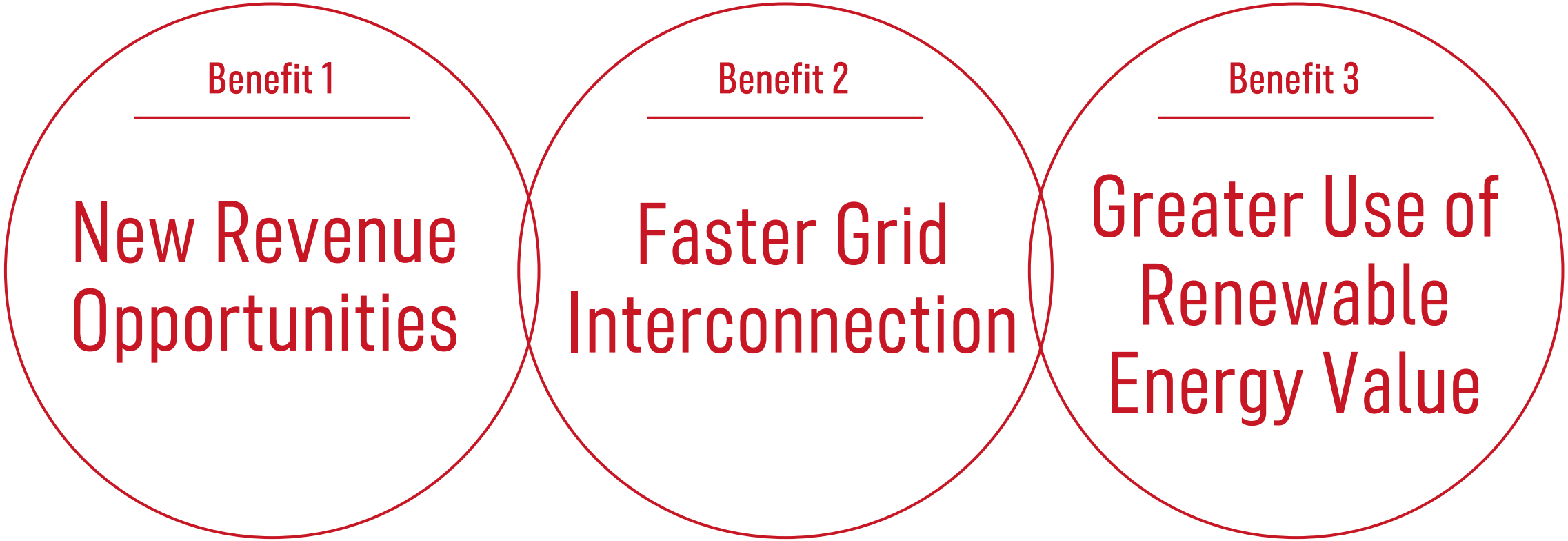
(Rack-Type Battery System)

By integrating 16 Blade modules into a single rack, the system provides up to 48 kWh of battery capacity. It supports server power consumption of up to 120 kW per rack and 800 V DC power supply required by the latest AI GPUs.

- **~16EBM*** batteries
- **200-800V** DC voltage
- **125kW (SST)** power

*Energy Blade Moduleの略

Creating New Revenue Streams for Data Center Operators while Supporting Faster Grid Interconnection



Generate new revenue through ancillary services, including FCR and demand response.

Optimize peak grid demand to support faster grid interconnection and improved utility contract terms.

Store and use renewable energy over longer durations, especially when combined with larger PowerX ESS, to maximize REC and non-fossil certificate value.

New Revenue Opportunities for Existing Data Centers through Ancillary Services Market Participation

Rack-type battery systems detect frequency fluctuations and respond at high speed, enabling data centers to participate in the primary ancillary services market.



PowerX estimate: data center equipped with PowerX Energy Blade

20MW Power Supply

Data Center

IT Equipment

PowerX Energy Blade

20MW Capacity

Estimated Annual FCR Revenue from PowerX Energy Blade Racks Installed in a 20 MW Data Center

FCR Price (¥/ΔkW/30 min)		Energy Blade Rack Payback Period
¥12 ΔkW・30 min	Annual FCR revenue：¥1.85 billion	1.4 yr
¥7.21 ΔkW・30 min	¥1.11 billion	2.5 yr
¥5 ΔkW・30 min	¥770 million	4 yr

Calculated based on a 20MW data center capactiy：PowerX Energy Blade Module shelf: 18kW・Four shelves per IT rack ・PowerX Energy Blade total output 72kW per rack・ Number of PowerX Energy Blade rack: 270

- Service launch scheduled for 2027.
- We will also begin recruiting strategic partners for the implementation of this solution.
- Deployment will be carried out with global expansion in mind.

PowerX Data Center Products

Mega Power DC

Modular data center
(ESS integration available)

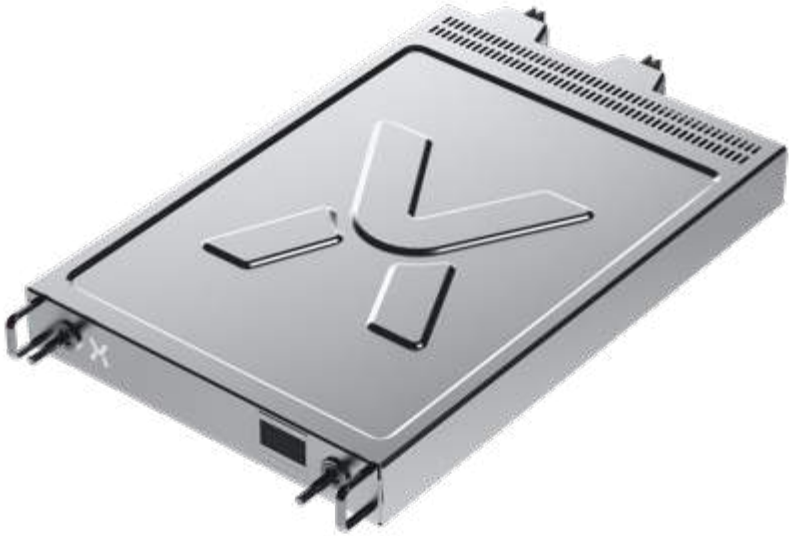


PowerX Energy Blade

Rack-type Battery System



Blade-type Battery Ssytem



Thank you for joining us today.

For detailed videos on the market environment related to battery storage systems and the AI-compatible materials related to today's presentation, please access them via the QR codes below.

Detailed video on battery storage system market trends (YouTube)

↓



AI-compatible materials for today's presentation(MD file available for download here)

↓



This material has been prepared for the purpose of helping readers understand the Company and is not intended as a solicitation for investment. Earnings forecasts and future projections contained in this material include so-called “forward-looking statements.” These forward-looking statements are based on information currently available as of the date hereof and on certain assumptions and premises deemed reasonable by the Company, and are described based on such assumptions and premises. Various uncertainties are inherent in these forward-looking statements, and actual results may differ materially from such future projections. In addition, the information contained in this material is current as of the date of publication, and the Company assumes no obligation to update or revise any forward-looking statements included herein, even if new information becomes available or future events occur.

Contact finance-ir@power-x.jp

IR Site https://power-x.jp/investors

Contents

1. Executive Summary

2. Q1 FY2026 Financial Results

3. Business Highlights

4. FAQ / Company Overview（Appendix）



FAQ / Stock Options

Q. What is the outlook for raw material prices for the fiscal year ending December 2026?

A. At the time of the announcement of our full-year financial results for the fiscal year ended December 2025, we announced the possibility of rising raw material prices due to increasing lithium prices and foreign exchange fluctuations. While we are beginning to see a path toward suppressing these price increases through negotiations with suppliers, we will continue to take proactive measures, including foreign exchange forward contracts.

Q. What is the country risk associated with your suppliers?

A. Currently, we import battery modules—a key component—from suppliers in China. To prepare for procurement risks such as geopolitical risks, changes in the political situation in China, and potential supply delays, our R&D and Procurement departments are collaborating to conduct routine quality and cost evaluations of alternative materials manufactured by other providers. Furthermore, we have been exploring procurement routes outside of China for some time, aiming to diversify risk through "multi-sourcing" that does not rely on specific suppliers or countries.

Q. What impact will the situation in the Middle East have on the Company?

A. At this point, we believe the short-term impact on the Company will be minimal. However, in the medium to long term, we anticipate a potential positive impact on our business. This is because the risks of oil dependency are becoming more widely recognized, which is expected to increase interest in renewable energy—and, by extension, the storage batteries required for it.

Q. What is the status of orders for "Mega Power DC"?

A. Although we have only recently commenced operations and have not yet secured any formal orders, we are currently in discussions with several companies regarding potential implementation.

Q. What is the stock price outlook following the expiration of the IPO lock-up period?

A. We understand that shareholders may have concerns or interests regarding stock price trends after the lock-up period ends. While we constantly review our capital policy as one of the critical management issues for a listed company, there are no specific measures that have been decided at this time.

Q. What are your plans for shareholder returns (share buybacks and dividends)?

A. As we are currently in the business launch and growth phase, we are prioritizing the allocation of retained earnings toward growth investment. Therefore, we have no plans for share buybacks at this stage. However, once we have secured stable profits in the future, we will consider implementing dividends, including the establishment of target dividend payout ratios.

To strengthen our commitment to short- to medium-term business performance and share price growth, the Board of Directors resolved at today's meeting to issue stock options to our executive officers and employees (performance-based tax-qualified stock options).

Item	Details
Eligible Recipients	Six executive officers of the Company 18 employees of the Company and its subsidiaries
Total Number Issued	17,144 units (The number of shares of common stock of the Company to be issued upon exercise of each stock option is one share) (0.05% of the total number of shares outstanding as of the end of April 2026)
Exercise Price	The amount shall be calculated by multiplying the average closing price of the Company's common stock on the Tokyo Stock Exchange on each day of the month preceding the month in which the date of allocation of these stock options falls (excluding days on which no trading occurred) by 1.05 (fractions of less than 1 yen shall be rounded up). However, if that amount is lower than the closing price on the date of allocation of the stock acquisition rights (or, if no trading occurred, the closing price on the most recent trading day prior to that date), the closing price on that date shall be the exercise price.
Exercise Period	From May 29, 2028, to May 28, 2030 (2-year waiting period, 2-year exercise period)
Allotment Date	May 29, 2026
Impact on Earnings Forecasts	Already factored in

Primary Purpose of Issuance:
Focusing primarily on newly appointed executive officers and department heads and above, we will allocate a significant portion of shares to those holding a certain number of shares or fewer, with the aim of raising stock price awareness among all executives and employees and adjusting equity compensation levels

Design Features:
The performance condition is set at net income of 5 billion yen or more. While this performance target is designed to be achieved early as a milestone for future growth, the overall structure aims for stock price appreciation over the medium to long term

Consideration of Dilution:
The percentage of total outstanding shares will be limited to approximately 0.05%, and stock options will be granted in a well-balanced manner this time.

Company Overview

Company Overview

Company	PowerX, Inc.
Founded	March 22, 2021
Representative	Masahiro Ito, Director, President & CEO
Locations	Headquarter / Factory: Tai 6-9-1, Tamano, Okayama, Japan Tokyo Office: Midtown Tower, 43F, 9-7-1 Akasaka, Minato-ku, Tokyo Annex / Show Room: AXALL ROPPONGI 2F, 8-6 Roppongi, Minato-ku, Tokyo Hokkaido Factory Uenae, Tomakomai City, Hokkaido 059-1365
Business	Manufacturing & Sales of Large-Scale Battery Energy Storage Systems Development and Sales of Modular Data Centers Power Business EV Charging Station Operations and Services
Employees (Consolidated)	179 (including temporary employees)*



* As of February 28, 2026

Appendix

Directors & Executive Officers



Director, President & CEO

Masahiro Ito

Founded Yappa Inc. in 2000. Joined the ZOZO Group through M&A and served as CEO of ZOZO Technologies, followed by Director and COO of ZOZO, Inc. from 2019. Established PowerX, Inc. in March 2021.



Tadahisa Kagimoto

Tadahisa Kagimoto

Former physician at Kyushu University Hospital. Founded Helios Inc. in 2011, a biotechnology venture originating from academia, and has served as the company's representative since 2012.



External Director

Caesar Sengupta

Former Google executive. After serving as VP and Product Lead for Chrome OS and the operating system for Chromebooks, oversaw Next Billion Users and Google Pay as VP/GM. Founded fintech venture Arta Finance in 2021.



External Director

Mark Tercek

Former Managing Director and Partner at Goldman Sachs with 24 years of tenure. Served as CEO of The Nature Conservancy from 2008 and joined Centerview Partners as Senior Advisor in 2022.



External Director

Mitsugu Serizawa

Joined Mitsui Bank (now Sumitomo Mitsui Banking Corporation) in the 1980s. After serving as Head of European Operations, took responsibility for the bank's international business from 2015. Served as President and Director of SMBC Operation Service Co., Ltd. from 2018 to 2020.



External Director

Tatsuya Sakuma

Former public prosecutor at the Tokyo, Naha, and Niigata District Public Prosecutors Offices. Also held various positions in the Ministry of Justice and the Tokyo District Public Prosecutors Office. Currently serves as an outside officer of multiple companies, including AEON Financial Service.



Corporate Executive Officer
CFO

Toshiyuki Fujita

Engaged in audit and consulting work at Deloitte Tohmatsu and KPMG. As CFO of two operating companies, led both to listings on the Tokyo Stock Exchange Growth Market (formerly Mothers). Certified Public Accountant.



EV Charging Business Executive Officer

Kohei Morii

Joined Mitsui & Co., Ltd. in 2002. After engaging in power business development and energy services within the company's project division, led new business development and global M&A strategy as the executive responsible for the power business and acquisitions in the global renewable energy sector.



Power Business Executive Officer

Yusuke Kojima

Held leadership roles at a major electrical-equipment manufacturer and a global consulting firm. Joined a power-sector company in 2014 as Head of Retail Electricity and established an independent management-consulting firm for the energy sector in 2023.



Executive Officer
Ocean Power Grid, Inc.
President & Director

Hideyuki Ohnishi

Held roles in global marketing and as a Business Director at a multinational chemical manufacturer. Appointed Representative of GE Energy Japan in 2010, leading the launch of onshore and offshore wind businesses in Japan. Appointed President of Ocean Power Grid in January 2025.



Executive Officer of Engineering and Research, CTO

Deepak Raut

Systems-design engineer specializing in model-based development of alternative-powertrain systems, transmission controllers, and high-voltage battery and charging systems for EVs. Professional background includes Daimler Truck, Tata Motors, and Mercedes-Benz.



BESS Executive Officer

Hiroyuki Yoshihara

Joined KEYENCE Corporation in 1992. After serving as Head of the Hiroshima Sales Office and working in the headquarters marketing division, spent 17 years from 2003 stationed in the U.S. and Belgium. In Belgium, led market development and business expansion as the founding head of the local subsidiary. After returning to Japan, served on the global audit team, driving consulting and audit initiatives to improve performance across overseas subsidiaries.


Vision
For a Sustainably Prosperous Future
Mission
Achieving Japan’s Energy Independence

Business Overview

PowerX's Main Businesses

*Please note that core business areas represent the businesses in which the Company strategically focuses on and may differ from segment information disclosed in accordance with accounting standards.

Main Businesses

BESS Business

- Sales of proprietary BESS
- Provision, maintenance, and support of operation management systems

Power Business

- Provision of power supply services utilizing BESS
- Development and operation of battery power plant

New Business

Modular Data Center Business

- Development and sales of modular data center

Other Business

- EV Charging Station
- Battery Tanker

Engineering / R&D

+

In-house Manufacturing

Product Lineup

PowerX Mega Power 2700A

2.7MWh 20ft container sized BESS



PowerX Mega Power 2500

2.5MWh 10ft container sized BESS



PowerX Cube / Hypercharger

(+PX PCS 100)

358kWh / Mid-size storage battery

Battery Integrated Ultrafast EV charger



Mega Power DC

Modular data center

(ESS integration available)

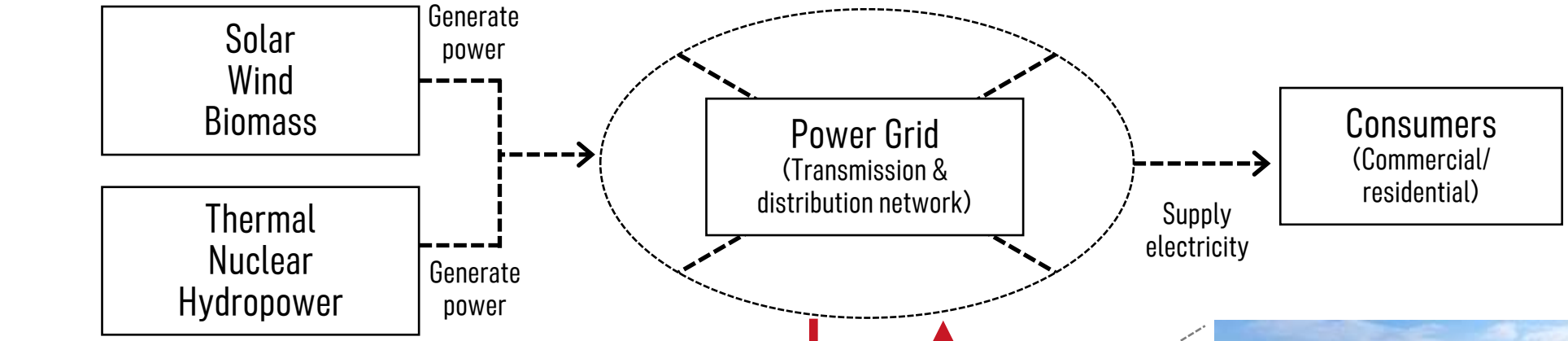


Battery Power Plants*

*Since May 2022, when the Electricity Business Act was amended, energy storage systems with an output of 10 MW or more and directly connected to the power grid have been treated as "power plants." PowerX defines these grid-scale storage systems as "battery power plants."

What is a Battery Power Plant?

- Utilizes large-scale battery systems to charge and discharge electricity to and from the power grid, contributing to grid stability while generating revenue
- This bidirectional capability enables effective supply–demand balancing and creates revenue opportunities through participation in the electricity markets.



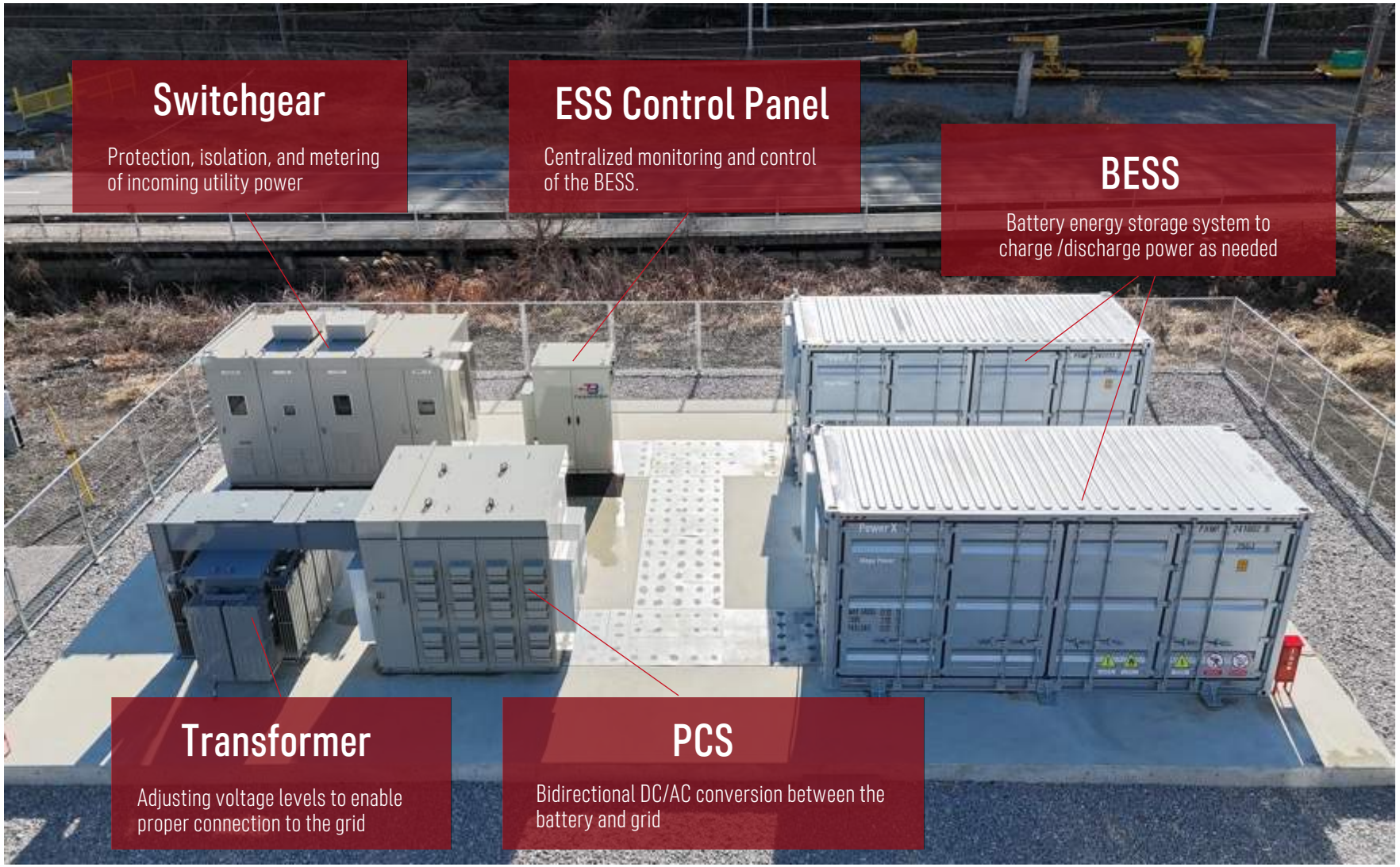
- Contributing to grid stability
- Generating revenue from three electricity markets
  (JEPX、EPRX、Capacity Market)



Extra-High Voltage Battery Power Plant (image: PowerX)

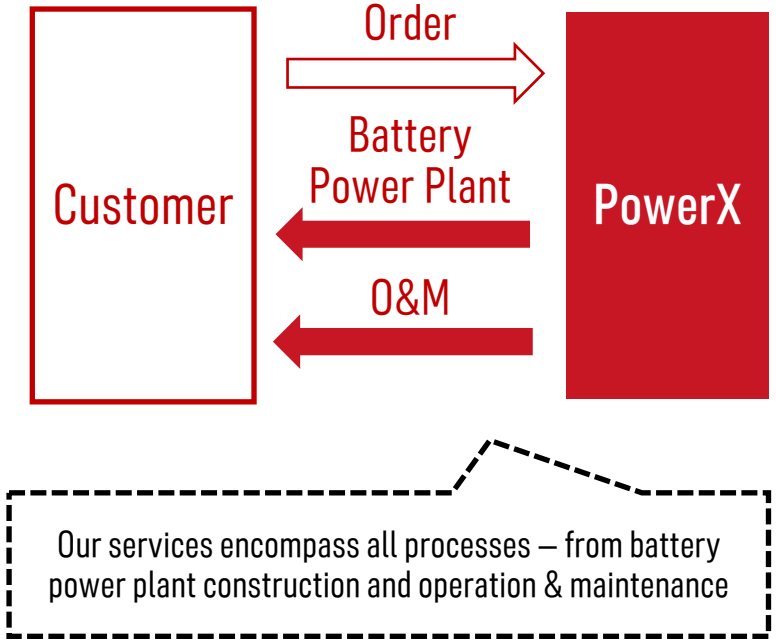
Source: Kenji Eda & Hiroaki Izuma, *Battery Storage Business*.

Key Components of a Battery Power Plant

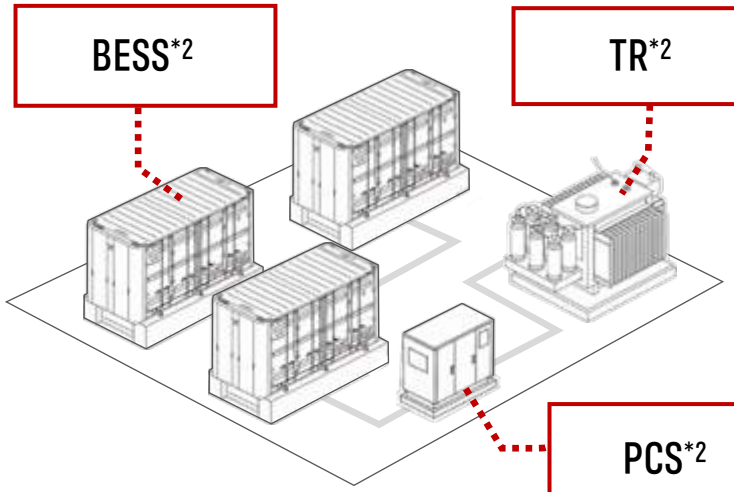


Deployment and Operation of Battery Power Plants

System development and operations for battery power plants are provided on an integrated basis through vertical integration.



Development and Operation of Battery Power Plants*1



Transportation
Maintenance
Installation
Operation

Design, production, and procurement → Transportation & installation → O&M

*1 Since May 2022, when the Electricity Business Act was amended, energy storage systems with an output of 10 MW or more and directly connected to the power grid have been treated as "power plants." PowerX defines these grid-scale storage systems as "battery power plants."
*2 BESS (Battery Energy Storage System): Stores electricity and supplies it when needed. • PCS (Power Converter System): Converts electricity between DC and AC to interface between batteries and the grid. • TR (Transformer): Adjusts voltage levels to enable proper grid connection.

Power business utilizing battery storage systems

PowerX Power Business Overview

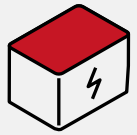
- Leverages its position as a battery system manufacturer to expand into the power business
- Delivers cost-efficient and stable services through vertical integration of power, aggregation, and assets

Power Business

Electricity Supply Services

- Offering electricity plans to corporate customers, utilizing the flexibility of BESS

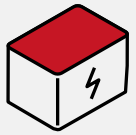
Flat Plan	Semi-Flat Plan	Advanced Plan



Aggregation Services

- Operation and monitoring of battery power plants
- Bess power trading

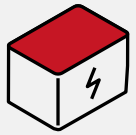
Battery Power Plant	Co-located with PV	Commercial & Industrial



Asset Services

- Development and sales of battery power plant

Site Development	Engineering & Procurement	Turnkey sales



Modular Data Center

New Business: Modular Data Center

Press Movie

“Mega Power DC” launched; available from February 13, 2026

NEW

Modular Data Center

Mega Power DC

Containerized Data Center

Low cost, fast deployment – without construction hurdles

Integrated Energy Storage System

Integrated ESS to tackle grid congestion and decarbonization

Cooling Technology

Applying cooling systems of BESS

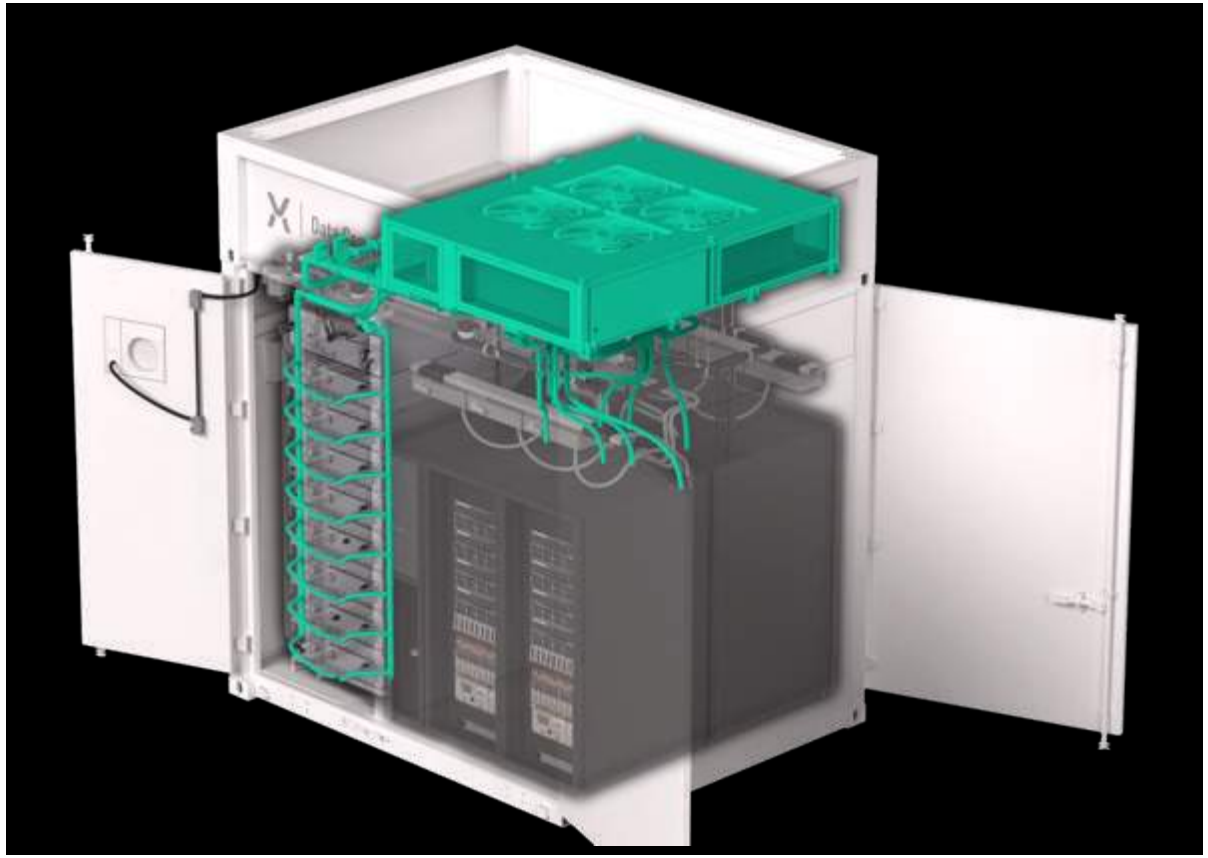
Mass Production

Mass production at PowerX factories



Mega Power DC: Technologies Supporting Stable Operations

Integrated Cooling | Space-Efficient Design | ESS Integration & DC-Ready

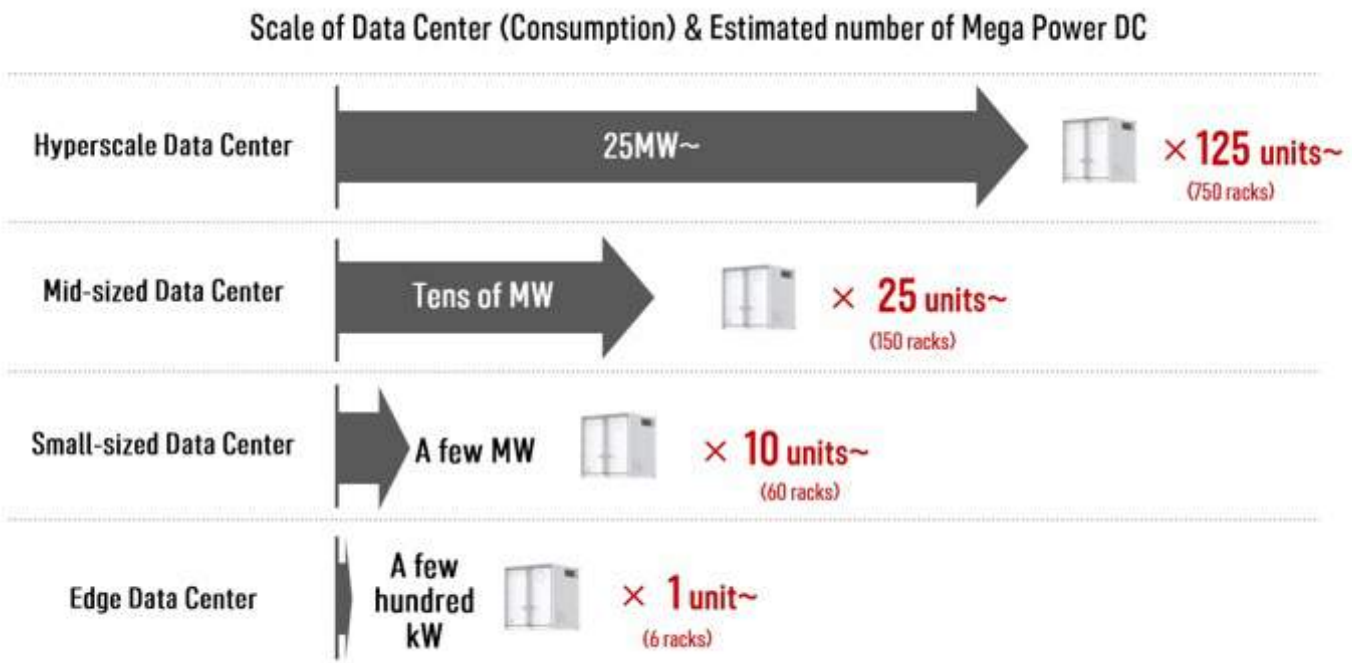


Closed-Loop Liquid Cooling for High Efficiency and Stability

As server performance and rack power densities continue to increase, data centers require more precise and reliable cooling. Mega Power DC is purpose-built with a dedicated liquid-cooling architecture to maintain stable temperature control in high-density, high-heat environments.

Drawing on our expertise as a battery manufacture, we apply advanced thermal design to deliver uniform cooling, ensuring continuous operation and improved energy efficiency.

Mega Power DC Scalability and Flexibility





Large-scale Power Plant 1,000MW

Power Received	Container	IT racks*
25MW	125	750



Battery Power Plant • Renewable Power Plant 2~20MW

Power Received	Container	IT racks*
0.2~2MW	1~10	6~60

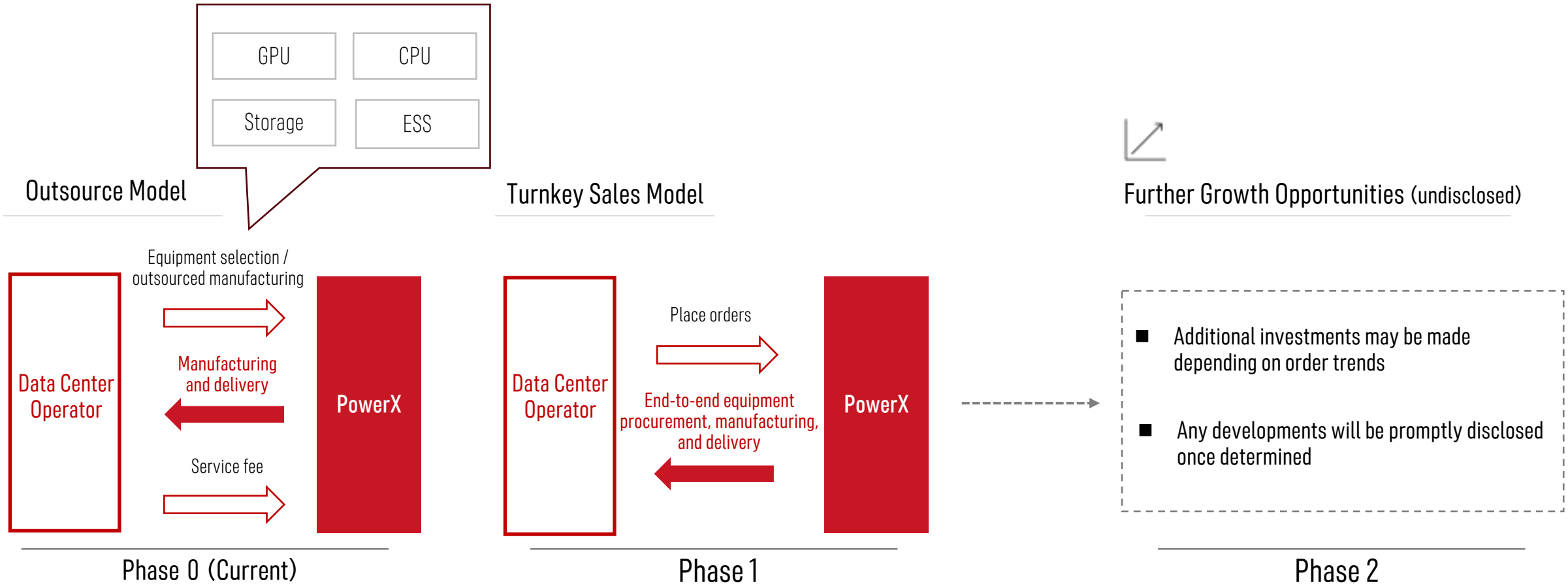


Edge Location Research institutes, areas under elevated tracks, logistics centers, factories, and more

Power Received	Container	IT racks*
0.2MW	1	4 (ESS integrated)

*Industry-standard 42U rack

Modular Data Center Business: Business Model (Phase 0)



***No significant changes to large-scale CAPEX or the current disclosed business plan are expected as a result**

Market Environment

Market Environment

The Value Provided by Energy Storage Systems and the Electricity Market

Value per kWh

Energy (kWh)
Time Shift

Use Case:

Wholesale Electricity Trading (JEPX)

kW Value

Provision of capacity (kW) for a fixed period
(Increased output or reduced consumption)

Use Case:

Capacity Market

ΔkW/ΔkWh Value

Providing balancing power (Δ) to match electricity supply and demand in real time

Use Case:

Supply and Demand Balancing Market

Update on the Supply and Demand Balancing Market

Market Environment

Changes to the Supply and Demand Balancing Market (April 2026–)

① Revision of Bidding Rules

Before Change → After change

Weekly Trading → Previous day's trading

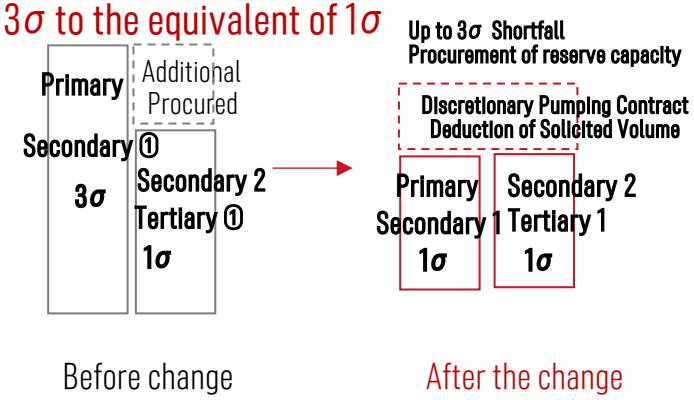
	Primary	Secondary ①	Secondary ②	Tertiary 1	Tertiary 2
Response time	Within 10 seconds	Within 5 minutes	Within 5 minutes	Within 15 minutes	Within 60 minutes
Duration	5 minutes or more	30 minutes	30 minutes	30 minutes	30 minutes
Bid Increment	Before change 3-hour block				
	After change 30-minute block				

- By switching to 30-minute intervals, transmission and distribution operators can procure balancing power only during the times they need it
- Switch to day-ahead trading to allow more resources (e.g., thermal power) to bid

② Revision of the Offer Volume (σ)

σ = An indicator that reflects fluctuations in demand and renewable energy output forecasts

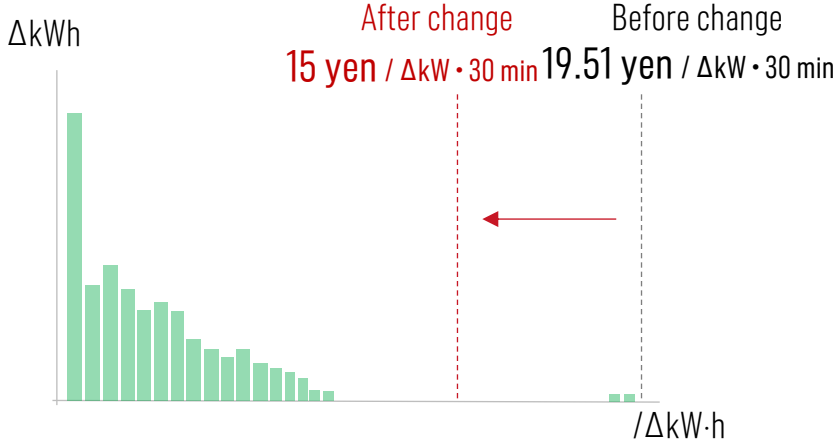
Reduce the solicitation volume for Primary and Secondary Regulation Capacity ① from 3σ to the equivalent of 1σ



- The aim is to reduce the number of contracts for resources with extremely high ΔkW prices caused by a shortage of bids by lowering the solicitation volume, thereby reducing the cost of procuring balancing power for transmission and distribution

(3) Revision of the Price Cap

Illustration of Bid Price Distribution



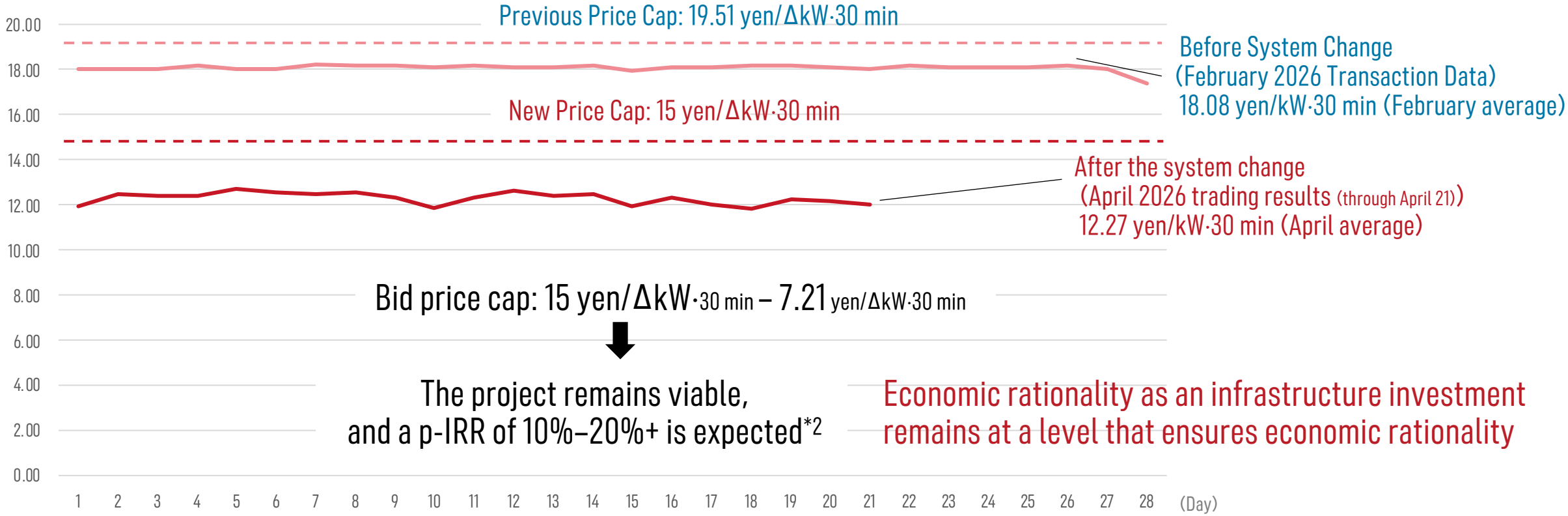
- The aim is to lower the maximum price to discourage certain operators from bidding near the maximum price and thereby reduce transmission and distribution procurement costs

After the start of the previous day's trading, we will review and verify the actual results over a certain period a decision is expected to be made regarding a further reduction in the upper limit price (7.21 yen/ΔkW·30 min) and a review of the increase in the solicitation volume σ

Market Environment

Current Battery Storage Primary Control Capacity Transaction History (Comparison Before and After System Changes)

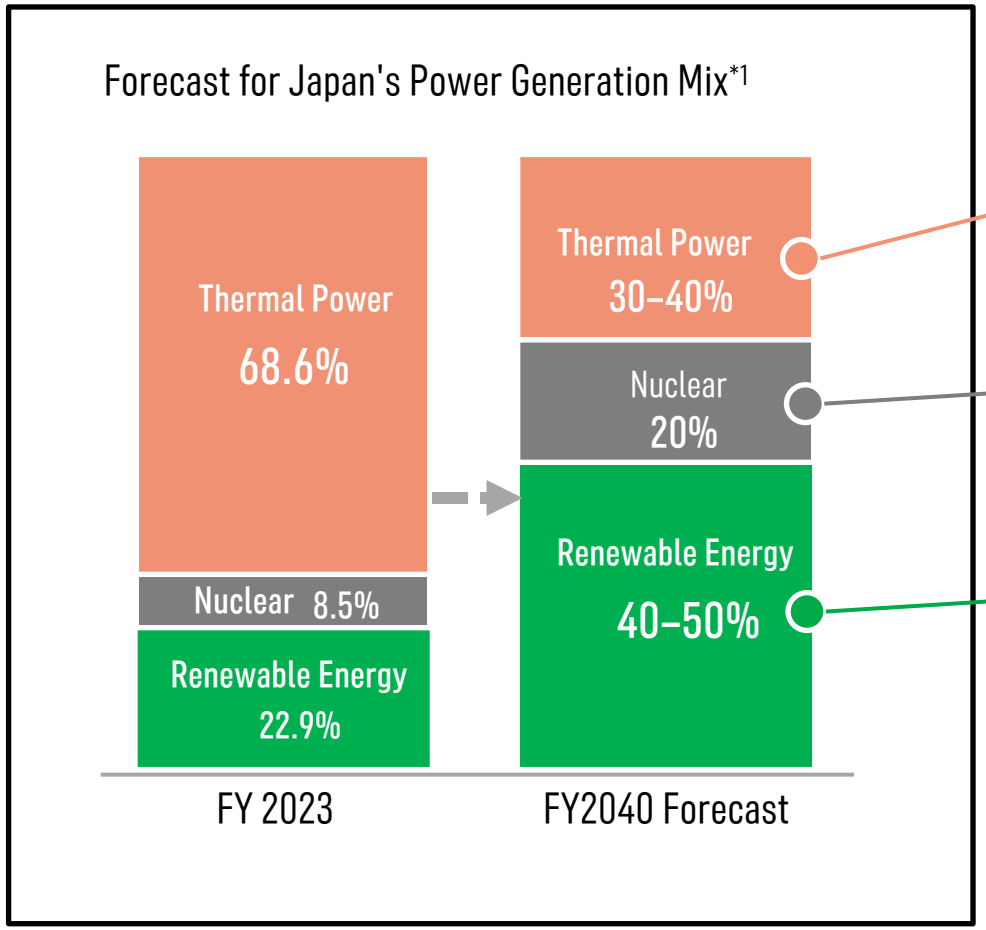
Storage Battery Primary Regulation Bid Price (Daily Average*1) [JPY/ΔkW·30 min]



*1 General Incorporated Association: Electricity Supply and Demand Balancing Power Exchange (https://www.eprx.or.jp/information/results.php). The average values are weighted averages based on the winning bid volumes for each block. Note that since the March 2025 results were from the system transition period, we assumed that bidding behavior was influenced by certain transition preparations; therefore, for the purpose of comparing pre- and post-change data, we extracted data from February, one month prior.

*2 The IRR above is calculated using a 20-year DCF model based on an assumption of 20 MW / 80 MWh (4 hours) and a 20-year project period. Regarding primary balancing power revenue (¥/kW·year), the model is set to use figures in accordance with the public tender guidelines (the value obtained by subtracting capacity value from balancing power market revenue) once cumulative revenue turns positive.Operating hours are calculated as 8,760 h × 95% charge cycle rate × 96.2% battery utilization rate × 96.7% SOC rebalancing rate = 7,740 h/year, with a bid success probability set at 50%. Revenue is assumed to decline linearly over 20 years (100% in the first year → 70% in the 20th year), and 8% of total revenue is deducted as an aggregator success fee.

Our View on the Need for Adaptability in the Medium to Long Term



- In the future, installed capacity will decrease due to aging, plant shutdowns, and decommissioning*2
- If electricity demand increases due to industries such as data centers and semiconductors, thermal power will play a role as a supply source
- The restart of nuclear power plants will also proceed in the future.
- Because nuclear power plants operate at a constant rate 24 hours a day, they cannot serve as balancing power.

- Renewable energy is becoming the "primary power source" as a domestically produced energy source.
- Since output fluctuates depending on the time of day, balancing power is necessary.

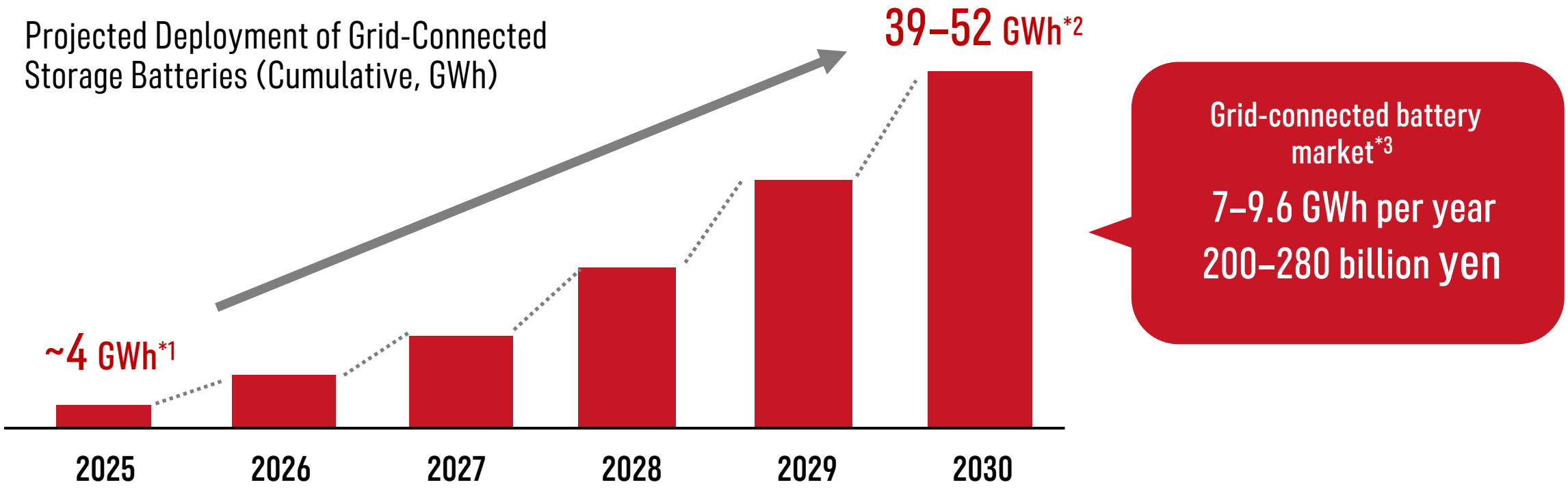
The need for energy storage systems (balancing capacity) will increase

*1 Source: Compiled from the Agency for Natural Resources and Energy, "Basic Energy Plan, February 2025"
*2 Agency for Natural Resources and Energy, March 31, 2025, "Electricity Supply and Demand for This Winter and Outlook and Operation for FY2025."
This excludes power generation sources that are scheduled to be operational as of the end of 2034 from among those slated for suspension between FY2025 and FY2034.

Business Environment Update

Market Size for Grid-Connected Storage Batteries Market Size (TAM)

Driven by the expansion of renewable energy adoption and growing demand from data centers, the deployment of energy storage systems is expected to continue, and the market size for grid-connected storage batteries is projected to reach **7–9.6 GWh annually**, with a value of **200–280** billion yen



*1 (Source) 51st Grid WG (May 24, 2024); 2025 data from the "Outlook for Grid-Connected Battery Deployment" was used as a reference

*2 (Source) Calculated using estimated battery deployment data (13 GW) for 2030 from our power generation mix simulation as of April 2026 (see next slide), with a time factor of 3–4 hours to determine battery capacity (GWh)

*3 Calculated assuming no price fluctuations until 2030, with a unit price of 30,000 yen/kWh for battery storage systems

Market Size (TAM) for Grid-Connected Storage Batteries: Calculation Method (1/2)

We define the "Main Scenario" as one in which constraints are set to align with the targets of the 7th Basic Energy Plan. Additionally, we assume a "Self-Sufficiency Improvement Scenario" as a case where data center demand increases. We simulate the power generation mix for the years 2030–2050 under these two scenarios

Scenario Name		Main Scenario	Increased Self-Sufficiency Scenario
CO2 Reduction	2030	46% Reduction	
	2040	73% Reduction	
	2050	Achieve Carbon Neutrality	
Renewables	Overall Cost	Significant Cost Reduction Cost where prices converge to global levels in the Generation Cost Verification WG	
	Solar	2040 Upper Limit: 230 GW Equivalent to the maximum value in the 7th Strategic Energy Plan	
	Wind (Overall)	2040 Upper Limit: 27 GW Equivalent to the average value in the 7th Strategic Energy Plan	
		[Onshore] Upper limit of 0.8 GW/year after 2030 Assuming no acceleration beyond current speed (Max 27 GW by 2050)	
		[Offshore] 2050 Upper Limit: 45 GW Target set by the Public-Private Council	
Storage	Battery Cost	2050: 22,000 JPY/kWh Considering cost reduction rates from current levels to 2050 in NREL's "Advanced Scenario"	
Grid	Grid Enhancement	Master Plan Base Scenario	
Nuclear	Units in Operation (2040)	34 units (Approx. 20% of 2040 generation) All units except those scheduled for decommissioning will be operational.	
Thermal	Fossil Fuel Price	Apply CPS values from IEA World Energy Outlook 2025	
	Operation Period	Decommissioning 40 years after start of operation	
	CCS Storage	2050: 240 million t-CO2/year Maximum value in the CCS Long-term Roadmap	
	Hydrogen Price	2050: 20 JPY/Nm3 Government target price	
Demand	Electrification, etc.	Determined by electrification from heat sources based on power mix and LCOE optimization.	
	Data Centers	+96 TWh by 2050 Based on JST Optimize data	+140 TWh by 2050 Based on OCCTO's study

Toward achieving 2050 carbon neutrality, a goal set forth in the 7th Strategic Energy Plan
expanding renewable energy,
nuclear power operations,
grid reinforcement,
reducing battery prices,

+

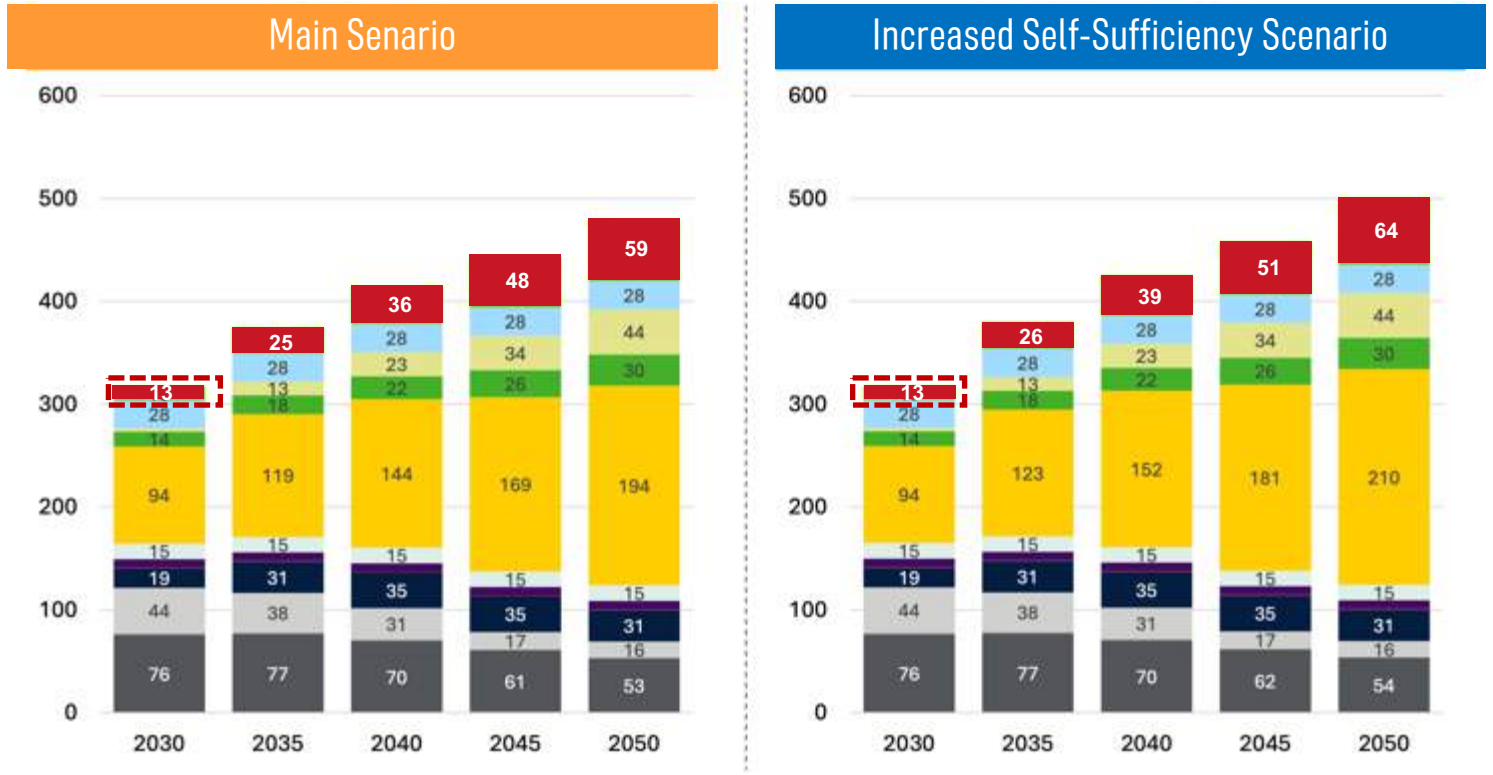
Increased demand for data centers

Taking these factors into account, we simulated the power supply mix from 2030 to 2050

Market Size (TAM) for Grid-Connected Storage Batteries: Calculation Method (2/2)

The simulation results for the two power mix scenarios from 2030 to 2050 are shown below. Based on these results, the installed capacity of grid-scale storage batteries by 2030 is calculated to be **39–52 GWh**, assuming an output of **13 GW** and a discharge duration (hour rate) of 3 to 4 hours.

Estimated Power Generation Mix [GW]



2030 Grid-connected battery storage capacity

Discharge Output: 13 GW

Discharge duration: 3–4 hours

Capacity: 39–52 GWh

Hydro | Onshore Wind | Pumped Hydro
Solar | Offshore Wind | Storage Battery
LNG | Coal & Ammonia | Geothermal
Oil | Nuclear | Biomass

For solar power, onshore wind, offshore wind, and storage batteries, only the 2050 installed capacity calculated by simulation was used, with linear interpolation applied between 2030 and 2050.

Trends in the Wholesale Electricity Market (JEPX) Driven by the Middle East Situation

Iran Escalation Drives Strait of Hormuz Closure and LNG Price Surge

LNG (Platts JKM) Futures Composite Chart



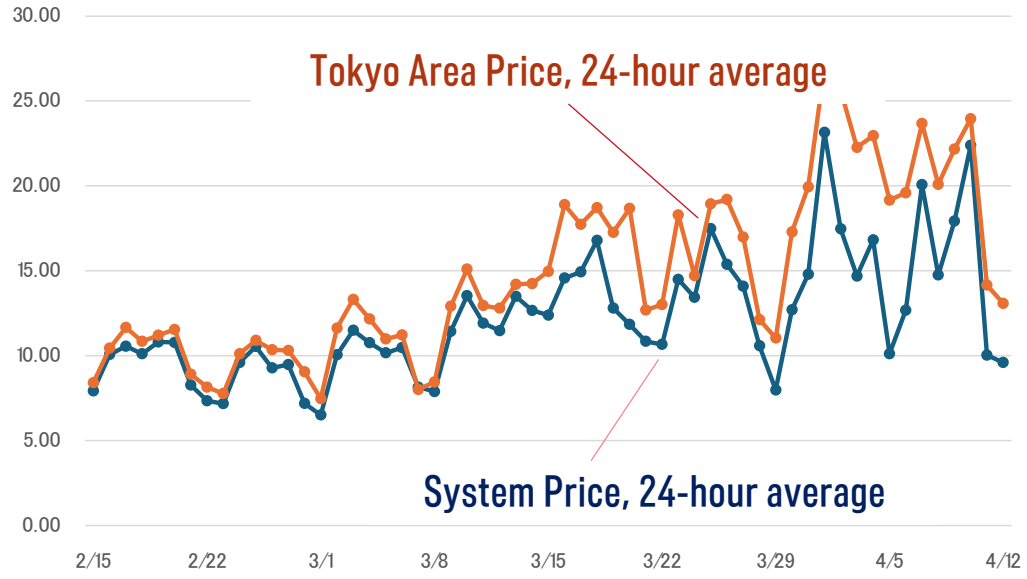
Source： MINKABU (https://fu.minkabu.jp/chart/lng-futures)

- Amid the Iran crisis, Qatar's Ras Laffan facility was hit by a drone attack, causing LNG production to halt.*1
- Qatar Energy declared force majeure on March 4.*1
- With Qatar's annual LNG production capacity of approximately 77 million tons suddenly removed from the market, demand for LNG shifted sharply to the spot market.*2
- Benchmark prices in the LNG spot market rose sharply.

*1 Aljazeera March 24, 2026 "Qatar Energy declares force majeure on some LNG contracts due to Iran war"
*2 Oil Price.com March 05, 2026 "How Quickly Can Qatar Restart the World's Largest LNG Export Hub?"

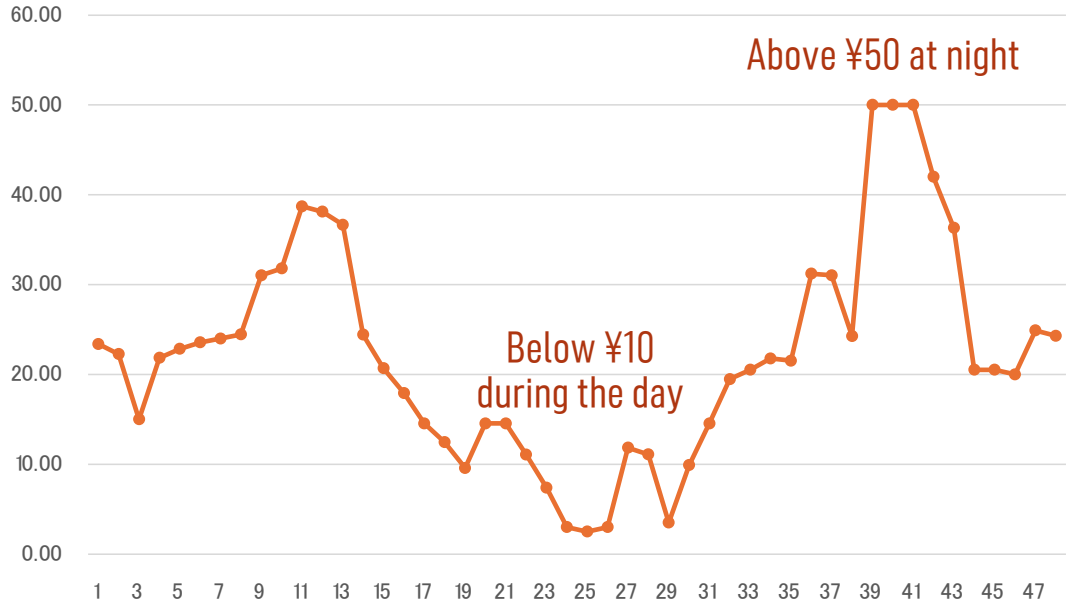
Recent Trends in Japan's Wholesale Electricity Market (JEPX)

Market Prices from Feb. 15 to Apr. 12, 2026



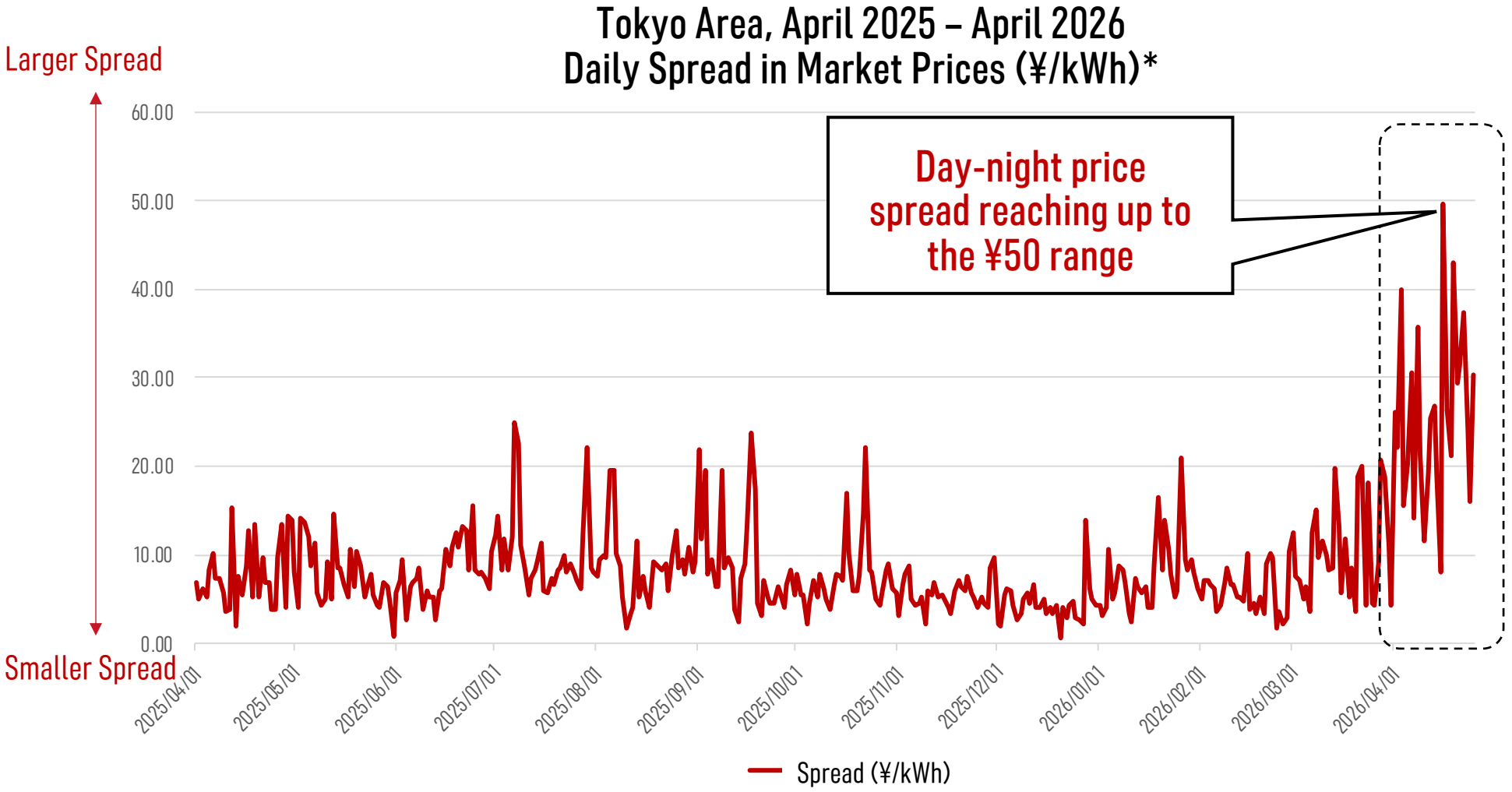
Prices have started to rise since mid-March, particularly in the Tokyo area.

Tokyo Area Price by 30-Minute Trading Period on Apr. 3, 2026



Although daytime prices remained below ¥10, prices reached the ¥40–50 range in the morning and evening.

Daily Price Spreads Have Continued to Widen Since the Start of FY2026

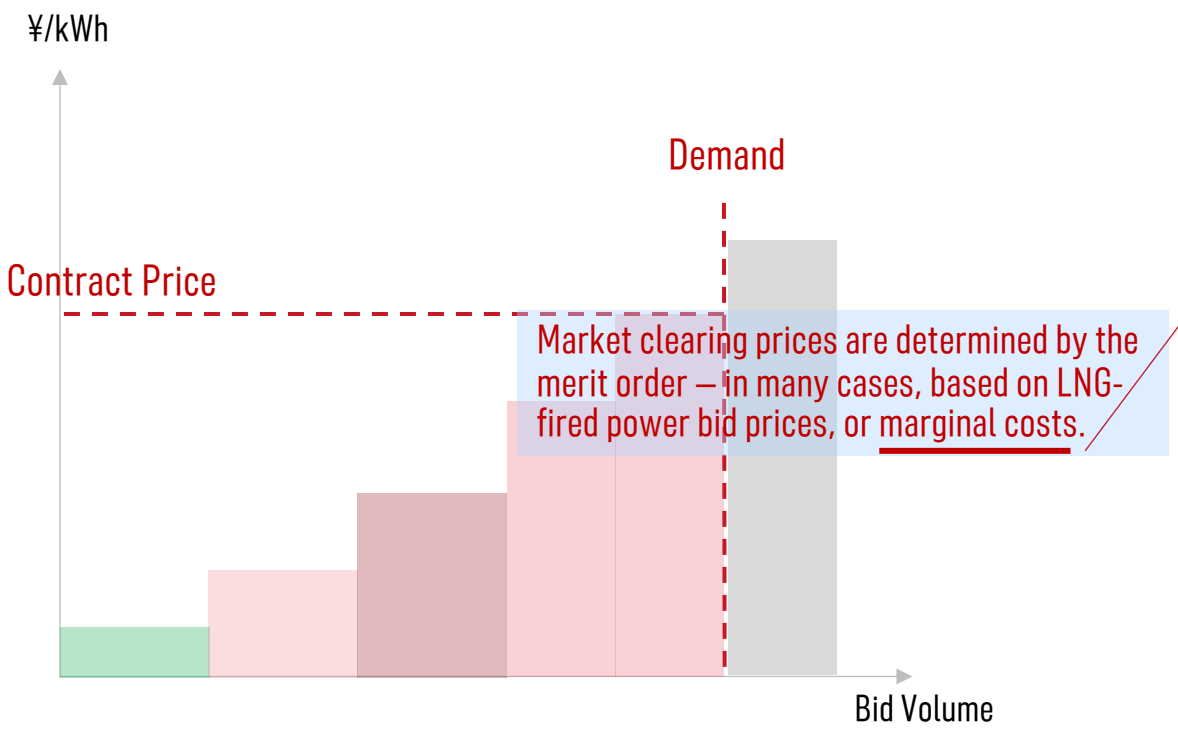


Market conditions are becoming increasingly favorable for BESS to capture economic value through day-night price arbitrage.

*Source: Japan Electric Power Exchange (JEPX) spot market data. The daily spread is calculated by subtracting the average of the lowest six 30-minute prices, equivalent to three hours, from the average of the highest six 30-minute prices, equivalent to three hours, on each trading day.

Business Environment Update

Driver of JEPX Time-of-Day Price Spreads[2] : Rising Marginal Costs



The rules for calculating marginal costs were revised in 2021. *

- As post-COVID demand recovered, LNG spot prices surged.
- Long-term LNG became more profitable to resell than to use for power generation. (Fuel shortages for domestic power generation raised blackout risks)
- To prevent fuel shortages and potential blackouts, the government allowed opportunity costs to be included in marginal cost calculations.

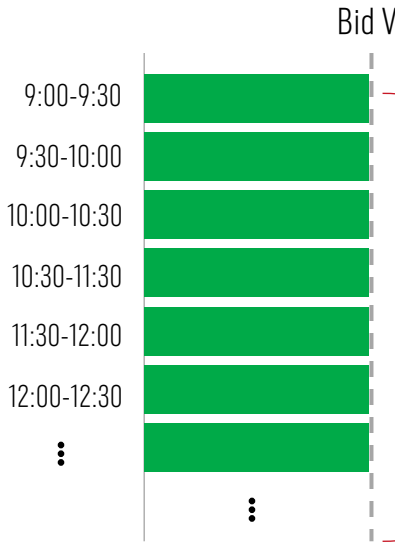
As a result, nearly all major LNG-fired power producers now factor LNG spot prices and related opportunity costs into their marginal costs*

Consequently, power marginal costs based on spot fuel prices have become the basis for JEPX bid prices.

* Reference: Study Session for Retail Electricity Providers Ahead of Winter FY2021, November 9, 2021, Material 3-1
* Reference: Nikkei Energy Next, "Qatar Halts LNG Production Following Iran Attack: What Is the Impact on JEPX Spot Market Prices?"

Driver of JEPX Intraday Price Spreads[2] : Increase in Block Bidding

Illustration of Thermal Power Block Bidding

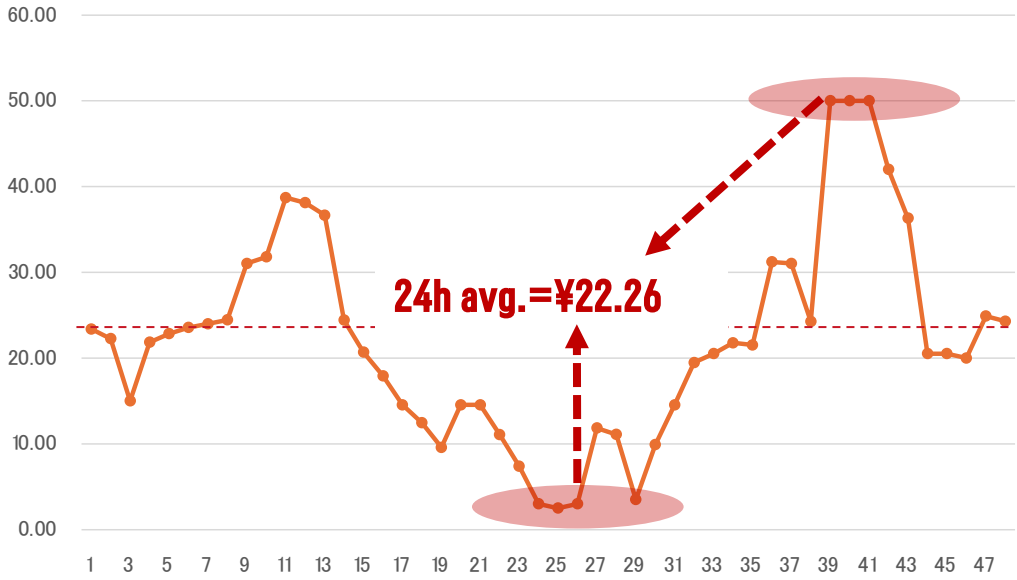


Because thermal power plants cannot start or stop operations in 30-minute increments, bids are submitted in blocks.[*1]

Multiple trading periods are bid and cleared together based on **the average price** across those periods.

With long-term contracts between JERA, TEPCO Energy Partner, and Chubu Electric Miraiz expiring on March 31, 2026, the corresponding thermal power capacity appears to have entered the market through block bids from April onward.[*2]

Tokyo Area Price by 30-Minute Trading Period on Apr. 3, 2026



When estimating LNG-fired power marginal cost based on spot LNG prices on Apr. 3, 2026, the cost is estimated at ¥18.12–27.17/kWh.[*3]

- Daytime: Solar power keeps prices near ¥0. back toward ¥22.
- Average price: Thermal block bids do not clear unless the average approaches ¥22.
- Nighttime: Prices rise to offset low daytime prices and bring the average

*1 Electricity and Gas Market Surveillance Commission, 68th Expert Meeting on System Design, Secretariat Material: "Trends in Spot Market Prices, etc."
*2 Electricity and Gas Market Surveillance Commission, FY2026 Apr. 1–4 Delivery Data Sheet for Former General Electricity Utilities + JERA
*3 JKM on Apr. 3 was USD 19.96/MMBtu. LNG price (¥/kWh) estimated as: JKM × FX rate × unit conversion ÷ thermal efficiency.
19.96 USD/MMBtu × JPY 159.60/USD ÷ (293.071 kWhth/MMBtu × 40–60%)

Capacity Market Update

Business Environment Update

Revision of Net CONE as the Reference Price for the Capacity Market Main Auction

Net CONE is used as the reference price

Total cost of new generation investment – revenues from other markets such as the kWh market = fixed cost on a "net" basis

Net CONE currently uses thermal CCGT as the model plant. For total cost, the value from the 2015 Power Generation Cost Verification Working Group has been used to date.

Current

Reference Price (Net CONE)

¥10,100/kW

Based on the 2015 Power Generation Cost Verification WG value

Going Forward

Reference Price (Net Cone)

¥20,500/kW

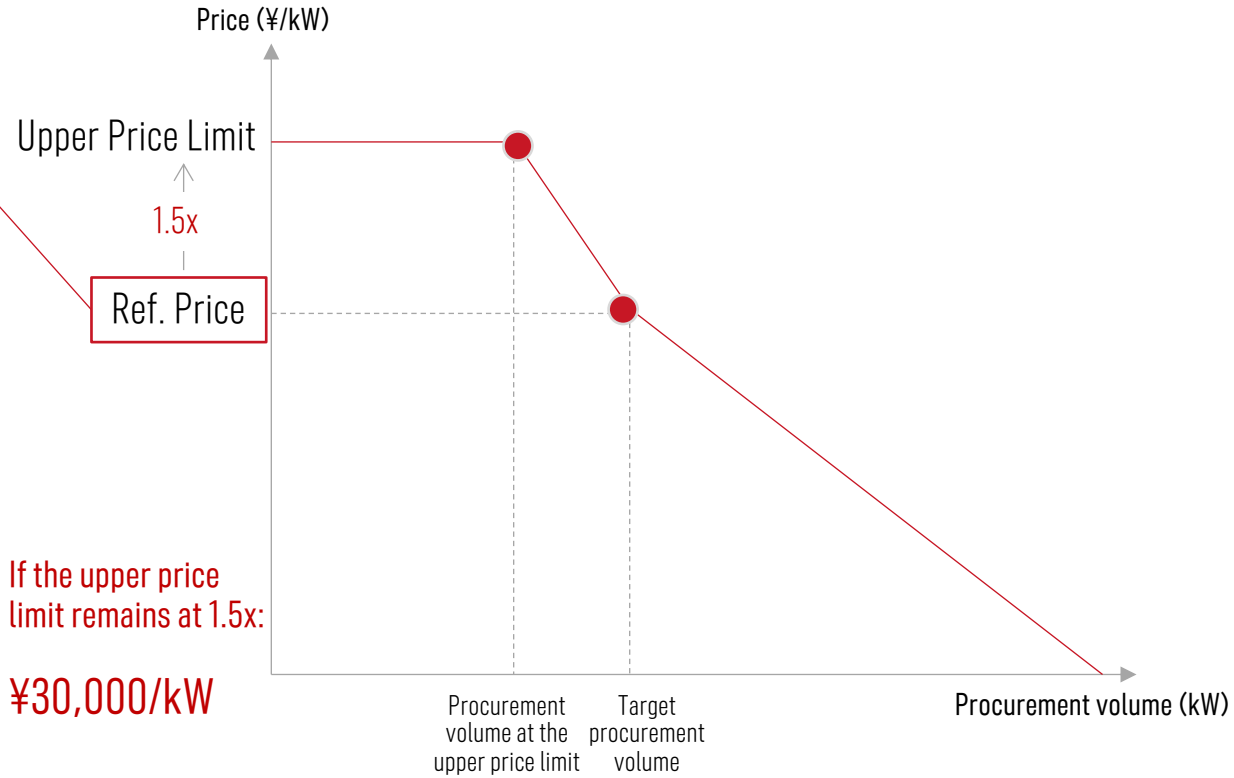
Based on the 2025 Power Generation Cost Verification WG value

Because construction and repair costs for the model plant have increased significantly

If the upper price limit remains at 1.5x:

¥30,000/kW

Capacity Market Main Auction Demand Curve Illustration



Reference: Organization for Cross-regional Coordination of Transmission Operators, Japan, July 31, 2025, "FY2025 Main Auction Demand Curve"

Reference: Secretariat of the Study Group on the Design of the Capacity Market, December 18, 2025, "Calculation of the Capacity Market Demand Curve"

Demand-Side Trends and Upcoming GHG Protocol Revisions

Business Environment Update

GHG Protocol Revision
Increasing Requirements for Hourly Matching

GHG Protocol

An international standard for calculating greenhouse gas emissions. For listed companies in Japan, GHG emissions disclosed as part of sustainability reporting are calculated in line with the GHG Protocol, the global standard.

The revision process for GHG Protocol Scope 2 is currently underway.
For standards used to calculate emissions based on "what type of electricity was procured," hourly matching of electricity supply and demand has been incorporated into the proposal.

Proposed Revision to Calculation Rules

"Where electricity was consumed"

Location-Based Method

- Granular time and location tiers for emission factors

"What type of electricity was procured"

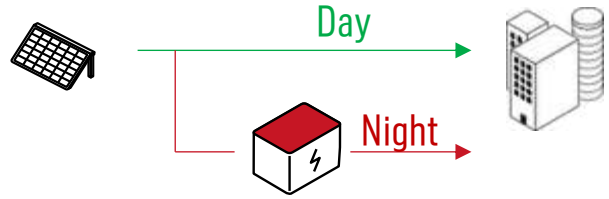
Market-Based Method

- Clarification of hourly matching requirements
- Clarification of deliverability and spatial matching requirements
- New definition of standard supply services

(Renewables supported by public schemes can generally still be claimed.)

Until now, renewable electricity supply and electricity use have generally been reported as matching on an annual basis. Going forward, matching may increasingly be required on an hourly basis.

For solar PPA schemes, increasing the renewable energy ratio will require shifting either demand or supply across time.



Public consultation was completed in February 2026, and work is underway toward the 2027 revision.

Reference: Mitsubishi Research Institute, February 16, 2026, "Mitsubishi Research Institute Submits Comments on the Draft Revision of GHG Protocol Scope 2"

Business Environment Update Summary

- **Balancing Market Trends**
  1. Unit prices are stabilizing at around ¥15.
  2. Demand for balancing capacity is expected to grow, driven by data centers, electrification, and renewable energy expansion.

- **Wholesale Electricity Market Trends**
  3. Fossil fuel price volatility is increasing, strengthening the need for renewable energy.
  4. More block bids are expected to widen day-night price spreads.

- **Capacity Market Trends**
  5. Net CONE is expected to be revised upward due to rising construction costs.

- **Demand-Side Trends**
  6. The GHG Protocol revision is expected to increase the importance of hourly matching.

Battery storage, which has historically been viewed as a balancing market asset, is expected to become valuable over the medium to long term across JEPX/kWh markets, capacity markets/kW, and the demand side.

Cybersecurity for BESS

JC-STAR Certification Adopted as a Grid Code Requirement

JC-STAR Certification: Growing Importance and Expanding Implementation Requirements

JC-STAR ★1 certification will be required for high-voltage systems from April 2027, and for low-voltage systems from October 2027, for both solar power generation and battery storage equipment.
In addition, the government recognizes the need to implement ★2 or higher.

Today (~2026)

- Grid-scale BESS subsidy program (FY2025)

→ **JC-STAR ★1 is a de facto requirement**

PowerX: JC-STAR ★1 Certified

Future (2027~)

- April 2027 (high-voltage) / October 2027 (low-voltage)

→ **JC-STAR ★1 becomes a regulatory requirement for solar + BESS**

Government working group begins discussing need for ★2 or higher

JC-Star★ → Mandatory Market-wide Requirement beyond Subsidies
JC-Star★2 or higher → Now under Discussion

Cybersecurity:
Shifting from "Subsidy Requirement"to "Market Entry Requirement"

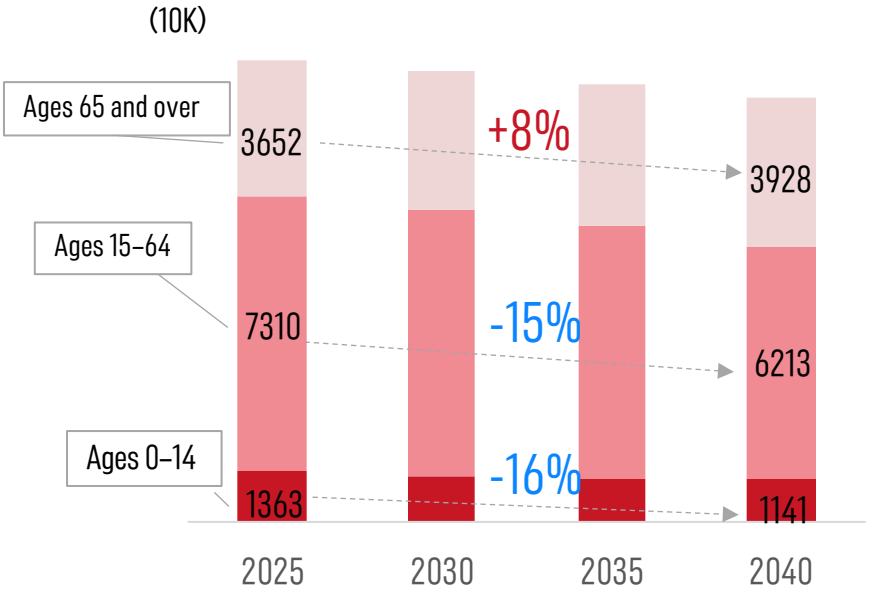
*1 Organization for Cross-regional Coordination of Transmission Operators (OCCTO), 21st Grid Code Review Committee, "On the Requirement of Cybersecurity Measures for Distributed Energy Resources"
*2 METI, 19th Industrial Cybersecurity Study Group, Working Group 1 (Systems, Technology, and Standardization), Power Sub-Working Group, "On Cybersecurity Measures for Distributed Energy Resources"

AI Data Center Demand Growth

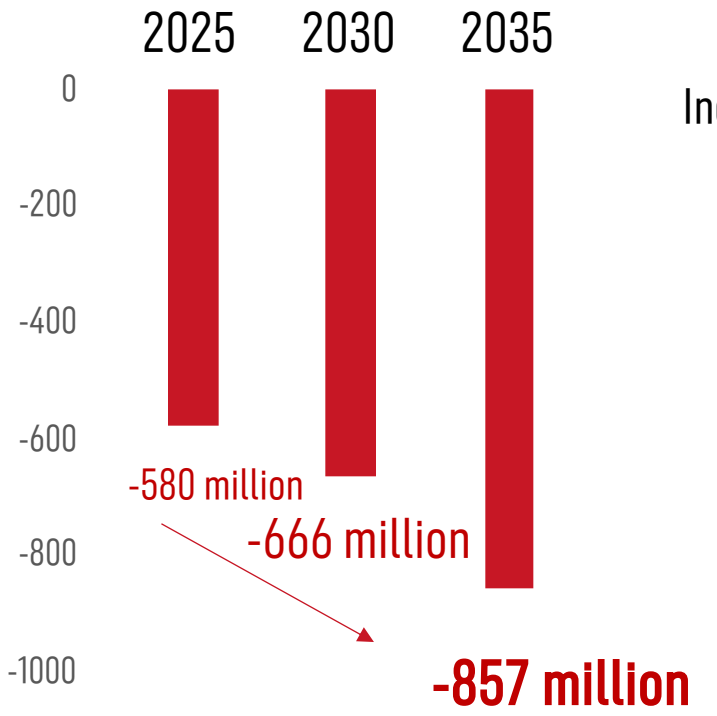
AI Data Center Demand Growth

Declining Birthrate, Aging Population, and Worsening Labor Shortage — the Potential for AI Utilization

Japan's Advancing Aging Society *1



Estimated Labor Shortage in Japan*2



Estimated Work Hour Reduction Through AI Utilization *3

(2035 Forecast)

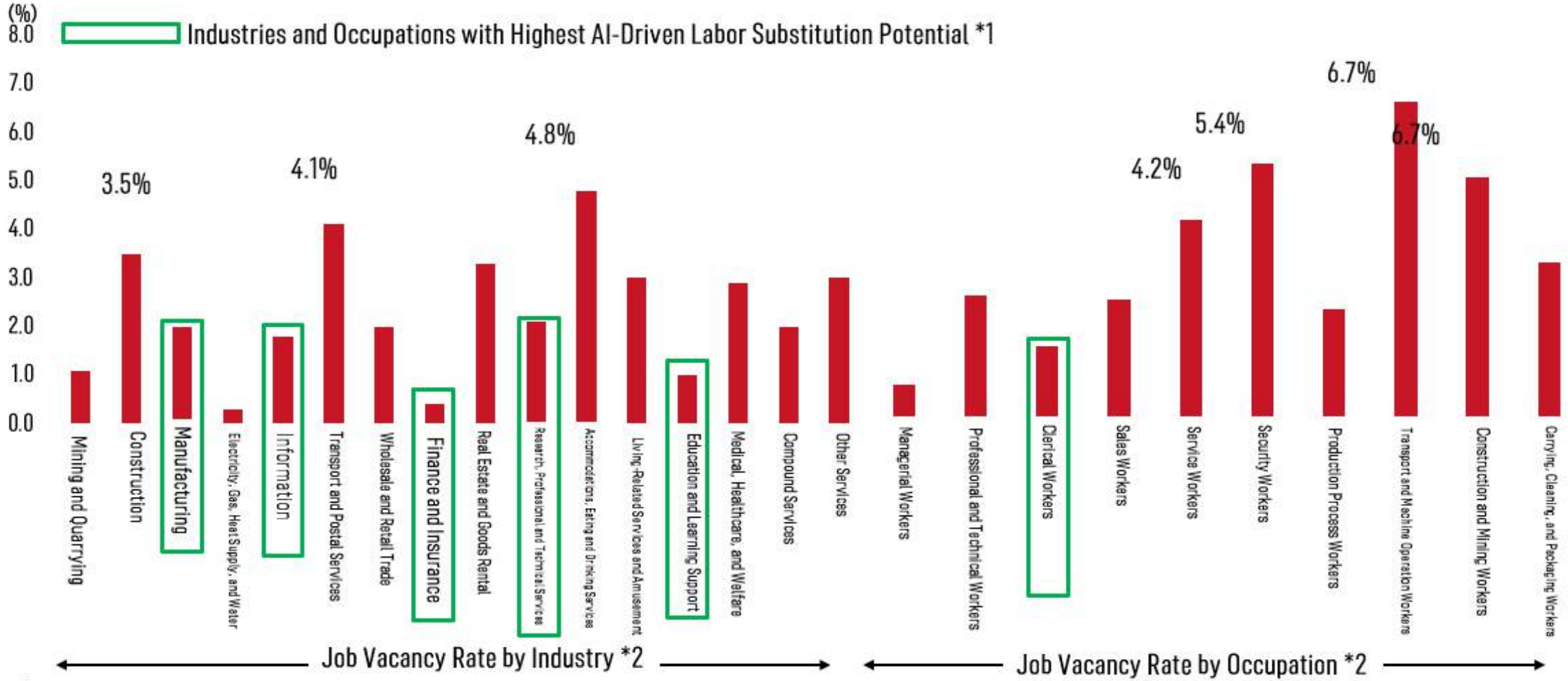
Industry/Occupation Average : 17.2% Reduction

Equivalent to 11.7 million workers

However, replacement is primarily concentrated in white-collar sectors such as clerical, finance, professional, and communications, while the short-term impact on blue-collar sectors facing severe shortages — such as healthcare, services, and construction — remains limited.

*1 National Institute of Population and Social Security Research, "Population Projections for Japan (2023 Estimate): Summary of Results"
*2 For the 2025 labor shortage, see Persol Research and Consulting. Other data from Mizuho Research & Technologies, March 12, 2025, "Can AI Be the Key to Solving Labor Shortages?"
*3 Mizuho Research & Technologies, March 12, 2025, "Can AI Be the Key to Solving Labor Shortages?"

Labor shortages hit transport, construction, and services hardest – yet AI replaces jobs in finance, IT, and professional sectors first



*1 Mizuho Research & Technologies, March 12, 2025, "Can AI Be the Key to Solving Labor Shortages?"
*2 Ministry of Health, Labour and Welfare (MHLW), "Employment Trend Survey," H1 2025 actual figures. Job vacancy rate = Unfilled Job Openings / Regular Workers as of End of June × 100 (%)

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Where AI Delivers Most – Critical Infrastructure and Its Core Operations

AI is replacing "core operations" in financial institutions, a critical infrastructure sector

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Japan's Financial Regulator Urges Banks to Use AI for Core Operations



nikkei.comから

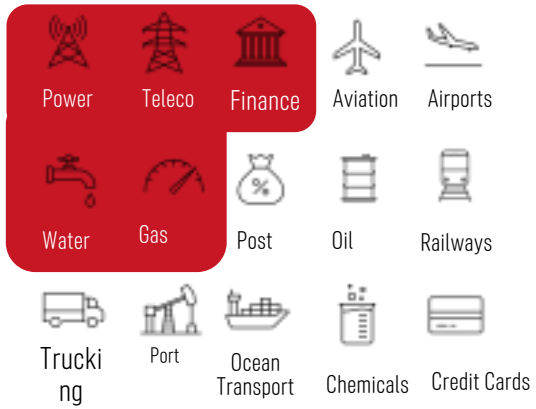
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Source：https://x.com/FinancialNikkei/status/2028731017583063206

AI is also expected to replace "core operations" in other critical infrastructure sectors…

Critical Infrastructure Sectors



Among designated critical social infrastructure, sectors where AI-driven labor substitution is expected**

* Cross-referenced from the "Industries and Occupations with Highest AI-Driven Labor Substitution Potential" with sectors designated as critical social infrastructure under the Economic Security Promotion Act's framework for ensuring stable provision of critical infrastructure services. Identified by the Company.

Physical AI: Extending Automation to the Real World

Physical AI

II

AI that autonomously executes
"perception → judgment → action" in the real world









Manufacturing & Logistics

- Irregular parts picking
- Assembly assistance
- Night & hazardous operations

Healthcare & Nursing

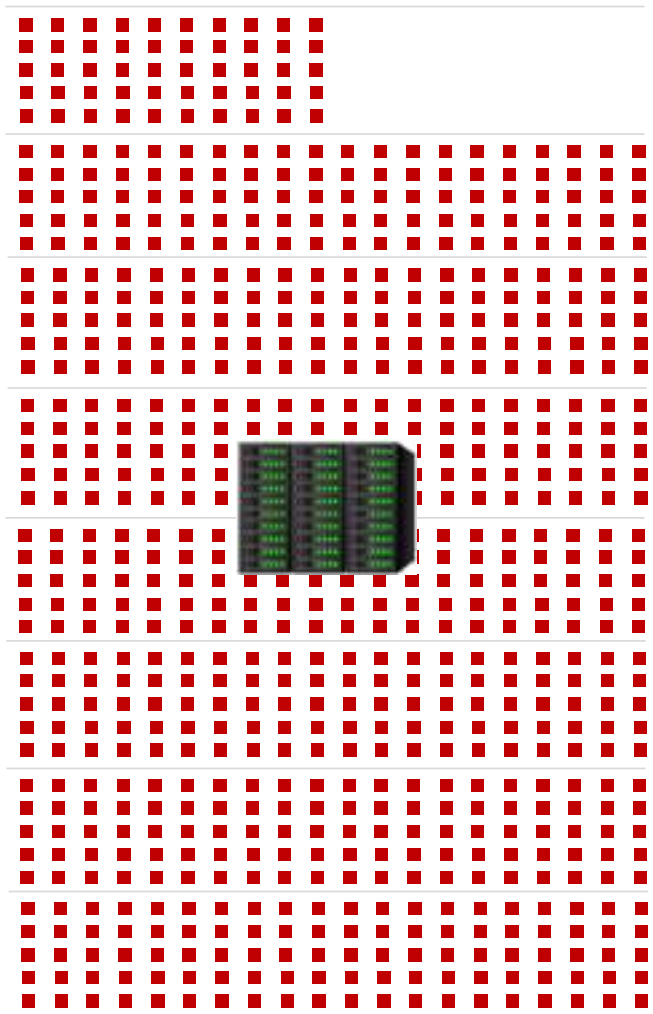
- Patient transfer assistance
- IV preparation & specimen transport
- Surgery assistance

Retail & Convenience Stores

- Product restocking
- Delivery sorting
- Waste management, etc.

- Not an extension of conventional service robots that operate on predefined rules
- **Generates actions based on the environment, completing tasks while handling exceptions**

Japan's AI Computing Gap: Over 100× Behind the U.S.



2024

AI Server Power Capacity
(Within Total Data Center Capacity)*

~7.9 GW

2024

~0.07 GW

100× Gap
Domestic compute capacity = National competitiveness

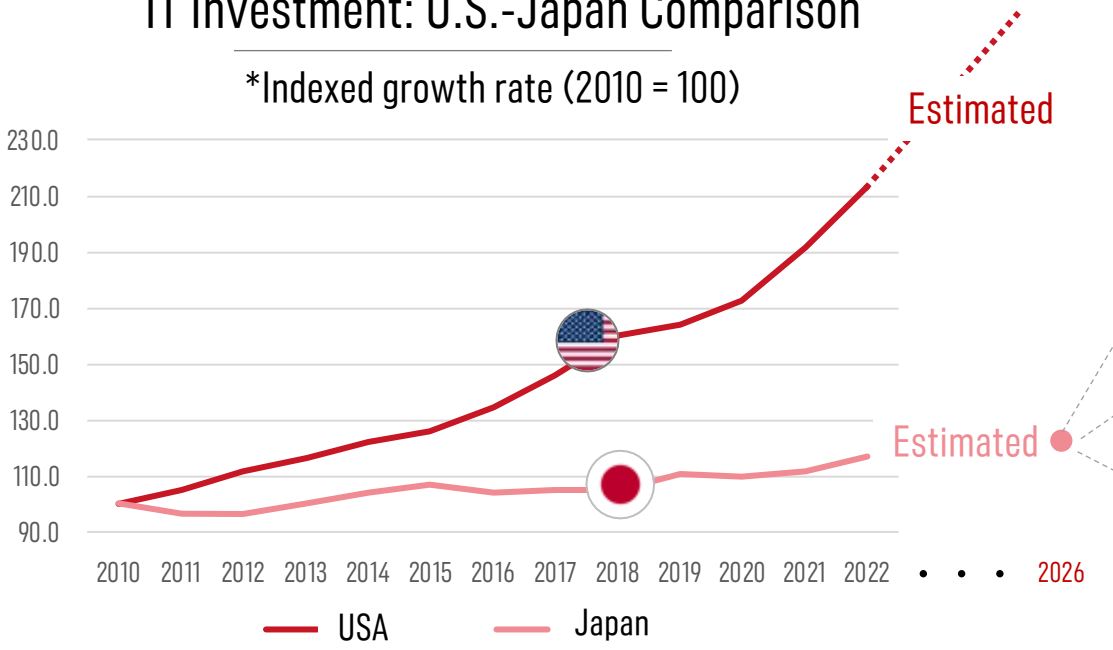
* For total data center power capacity in the United States, please refer to BloombergNEF (https://about.bnef.com/insights/commodities/power-for-ai-easier-said-than-built/). According to Lawrence Berkeley National Laboratory, AI servers accounted for approximately 22.5% of total U.S. data center power capacity in 2023. This ratio was applied to 2024 to estimate AI server–related power capacity for 2024 (https://escholarship.org/uc/item/32d6m0d1). For total data center power capacity in Japan, please refer to IDC Japan (https://my.idc.com/getdoc.jsp?containerId=prJPJ53203025) . While the original source states that total data center capacity as of the end of 2024 was 2,365.8 MVA, we converted this figure to approximately 2 GW of active power based on the assumption of a high power factor for IT loads.For AI server–related power capacity in Japan, please refer to IDC Japan (https://my.idc.com/getdoc.jsp?containerId=prJPJ53224525).

AI Data Center Demand Growth

IT Investment and AI Computing: Dependency vs. Autonomy

IT Investment: U.S.-Japan Comparison

*Indexed growth rate (2010 = 100)



Data on U.S. and Japan IT investment (ICT equipment + software and databases) extracted from OECD Data Explorer "Annual GFCF by asset" (domestic currency, nominal values). Indexed to 2010 = 100 and charted by the Company. Index = (total nominal value per year) / (total nominal value for 2010) × 100. As domestic currencies are used, indexing eliminates exchange rate effects.

Three Possible Scenarios Going Forward

① Developing Domestic Computing Infrastructure Industry

Domestic IT Investment Acceleration Scenario

Combined with the development of the domestic semiconductor and foundry industrial base, fostering a domestic computing infrastructure industry capable of building LLMs.

② Overseas Infrastructure Dependency + Domestic DC Location

Domestic IT Investment Middle Scenario

Physical servers located domestically. A minimum baseline from national security, privacy, and industrial confidentiality perspectives.

③ Overseas Infrastructure Dependency + Overseas Cloud/DC Dependency

Domestic IT Investment Stagnation Scenario

If overseas dependency deepens in expertise, technology, and talent, there is a risk of losing not only data but also competitive advantage.

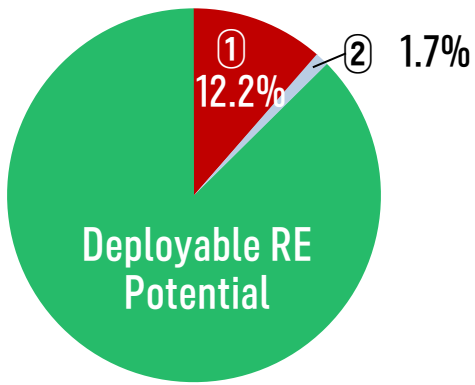
Stranded Renewables: Generation Potential vs. Grid Constraints

Japan has renewable energy potential alone that is up to twice the country's total electricity supply capacity*1
However, in regions like Hokkaido and Kyushu, excess capacity cannot be fully utilized, making further RE adoption difficult.
Besides ongoing efforts to expand interconnection lines, capacity remains critically insufficient

Kyushu

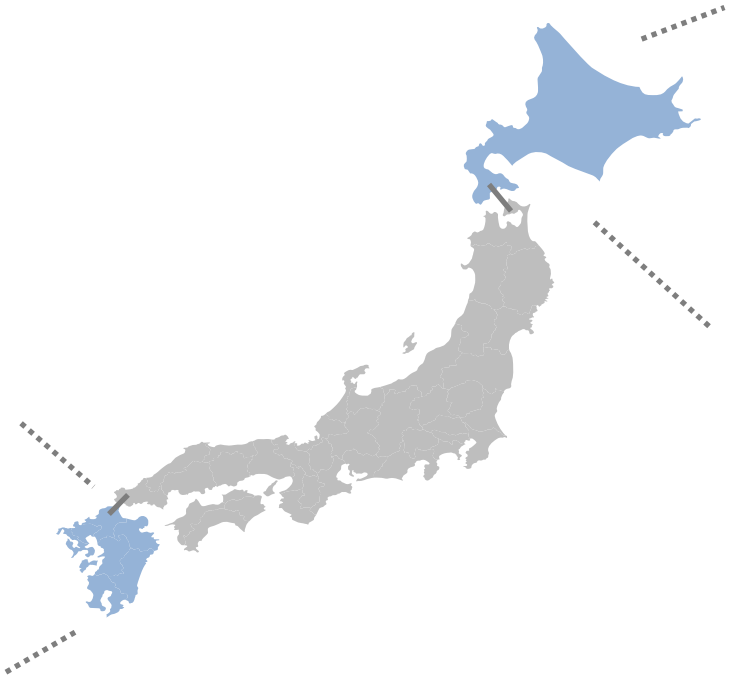
RE Potential (Solar & Wind) *2

131 GW



Kyushu peak power demand: Approx. 16 GW *3
Interconnection capacity to Honshu: 2.2 GW *4

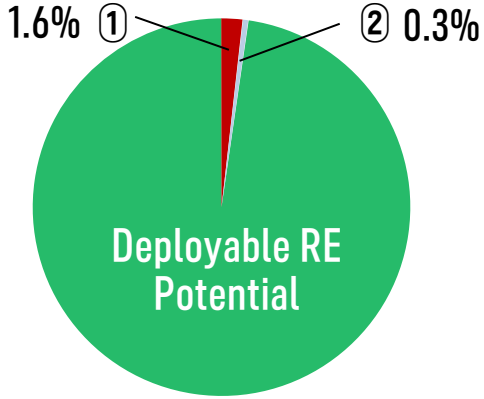
13.9%



Hokkaido

RE Potential (Solar & Wind) *2

318 GW



Hokkaido peak power demand: Approx. 5 GW *3
② Interconnection capacity to Honshu: 0.9 GW *5

1.9%

*1 Source: Agency for Natural Resources and Energy (ANRE), "On Future Renewable Energy Policies," March 1, 2021
*2 RE potential for Hokkaido and Kyushu is calculated by applying the Ministry of the Environment's Renewable Energy Information System (REPOS) ratios for Hokkaido and Kyushu to the total deployment potential from *1
*3 Based on Hokkaido area supply-demand data (Hokuden Network), Kyushu area supply-demand data (Kyushu Electric Power Transmission and Distribution), and OCCTO FY2025 demand as reference
*4 Interconnection capacity as of April 2026. The Chugoku-Kyushu interconnection is scheduled to be expanded by 1,000 MW (1.0 GW) in March 2039, bringing the total to 3.2 GW.
*5 Interconnection capacity as of April 2026. The Hokkaido-Honshu interconnection is scheduled to be expanded by 300 MW (0.3 GW) in March 2028, bringing the total to 1.2 GW.

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AI Data Center Demand Growth

From Watts to Bits

Install data centers at optimal generation sites, convert electricity (Watts) into computational value (Bits), and transmit to demand centers – solving transmission capacity constraints

Optimal Generation Sites (Hokkaido / Kyushu)

Power Plants

Transmission Line

Data Center

Tokens

1010
1010

Demand Centers (Tokyo / Kansai)

Office

Home

Factory

Sending as Watts (Interconnection / Transmission Lines)

Transmission Cable (Hokkaido-Tokyo HVDC)*1

JPY 0.5–0.92 bn / km

(additional for land route)
Construction period: 10+ years

Sending as Bits (Fiber Optics)

Fiber Optic Cable (distribution network fiberization) *2

JPY 1.2–2.5 million / km

Submarine Fiber Optic Cable *2: ~JPY tens of millions / km
Lead Time : 1–4 years

By converting to bits via fiber optics, solving the time and cost challenges of grid reinforcement

*1 For the transmission cable (Hokkaido-Tokyo HVDC), see OCCTO, 20th Committee on Master Plan and Grid Utilization Rules for Wide-Area Interconnection Systems.
*2 For fiber optic cable (distribution network fiberization), see the Electricity and Gas Market Surveillance Commission, 24th Rate System Expert Committee. For submarine fiber optic cables, see the Japan Sea Optical Submarine Cable System (NSC) Project published construction costs and distance. Construction cost of USD 66 million ≈ approx. JPY 10.3 bn (at USD 1 = JPY 156) divided by approx. 1,000 km yields approx. JPY 13 million/km; however, as construction costs vary by project, a range of tens of millions of JPY/km is presented.

Data Center Operations During Power Shortages: Oversea Cases

Global Trend : Power-Coordinated Workload Management

Demonstrations of workload management coordinated with power systems are advancing

＊Source : national grid

Case : UK Demonstration

Power-Flexible AI Factories

National grid	EPRI	Emerald AI	NEVIUS	NVIDIA
Power Grid	Research Institute	Power AI Control	AI Data Center	AI Infrastructure / GPU

Demonstration scope: Data center load-following response for below cases

- Peak load shifting
- 2 GW power source loss curtailment
- Sustained load curtailment (e.g., reduced RE generation)
- CO2 emission intensity-based 5-minute interval control

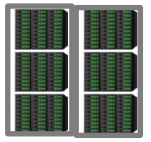
UK Case Study: Grid-Following AI Data Centers

- IT equipment workload management that follows power supply conditions
- While power-following shows promising results, consumption curtailment may lead to reduced utilization and SLA degradation

Grid Operator



→ AI conductor platform (S/W) → "Orchestrator" (S/W) → GPU (HW)

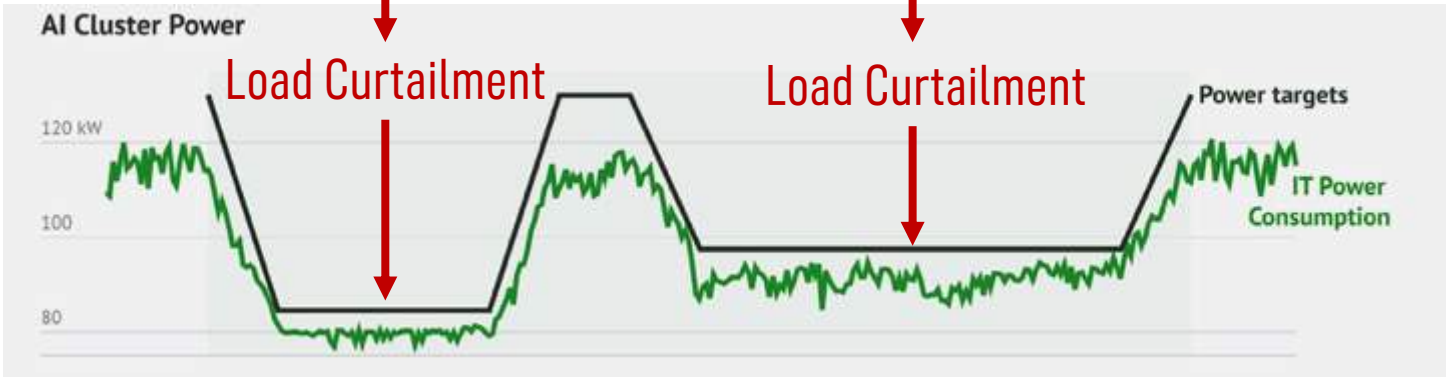


- Power reduction / load curtailment request
- Emerald AI receives the command

- Converts grid signals to computer commands
- Issues reduction commands to Nebius

- Calculates reduction targets per job / GPU unit
- Calls NVIDIA API to adjust GPU settings

- Throttles actual power consumption per configured settings



*Source : national grid

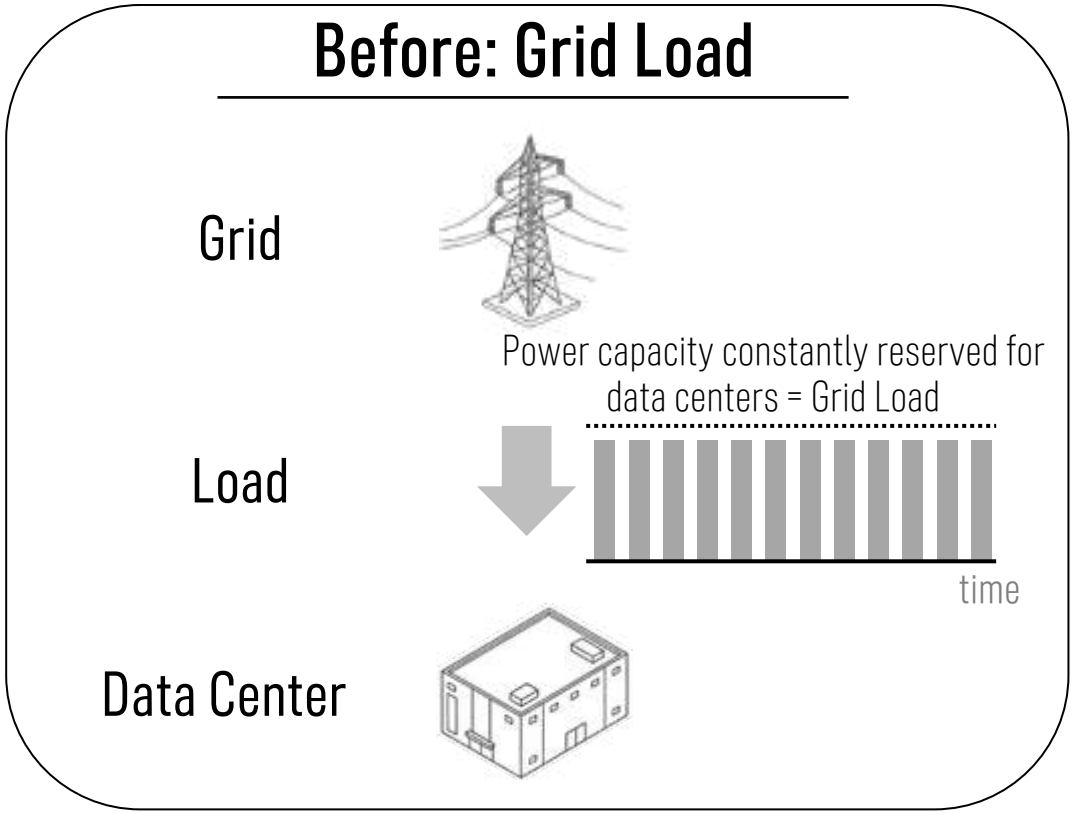
Advancing Data Center Deployment

The Future of Data Centers

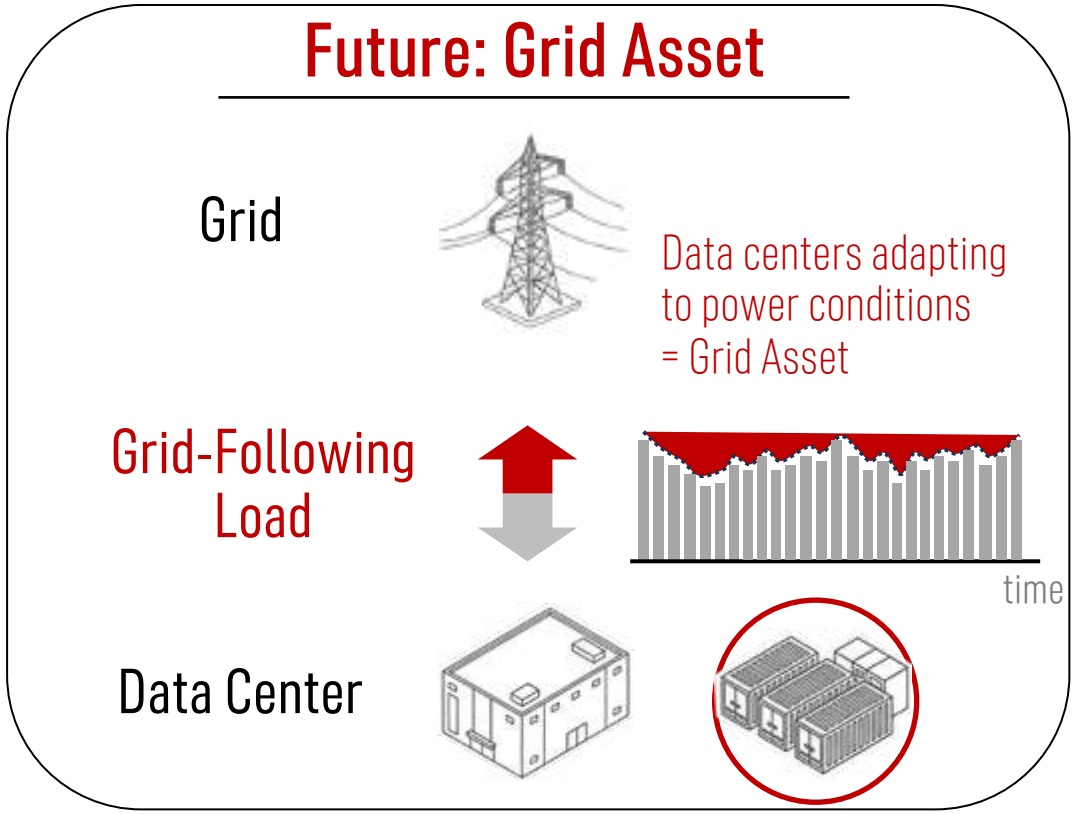
Data Center as a Grid Asset

- Data centers are evolving from Grid Loads to Grid Assets
- Power-following data centers become contributors to the power grid

Before: Grid Load



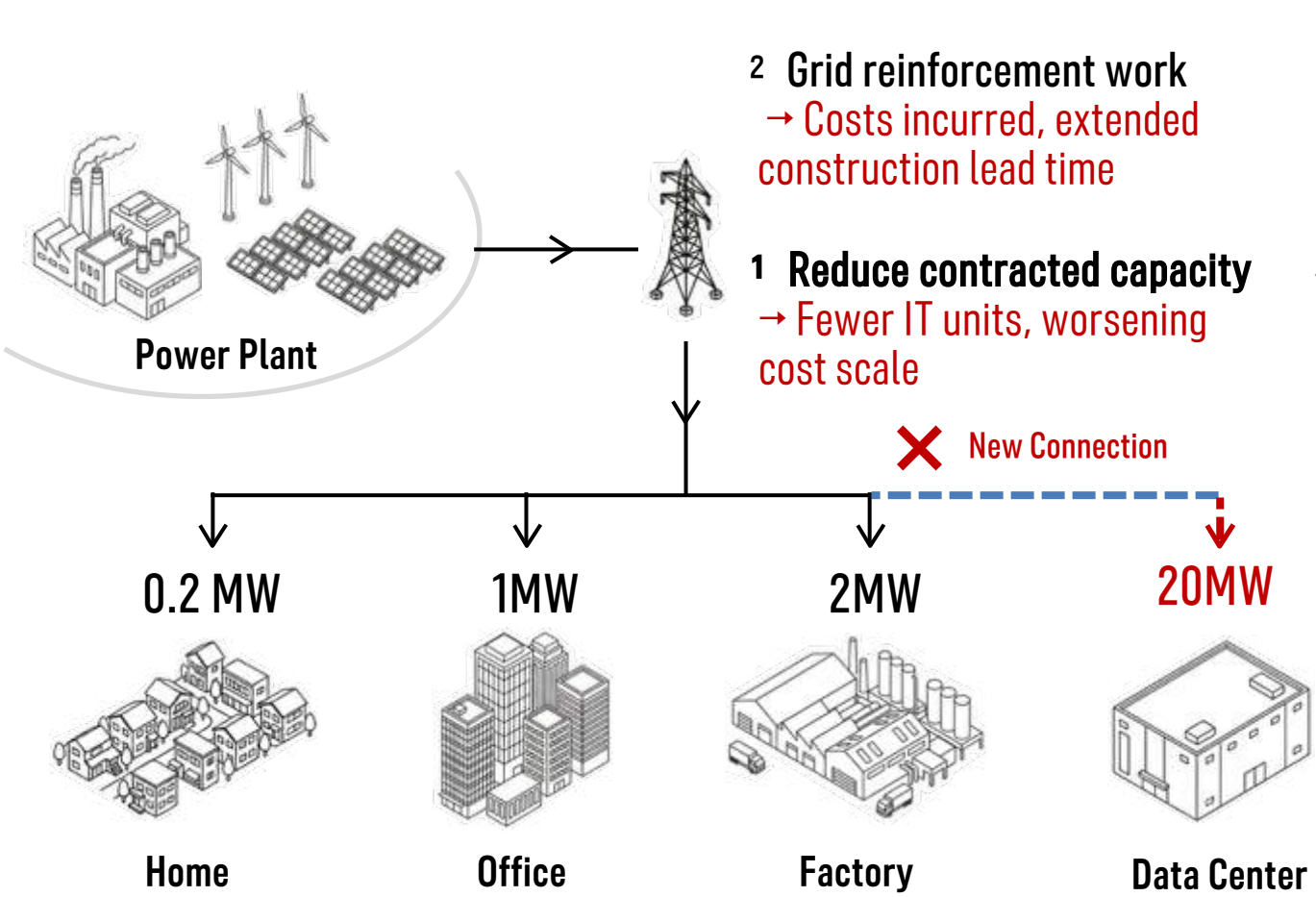
Future: Grid Asset

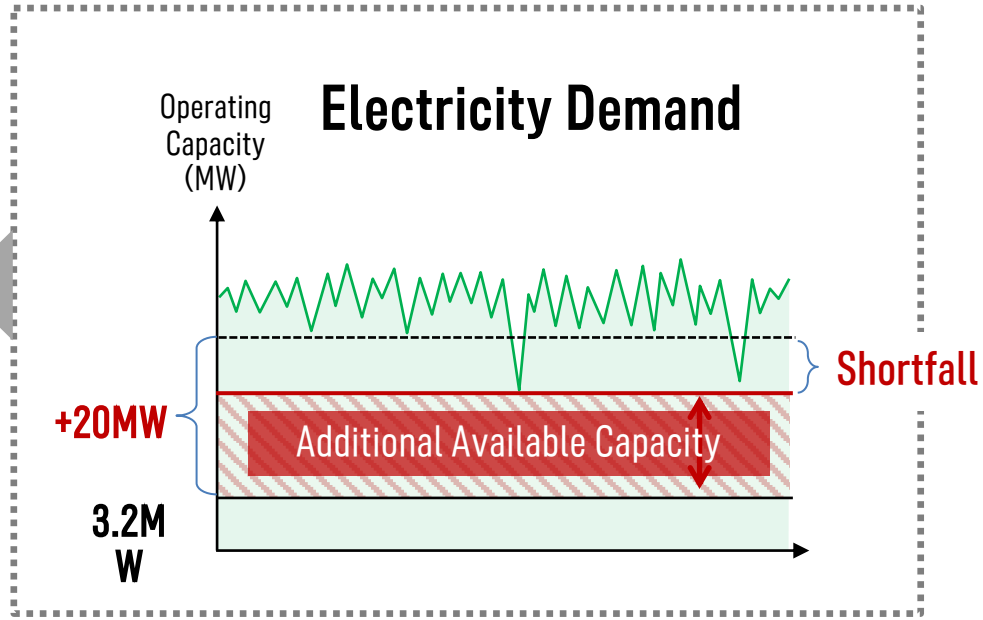


Even greater benefits with co-located BESS

Data Center × BESS: ① Grid Connection Flexibility

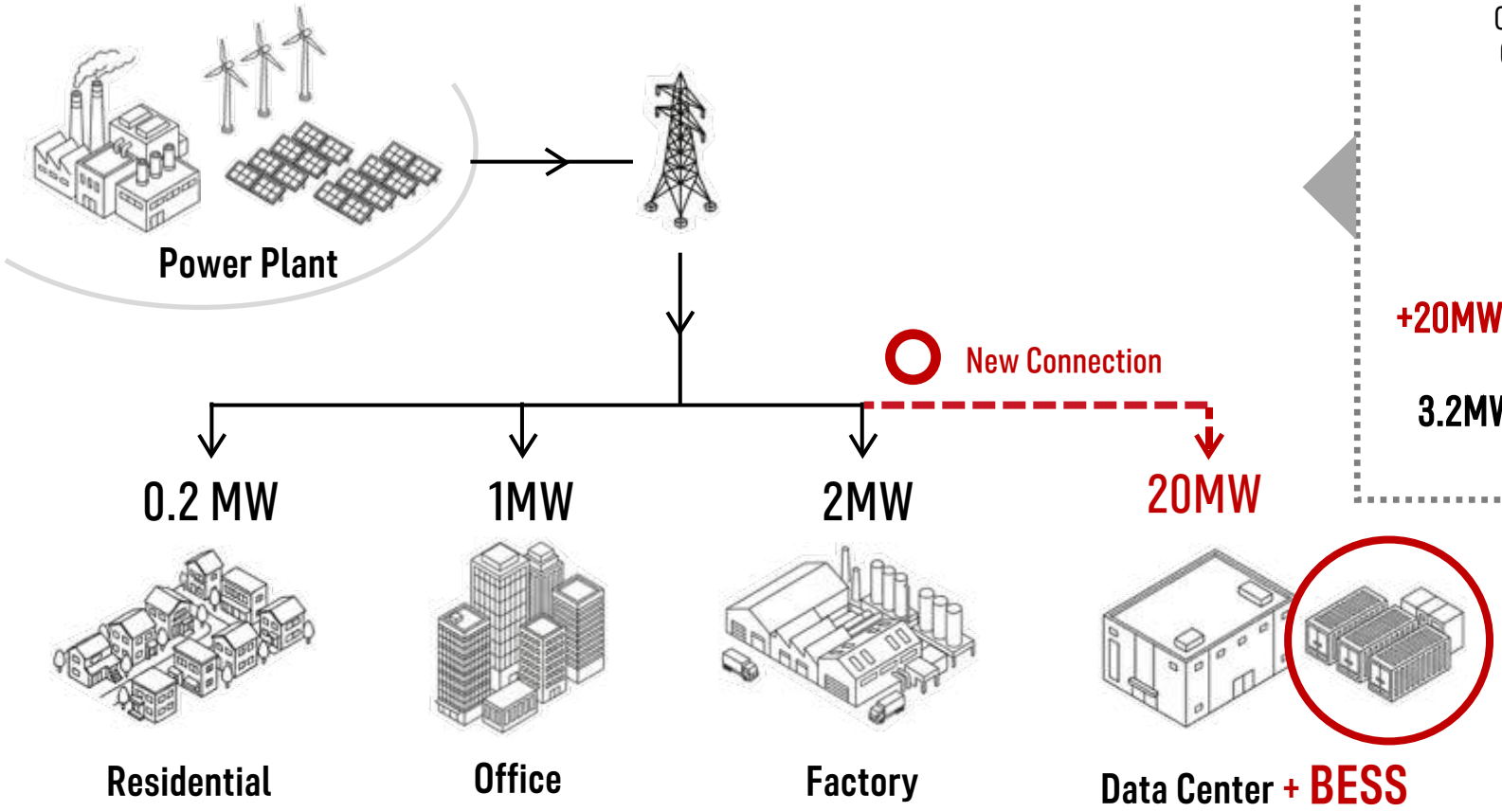
For new data center connections, power capacity must be secured 24 hours × 365 days at all times (firm capacity).
When power capacity is insufficient, the following options ① or ② are required, both leading to lost economic opportunities.

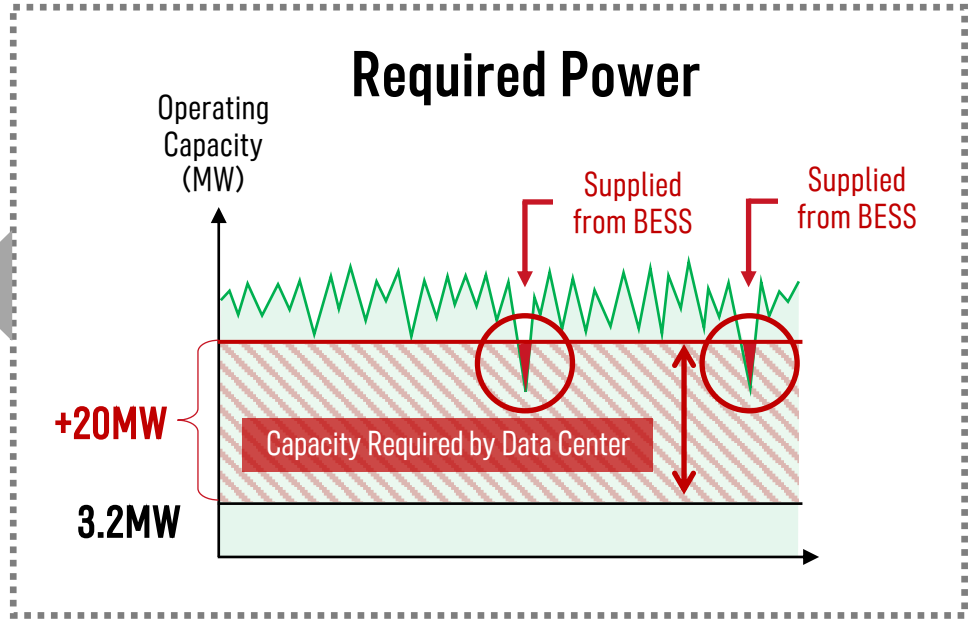




Data Centers × Battery Storage[1] Flexible Grid Interconnection

By combining data centers with BESS, electricity can be supplied from the battery during temporary or momentary reductions in grid capacity. This enables data centers to respond flexibly to grid conditions, including short-term grid capacity constraints.



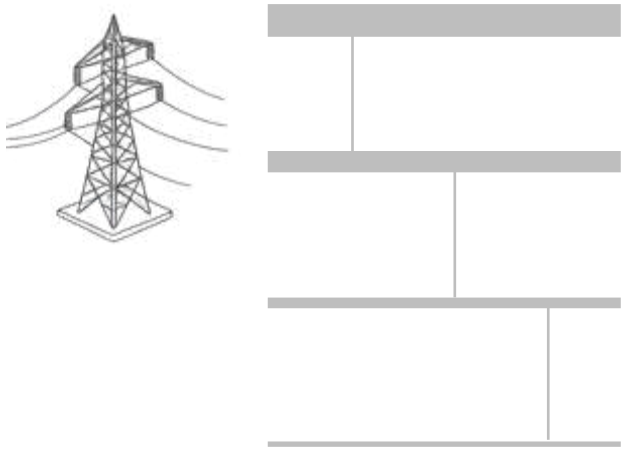


The Future of Data Centers

Japan's Power Grid and Power Quality

The grid is composed of Eastern and Western frequency areas and multiple voltage levels.





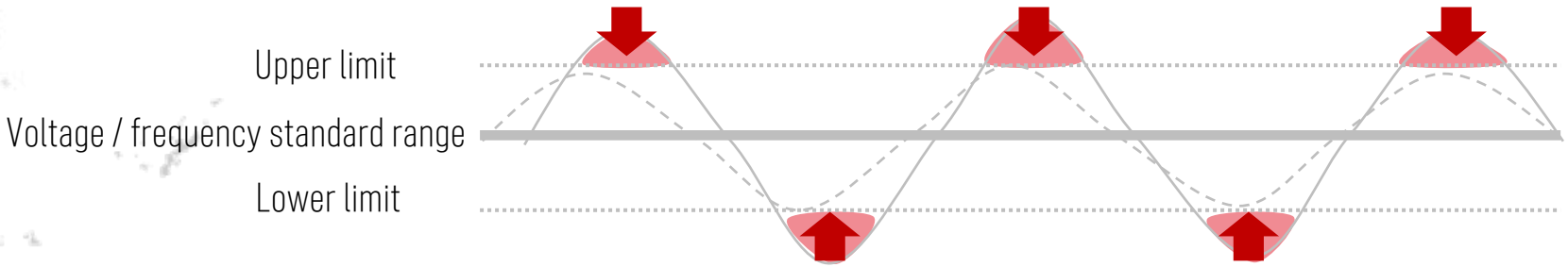
Extra-high voltage
500KV, 275KV, 154kV

High voltage
66KV, 22KV

Medium voltage
6,600KV

Low voltage
200V, 100V

Transmission and distribution maintain power quality (frequency and voltage) within standard ranges = This is done by using power balancing capabilities from fast to slow response.

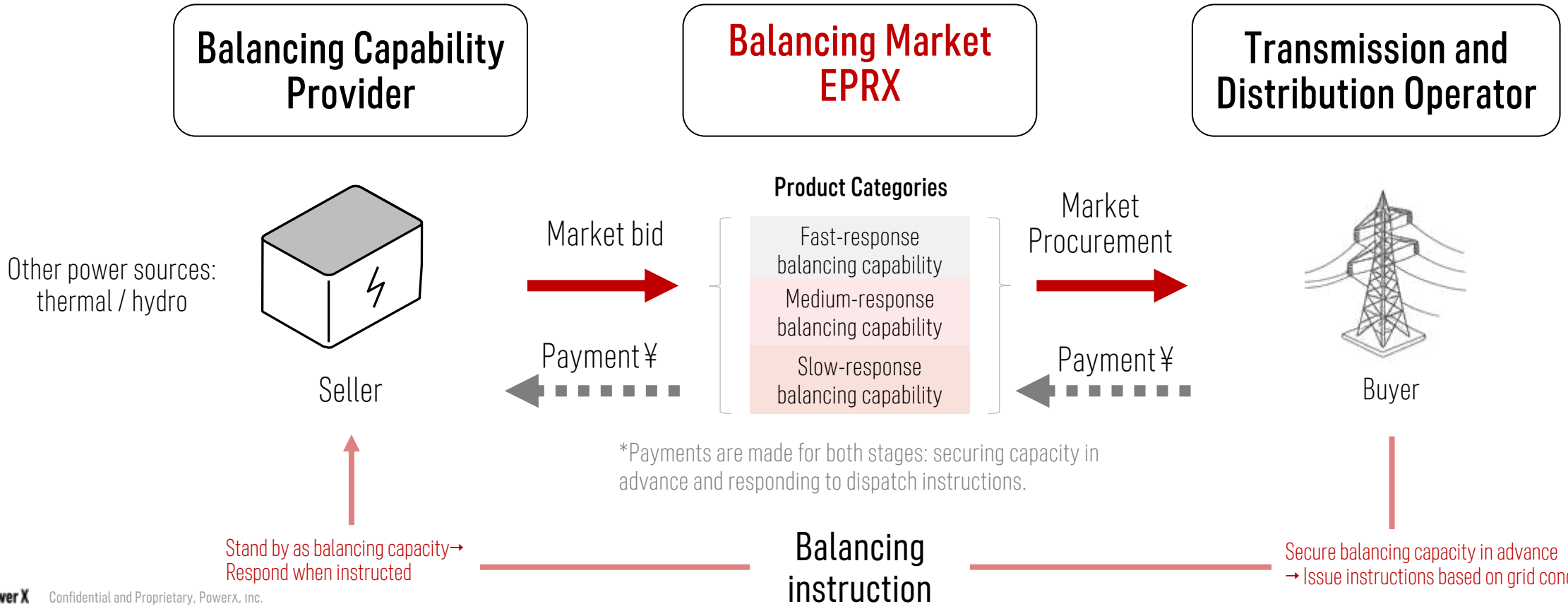


Source: TEPCO Power Grid, Grid Interconnection Technical Requirements

What Is the Balancing Market?

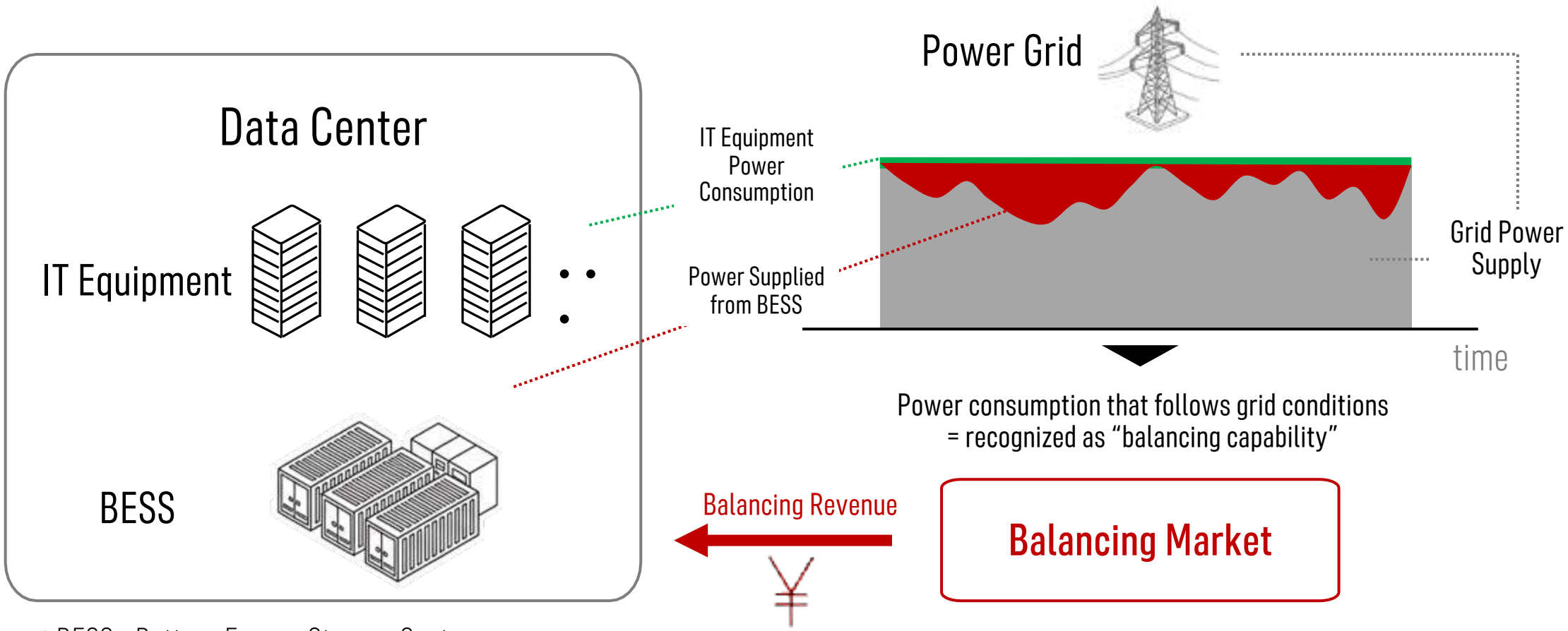
Electric Power Reserve eXchange (EPRX)
A general incorporated association whose members are Japan's transmission and distribution operators. Trading began in April 2021, following the establishment of its predecessor association.

Balancing capability refers to the ability to help maintain supply-demand balance for frequency, voltage, and electricity. A dedicated trading market has been established for this capability. Battery storage can respond across all product categories, from fast, second-level response to sustained response over several hours.



Data Centers × BESS² Balancing Contribution and Compensation

By using battery storage, data centers can control power consumption in response to grid conditions while maintaining IT power consumption. This contribution can be recognized as balancing capability, enabling revenue generation from the electricity market.



*BESS : Battery Energy Storage System

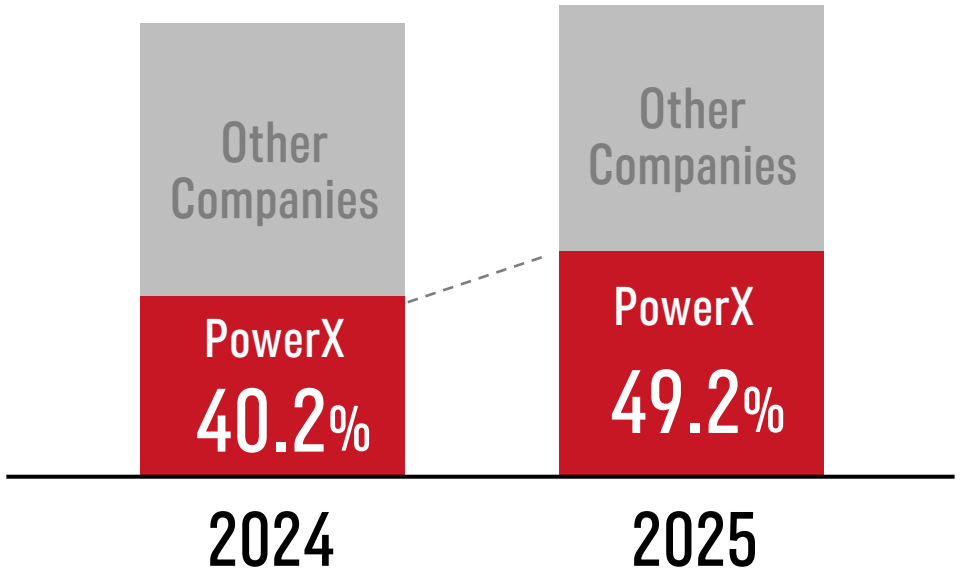
Competitive Advantages

Competitive Advantages

FY2024–2025 Results: Grid-Scale Battery & Water Electrolysis System Subsidy Program*

PowerX has consistently achieved strong selection results for two consecutive years under a government subsidy program supporting grid-scale batteries and water electrolysis systems.

Adoption results (based on subsidy amount)



2025 Selected Projects **16**

2025 Total Project Value **33.4bn**

(FY2026: 1.2bn、FY2027: 32.2bn)

2025 share of projects selected and subsidy amount rewarded **No. 1**

*Based on PowerX's selection results under the "令和6年度 系統用蓄電池・水電解装置導入支援事業" and "令和7年度 系統用蓄電池・水電解装置導入支援事業."

Competitive Advantages

Competitors

PowerX is the only BESS supplier in Japan that meets all key requirements for Battery Power Plants, including JC-Star, local manufacturer support and Japan-based data hosting.

Product / Service Lineup of BESS Suppliers in Japan*2*3

(as of March 12, 2026)

Company	ESS (Energy Storage System)	PCS (Power Conditioner)	TR (Transformer)	PMS / EMS (Power/Energy Management System)	AC/RA (Aggregator/Coordinator)	JC-Star (Japan Security Certificate)	Local support by the manufacturer	Japan-based data hosting*1
PowerX	○	○	○	○	○	○	○	○
Domestic Company A	○	○	○	○	X	○	○	○
Foreign Company B	○	○	X	△	X	○	X	X
Foreign Company C	○	X	X	X	X	○	X	X
Foreign Company D	○	X	X	△	X	X	X	X
Foreign Company E	○	X	X	△	X	X	X	X
Foreign Company F	○	○	○	△	X	X	X	X
Foreign Company G	○	X	X	X	X	X	X	X

ESS (Energy Storage System): stores and supplies electricity as needed; PCS (Power Conditioner): converts direct current (DC) and alternating current (AC) and functions as the interface between the battery and the power grid; TR (Transformer): adjusts voltage levels and enables appropriate grid connection; PMS (Power Management System): monitors and controls power usage for optimal operation; EMS (Energy Management System): optimizes supply-demand balance and manages power trading and operations; AC/RA (Aggregator / Coordinator): aggregates systems, connects to power markets and trading, and controls on-site power resources; JC-Star: a Japan-origin IT security labeling system operated by IPA under METI policy, launched on March 25, 2025, with applications currently accepted.

*1 "○" is assigned when servers used for controlling charge/discharge of the battery system and for recording and managing data are installed and operated in data centers located in Japan.

*2 Based on the Company's own research, including publicly disclosed materials of each company and interviews with stakeholders involved in subsidy programs supporting BESS deployment.

*3 In the table, "○" indicates that a company provides the relevant component as part of its product offering, while "X" indicates that the component is not directly provided. For PMS/EMS (Power Management System / Energy Management System), "△" indicates that only one of PMS or EMS is provided. For EMS and AC/RA, "○" is assigned only when solutions support functions specific to the Japanese electricity market (e.g., power trading and demand response).

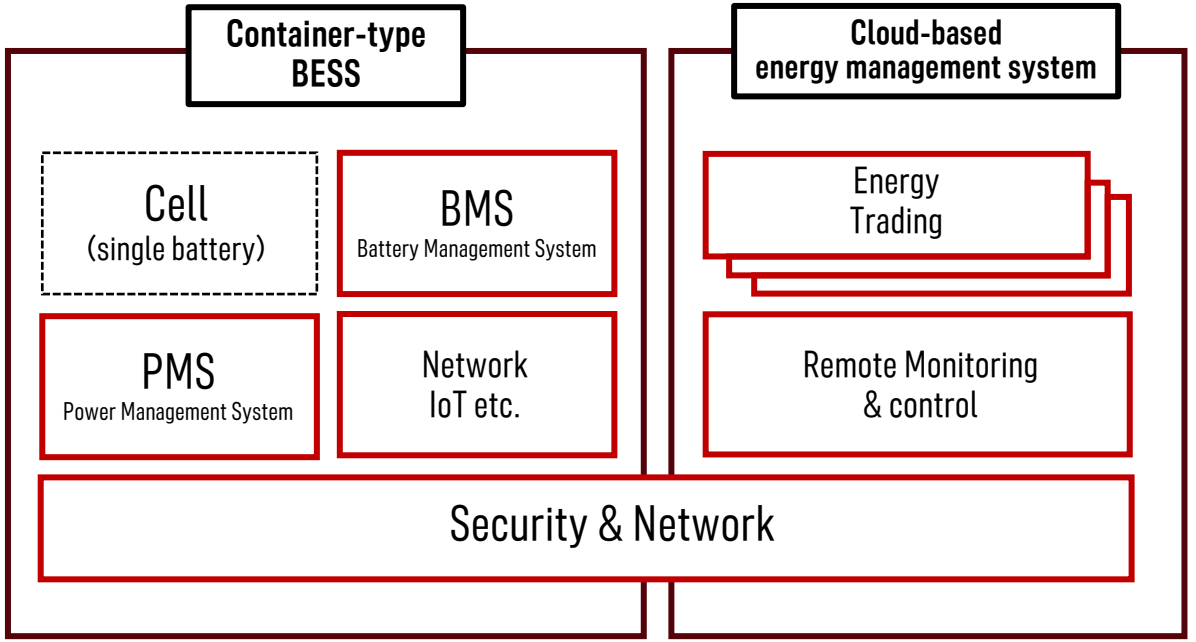
*4 Some companies provide battery packages that combine third-party ESS (Energy Storage System), PCS (Power Conditioner), and EMS (Energy Management System), and there are cases where such packages have obtained JC-Star certification. However, these individual components are not directly provided by those companies themselves.

Competitive Advantages

In-house developed, designed, and packaged BESS

Inside the Energy Storage System





As cells become commoditized, products that meet common standards and are certified for safety by third-party institutions are adopted. Cells function as individual battery products, but only function as energy storage systems when assembled into modules and battery systems.

All components, control systems, networks, and applications—excluding cells and certain modules—are handled domestically in-house, from design and development to assembly and operational support.

“Made in Japan” Promise: Ensuring the Highest Level of Security through Vertically Integrated, In-house Developed Software and JC-STAR Certification

Made In Japan Promise*

*The “Made in Japan Promise” reflects the belief that secure electricity infrastructure is achieved through the three elements below.

All Products Designed & Assembled in Japan

Product design and assembly are conducted entirely in Japan. High-quality BESS are assembled at in-house and partner factories in Tamano City, Okayama Prefecture.

Ensuring Security with In-house Software

Vertically integrated, in-house software protects domestic electricity infrastructure by minimizing cybersecurity risks to critical power transmission and distribution systems, supporting a stable electricity supply.

Reliable On-site Field Maintenance / 24/7 Support

Dedicated teams provide comprehensive on-site technical support nationwide, including post-installation operations and troubleshooting, on a 24/7 basis.

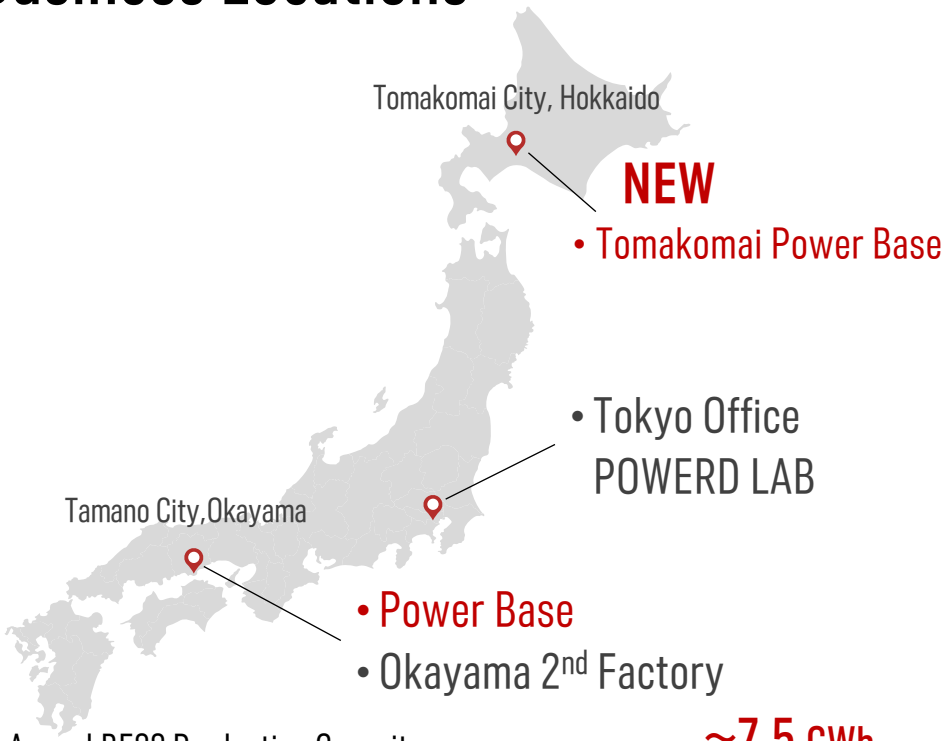


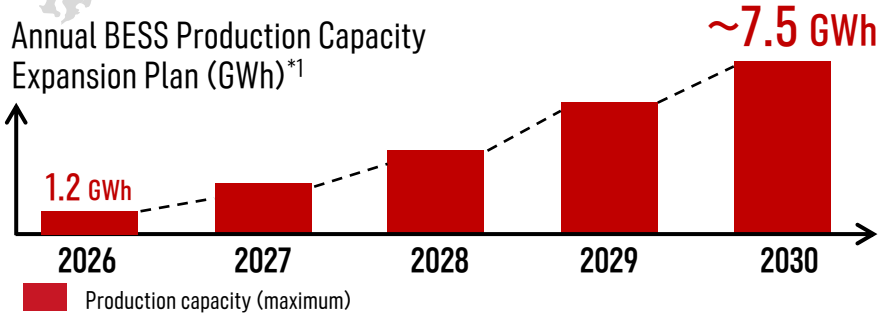
Obtained the IoT product security certification label (Level 1) under the “JC-STAR” system established by the Information-technology Promotion Agency (IPA) for stationary battery storage systems.

Competitive Advantages

Production Facilities and Business Locations

Manufacturing of all products at one of Japan's largest grid-scale battery production plants in Okayama. Production capacity to be expanded to approximately 7.5 GWh annually by 2029 *1.





Power Base (HQ/Factory)



Power Base Hokkaido (from 2027) NEW



Okayama 2nd Factory



Tokyo Office



POWERD LAB (R&D)



- Power Base (HQ/Factory): Tai 6-9-1, Tamano, Okayama, Japan 706-0001
- Okayama 2nd Factory: Within the Mitsui E&S Tamano Works site (Tamano City, Okayama Prefecture)
- Power Base Hokkaido: Uenae, Tomakomai City, Hokkaido
- Tokyo Base: Midtown Tower 43F, 9-7-1 Akasaka, Minato-ku, Tokyo, Japan 107-6243
- POWERD LAB: 6-1-1 Heiwajima, Ota-ku, Tokyo, Japan 143-0006

*1 Forward-looking figures are current targets and are subject to various risks and uncertainties, including changes in market conditions. These figures are based on expansion plans for both Power Base (planned expansion in 2027) and Power Base Hokkaido (planned start-up in 2027). GWh capacity is calculated by multiplying the number of units that can be manufactured by the storage capacity per unit: for FY2026, based on Mega Power 2700A; for FY2027 onward, based on Mega Power 2500.

Competitive Advantages

Track Record of BESS Deployments

Installed 2,952MWh

Mega Power 2700A
Mega Power 2500
PowerX cube

NTT Anode Energy Corporation	Tohoku Electric Power Co. Inc & Mizuho Lease Company, Limited	Chubu Electric Power Miraiz Co., Inc.	Shikoku Electric Power Co., Inc. & Imabari Shipbuilding Co., Ltd.
Toyota Motor East Japan, Inc.	Nippon Steel Corporation	Tokyu Land Corporation & Itochu Corporation	Japan Airlines Co., Ltd. (JAL Agriport Inc.)
Daiwa House Industry Co., Ltd.	Tokyo Century Corporation & JFE Engineering Corporation	Eurus Energy Holdings Corporation	Japan Petroleum Exploration Co., Ltd. (JAPEX)
JA Mitsui Leasing, Ltd.	Marubeni Corporation & Nissan Engineering Corporation	SMFL MIRAI Partners Company, Limited & Sumitomo Mitsui Finance and Leasing Company, Limited	Kyuden Mirai Energy Co., Inc. & Nishimu Electronics Industries Co., Ltd.
⋮			

162 locations



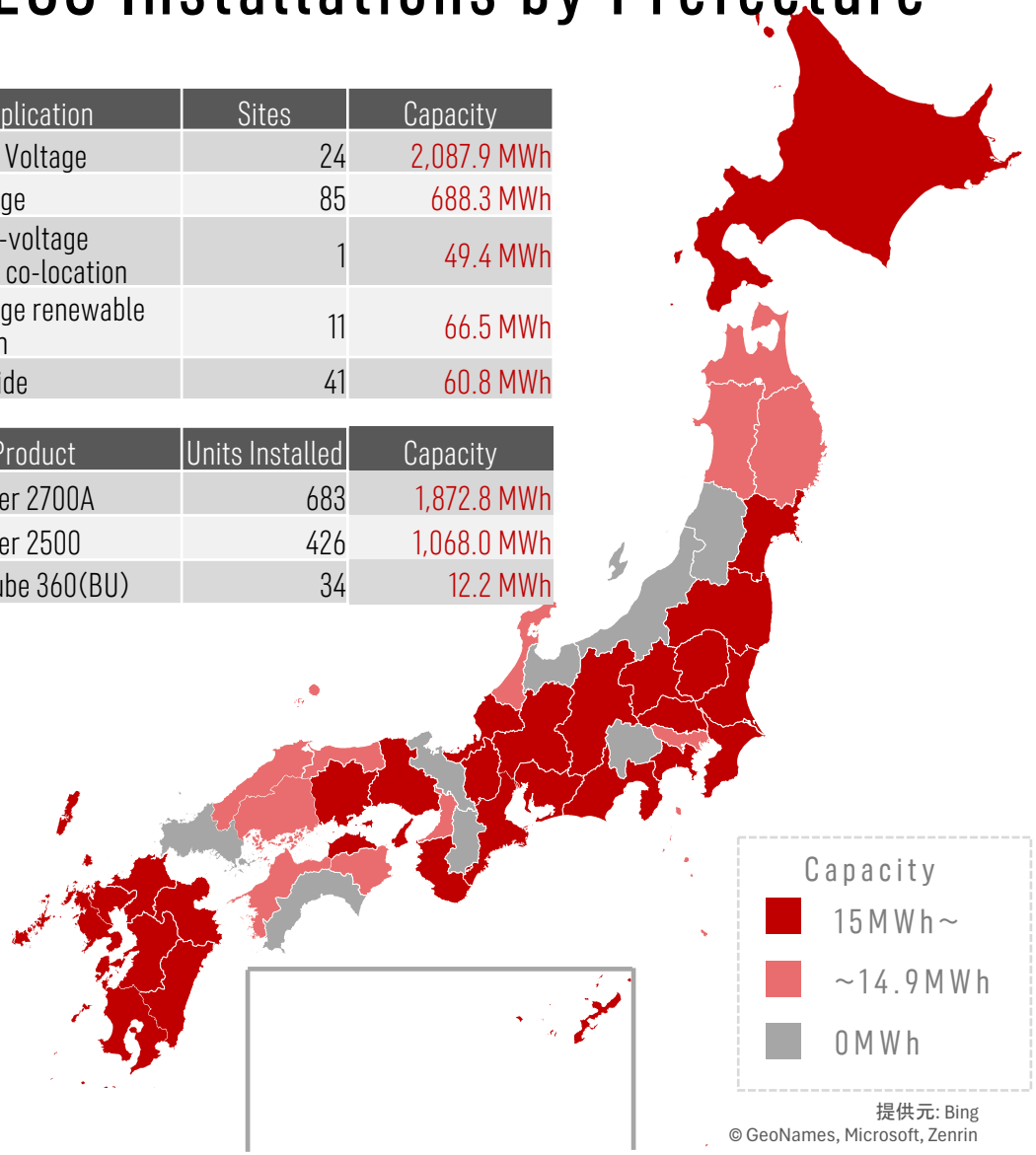
*As of May 8th 2026

Competitive Advantages

BESS Installations by Prefecture

Application	Sites	Capacity
Extra-high Voltage	24	2,087.9 MWh
High-voltage	85	688.3 MWh
Extra-high-voltage renewable co-location	1	49.4 MWh
High-voltage renewable co-location	11	66.5 MWh
Demand-side	41	60.8 MWh

Product	Units Installed	Capacity
Mega Power 2700A	683	1,872.8 MWh
Mega Power 2500	426	1,068.0 MWh
PowerX Cube 360(BU)	34	12.2 MWh



提供元: Bing
© GeoNames, Microsoft, Zenrin

Prefecture	Sites	Capacity	Application	Status
Hokkaido	9	569.6 MWh	Extra-high V	Planned: 5
			High V	Installed: 1
				Planned:1
			Demand-side	Installed: 1
				Planned: 1
Aomori	1	8.2 MWh	High V	Installed: 1
Iwate	1	11.0 MWh	Demand-side	Installed: 1
Miyagi	3	83.4 MWh	Extra-high V	Planned: 1
			High V	Installed: 1
			Demand-side	Installed: 1
Akita	1	8.2 MWh	High V	Installed: 1
Yamagata	-	-	-	-
Fukushima	3	130.9 MWh	Extra-high V	Planned: 1
			High V	Installed: 1
				Planned: 2
Ibaraki	3	52.5 MWh	Extra-high V	Planned: 1
			High V	Installed: 1
			Demand-side	Installed: 1
Tochigi	5	218.9 MWh	Extra-high V	Planned: 1
			High V	Installed: 2
				Planned: 3
Gunma	6	94.3 MWh	Extra-high V	Planned: 1
			High V	Installed: 3
				Planned: 3
			Demand-side	Installed: 1
Saitama	11	129.6 MWh	Extra-high V	Planned: 1
			High V	Installed: 2
				Planned: 2
			Demand-side	Installed: 5
				Planned: 1
Chiba	6	21.0 MWh	High V	Planned: 2
			High V Renewable	Planned: 1
			Demand-side	Installed: 3
				Planned: 1
Tokyo	1	8.2 MWh	High V	Planned: 1
Kanagawa	4	82.6 MWh	Extra-high V	Planned: 1
			High V	Installed: 2
			Demand-side	Installed: 1
Yamanashi	-	-	-	-
Nagano	8	70.4 MWh	High V	Installed: 2
				Planned: 6
Niigata	-	-	-	-
Toyama	-	-	-	-
Ishikawa	1	8.2 MWh	High V	Installed: 1
Fukui	2	16.5 MWh	High V	Installed: 1
				Planned: 1
Gifu	6	34.6 MWh	High V	Installed: 2
				Planned: 2
			Demand-side	Installed: 1
				Planned: 1
Shizuoka	9	198.1 MWh	Extra-high V	Planned: 2
			High V	Installed: 2
				Planned: 2
			Demand-side	Installed: 3

Prefecture	Sites	Capacity	Application	Status
Aichi	6	20.3 MWh	High V	Planned: 2
			Demand-side	Installed: 3
				Planned: 1
Mie	4	29.7 MWh	High V	Installed: 1
				Planned: 3
Shiga	5	53.8 MWh	Extra-high V	Planned: 1
			High V	Installed: 1
				Planned: 3
Kyoto	-	-	-	-
Osaka	1	2.7 MWh	Demand-side	Installed: 1
Hyogo	7	144.3 MWh	Extra-high V	Installed: 1
				Planned: 2
			High V	Installed: 3
				Planned: 1
Nara	-	-	-	-
Wakayama	3	16.8 MWh	High V	Installed: 2
			Demand-side	Installed: 1
Tottori	1	8.2 MWh	High V	Planned: 1
Shimane	1	8.2 MWh	High V	Planned: 1
Okayama	6	28.5 MWh	High V	Planned: 3
			Demand-side	Installed: 3
Hiroshima	2	13.7 MWh	High V	Planned: 1
			Demand-side	Installed: 1
Yamaguchi	-	-	-	-
Tokushima	2	11.0 MWh	High V	Planned: 1
			Demand-side	Installed: 1
Kagawa	3	16.8 MWh	High V	Installed: 1
				Planned: 1
			Demand-side	Installed: 1
Ehime	1	5.5 MWh	Demand-side	Installed: 1
Kochi	-	-	-	-
Fukuoka	10	382.9 MWh	Extra-high V	Planned: 2
			High V	Installed: 3
				Planned: 1
			High V Renewable	Installed: 1
			Demand-side	Planned: 3
Saga	2	52.1 MWh	Extra-high Renewable	Installed: 1
			High V Renewable	Installed: 1
Nagasaki	2	16.5 MWh	High V	Planned: 1
			High V Renewable	Installed: 1
Kumamoto	5	49.4 MWh	High V	Installed: 1
				Planned: 4
			High V Renewable	Installed: 1
Oita	3	104.0 MWh	Extra-high V	Planned: 1
			High V Renewable	Installed: 2
Miyazaki	4	113.9MWh	Extra-high V	Planned: 1
			Demand-side	Installed: 1
				Installed: 2
Kagoshima	6	33.3 MWh	High V	Installed: 1
			High V Renewable	Installed: 3
				Planned: 1
			Demand-side	Planned: 1
Okinawa	2	95.3 MWh	Extra-high V	Planned: 2

*As of May 8th 2026

Competitive Advantages

Extra-High Voltage Battery Power Plant Deployment Example

Kansai Area – Example Project 13 MW / 54.8 MWh



Extra-high voltage battery power plants

24 locations

Total capacity: 2,087.9 MWh

As of Feb 5 , 2026

Competitive Advantages

Accelerating Deployment: 7x Productivity Improvement YoY

While the scale of projects is increasing, the efficiency of our technical team is also improving, and in December of last year, the installation and implementation efficiency per PM **increased by more than seven times**

Factory production and assembly



Storage in the yard



Land preparation/foundation work



Shipping and Transportation

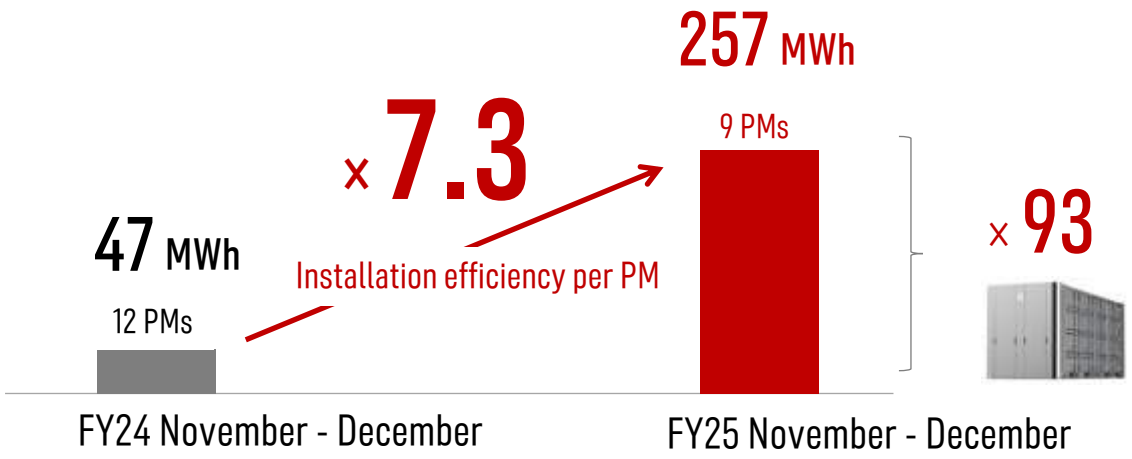


Delivery and installation work



Telecommunications Construction







An example of an extra-high voltage storage battery plant installed last year

Competitive Advantages

Mega Power: Deployment Examples

NTT Anode Energy | Fukuoka Wakamatsu Storage Facility

Kitakyushu City , Fukuoka Prefecture



Installed Product(s)

Mega Power x3

Total Storage Capacity

8,226 kWh (nominal)

(Equivalent to the daily electricity consumption of approx. 720 households*1)

*1 : Calculated by dividing 8,226 kWh by approx. 11 kWh. The value of 11 kWh is derived by dividing the average annual power consumption of a typical household (3,950 kWh) by 365 days. The average annual power consumption of a typical household is based on the Ministry of the Environment's "Statistical Survey on CO2 Emissions from the Household Sector."

MIRARTH Asset Management MSB Kanagawa Aikawa Energy Storage Facility

Aikawa, Aiko District, Kanagawa Prefecture



Installed Product(s)

Mega Power x3

Total Storage Capacity

7,404 kWh (rated)

Marubeni Mitsumine-Ina Energy Storage Facility

Nagano Prefecture



Installed Product(s)

Mega Power x3

Total Storage Capacity

8,100 kWh

Japan Post | Okayama Post Office

Soja City, Okayama Prefecture



Installed Product(s)

Mega Power x1

Total Storage Capacity

2,132 kWh

ProLogis | ProLogis Park Soka

Soka City, Saitama Prefecture



Installed Product(s)

Mega Power x1

Total Storage Capacity

2,742 kWh

Competitive Advantages

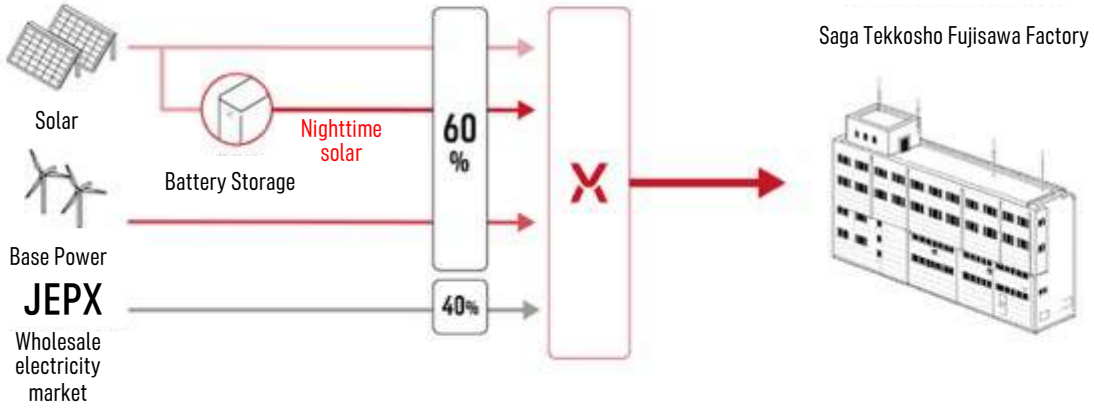
Power Supply Case Using Battery Storage (PowerX Power Business)

Supply of renewable electricity using battery storage to Saga Tekkosho factory

2026.01.15

Corporate power supply service “Advanced Plan”

Promoting decarbonization of manufacturing using renewable energy and battery storage



PowerX Corporate Power Offering: “Advanced Plan”

In addition to power sources such as wind generation, daytime solar power and electricity generated during the day are stored in batteries and later supplied as “nighttime solar.”

By combining these power sources, stable renewable electricity can be supplied regardless of the time of day, enabling both decarbonization and a stable power supply.

Competitive Advantages

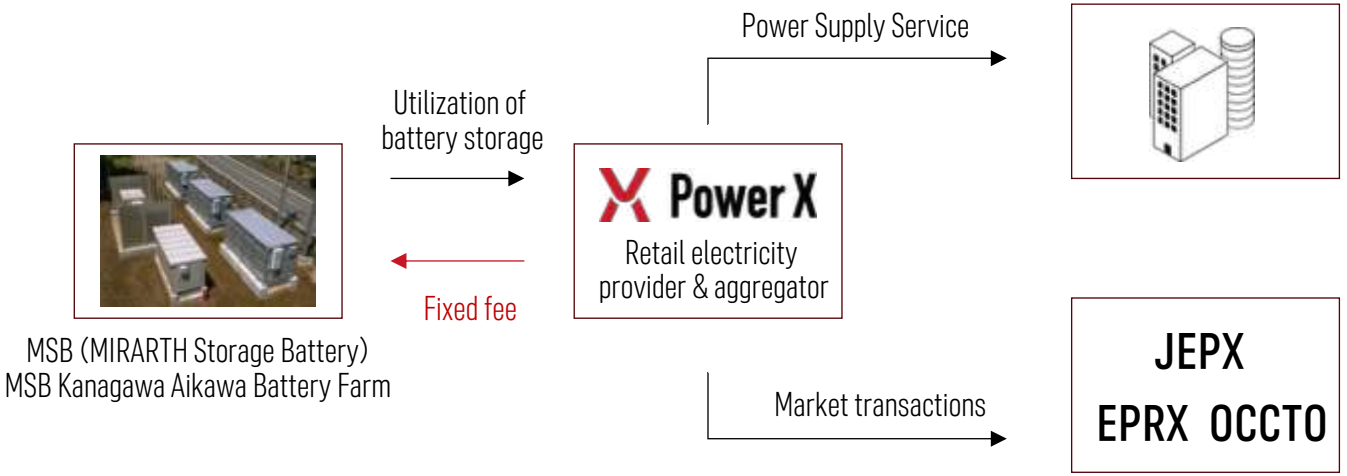
Battery Storage Aggregation Case (PowerX Power Business)

BESS

PowerX and MIRARTH Asset Management Commence Operations of Grid-Scale Battery Farm in Kanagawa

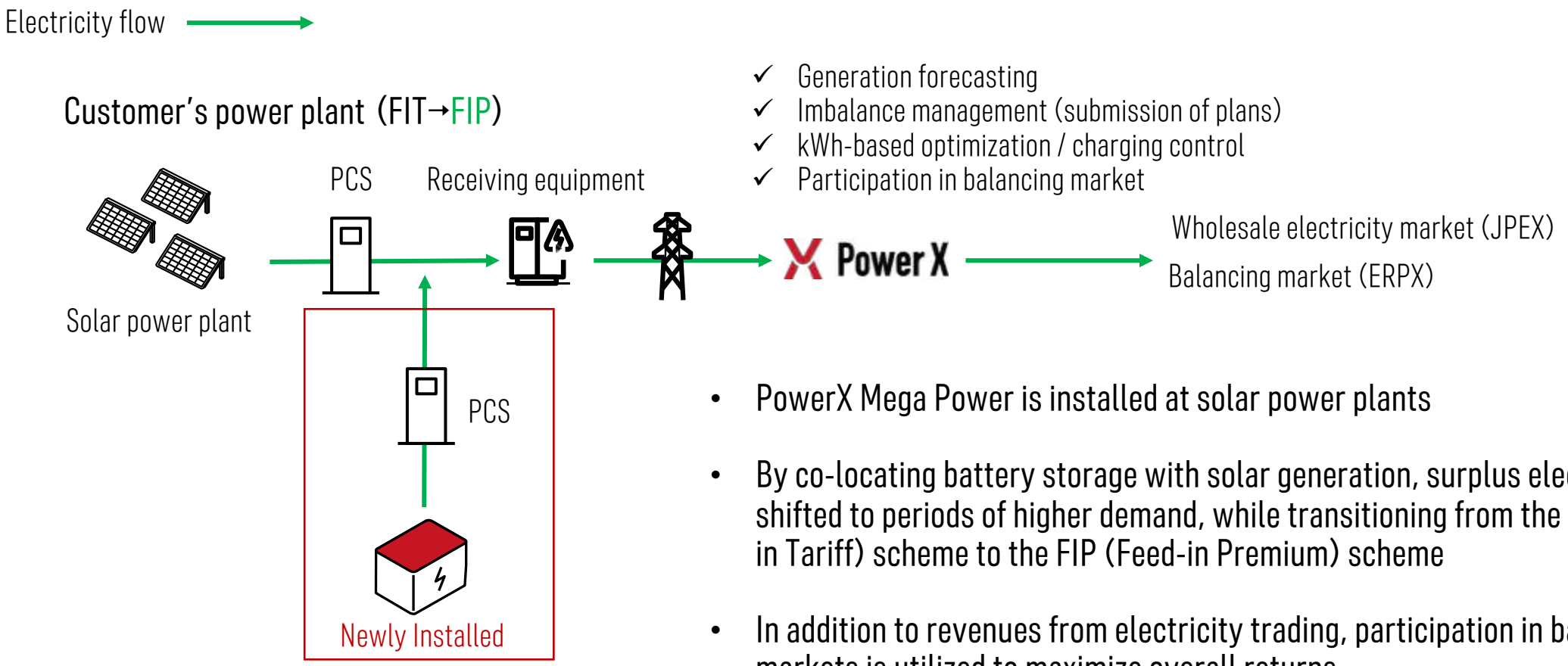
2025.09.08





- A case of operating PowerX Mega Power under the “battery storage aggregation service” deployed within the power business
- The balancing capacity of this facility is utilized not only for PowerX’s retail electricity business, including corporate power supply services, but also for trading in the electricity markets
- A scheme is adopted in which PowerX pays a fixed fee to the battery storage owner in return for the provision of balancing capacity (“battery tolling” model)

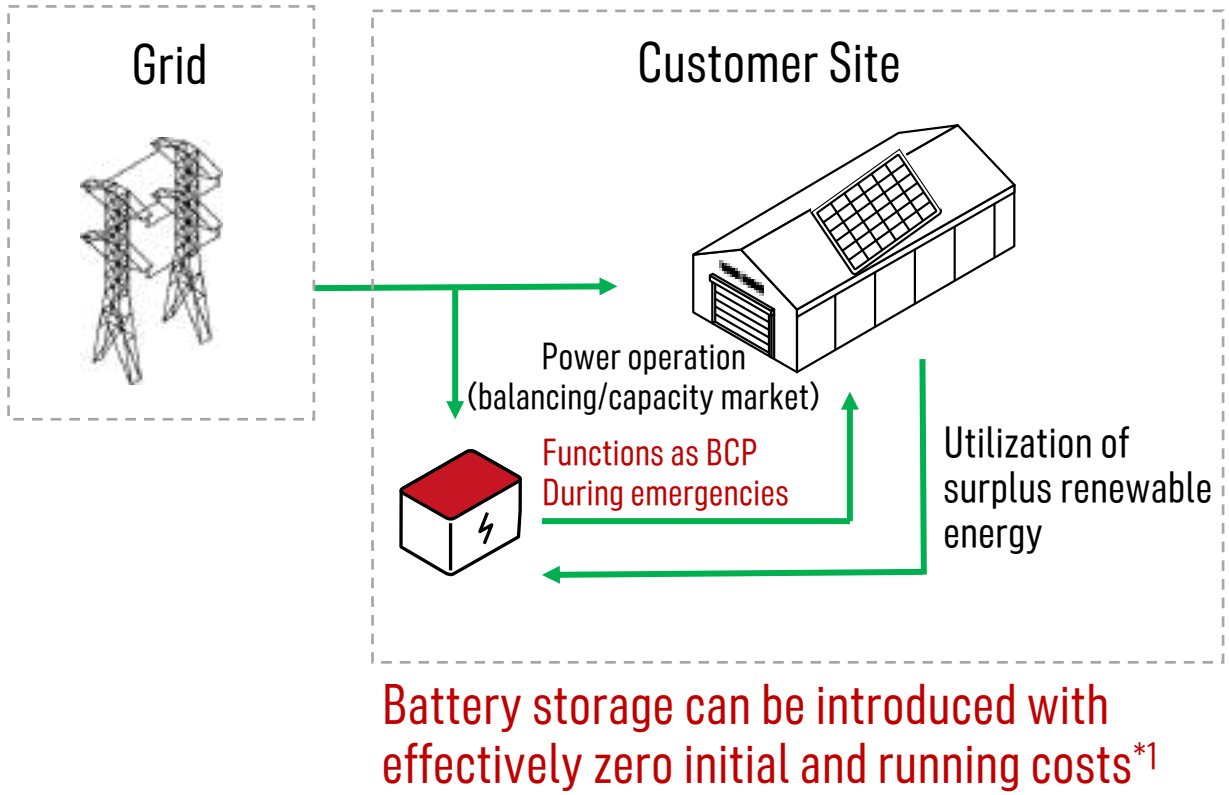
Power Operations Service for Solar + Battery Co-located Systems (PowerX Power Business)



- PowerX Mega Power is installed at solar power plants
- By co-locating battery storage with solar generation, surplus electricity is shifted to periods of higher demand, while transitioning from the FIT (Feed-in Tariff) scheme to the FIP (Feed-in Premium) scheme
- In addition to revenues from electricity trading, participation in balancing markets is utilized to maximize overall returns

Competitive Advantages

Corporate Power Supply Service: “Battery Option”



Battery storage can be introduced with effectively zero initial and running costs*1

- A service available to customers subscribed to PowerX’s corporate electricity retail menu (Advanced / Semi-flat / Flat / market-linked plans), enabling the introduction of battery storage systems with effectively zero initial and running costs
- Under normal conditions, customers continue using electricity as usual, while PowerX operates part of the battery system.In emergencies such as natural disasters, the system automatically switches to supply power required by the customer’s facilities, functioning as a BCP (Business Continuity Plan) solution

*1 Installation of the battery system requires a lease agreement. Lease fees are offset through electricity charges, resulting in no effective additional cost burden for the customer

Modular Data Center Differentiators

Mega Power DC Scalability and Flexibility

Scale of Data Center (Consumption) & Estimated number of Mega Power DC

Hyperscale Data Center	25MW~		× 125 units~ (750 racks)
Mid-sized Data Center	Tens of MW		× 25 units~ (150 racks)
Small-sized Data Center	A few MW		× 10 units~ (60 racks)
Edge Data Center	A few hundred kW		× 1 unit~ (6 racks)

Mega Power DC – Regulatory Advantages of Containerized Data Centers

Containerized data centers are not classified as buildings

→ therefore →

Building permit approval & Real estate registration are not required

Condition:	Condition:	Condition:	Condition:
Internal space must be limited to the minimum required for server functionality.	The facility must be operated unmanned, except for emergency maintenance.	Units must not be vertically stacked.	Final determination is subject to consultation with local authorities pursuant to MLIT guidance.

Mega Power DC Project Timeline to Commercial Operation

- Lead times for both grid interconnection and construction can be significantly shortened, enabling a faster start of operations.



Typical Development Process for a New Data Center

Approx. 4 ~ 5 years to commercial operation

- Feasibility study
- Development permit / local stakeholder coordination
- Investment decision-making
- Grid interconnection process
- Equipment procurement
- Detailed design
- Regulatory approvals
- Construction and commissioning

Mega Power DC

Approx. 1+α year to commercial operation

- Feasibility, basic design & local coordination
- Investment decision-making
- Detailed design
- Production
- Installation

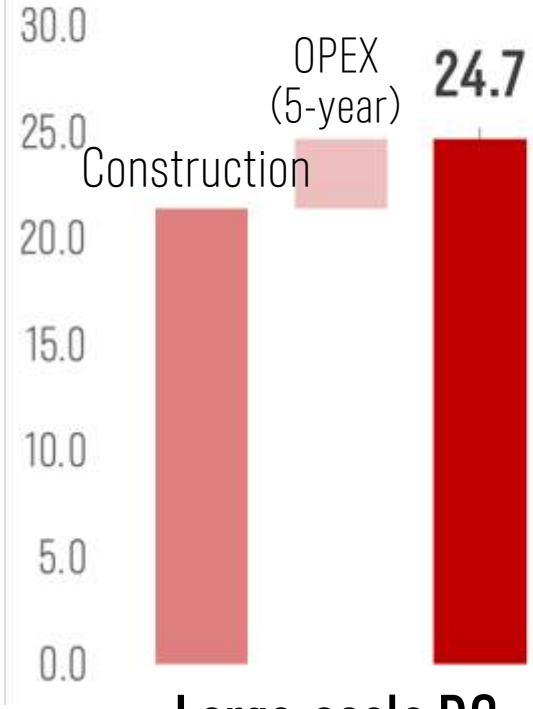
∗When installed at a site where grid interconnection has already been secured—such as an existing battery storage facility—additional deployment can be significantly streamlined.

Mega Power DC Cost Advantages

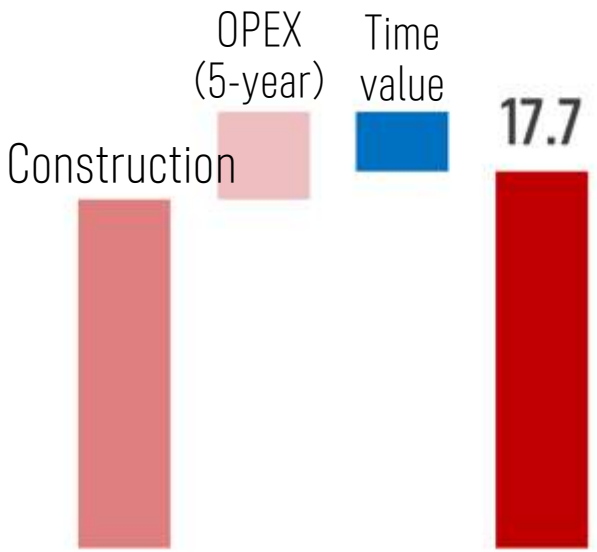
- Comparison based on Construction + 5-year OPEX (LCOC) *IT equipment is standardized globally



Cost Comparison: JPY 100 million per Receiving MW (excluding IT equipment)



Large-scale DC



Mega Power DC

Delivers
Approx. 25%
Cost savings

【Assumptions for Large-Scale Data Center Simulation】
- Receiving Capacity : 50,000kW
- CAPEX : Land acquisition, site preparation, building construction, internal power infrastructure, external works, etc. (Excluding IT equipment)
- OPEX : Operations & maintenance, monitoring , etc.
- Evaluation period : 5 years
- Note : CAPEX is evaluated as the present value of 20 years of building lease-equivalent construction costs (excluding IT equipment0

【Assumptions for Large-Scale Data Center Simulation】
- Receiving Capacity : 200kW (10ft containerized DC x1)
- CAPEX : Container units, land acquisition, installation works, etc. (excluding IT equipment)
- OPEX : Operations & maintenance, monitoring , etc.
- Evaluation period : 5 years
- Note : The difference in years until COD (Δ years) is reflected in present value terms.

Mega Power DC Value Proposition Summary

Cost Advantage Shortened Project Timeline

Stable Mass Production Leveraging Shared Battery Technology

Scalability Flexibility

- High Mobility
- Deployable across a wide range of locations

next

Co-location with Large-scale Power Plant

*Industry-standard 42U rack

Large-scale Power Plant
1,000MW

Power Received	Container	IT racks*
25MW	**125**	**750**



【Image Illustration】

*Approx. 30 m² per 10-ft container, total area example: 3,750 m²

Direct Power Supply from Power Plant

Stable electricity supply from a neighboring generation facility
Avoidance of transmission losses and grid congestion

Battery Support for Thermal Plant Load Balancing

Enables economically optimized charging and discharging
Contributes during scheduled maintenance outages

Space Efficiency & Portability

Efficient layout within plant premises
Relocatable during plant expansion or replacement

*Industry-standard 42U rack

Co-location with Battery Power Plant / Renewables

High / Extra-High Voltage Battery Power Plant
2~20MW

Power Received	Container	IT racks*
0.2~2MW	1~10	6~60



【Image Illustration】

*Approx. 30 m² per 10-ft container, Total footprint range: 30 m² – 300 m²

Watt–Bit Optimized Operations

Joint operation of DC and BESS enables flexible selection of revenue opportunities
Optimizes between power trading, balancing services, and on-site consumption

Accelerated Grid Interconnection

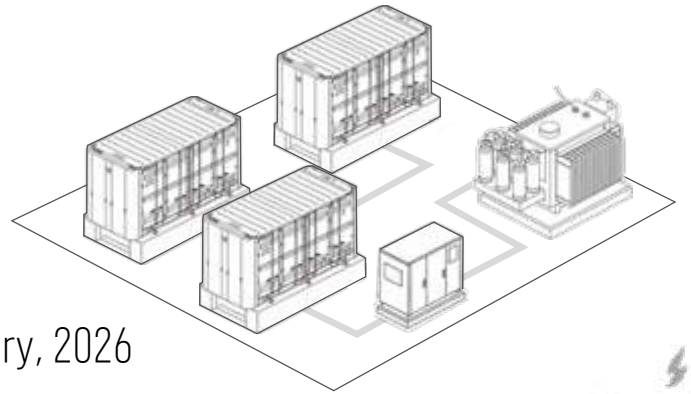
Battery charging control helps manage grid constraints
Contributes to earlier grid connection approval

Renewable Energy Utilization

Enables carbon-free operation of power-intensive IT equipment
Maximizes local renewable energy consumption

Co-location with Battery Power Plant / Renewables

Battery power plant	Solar power plant	Factories and other bases



Our BESS system used: 140 locations

* As of the end of January, 2026

×

Mega Power DC

For example, adding 3 sets per location

=

IT racks Approximately 2,500 units

Comparable to large building-type data centers

*Industry-standard 42U rack

Co-location with Edge Sites

Power Received	Container	IT racks*
0.2MW	1	4 (ESS Integrated)



Universities /Research Institutes



Distribution Substation



Factories



Areas under elevated tracks



Logistics Centers



Offices

【Image Illustration】

Integrated Demand & Location

Ideal for Physical AI and Private AI applications
Low latency and improved response performance

Urban & Space-Efficient Deployment

Suitable for urban environments
Enables effective utilization of limited land

Battery-Backed Power Supply

Backup power through integrated battery storage
Supports IT/AI business continuity planning (BCP)

Mega Power DC Applications

- The ESS integrated modular data center is a physical infrastructure that is portable, mass-produced, and scalable, and can be switched between different uses depending on the application.

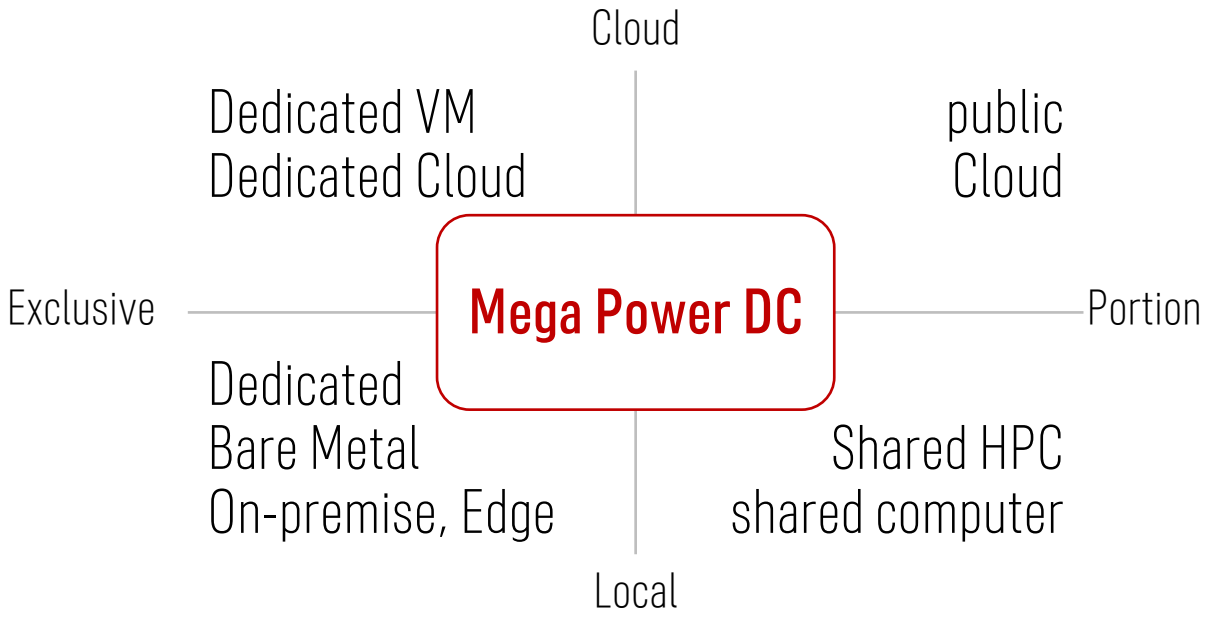


Equipment Selection

Mega Power DC

GPU	Latest machine ~ Current machine ~ A generation ago
CPU	General-purpose server
storage device	Database Cold Storage
storage battery	kWh capacity

Selection of usage method



By designing from exclusive use to partial use, and from cloud to local.

* After recovering the investment in IT equipment, it is possible to replace the equipment and use it exclusively as a storage battery.

Thank You