PowerX Q2 FY2026
Financial Results Briefing

PowerX, Inc.

August 2026 (Securities Code: 485A)

This document is an English translation of the original Japanese document titled “2026年12月期 第2四半期 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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Executive Summary

Today's materials
(AI-readable MD file)

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- Q2 YoY: Revenue & Profit Growth; Production Progress 60%
- Order Backlog (Aug, 2026–2030): ¥101.9 bn*1 (+¥12.9 bn vs. May)
- FY2027 Business Outlook Disclosed Today
- TSE Prime Preparations: Ongoing
- Global Business: Actively Advancing
- New Product Digest; FY2027 Production Structure

*1 Total value of “Signed Orders” and “Probable Orders” for fiscal years 2026 through 2030 as of August 13, 2026. Includes amounts already recognized as revenue. See p.25 for detailed definitions.

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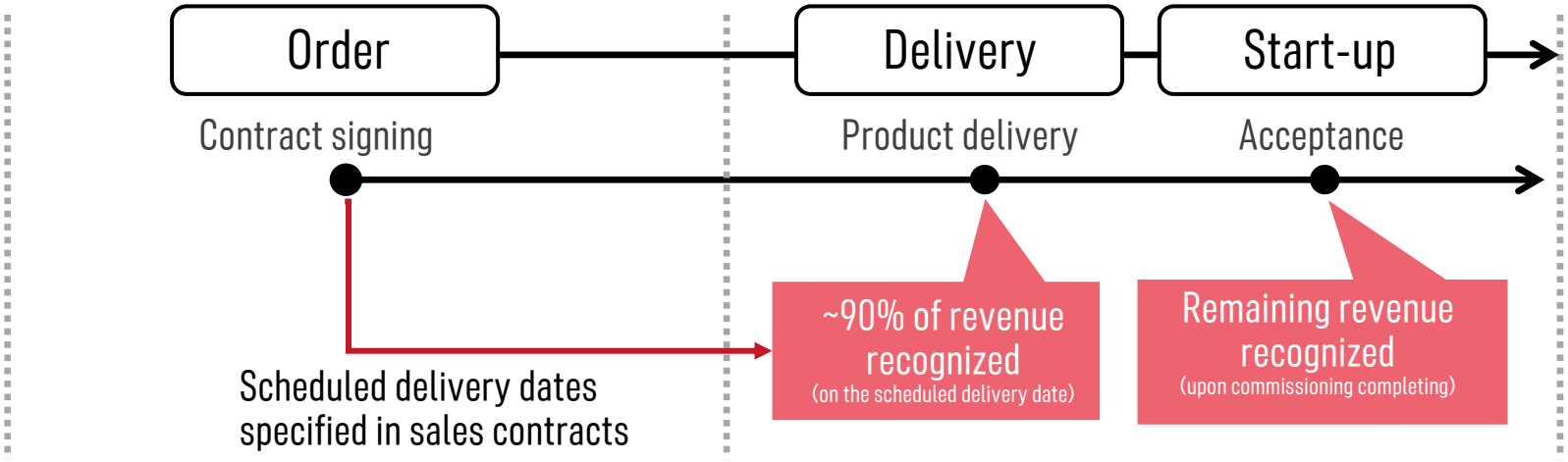
PowerX's Revenue Model

Product delivery dates are agreed upon with customers at the signing of the purchase order, and ownership is transferred on the date agreed upon in the contract, regardless of customer readiness.
① ~90% is billed at product delivery and the remaining ~10%* after start-up, limiting the impact of external delays (e.g., grid connection).
② Due to subsidy project timelines and customers' annual budgets, deliveries and acceptances tend to be concentrated in H2 each year, especially in Q4.



82%
of this FY's revenue to be recognized in Q3-Q4

* The actual billing split between product delivery and acceptance varies by project.

FY2026 Q2

Consolidated Financial Summary

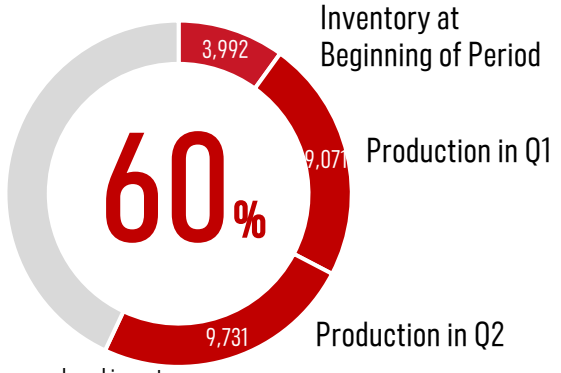
Q2 revenue increased **48.3%** YoY, while operating profit improved by **¥489mn**. With deliveries of contracted projects concentrated in H2, revenue guidance progress stands at 17.2%, while production is progressing as planned at 60%.

(Unit: Millions of yen)	Actuals				
	FY2025 Q2 (YTD)	FY2026 Q2 (YTD)	Change	YoY Change	Progress vs. Forecast
Revenue	4,647	**6,893**	**+2,245**	48.3%	17.2%
Gross Profit	1,447	**1,900**	**+453**	31.3%	-
Operating Profit	(1,563)	**(1,073)**	**+489**	-	-
EBITDA(1)	(1,308)	**(778)**	**+530**	-	-
Ordinary Profit	(2,205)	**(1,518)**	**+687**	-	-
Profit Attributable to the Owners of the Parent	(2,230)	**(1,551)**	**+679**	-	-

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

Production Progress(2)

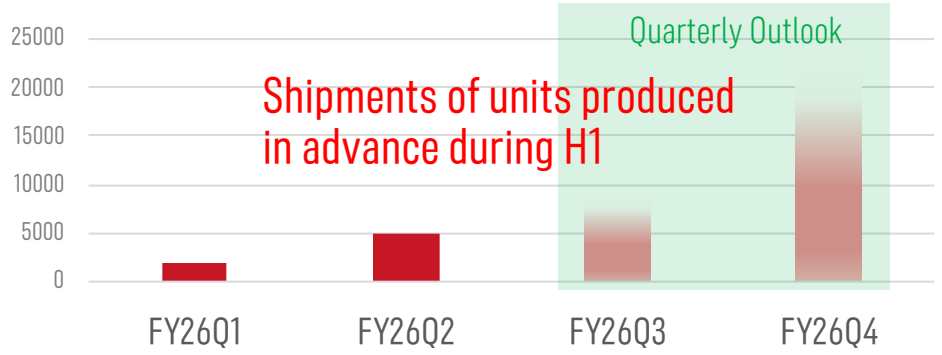
(Unit: Millions of yen)



(2)Revenue-equivalent value based on produced inventory
(progress rate calculated as a percentage of product sales revenue)

Quarterly Revenue Trend

(Unit: Millions of yen)



FY2026 Q2

Full-year consolidated financial results forecast

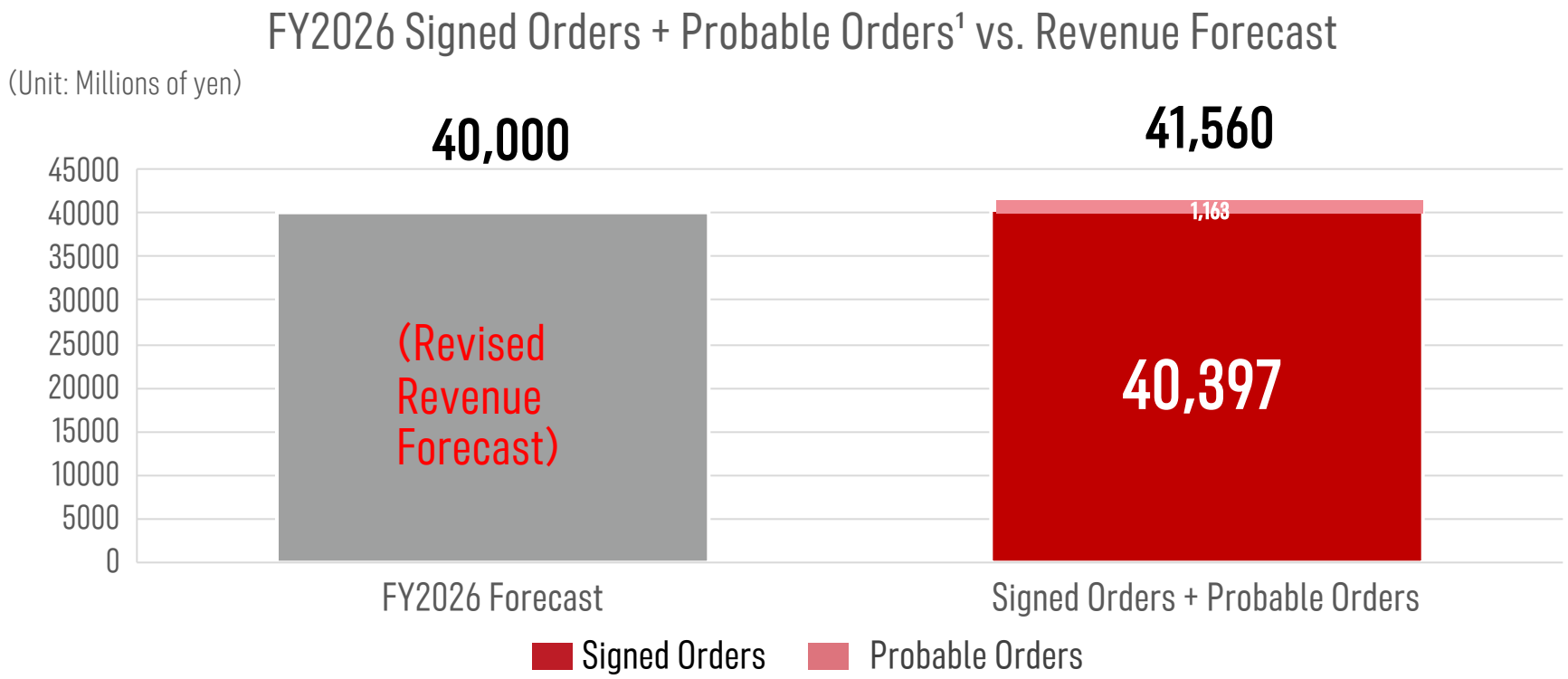
Given strong order intake and considering production progress, the FY26 revenue forecast was raised to **¥40.0bn** on June 25, 2026. Profit forecasts remain unchanged, as incremental earnings will fund R&D. Subsequent slides show progress vs. revised guidance.

(Unit: million yen)	FY26 Previous Forecast (Range)	FY26 Revised Forecast (Range)	Change	Change %
Revenue	38,000	40,000	+2,000	+5.2%
Operating Profit	2,000 – 2,500	2,000 – 2,500	-	-
EBITDA(1)	2,500 – 3,000	2,500 – 3,000	-	-
Ordinary Profit	1,000 – 1,500	1,000 – 1,500	-	-
Net Profit	1,000 – 1,500	1,000 – 1,500	-	-

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

FY2026 Order Backlog (Total of Signed Orders and Probable Orders)

Signed Orders (including recurring revenue) have reached the FY2026 forecast, with H2 deliveries driving revenue recognition.

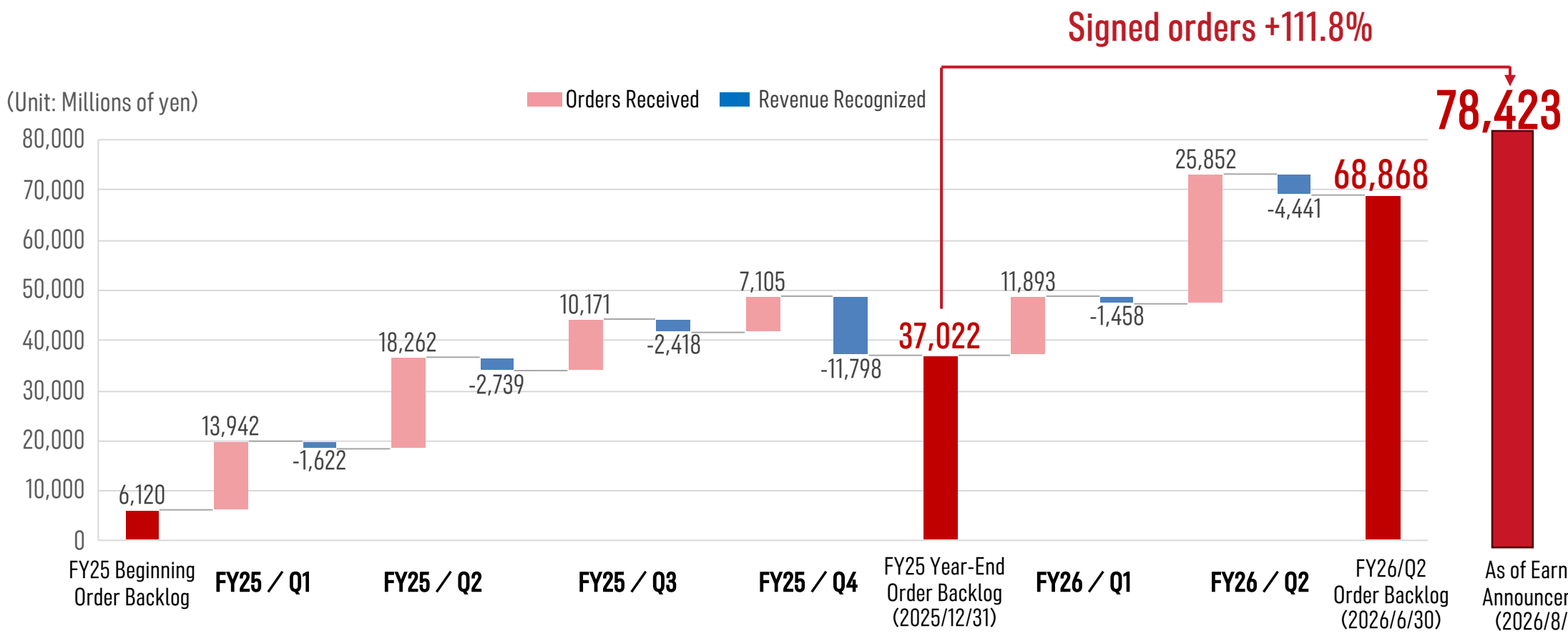


*1 The total of "Signed Orders" and "Probable Orders" for fiscal year 2026 as of August 13, 2026. Includes amounts already recorded as revenue, including recurring revenue. "Signed Orders" refer to binding orders that have been officially placed by customers and for which sales contracts have been concluded, 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.

FY2026 Q2

Order Backlog (Signed Orders) Trend

Contracted order backlog reached **¥78.4bn** as of the earnings announcement date, up **111.8%** from FY2025 year-end.



*Figures above include signed orders only and exclude the "probable orders" shown on p.25 and recurring revenue. Contracted orders refer to binding orders formally placed by customers for which sales contracts have been executed. However, even for executed contracts, there remains a risk that all or part of the expected revenue may not be recognized.

FY2026 Q2

Outlook and Financial Targets

With backlog growing and investor inquiries extending beyond FY2026, the current outlook is presented for reference: ~¥70bn revenue and ¥5bn+ net income in FY2027, and ¥200bn+ revenue, 35%+ ROE, and sustained positive FCF by FY2030.

(Unit: million yen)	FY2026 Forecast	FY2027 Outlook(1)	FY2030 Targets(1)
Revenue	40,000	68,000–72,000	200,000+
Growth Rate	107.2%	70%–80%	40.6%+ (2)
Operating Profit (Operating Margin)	2,000–2,500 (5%–6.3%)	5,500–7,000 (8.1%–9.7%)	-
EBITDA(3) (EBITDA Margin)	2,500–3,000 (6.3%–7.5%)	6,200–7,700 (9.2%–10.7%)	-
Net Profit	1,000–1,500	5,000–6,000	-
ROE	12-18%	38-45%	35%+
Free Cash Flow	-	-	Consistently positive

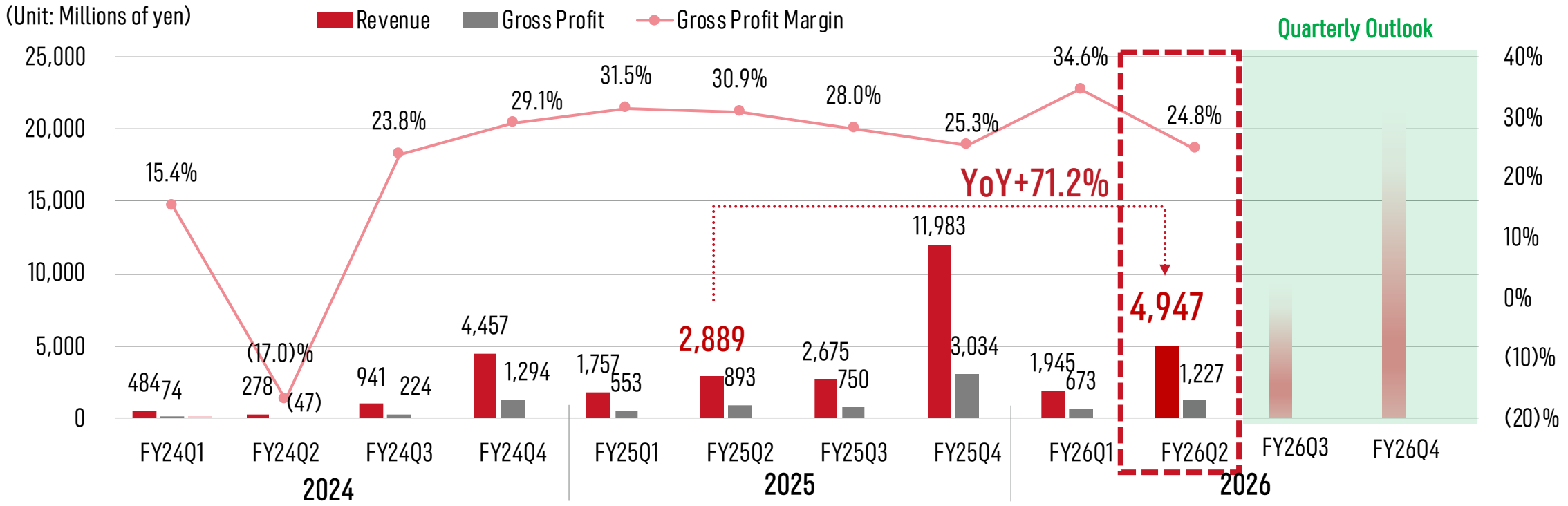
- PowerX's business model is characterized by a lean headcount and asset-light structure that supports significant business scale, with achieving ROE of 35%+ also an important objective.
- The outlook is presented as reference figures based on the current order situation, FX rates, component prices, and other prevailing economic conditions. It does not constitute an earnings forecast as defined by the Tokyo Stock Exchange and may differ from future earnings forecasts.
- Figures shown may change if investment is required to drive non-linear growth. Necessary measures will be pursued proactively to achieve the FY2030 targets.

(1)"FY2027 Outlook" and "FY2030 Targets" do not constitute earnings forecasts as defined by the Tokyo Stock Exchange. (2) CAGR over the three-year period from the upper end of the FY2027 revenue outlook of ¥72.0bn to the FY2030 revenue target of ¥200.0bn.
(3) EBITDA = Operating Profit + Depreciation and Amortization + Share-based payment expenses

FY2026 Q2

Quarterly Revenue, Gross Profit, and Gross Margin Trends

Q2 revenue increased 71.2% YoY, while gross margin was **24.8%**. Although margins are expected to soften slightly in H2 due to FX and raw material prices, full-year performance remains on track with guidance.



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 is therefore also weighted toward the second half. Quarterly outlook figures are illustrative only and do not represent specific quarterly financial forecasts.

FY2026 Q2

Segment Results

BESS revenue increased **34.3% YoY**, while Power Business revenue grew **375.9%** on higher recurring revenue and equipment sales.
BESS profit was impacted by product storage costs, which are expected to decline from H2, while profitability improved across all other areas.

(Unit: Millions of yen)

Segment		FY2025 Q2 Actuals (YTD)	FY2026 Q2 Actuals (YTD)	Change	Change %
BESS Business	Revenue	4,012	**5,388**	**+1,375**	+34.3%
	Operating Profit	960	**738**	**(222)**	(23.1)%
Power Business	Revenue (Recurring)	245	**767**	**+521**	+211.8%
	Revenue (Equipment Sales)	-	**403**	**+403**	-
	Revenue	245	**1,170**	**+924**	+375.9%
	Operating Profit	(74)	**89**	**+164**	-
EVCS Business	Revenue	388	**333**	**(54)**	(14.0)%
	Operating Profit	(261)	**(63)**	**+198**	-
Adjustments (Company-wide)	Revenue	-	**-**	**-**	-
	Operating Profit	(2,187)	**(1,837)**	**+349**	-
Consolidated	Revenue	4,647	**6,893**	**+2,245**	+48.3%
	Operating Profit	(1,563)	**(1,073)**	**+489**	-

- BESS Business: Revenue and operating profit are expected to grow significantly in the second half due to seasonality. Operating profit declined YoY due to lower gross margin and upfront expenses, including storage costs for products scheduled for H2 delivery, but is expected to improve significantly as H2 revenue increases.
- Power Business: Recurring revenue increased 211.8% YoY, while ¥403mn in equipment sales also contributed to growth. Operating profit turned positive, improving by ¥164mn.
- EVCS Business: Revenue remained weak amid softness in the EV market; however, a one-time high-margin project recognized in Q1 and cost reductions helped narrow the operating loss by ¥198mn.

FY2026 Q2

Quarterly Profit Trends

As in FY2025, revenue and profitability are expected to improve toward Q4. The EBITDA loss narrowed to **¥226mn** in Q2, with a significant return to profitability expected in Q4 and all profit lines expected to be positive on a full-year basis.

(Unit: Millions of yen)	FY2025				FY2026		
	Q1	Q2	Q3	Q4	Q1	Q2	YoY
Revenue	1,757	2,889	2,675	11,983	1,945	**4,947**	**+71.2%**
Gross Profit	553	893	750	3,034	673	**1,227**	**+37.4%**
Operating Profit	(803)	(759)	(619)	1,505	(697)	**(376)**	-
EBITDA(1)	(652)	(655)	(506)	1,676	(551)	**(226)**	-
Ordinary Profit	(1,225)	(980)	(780)	1,189	(1,039)	**(479)**	-
Profit Attributable to the Owners of the Parent	(1,222)	(1,008)	(815)	1,399	(1,007)	**(544)**	-

- Gross Profit: Increased on higher revenue, while gross margin was affected by sales mix and project mix. Gross margin is expected to soften slightly due to FX and raw material prices, but remain within the guidance range.
- Operating Profit / EBITDA: Higher revenue, combined with continued SG&A efficiency, is expected to drive further improvement across profit lines.

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

FY2026 Q2

Quarterly SG&A Breakdown and Ratios

SG&A decreased **3.0% YoY**, while operating profit improved by **¥383mn**. Higher S&M mainly reflects increased product storage costs, which are expected to decline from next year with our new container yard. Overall SG&A remains broadly in line with budget.

(Unit: Millions of yen)	FY2025				FY2026		
	Q1	Q2	Q3	Q4	Q1	Q2	YoY
Revenue	1,757	2,889	2,675	11,983	1,945	**4,947**	**+71.2%**
Cost of Sales	1,203	1,995	1,925	8,948	1,271	**3,720**	**+86.4%**
S&M(1)	405	418	474	453	478	**658**	**+57.5%**
R&D	360	560	413	441	352	**436**	**(22.1%)**
G&A(2)	591	675	481	634	540	**509**	**(24.6%)**
Total SG&A	1,357	1,653	1,370	1,529	1,370	**1,604**	**(3.0%)**
Operating Proffit (Loss)	(803)	(759)	(619)	1,505	(697)	**(376)**	**-**

(1) S&M = Sales and Marketing (expenses directly allocated to the three business segments from SG&A expenses)
(2) G&A = General and Administrative (calculated by excluding S&M and R&D expenses from SG&A expenses)

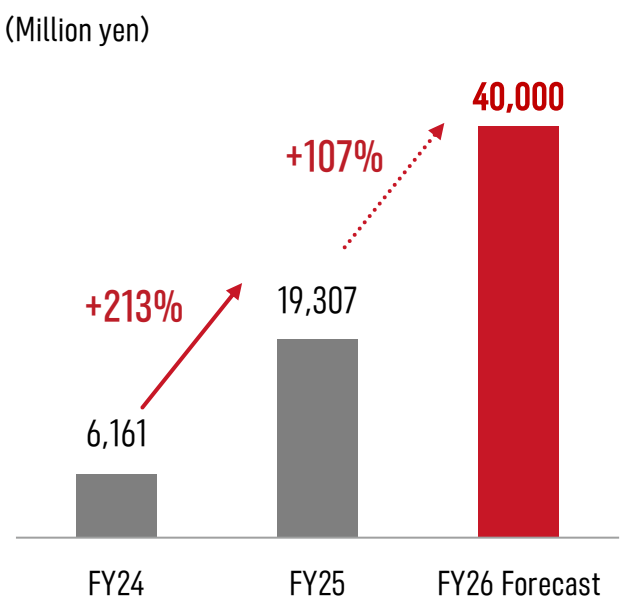
- S&M：Storage costs rose ¥99mn YoY as inventory was built ahead of 2H deliveries. External storage costs are expected to decline from Q4 as shipments reduce inventory and a new container yard opens at the Okayama headquarters factory.
- R&D: Down 22.1% YoY, mainly due to high water-cooled module development costs last year. Strategic R&D investment in new products is planned for 2H.
- G&A: Efficient operations will continue, though costs are expected to rise in 2H due to the Tokyo office expansion and relocation. Details to follow.

FY2026 Q2

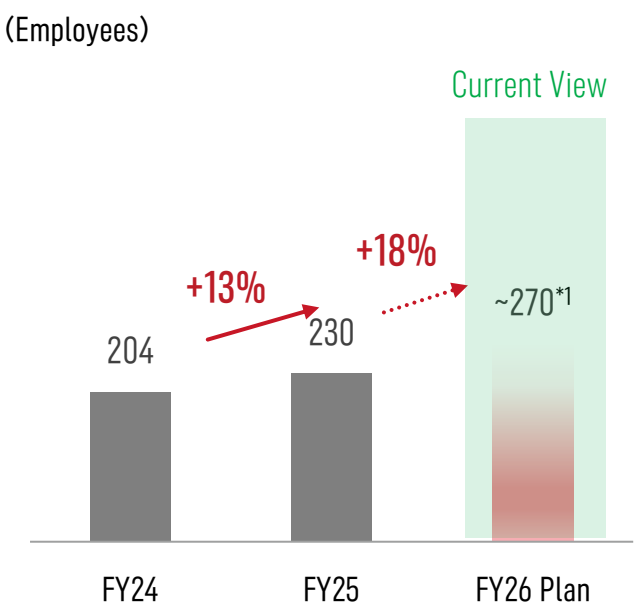
Revenue per Employee

Revenue is expected to grow at a **154.8%** CAGR from FY24–FY26, while headcount grows at only **~15%**, driving **~120%** CAGR in revenue per employee. With the initial organizational build-out largely complete, productivity is improving while SG&A growth remains contained.

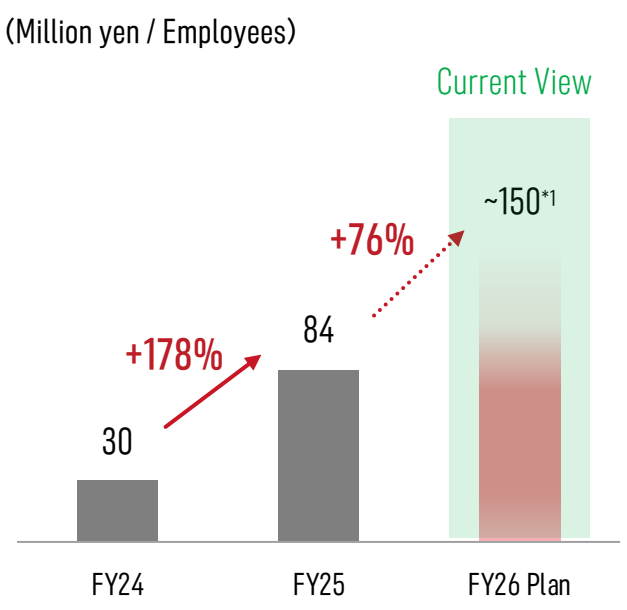
Revenue (Actual / Full-Year Forecast)



Total Headcount



Revenue per Employee



*1 Total headcount = full-time employees (FY24–FY25: year-end; FY26: Q2 plan) + temporary employees (annual average). FY26 figures are based on the Q2 plan.
Revenue per employee is calculated by dividing the full-year revenue forecast by total headcount.

FY2026 Q2

Consolidated Balance Sheet

Inventories increased as production progressed for H2 deliveries, while PP&E rose following the acquisition of factory facilities in Tomakomai. Contract liabilities increased with new orders, and short-term borrowings rose ahead of maturities, with refinancing completed.

(Unit: Millions of yen)	2024/12	2025/12	2026/6
Assets			
Cash and deposits	1,244	7,454	**5,003**
Accounts receivable and contract assets	2,160	5,881	**2,881**
Inventory	2,136	4,517	**12,638**
Other current assets	684	2,344	**5,671**
Total current assets	6,226	20,197	**26,194**
Property, plant and equipment	4,365	4,948	**5,808**
Intangible assets	55	74	**122**
Investments and other assets	183	1,016	**924**
Total fixed assets	4,604	6,038	**6,855**
Total assets	10,830	26,236	**33,049**

(Unit: Millions of yen)	2024/12	2025/12	2026/6
Liabilities			
Short-term borrowings and current-portion of long-term borrowings	2,868	4,750	**8,250** (1)
Contract liabilities	1,118	9,153	**12,935**
Other current liabilities	1,567	2,929	**3,813**
Total current liabilities	5,547	16,833	**24,998**
Long-term borrowings	3,325	2,000	**-**
Other non-current liabilities	287	754	**710**
Total non-current liabilities	3,612	2,754	**710**
Net Assets			
Shareholders' equity	1,431	6,165	**6,351**
Total net assets	1,670	6,648	**7,340**
Total liabilities and net assets	10,830	26,236	**33,049**

(1) As of June 30, 2026, ¥6.0bn of the ¥8.0bn commitment line had been drawn.

FY2026 Q2

Consolidated Cash Flow

Working capital for advance production ahead of H2 deliveries was funded through short-term borrowings under the commitment line.

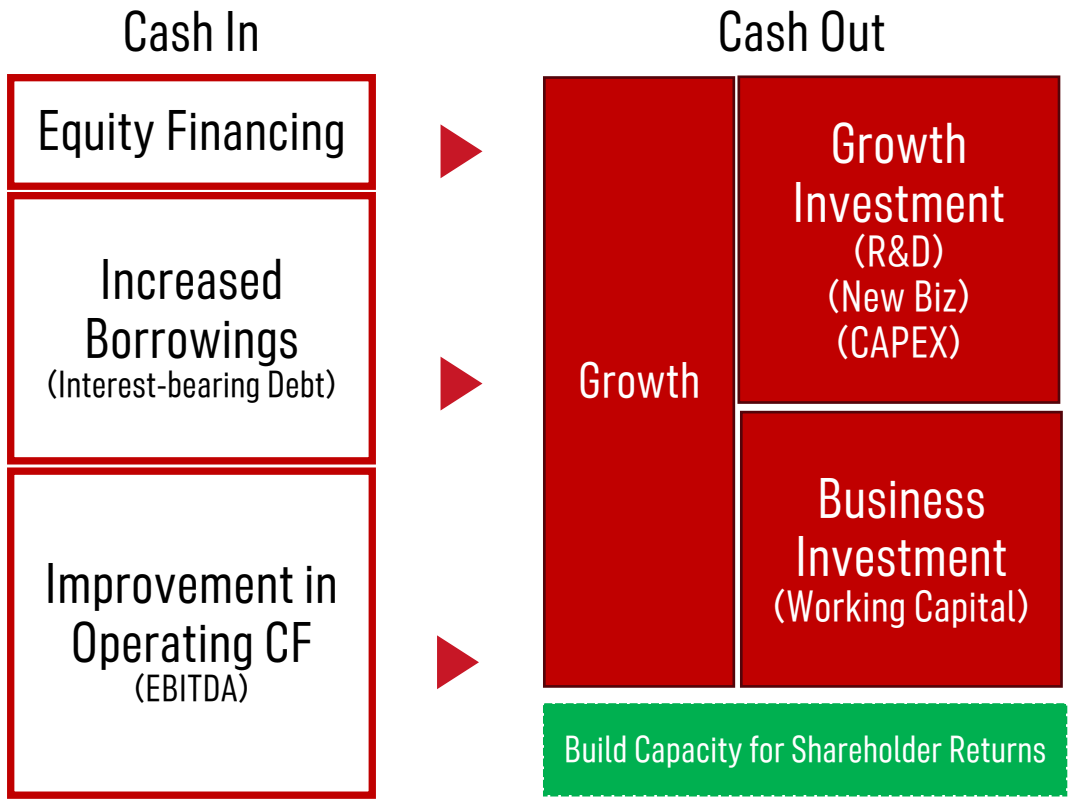
(Unit: Millions of yen)	2024/12	2025/12	2026/6 H1
Cash flows from operating activities	(6,971)	1,369	**(4,659)**
Loss before income taxes	(8,002)	(2,278)	**(1,555)**
Depreciation and impairment losses	2,536	705	**327**
Decrease (increase) in accounts receivable - trade, and contract assets	(1,928)	(3,720)	**3,000**
Decrease (increase) in inventories	(1,538)	(2,381)	**(8,120)**
Increase (decrease) in contract liabilities	846	8,065	**3,739**
Other, net	1,114	979	**(2,050)**
Cash flows from investing activities	(1,458)	(1,466)	**(1,188)**
Purchase of property, plant and equipment	(1,207)	(1,275)	**(1,304)**
Other, net	(251)	(190)	**115**
Cash flows from financing activities	8,670	6,306	**3,396**
Net increase (decrease) in short-term borrowings	2,693	1,307	**2,000**
Net increase (decrease) in long-term borrowings	2,000	(750)	**(500)**
Proceeds from issuance of shares	3,893	6,355	**1,307**
Other, net	84	(606)	**589**
Cash and cash equivalents at end of period	1,244	7,454	**5,003**

- **Operating CF:**
  Improved due to lower receivables and higher contract liabilities, but inventories increased due to advance production for H2 deliveries, resulting in operating CF of minus ¥4,659mn. Significant improvement is expected as H2 deliveries progress and receivables are collected.
- **Investing CF:**
  Included ¥1,304mn of outflows for the acquisition of the Power Base Hokkaido building. H2 capex is also expected for factory upgrades in Okayama and the Tokyo office relocation, but remains limited relative to revenue growth.
- **Financing CF:**
  Working capital required for higher inventories was funded through short-term borrowings under the commitment line (+¥3,396mn).

FY2026 Q2

Capital Allocation Approach

Business growth and improving profitability are expected to strengthen operating cash flow generation. Growth investments and seasonal working capital needs will be funded primarily through increased borrowings, while building capacity for shareholder returns.



<Cash In>

- Operating CF: Currently transitioning from negative to positive. With Signed Orders growing rapidly, the aim is to establish stable operating cash flow generation.
- Borrowings (Interest-bearing Debt): Use debt to fund growth investments and working capital requirements ahead of operating CF expansion, while optimizing financial leverage.
- Equity Financing: Supplement debt funding as needed to maintain financial soundness and allocate capital to areas with higher investment efficiency.

<Cash Out>

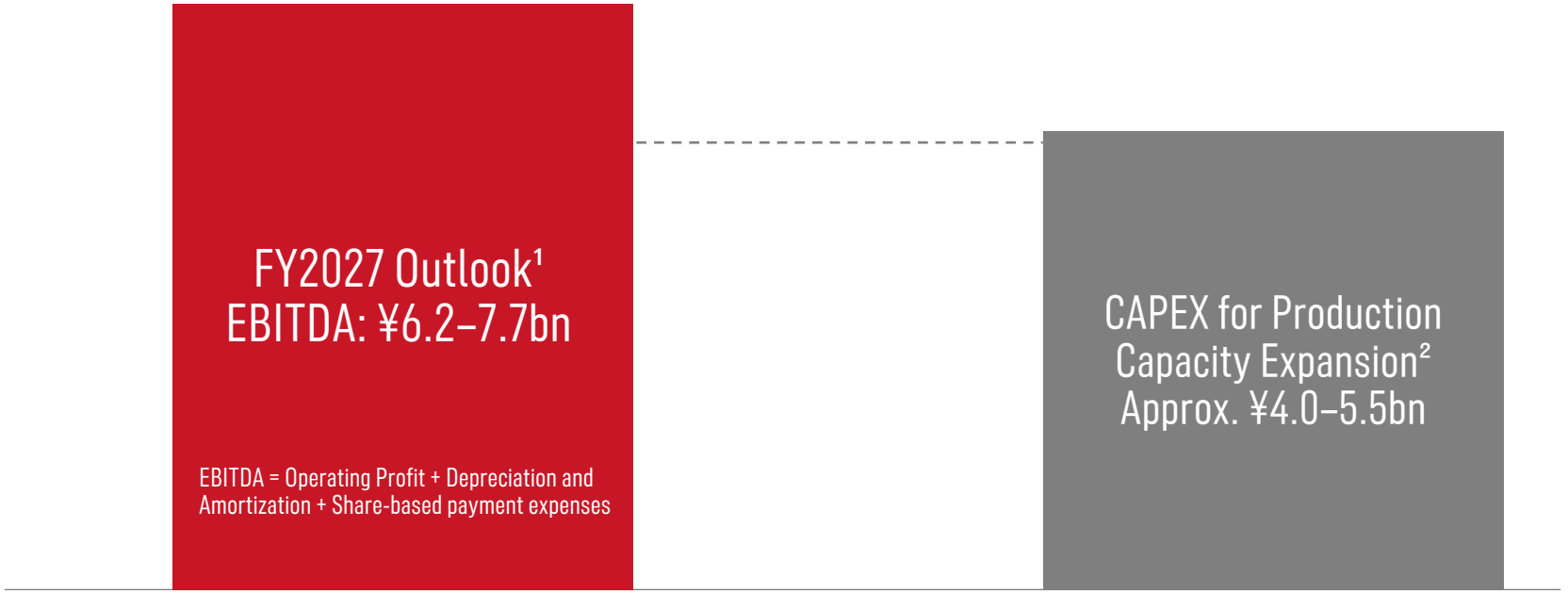
- Growth Investments: Prioritize cash allocation to CAPEX and R&D required to expand production capacity and organizational capabilities for rapid growth.
- Working Capital: Reduce required working capital by improving CCC" through advance payments and shorter inventory holding periods.
- Shareholder Returns: To be considered once cash inflows exceed growth investment needs.

*CCC = Cash Conversion Cycle

FY2026 Q2

Capital Allocation Approach

Factory CAPEX for FY2026–FY2027 capacity expansion has declined to a level recoverable with roughly one year of FY2027 EBITDA, marking a shift toward generating growth and profit without relying on large-scale investment.



[1] "Outlook" and "Financial Targets" do not constitute earnings forecasts as defined by the Tokyo Stock Exchange.
[2] Factory-related CAPEX only, excluding investments in offices, battery power plant development, etc.

FY2026 Q2

Borrowing Status

Short-term borrowing capacity was expanded to fund working capital for seasonal advance production, while long-term financing was secured for factory investments. Financing costs were also reduced, optimizing leverage by funding purpose.

	FY2025 Year-end	As of Earnings Announcement (2026/8/13)
Short-term Borrowings (Commitment Line)	¥4.0bn (Borrowing Limit)	¥8.0bn (Borrowing Limit)
Long-term Borrowings	¥2.75bn (Maturity: Jan. 2027)	¥5.0bn (Borrowing Limit) (Maturity: Jun. 2029)

Expanded Funding

- Short-term Borrowings:
  As inventories increase during the year due to seasonality, the borrowing limit was increased to ¥8.0bn in March 2026 to fund working capital needs.
- Long-term Borrowings:
  Refinancing was completed in July 2026 to fund equipment investments for production-line expansion at Power Base and the launch of Power Base Hokkaido, while refinancing existing debt with relatively high interest costs.

FY2026 Q2

Changes to Use of IPO Proceeds

IPO proceeds will be reallocated from construction of Power Base Plant 2 to production-line expansion at Power Base, the launch of Power Base Hokkaido, and additional working capital. Revised items are shown below; changes to the production structure are discussed later.

Before Revision

(Unit: Millions of yen)

Specific Use	Amount	Planned Spending Period	Reason for Change
Construction of Power Base Plant 2	5,003	FY2026–FY2027	Review has been prolonged due to higher construction material costs and longer construction timelines

After Revision

Specific Use	Amount	Planned Spending Period	Reason for Change
Production-line expansion at Power Base (HQ Factory)	500	FY2026–FY2027	More effective utilization of existing assets
Launch of Power Base Hokkaido	1,500	FY2026–FY2028	Strengthen resilience to natural disasters through manufacturing-site diversification and optimize finished-goods transportation costs
Additional working capital	3,003	FY2026–FY2027	Higher working capital needs from increased sales and procurement; advance procurement of legacy-product parts during the transition to new products and greater flexibility in module purchasing amid price volatility
Total	5,003		

Changes to MegaPower Production Structure and Outlook

The production structure has been partially revised to improve capital efficiency, reflecting order trends and new product plans. Power Base Hokkaido operations will begin in July 2028, while FY2027 production will be handled at the two existing sites through a two-shift operation in Okayama,[1] supporting improved FCF.

Gradual Shift to Two-Shift Operations

Power Base (HQ Factory)

Okayama 2nd Factory (Misui E&S Factory)

Power Base Hokkaido

	FY2026	FY2027	FY2028
Power Base (HQ Factory)		January 2027~ MegaPower 2500	MegaPower 2500 MegaPower 4000 Series
Okayama 2nd Factory (Misui E&S Factory)	September 2026 ~ April 2027 MegaPower 2500	May 2027 MegaPower 4000 Series	MegaPower 4000 Series
Power Base Hokkaido		Originally June FY27 →	From FY28 Q3~ MegaPower 4000 Series/ Megapower 2500

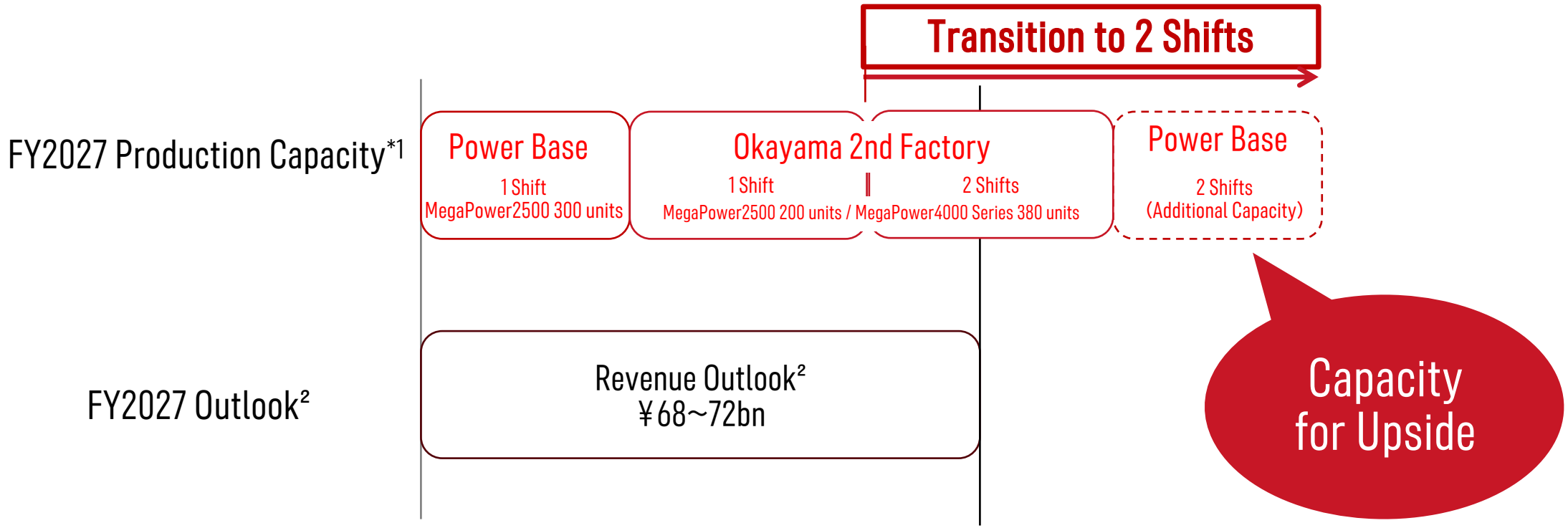
To prioritize capital efficiency, the start of operations at Power Base Hokkaido in Tomakomai has been moved to 2028.[2]

*1 For details, refer to the August 13, 2026 announcement, "Notice Regarding the Opening of a New Factory in Tomakomai, Hokkaido."
*2 Two-shift operations at Okayama Plant 2 (within Mitsui E&S) are planned.

FY2026 Q2

Production Capacity

Two-shift operations provide sufficient capacity to support the FY2027 outlook. As production is assembly-based and requires limited dedicated equipment, capacity can be flexibly expanded through shift and working-hour adjustments without significant additional CAPEX.



[1] Production capacity represents achievable FY2027 output based on the current production plan.

[2] "Outlook" does not constitute earnings forecasts as defined by the Tokyo Stock Exchange.

Contents

Order Backlog and Outlook

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

FY27 orders increased sharply following subsidy approvals. Total orders for FY26–FY30 reached ¥101.9 billion.

2026–2030 Signed Orders & Probable Orders*1

2026–2030 Signed + Probable Orders*1

¥101.9bn

vs. May +¥12.9bn

Signed & probable orders*1 do not yet include data centers, overseas, or new products

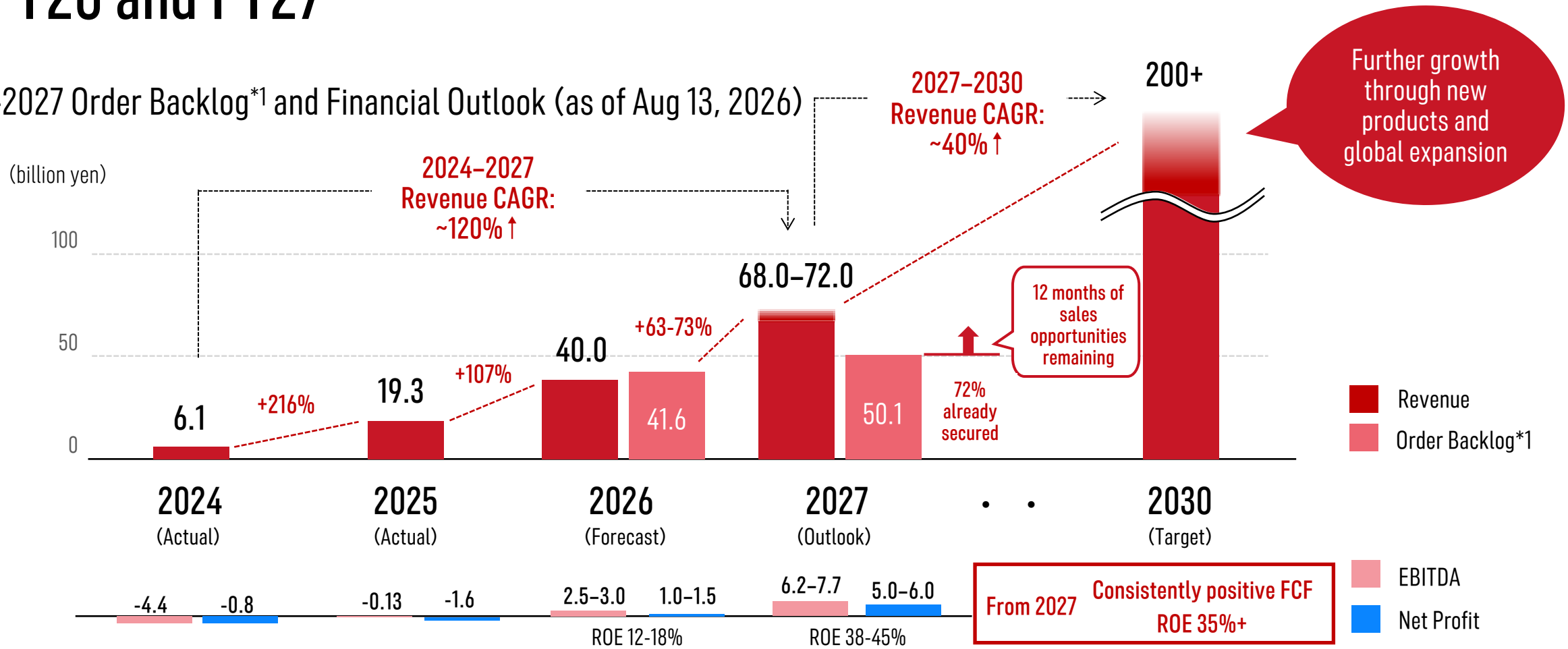
*1 The total of “Signed Orders” and “Probable Orders” for fiscal years 2026 through 2030 as of August 13, 2026. Includes amounts already recognized as revenue. “Signed Orders” are binding orders formally placed by customers under executed sales contracts, and include recurring revenue. Recurring revenue refers to revenue expected to be recognized on an ongoing basis over a set period, as agreed with customers at contract signing, under long-term contracts for electricity retail and battery power plant operation in the Power Business, and long-term maintenance and software contracts associated with equipment sales in the BESS and EVCS businesses. “Probable Orders” are prospective orders that are either (i) approved for government subsidies by the Japanese government, the Tokyo Metropolitan Government, or similar bodies, or (ii) in the final stage of contract execution, with the customer's internal approval of our final proposal on key terms, and therefore highly likely to be ordered in the near future. Note that orders may be canceled before contract execution or modified in price or volume, and that all or part of the revenue expected under executed contracts may not be recognized.

Financial Outlook and Order Backlog (Including Probable Orders) by Fiscal Year

Financial Outlook for FY26 and FY27

- We already have orders covering 72% of our FY2027 revenue outlook.
- We still have 12 more months to secure additional orders.

2026–2027 Order Backlog*1 and Financial Outlook (as of Aug 13, 2026)



*1 Total value of "Signed Orders" and "Probable Orders" for fiscal years 2026 through 2030 as of August 13, 2026. Includes amounts already recognized as revenue. "Signed Orders" are binding orders formally placed by customers under executed sales contracts, and include recurring revenue. Recurring revenue refers to revenue expected to be recognized on an ongoing basis over a set period, as agreed with customers at contract signing, under long-term contracts for electricity retail and battery power plant operation in the Power Business, and long-term maintenance and software contracts associated with equipment sales in the BESS and EVCS businesses. "Probable Orders" are prospective orders that are either (i) approved for government subsidies by the Japanese government, the Tokyo Metropolitan Government, or similar bodies, or (ii) in the final stage of contract execution, with the customer's internal approval of our final proposal on key terms, and therefore highly likely to be ordered in the near future. Note that orders may be canceled before contract execution or modified in price or volume, and that all or part of the revenue expected under executed contracts may not be recognized.

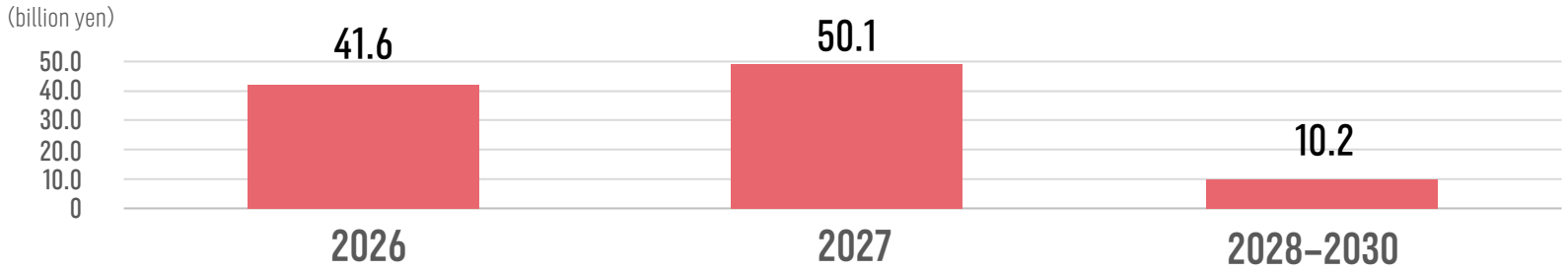
Order Backlog + Projects Under Negotiation with Customers

Pipeline Toward FY30

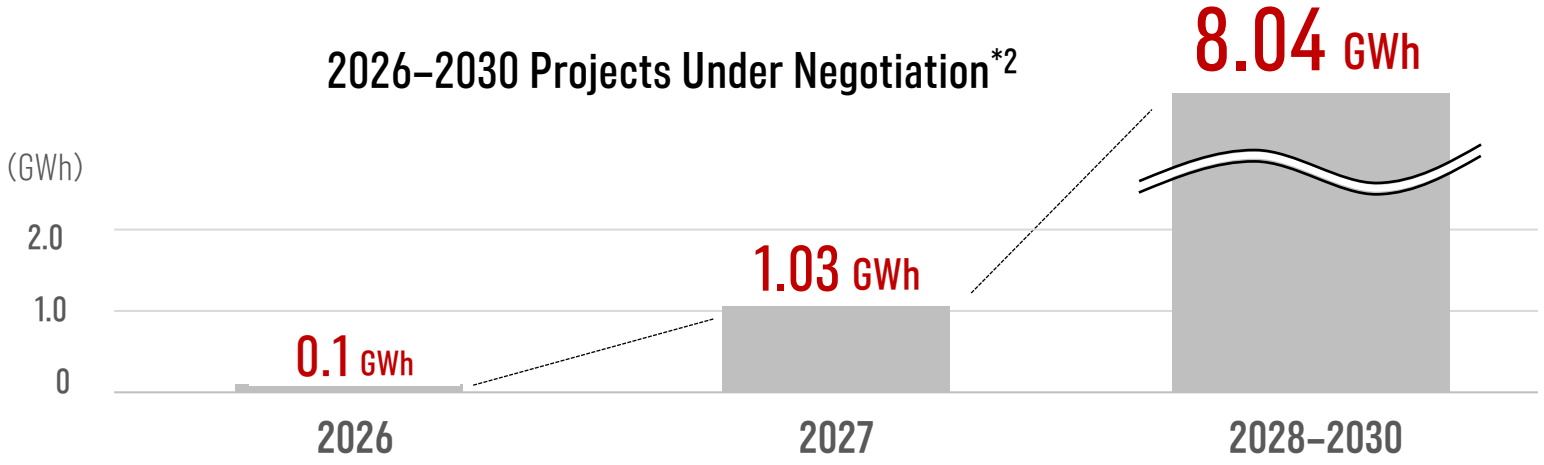
Projects currently under negotiation with customers*2, not yet included in the order backlog*1, total 9.07 GWh through 2030.

As of August 13

2026–2030 Signed Orders & Probable Orders*1: Total



2026–2030 Projects Under Negotiation*2



2026–2030 Signed + Probable Orders*1

¥101.9bn

+

2026–2030 Projects Under Negotiation

~9.07 GWh

vs. May: +4.27 GWh

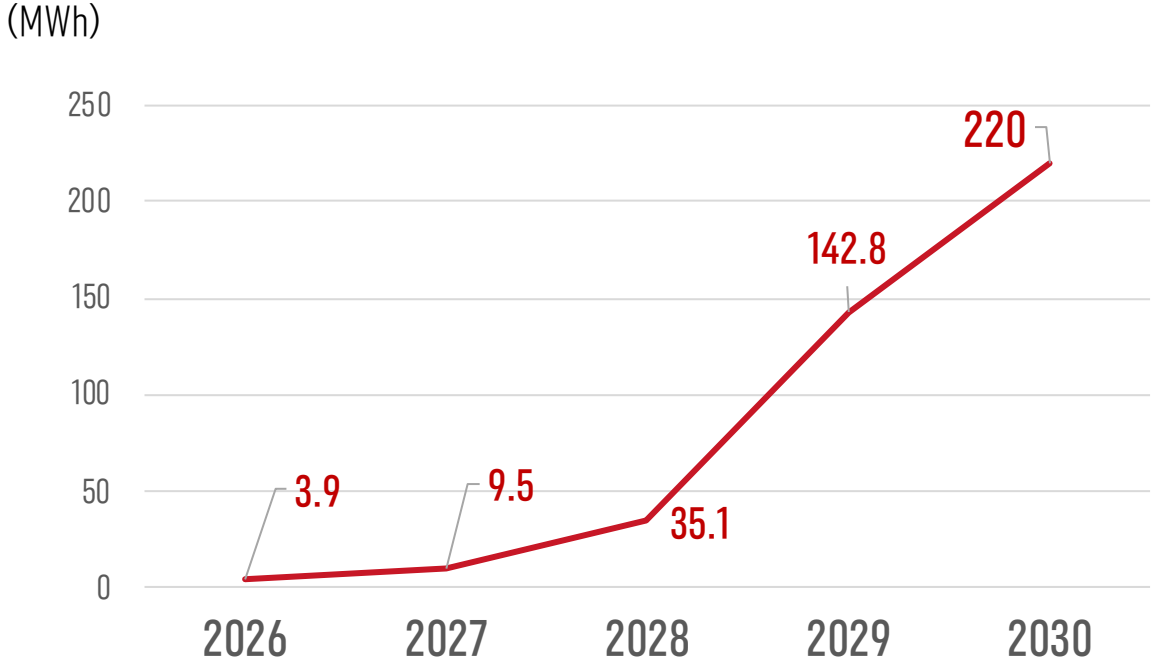
*1 The total of "Signed Orders" and "Probable Orders" for fiscal years 2026 through 2030 as of August 13, 2026. Includes amounts already recognized as revenue. Includes amounts already recognized as revenue. "Signed Orders" are binding orders formally placed by customers under executed sales contracts, and include recurring revenue. Recurring revenue refers to revenue expected to be recognized on an ongoing basis over a set period, as agreed with customers at contract signing, under long-term contracts for electricity retail and battery power plant operation in the Power Business, and long-term maintenance and software contracts associated with equipment sales in the BESS and EVCS businesses. "Probable Orders" are prospective orders that are either (i) approved for government subsidies by the Japanese government, the Tokyo Metropolitan Government, or similar bodies, or (ii) in the final stage of contract execution, with the customer's internal approval of our final proposal on key terms, and therefore highly likely to be ordered in the near future. Note that orders may be canceled before contract execution or modified in price or volume, and that all or part of the revenue expected under executed contracts may not be recognized.

*2 Total GWh capacity of projects currently under negotiation with customers, excluding the "Signed Orders" and "Probable Orders" above. Projects under negotiation are those for which, following an initial inquiry from a prospective customer, detailed requirements have been confirmed and finalized, and a final proposal and quotation have been presented to the customer. Excludes projects already lost or canceled, but includes projects currently in progress (pending without loss or cancellation). Note that orders may be canceled before contract execution or modified in price or volume, and that all or part of the revenue expected under contracts may not be recognized; as these projects are still under negotiation, they may not result in future orders and their GWh figures may change.

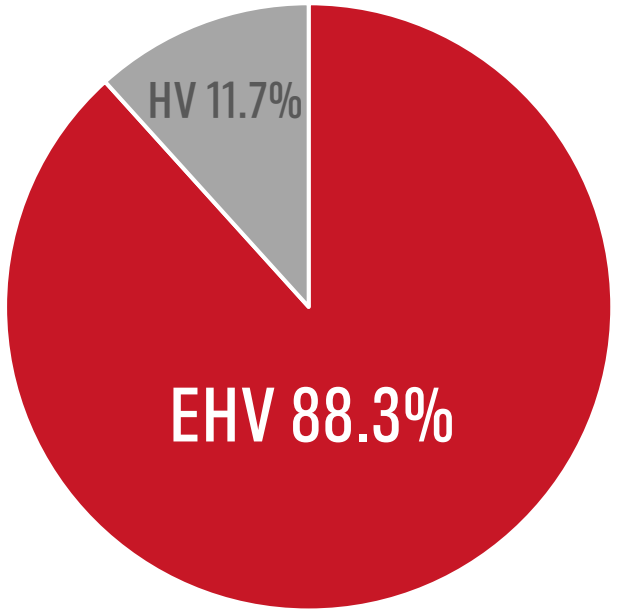
Extra-High-Voltage Projects Dominate the BESS Pipeline

The average size of BESS projects continues to grow, with Extra-High Voltage projects accounting for **88.3%** of pipeline capacity.

Average storage capacity per project (MWh)*



HV/EHV Mix of Pipeline Capacity (2026–2030)*

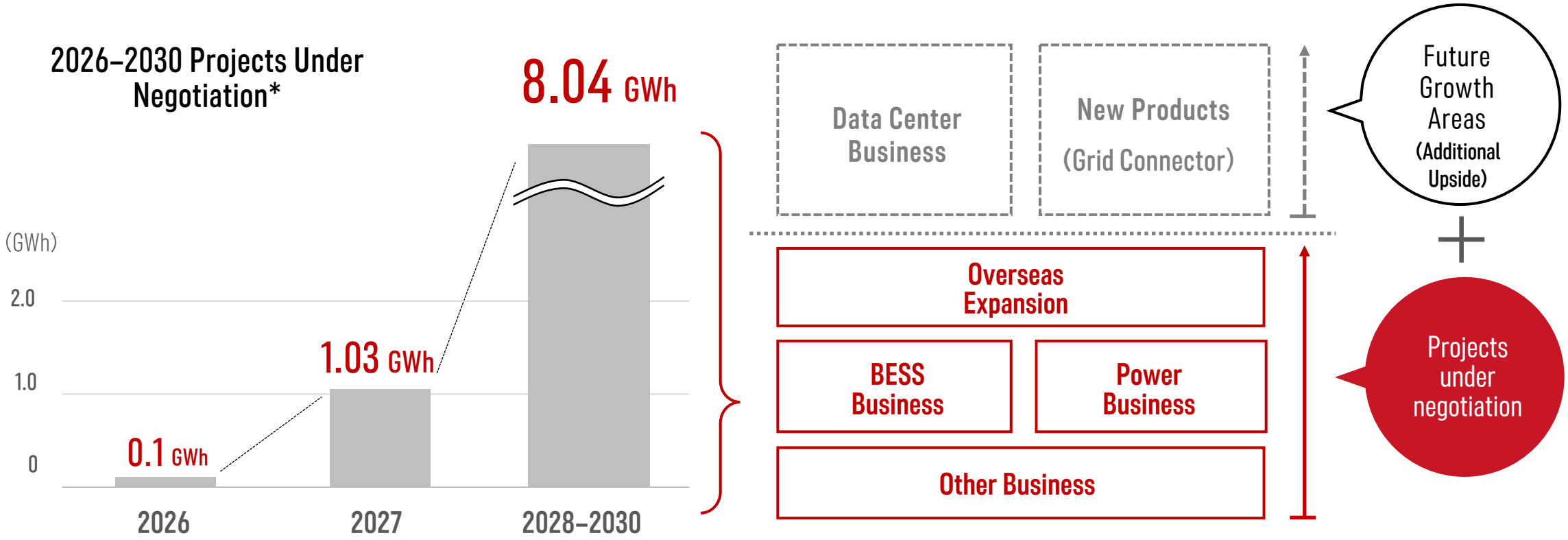


*1 Based on data for projects currently under negotiation with customers in the BESS business, excluding "Signed Orders" and "Probable Orders," as of August 13. Fiscal-year classification is based on planned operation start dates. HV/EHV classification reflects deal status; where undetermined, projects are provisionally classified using 10 MWh of storage capacity as the threshold. Actual interconnection class may differ depending on interconnection voltage, received power, etc. HV/EHV ratios are aggregated based on each project's storage capacity.

Breakdown of backlog (including probable orders) by fiscal year

Current Pipeline Includes BESS Only

Projects currently under negotiation* include overseas projects, but do not include the data center business or new products (Grid Connector series).



* Total GWh capacity of projects currently under negotiation with customers, excluding "Signed Orders" and "Probable Orders." Projects under negotiation are those for which, following an initial inquiry from a prospective customer, detailed requirements have been confirmed and finalized, and a final proposal and quotation have been presented to the customer. Excludes projects already lost or canceled, but includes projects currently in progress (pending without loss or cancellation). Note that orders may be canceled before contract execution or modified in price or volume, and that all or part of the revenue expected under contracts may not be recognized; as these projects are still under negotiation, they may not result in future orders and their GWh figures may change.

Watch the product launch video →

New Product Summary

New Mega Power Lineup, PowerX In-house PCS, and more

New Product Positioning Map

For Japan	For Japan and Global Markets*2	
 **PowerX Mega Power 2500**	 NEW **PowerX Mega Power 4000シリーズ**	
 NEW **PowerX Grid Connector for BESS** 6.6kV AC ↔ 1500V DC	 NEW **PowerX Grid Connector for BESS** 22kV AC ↔ 1500V DC	 NEW **PowerX Grid Connector for BESS** 6.6kV・22kV AC ↔ 1500V DC
Project Size	HV (6.6kV)	EHV (22kV class*2) / EHV (66kV class*2)

*1 For markets outside Japan, voltage classes are shown on an equivalent scale, as local voltage standards vary by country.
*2 EHV voltage may be 33 kV class, 77 kV class, etc., depending on the area.

Mega Power: Setting a New Standard for BESS Safety and Resilience

Engineered for earthquakes, typhoons, noise-sensitive sites, and power outages—protecting equipment and supporting business continuity.

Standard

① Seismic Resilience

- Seismic-resistant design × real-time safety control with an IMU (Inertial Measurement Unit)
- Early detection and preventive controls reduce fire risks from mechanical damage or contactor failure.

Optional

③ Noise Cancelling

- Passive sound absorption × active noise cancelling available
- Enables siting batteries closer to towns and facilities

Standard

② Typhoon Resistance

- Withstands winds of 78–81 m/s (U.S. Category 5 hurricane class)
- CSC certified for offshore high-wind environments (Bureau Veritas)

④ BCP / Black-Start

- Black-start capability via stand-alone operation sequence
- Use our BESS as backup power during outages

Mega Power 4000 Series Specification

	Type A	Type B
Nominal capacity	~4,692 kWh	~ 4,233 kWh
Battery module capacity / qty	195 kWh x ~24	176 kWh x ~24
Cell	1,172 Ah LFP	530 Ah LFP
Configuration	~8S3P / 1P52S	~4S6P / 1P52S
Rated DC voltage	1,331.2 V	
Charge / discharge rate	0.25C (0.5C optional)	
Chiller	30 kW	
Dimensions	20-ft standard container · 6,058 x 2,438 x 2,500 mm	
Weight	Max 34 t (32 t for transport)	
Ingress / corrosion	IP55 (marine: IP56) / C5-M	

Highlights

- Long-duration storage operation
- 20-year capacity warranty available depending on project configuration
- Reduced copper use and fewer modules improve round-trip efficiency

Standards

- UN 3536 / CSC (enclosure)
- IEC 62619
- UL 9540 / 9540A
- IEC 62933-5-1
- UL 1973

Stackable & Marine

- Optionally stackable; same frame supports marine BESS
- UN 3536 compliant for sea transport
- All BESS interface with EDU or Grid Connector for BESS

Mega Power 4000 Series: High Capacity & Stackable

- ~1.7x more capacity in the same 20-ft footprint; two-high stacking greatly increases site energy density

Stacked two-high:
5,000 mm tall

Capacity per unit
~4,692 kWh

Dimensions
6,058 x 2,438 x 2,500 mm

Stackable:
Two-high capable

	Mega Power 4000	Mega Power 2700 A
Dimensions	20-ft Standard 6,058 x 2,438 x 2,500 mm	20-ft HighCube 6,058 x 2,438 x 2,896 mm
Capacity per unit	~ 4,692 kWh	2,742 kWh
Footprint	~14.77 m²	~14.77 m²
Capacity per m²	~317 kWh/m²	~186 kWh/m²
Stackable	○ Two-high	–

Compared with the current 20-ft model (Mega Power 2700A): ~1.7x the capacity per unit, and 3.4x the capacity per footprint when stacked

Mega Power 4000 Series: High-density, stackable design optimized for extra-high-voltage BESS projects

Existing Model (Mega Power 2700A)

Total Capacity:
Approx. 11.0 MWh

New : Mega Power 4000 Series

Total Capacity:
Approx. 37.4 MWh

High Density & Stackable

~3.4× the Capacity per Footprint*1

Optimized for extra-high-voltage BESS projects

*1 Approximate capacity ratio of a two-high Mega Power 4000 configuration versus one Mega Power 2700A within the same footprint.

PowerX Grid Connector for BESS

- An all-in-one solution integrating the core systems required to connect a BESS facility to the grid.
- Turnkey engineering optimizes system design and shortens project lead times.
- Streamlined installation and transportation help reduce overall project costs, enabling Zero-Day Deployment.*

NEW

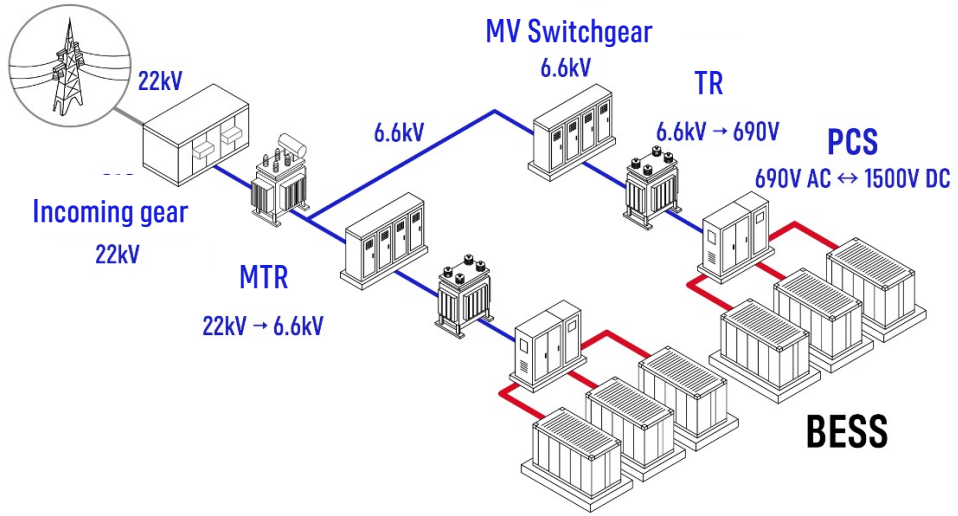
* “Zero-Day Deployment” is PowerX’s proprietary deployment concept, designed to accelerate BESS commissioning by factory-integrating key equipment and simplifying on-site construction.

Grid Connector for BESS:

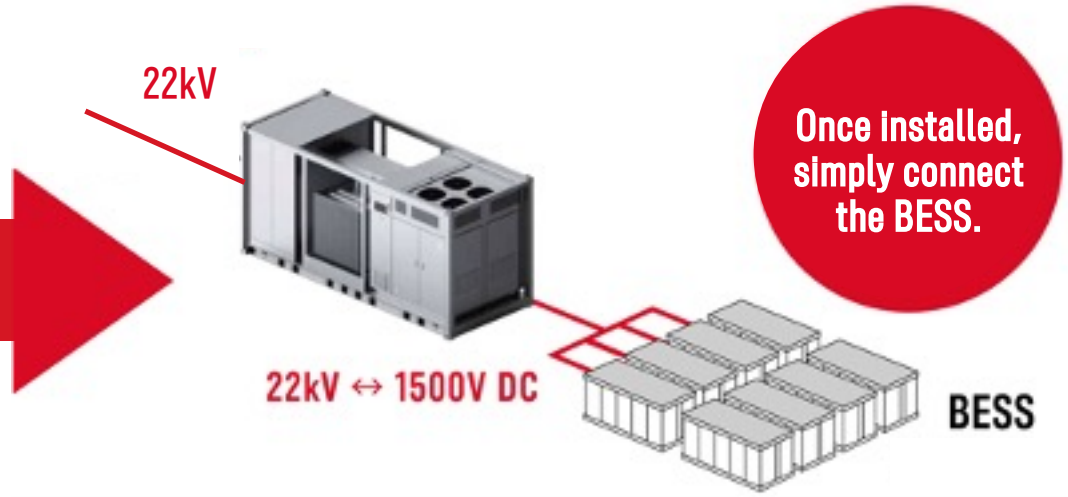
Zero-Day Deployment for Reliable, Cost-Effective Grid Connection

A factory-integrated, all-in-one system that simplifies on-site installation and shortens project timelines, enabling “Zero-Day Deployment”*1

Conventional connection



Grid Connector for BESS



- Factory-integrated
- Simplified on-site installation
- Shorter project timelines

*1 PowerX's proprietary deployment concept: key equipment is factory-integrated in advance, simplifying on-site construction to accelerate commissioning.

PowerX Grid Connector for DC

Turnkey Power, Cooling and Energy Storage Infrastructure

- Power, cooling and battery storage integrated into one factory-built solution.
- Simplified on-site installation enables Zero-Day Connection* for a 1 MW data center.
- Built-in backup power strengthens resilience and business continuity.

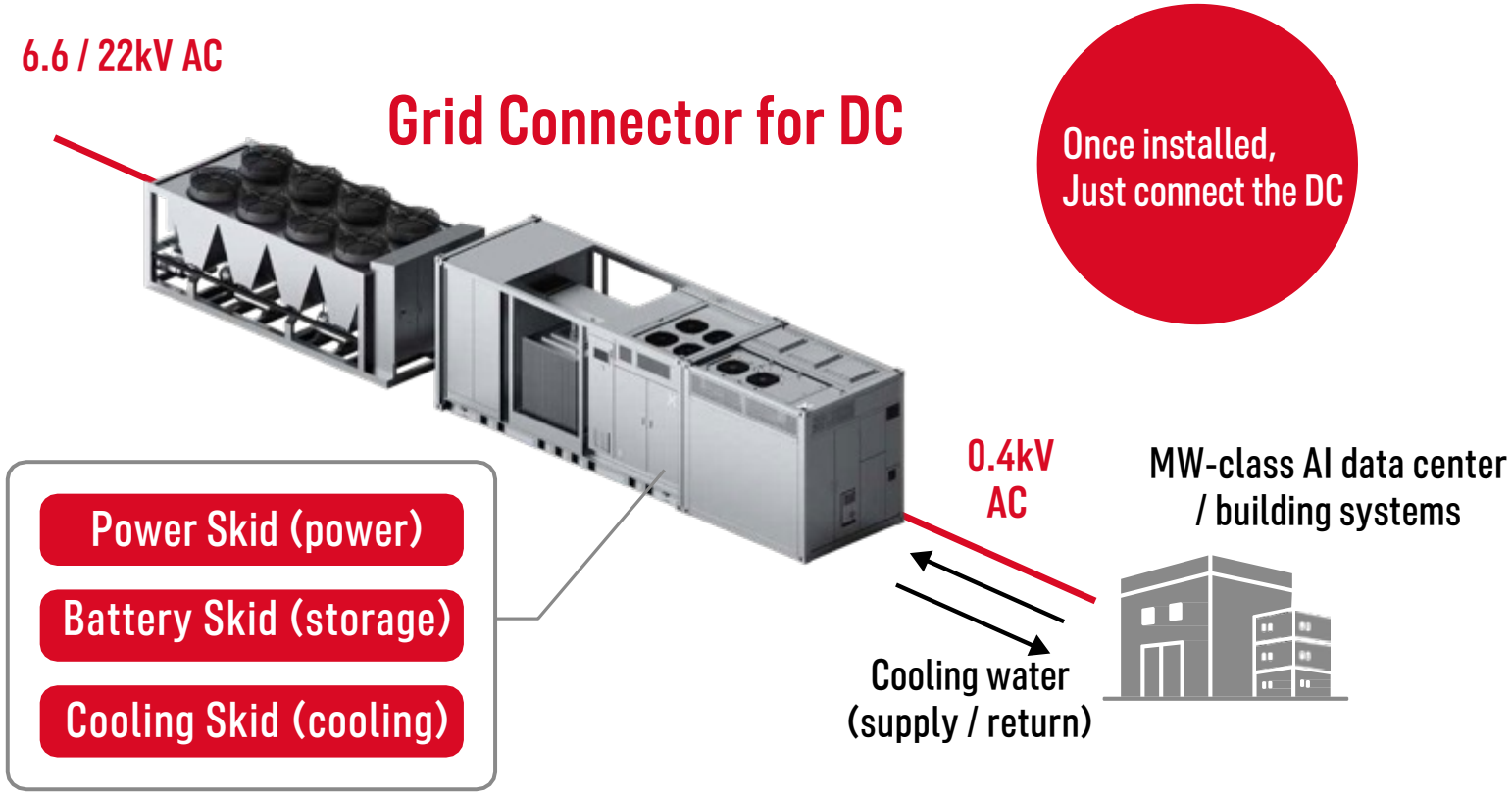
NEW

* “Zero-Day Connection” is PowerX’s proprietary product concept in which key equipment is integrated at the factory, allowing on-site work to focus primarily on installation and connection. Actual project scope and timelines vary depending on system configuration and site conditions.

Grid Connector for DC:

Turnkey Power, Storage and Cooling for Zero-Day Connection*

A factory-integrated, all-in-one solution that minimizes on-site work and accelerates data center deployment.

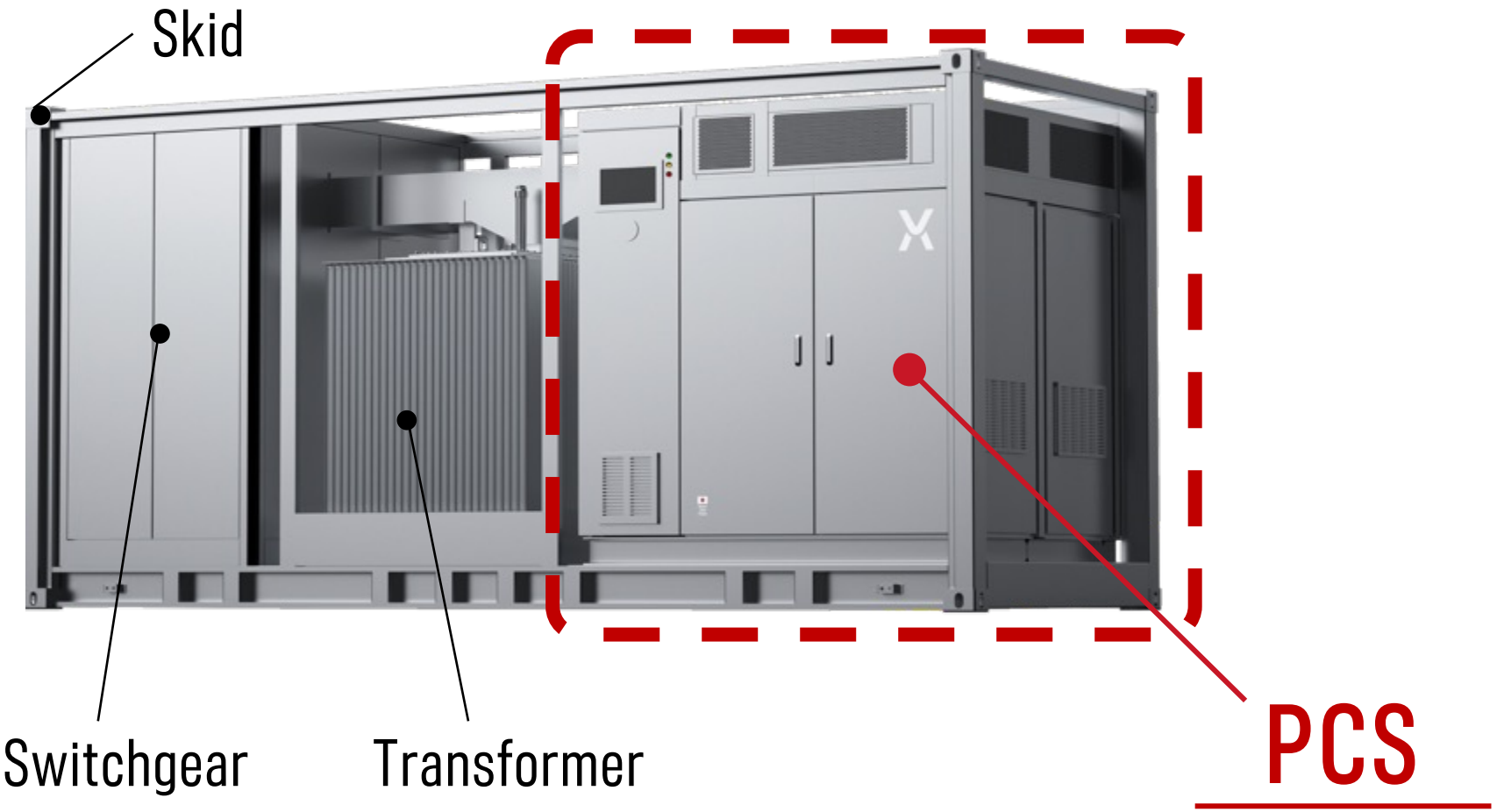


Power, battery storage, and cooling—integrated into one factory-built package.
On-site work is reduced to installation and connection.

- Factory-integrated
- Simplified on-site installation
- Shorter project timelines

* PowerX's proprietary deployment concept: key equipment is factory-integrated in advance, simplifying on-site construction to accelerate commissioning.

Grid Connector for BESS: Components

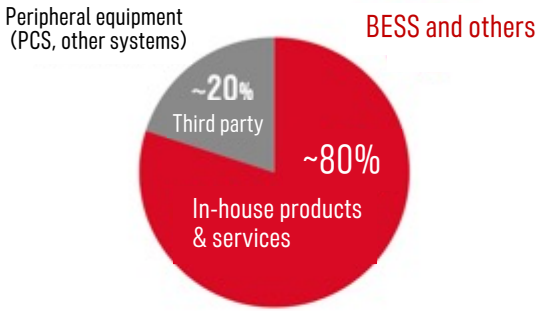


In-house PCS for Increased Efficiency and Profitability

In-house PCS production unifies the software stack, simplifies construction, and enables lower final pricing.
This strengthens BESS competitiveness and improves margins.

Share of In-House Products & Services in Our Revenue*

NOW



In-house products & services

80%

This FY: peripherals ~20%

(¥8.0 bn of ¥40.0 bn)

FUTURE

In-house products & services

100%

Peripherals also going in-house

In-House PCS Production

- Unified software
- Simplified construction
- Lower final price

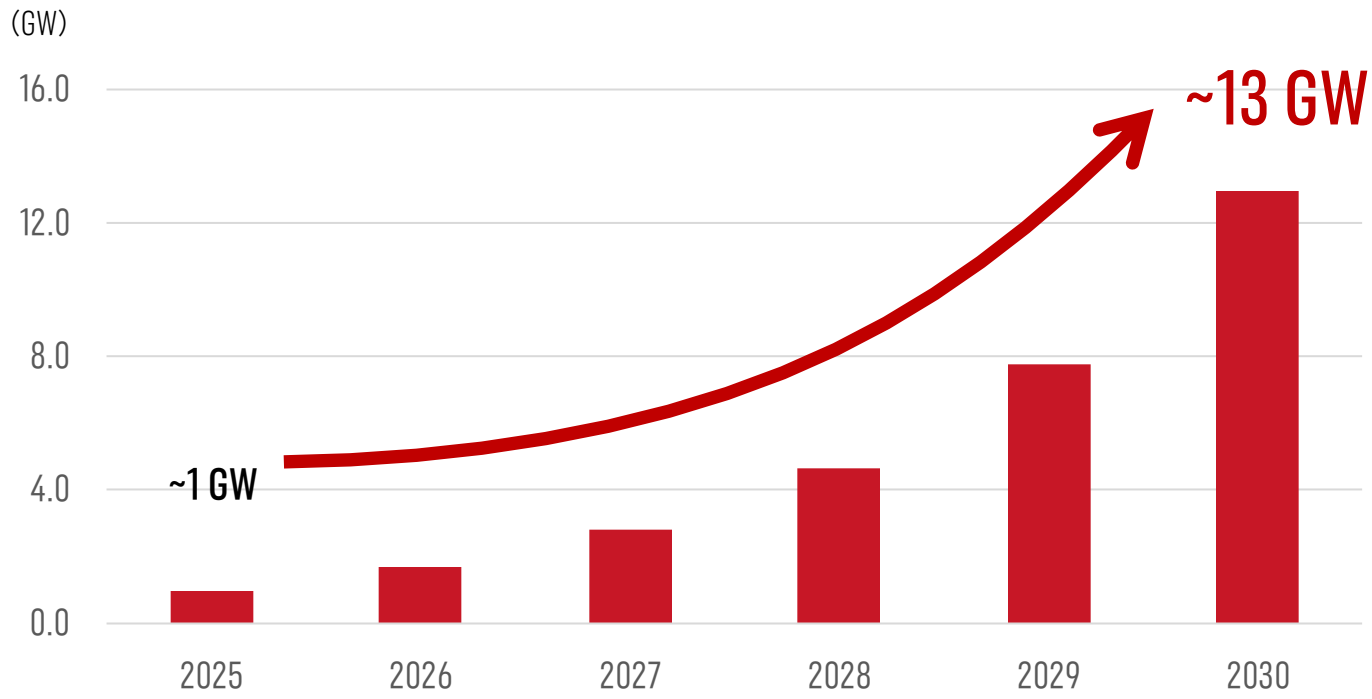
Stronger BESS competitiveness
Improved margins

* Based on our results for the current fiscal year; indicative of an average project. The in-house product/service ratio may vary depending on project scope and site conditions.

Japan Grid-Scale BESS PCS: ¥90–100 Billion Annual TAM by 2030

Deployment is projected to grow approximately 13×, from ~1 GW in 2025 to ~13 GW in 2030.

Grid-Scale BESS PCS Deployment*1



Grid-Scale BESS PCS Market*1

+12 GW or more from 2025 to 2030

– a market worth **~¥90–100** billion annually*2 by 2030

\+

Further potential for the Grid Connector series

Additional upside from data centers and global markets

*1 The 2025 figure is a reference value from "Deployment Outlook for Grid-Scale Batteries," 51st Grid WG (May 24, 2024) (https://www.meti.go.jp/shingikai/enecho/shoene_shinene/shin_energy/keito_wg/pdf/051_03_00.pdf). The 2030 figure uses the 13 GW battery deployment estimate (output) for 2030 from our power source simulation as of April 2026 (see Appendix pp. 86–87). *2 Market size calculated by multiplying the 5.21 GW of deployment expected in 2030 by a PCS + transformer unit price of ¥18,000–20,000/kW.

BESS Business Update

BESS Deliveries and Installations Are on Track

View press releases →

Approximately 3 GWh of BESS projects are progressing nationwide. Following the completion of the 54.8 MWh Kasai project in May, multiple extra-high-voltage facilities are moving toward commissioning, with upcoming projects scaling to 100+ MWh.

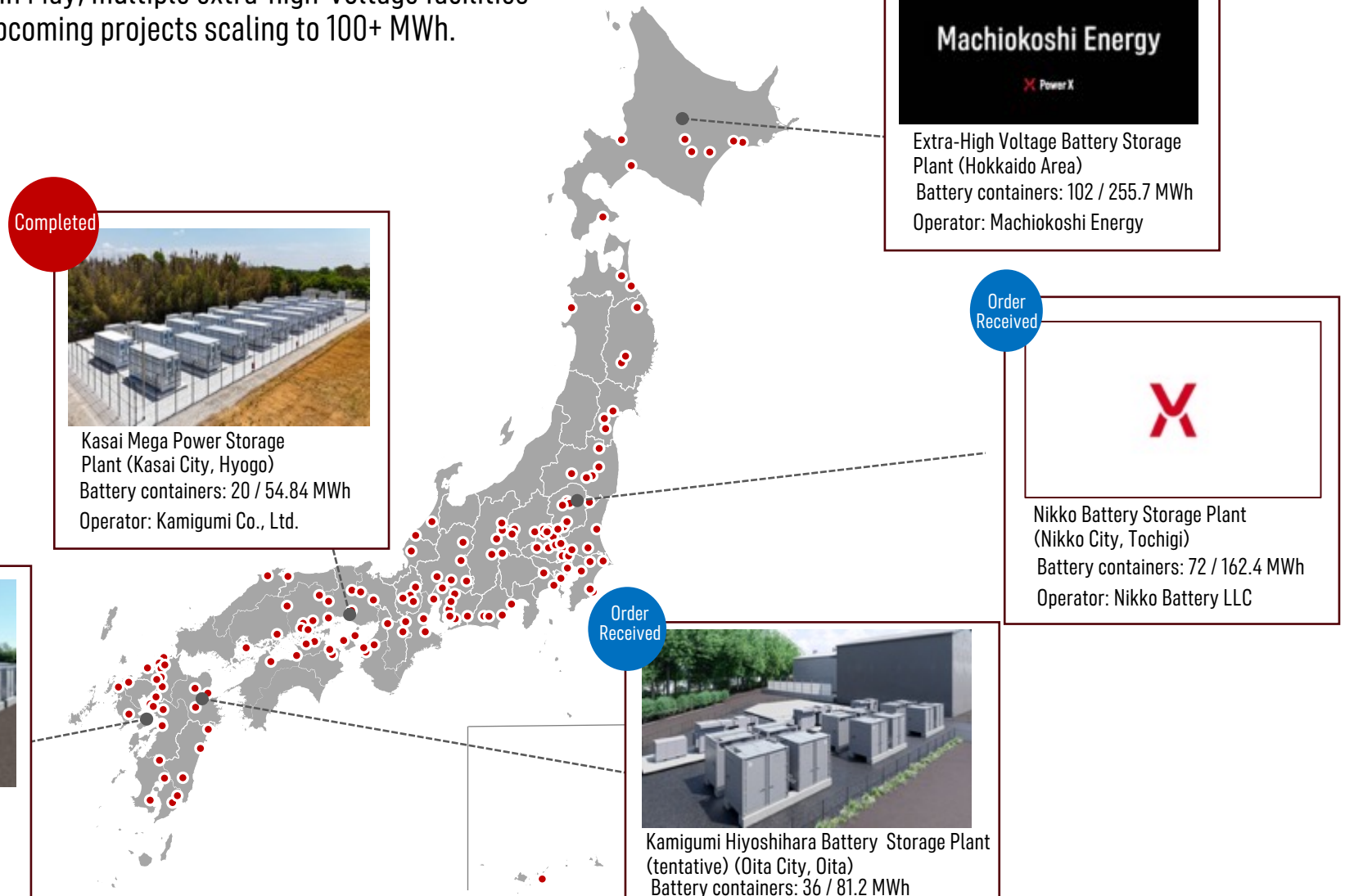
Total Project Capacity

3,033MWh

vs. May: +81 MWh

172 locations

vs. May: +10 locations



Completed

Kasai Mega Power Storage Plant (Kasai City, Hyogo)
Battery containers: 20 / 54.84 MWh
Operator: Kamigumi Co., Ltd.

Order Received

Machiokoshi Energy

Extra-High Voltage Battery Storage Plant (Hokkaido Area)
Battery containers: 102 / 255.7 MWh
Operator: Machiokoshi Energy

Order Received

Nikko Battery Storage Plant (Nikko City, Tochigi)
Battery containers: 72 / 162.4 MWh
Operator: Nikko Battery LLC

Order Received

Chikuzen Energy Storage Plant (Asakura District, Fukuoka)
Battery containers: 102 / 230.1 MWh
Investors: Mitsubishi Estate, ITOCHU, Tokyo Century

Order Received

Kamigumi Hiyoshihara Battery Storage Plant (tentative) (Oita City, Oita)
Battery containers: 36 / 81.2 MWh
Operator: Kamigumi Hiyoshihara Energy Storage Project LLC

Large-Scale BESS Deliveries and Installations Are on Track

Site construction for multiple new large-scale BESS projects is progressing smoothly across Japan ahead of BESS deliveries beginning in Q3.

Power Business Update

Power Business: BESS Operation Services Double in Three Months; Equipment Sales Pipeline Reaches 4.9 GWh

In addition to battery storage facility operation and power supply service, discussions on equipment sales opportunities involving future tolling arrangements are progressing steadily, bringing the total pipeline under negotiation to about 4.9 GWh.

Power Business: Service Adoption

- Battery Storage Operation Services*
  (as of Jul 31, 2026)

34 sites / 66 MW

vs. May:
+17 sites, +33 MW

Doubled in 3 months

*Includes grid-scale storage facilities and co-located BESS.

- Power Supply Services (as of Jul 31, 2026)

79 sites / 22 MW

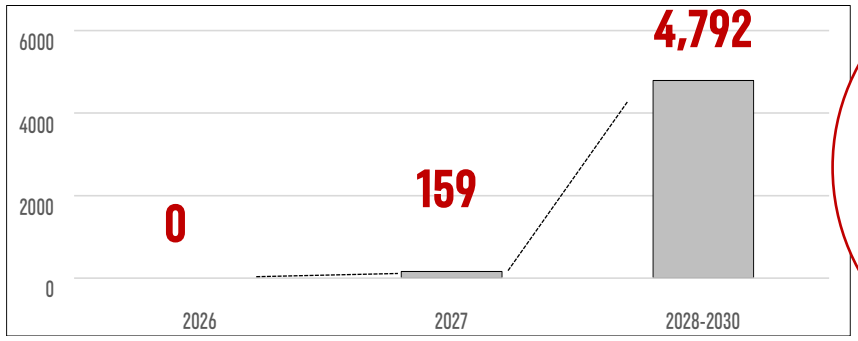
No change since May

Not actively pursuing expansion amid power price volatility

Power Business: Key Updates

- Began procuring electricity from post-FIT wind farms
- Launched aggregation services for batteries co-located with solar power plants

Equipment Sales Pipeline Under Negotiation (MWh)



2026–2030 Projects Under Negotiation

~4.9 GWh

vs. May: +3.4 GWh

Japan Power Market Trends & Update

Balancing Market: Primary Reserve Price Cap to Be Lowered to ¥10/kW per 30 Minutes

As of Jan 2026 [110th Institutional Design Working Group]

"If competitive conditions in the market do not improve, the price cap will be lowered in stages from ¥15 to ¥10, ¥7.21, etc.[*1]"

↓

July 2026
4th Stable Power Supply Working Group

"With bid shortfalls persisting and bids/awards concentrated near the cap, the price cap will be lowered to ¥10[*2]"

←

Even at a primary reserve price cap of ¥10/kW per 30 minutes, our projects remain economically viable, with a project IRR above 10%.[*3]

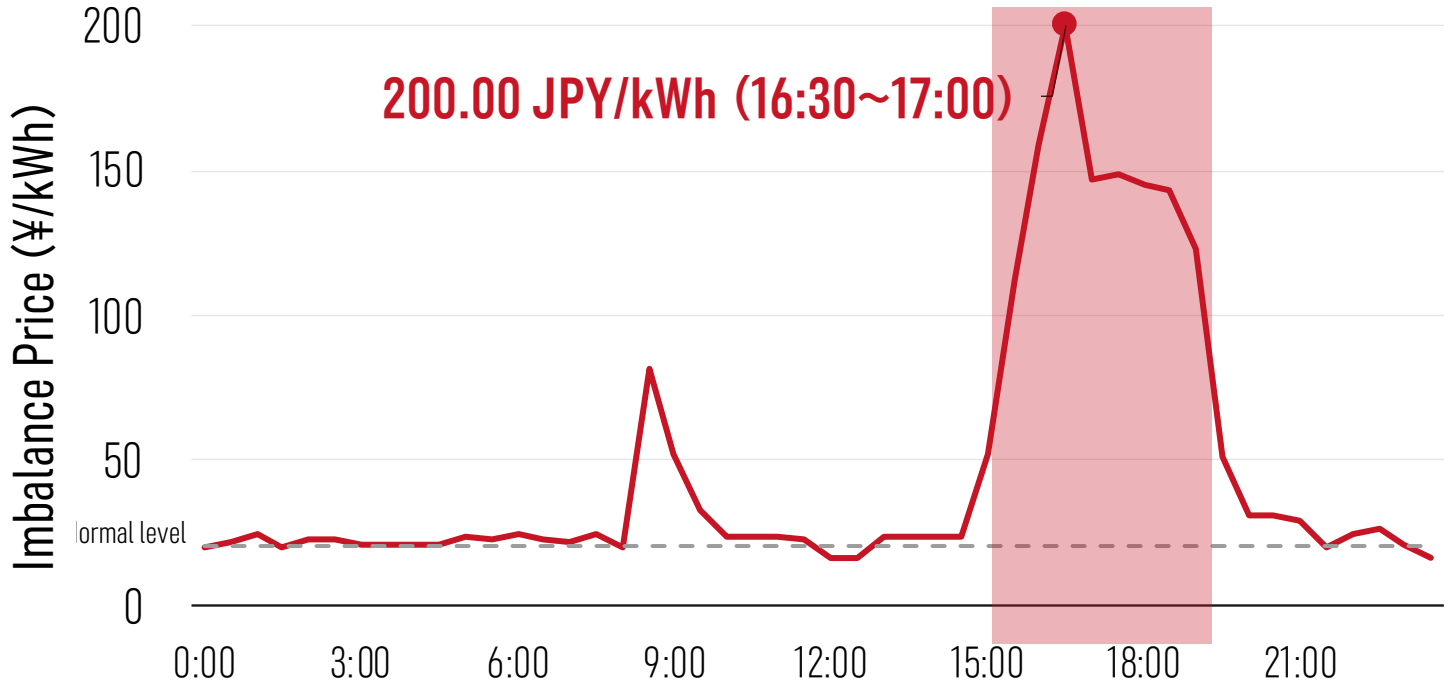
Returns remain consistent with infrastructure investment requirements.

*1 Source: 110th Institutional Design Working Group, Next-Generation Electricity and Gas Infrastructure Subcommittee, Electricity and Gas Industry Committee, Advisory Committee for Natural Resources and Energy
*2 Source: Stable Power Supply Working Group (4th), Next-Generation Electricity and Gas Infrastructure Subcommittee, Electricity and Gas Industry Committee, Advisory Committee for Natural Resources and Energy
*3 The IRR above is estimated with a 20-year DCF model assuming 20 MW / 80 MWh (4 hours) and a 20-year project life. Primary reserve revenue (¥/kW-year) after cumulative profitability follows the public tender guidelines (balancing market revenue less capacity value). Available operating hours: 8,760 h × charge cycle 95% × battery availability 96.2% × SOC rebalancing 96.7% = 7,740 h/year, with a 50% award probability. Revenue declines linearly over 20 years (100% in year 1 → 70% in year 20), and an aggregator success fee of 8% of total revenue is deducted.

Battery Arbitrage Opportunities Are Expanding as Imbalance Prices Spike

- When the supply-demand balance tightens and reserve margins narrow, imbalance prices rise sharply by design.
- During tight supply-demand periods—particularly in summer and winter—batteries discharge when the grid needs power most, helping stabilize the system while generating economic value.

Imbalance Prices in the Tokyo Area, July 22, 2026



Source: Imbalance Price Publication System, monthly CSV (July 2026), retrieved 2026-07-28

Tally for July 1–26, 2026

Normal level (July, Tokyo median)

¥17.3/kWh

Slots above ¥100/kWh in Tokyo

16 slots ~1.2% of all 1,282 slots

Days with prices above ¥100 (Tokyo)

3 days Jul 21, 22, 23

Slots above ¥100/kWh nationwide

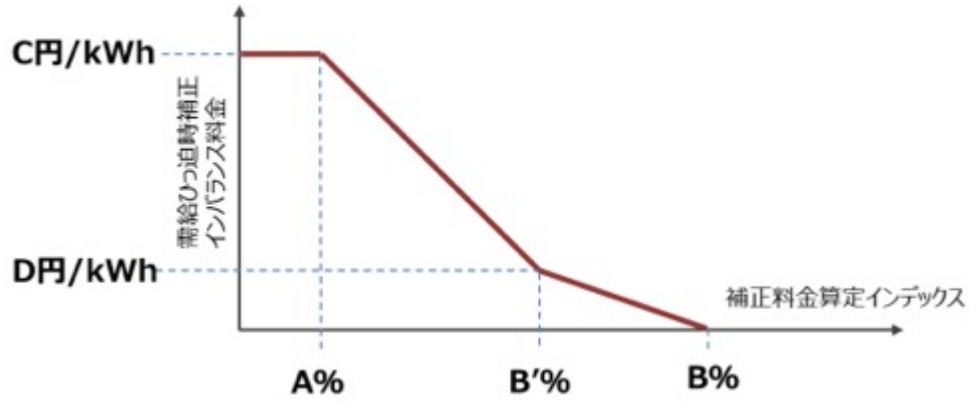
91 slots Occurred in 8 areas (only Hokkaido: 0)

Rising Imbalance Prices Are Expected to Expand Long-Term Battery Arbitrage Opportunities

- The imbalance price cap will rise from ¥200/kWh to ¥300/kWh on October 1, 2026, with a further increase to ¥600/kWh already approved.
- Higher imbalance prices and continued wholesale power price volatility are expected to widen price spreads, creating greater long-term arbitrage opportunities for battery storage.

3. Main Contents of the Amendment
Revision of the Corrected Imbalance Price

● With respect to the corrected imbalance price, which is determined according to the correction price calculation index (referred to as the "correction price calculation index" at the Expert Meeting on Institutional Design and Monitoring of the Electricity and Gas Market Surveillance Commission), the amendment will set, for the time being, the price at a correction price calculation index of 3% (a reserve capacity of 80,000 kW in Okinawa Electric Power's service area, or a wide-area reserve rate[3] of 3% in all other service areas) — the C value, i.e., the price cap — at ¥300/kWh, and the price at a correction price calculation index of 8% (a reserve capacity of 290,000 kW in Okinawa Electric Power's service area, or a wide-area reserve rate of 8% in all other service areas) — the D value — at ¥50/kWh. In addition, since the prices form a linear continuum (i.e., trace a price curve) according to the correction price calculation index, this aspect will also be amended accordingly.



Source: Agency for Natural Resources and Energy, Electricity and Gas Industry Department, Electricity Industry and Market Office, "Partial Amendment to the Rules for Calculating Wheeling Service Charges of General Transmission and Distribution Utilities, and the Amounts Determined by the Minister of Economy, Trade and Industry under Article 27 thereof, in Connection with the Revision of the Imbalance Pricing System"

Japan Power Market Trends: Key Takeaways

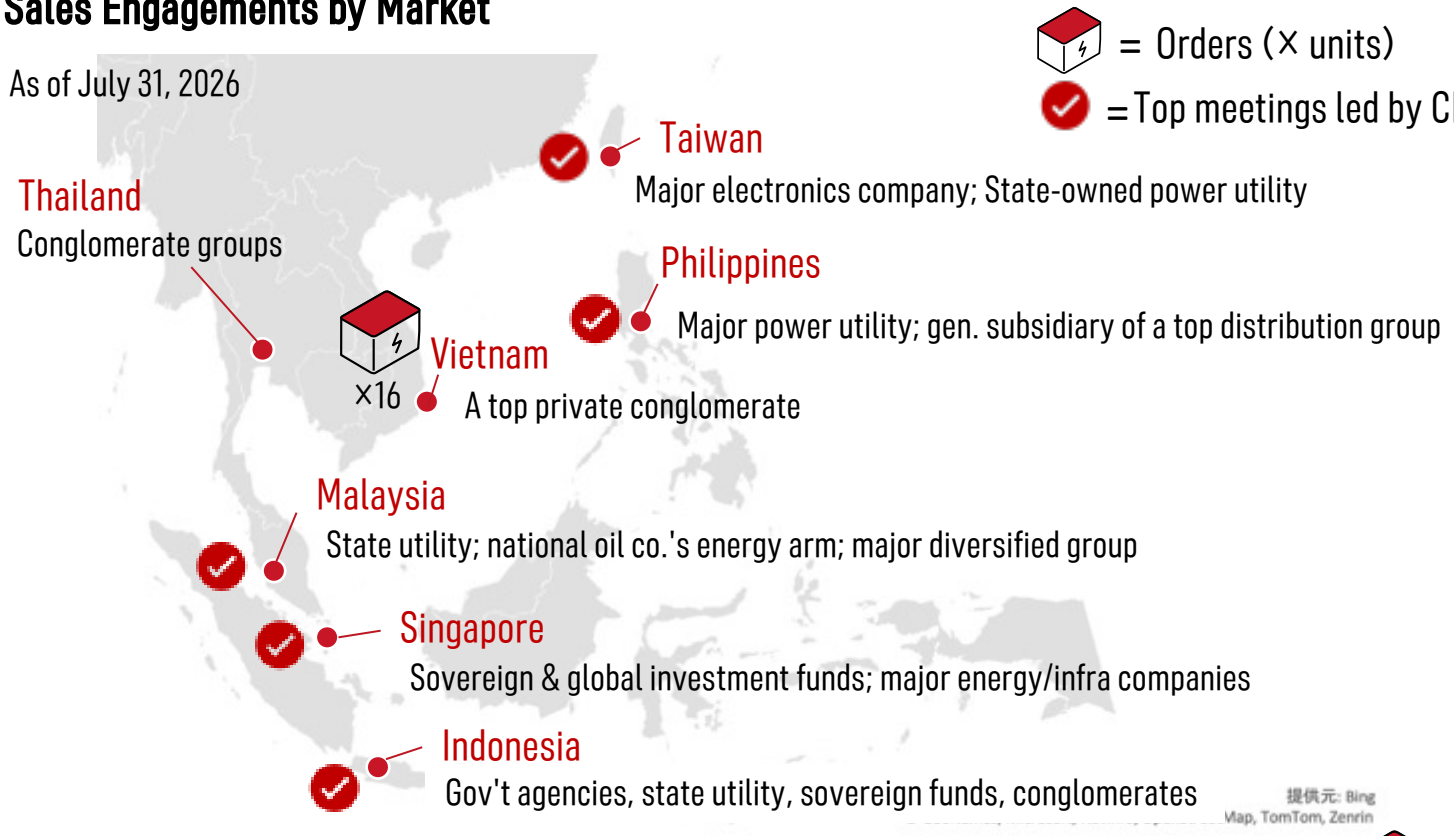
- Even after the primary reserve price cap in the balancing market is lowered to ¥10/kW per 30 minutes, our projects are expected to remain economically viable as infrastructure investments.
- By charging during lower-price periods and discharging when tight supply-demand conditions drive imbalance prices higher, battery storage can capture the price spread while supporting grid stability.
- The increase in the imbalance price cap to ¥300/kWh, together with higher wholesale prices during tight supply-demand periods, is expected to increase arbitrage revenue.

Battery storage is expected to generate increasing value in both the balancing market (ΔkW) and the JEPX wholesale market (kWh).

Global Sales Update

International Sales Activities Across Asia

Sales Engagements by Market



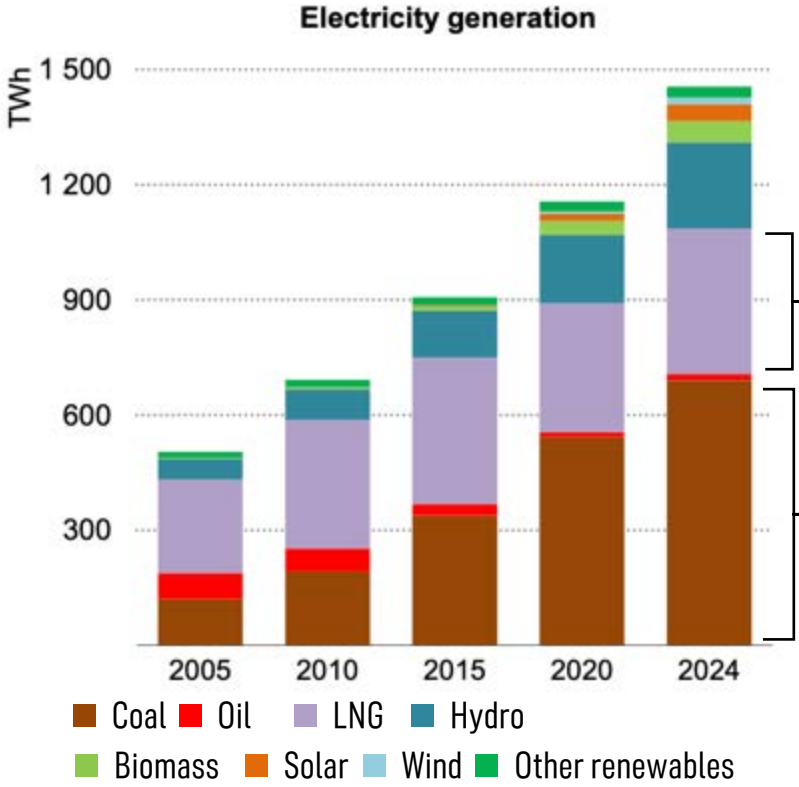
- Japan-led international sales activities across key Asian markets
- Held executive-level meetings with leading companies, conglomerates, and institutions across 7+countries as of July 31, 2026
- Discussions advancing toward specific projects (NDAs and MOUs)

Competitive even at Japan per-kWh system prices

* Company names are not disclosed. Meeting counts are as of the end of July 2026. Meetings in Singapore include Middle Eastern and U.S. global investors (classified by counterparty profile).

Southeast Asia's Energy Landscape: The Urgent Need for Greater Energy Security

Southeast Asia Power Generation Mix (2024)



Source: IEA "Southeast Asia Energy Outlook 2026"

Fossil fuels account for more than 70% of the region's generation mix.

~26% of generation relies on LNG, with imports continuing to rise.

e.g., from 2011 to 2024, Thailand increased LNG imports from 2.2% to 29%*1

~47% of generation relies on coal, while much of the region's coal supply is concentrated in a single exporting country.

e.g., 99% of the Philippines' coal imports come from Indonesia. Extremely vulnerable to temporary export restrictions by a single country*2

Energy Demand Is Expected to Continue Growing

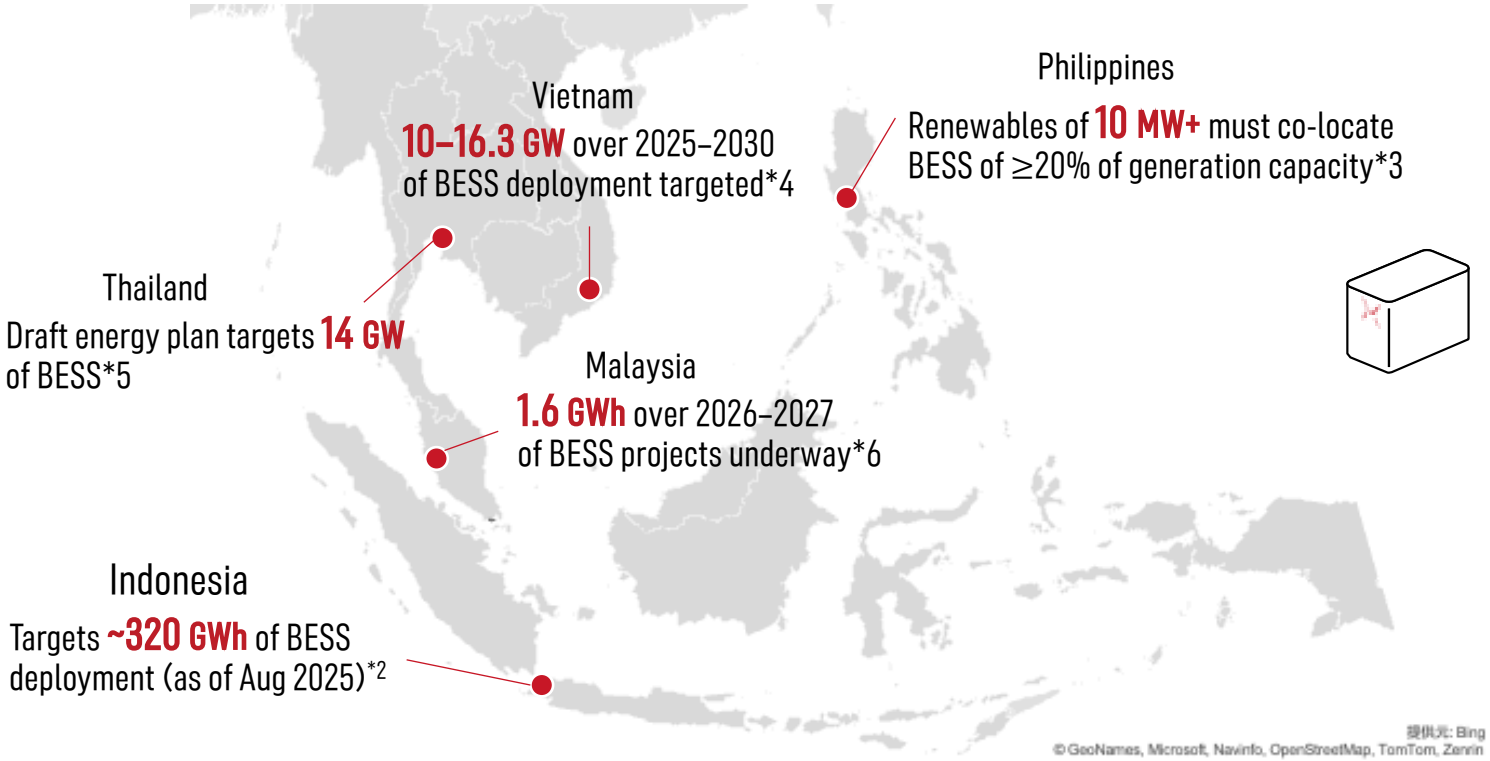
Southeast Asia is projected to account for 25% of global energy demand growth through 2035.*3

The power sector is expected to lead this growth, with regional electricity demand projected to increase by over 4% annually.*3

Countries across the region face growing pressure to secure reliable domestic energy supplies.

*1 Energy Tracker Asia "The High Cost of Thailand's LNG Import Plans" (https://energytracker.asia/thailand-lng-import-plans/)
*2 IEA "Southeast Asia Energy Outlook 2026" (https://www.iea.org/reports/southeast-asia-energy-outlook-2026)
*3 IEA "Southeast Asia's role in the global energy system is set to grow strongly over next decade" (https://www.iea.org/news/southeast-asias-role-in-the-global-energy-system-is-set-to-grow-strongly-over-next-decade)

BESS Deployment Potential in Southeast Asia Region



By 2030:

380 GWh+ of BESS deployment potential

(as of Aug 2025)

According to Rho Motion's "Q3 BESS Forecast" published in August 2025, 60 GWh of BESS is projected to be deployed in Southeast Asia by 2030*1. As the report suggests Indonesia's 320 GWh target is not reflected in that figure, we add it to reach 380 GWh.

"+" reflects our incorporation of the Philippines' BESS co-location mandate.
Policies and projects in other countries are not reflected in the figures above, given their time horizons.

As with fuels, dependence on a single country for battery supply can pose an energy security risk. PowerX aims to establish itself as a trusted alternative from a Japanese manufacturer.

*1 Estimates from Rho Motion "Q3 BESS Forecast" (https://source.benchmarkminerals.com/article/southeast-asia-expected-to-see-uptick-in-bess-deployments-with-indonesias-new-bess-mandate). The scope of the Southeast Asia region follows Rho Motion's definition; specific countries are not disclosed
*2 ESS News (https://www.ess-news.com/2025/08/11/indonesia-announces-bold-320-gwh-distributed-battery-storage-plan/). As the article in *1 itself notes that Indonesia's policy may accelerate this deployment outlook, we assume the 320 GWh is not reflected in the estimate. ESS News describes the underlying solar deployment target as covering the next five years, but no official target year is stated, so we assume the next several years.
*3 ESS News (https://www.ess-news.com/2026/02/27/philippines-mandates-energy-storage-for-renewables-plants-over-10-mw/). The mandate requiring renewables of 10 MW or more to co-locate BESS of at least 20% of generation capacity was announced in February 2026, and is therefore assumed not to be reflected in the *1 estimate.
*4 Watson Farley & Williams (https://www.wfw.com/articles/vietnam-makes-major-updates-to-power-development-plan-viii/). As the revised PDP8 was issued on April 15, 2025, we assume it is reflected in the Rho Motion estimate in *1. *5 Argus (https://www.argusmedia.com/en/news-and-insights/latest-market-news/2737125-solar-battery-storage-can-cut-thai-power-costs-ember). As the revised PDP was issued in 2024, we assume it is reflected in the Rho Motion estimate in *1. *6 Global Legal Insights (https://www.globallegalinsights.com/practice-areas/energy-laws-and-regulations/malaysia/#_edn24). The "MyBeST" initiative targets 400 MW of storage capacity and 1,600 MWh of energy storage, with full operation planned by 2026/2027, and is therefore assumed to be reflected in the Rho Motion estimate in *1.

Montenegro: Update on Discussions with EPCG

- In May 2026, we signed an MOU with EPCG, Montenegro's state-owned power utility, to explore the deployment of battery energy storage systems (BESS).
- Under the MOU, we are jointly developing a BESS deployment plan aimed at enhancing grid reliability and providing peak-shaving and frequency-regulation capabilities.
- Project timelines, supply volumes, investment amounts, and the terms of any definitive agreements remain subject to further discussion. Any material developments will be disclosed promptly.

Our New Mission: Think Sovereign Energy

Previous Mission

Achieving Japan's Energy Independency

New Mission

Think Sovereign Energy

Beyond Japan, energy self-sufficiency and energy security are becoming increasingly urgent priorities across Southeast Asia and around the world. PowerX develops the products and solutions needed to advance energy sovereignty globally.

Other Updates

- Application for Transfer to the TSE Prime Market
- Tokyo Office Relocation
- FAQ

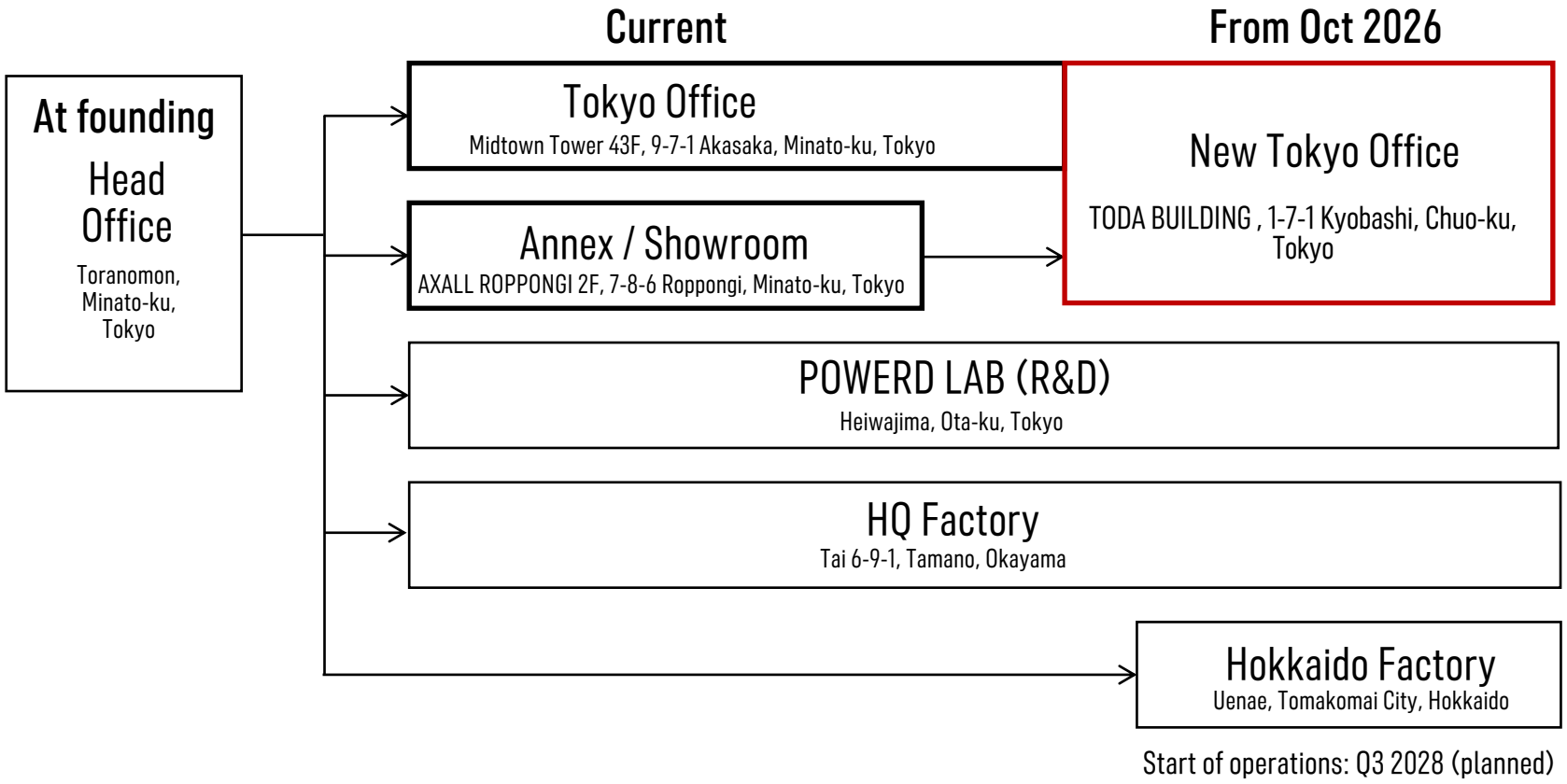
Application for Transfer to the TSE Prime Market

Preparations for the transfer to the Tokyo Stock Exchange Prime Market continue; while the application timing is undecided at this point,

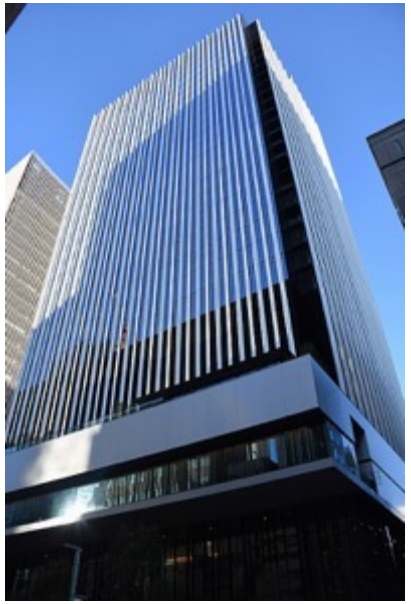
Our plans are unchanged and preparations are underway.

Tokyo Office Relocation

Beginning this October, we will consolidate our Tokyo office and annex/showroom into a single location in Chuo-ku, bringing teams together to improve communication and productivity.



Start of operations: Q3 2028 (planned)



TODA BUILDING

Photo: Mochizuki1018 / Wikimedia Commons / CC BY 4.0

Summary | A Stronger Foundation for the Next Phase of Growth

- Financial performance, orders, and production remain on track with our growth plan.
- We are expanding our order book and production capacity to support revenue targets of ¥68.0–72.0 billion in FY2027 and more than ¥200 billion in 2030.
- Mega Power 4000 series, Grid Connector series, and the in-house PCS enhance our competitiveness in product performance, cost, lead times, and profitability.
- Our BESS and Power businesses continue to expand, with overseas opportunities progressing steadily.
- We continue to invest in growth and strengthen our corporate infrastructure to advance “Think Sovereign Energy.”

Thank you for joining us today.

For the new product launch video and the AI-readable version of today's materials,

please use the QR codes below

New product launch video (YouTube)

↓

Today's materials (AI-readable MD file) 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

Frequently Asked Questions on Order Backlog and Revenue Progress

Q. Why has the order backlog increased so significantly? Is production falling behind?
A. Delivery timing for equipment sales is determined by project schedules based on factors such as grid connection timing, subsidy reporting deadlines, and customers' budget execution cycles. The build-up in order backlog is therefore driven primarily by customer-side scheduling constraints rather than production capacity.

Q. Why is revenue concentrated in H2? Is there a risk of excess inventory?
A. Particularly for extra-high-voltage battery storage projects, subsidy utilization is high and project schedules are often set around subsidy reporting deadlines, resulting in revenue concentration in H2. Production is leveled throughout the year to meet H2 delivery schedules, causing inventories to temporarily increase in H1. However, all such inventory is tied to Signed Orders, with no inventory build-up from speculative production.

Q. Is there a risk that scheduled revenue recognition could be delayed?
A. Projects under Signed Orders are generally delivered without significant deviation from the contractual delivery date, with revenue recognized upon product delivery. Even if grid connection is delayed due to external factors, many contracts include provisions allowing delivery upon factory acceptance, minimizing the risk of significant delays in revenue recognition.

Q. When is the planned Prime Market listing? Will equity financing be conducted at the same time?
A. As announced on June 3, 2026 in the "Notice Regarding Preparations for Applying to Change PowerX's TSE Market Segment to the Prime Market," preparations are currently underway, but no specific timing has been determined. There are no plans to conduct equity financing concurrently with the Prime Market listing; however, the need for financing will continue to be assessed in light of financial stability and funding requirements.

Company Overview

Company Overview

Company	PowerX, Inc. (TSE Growth Listed)
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)	251 (including temporary employees)*

* As of June 30, 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

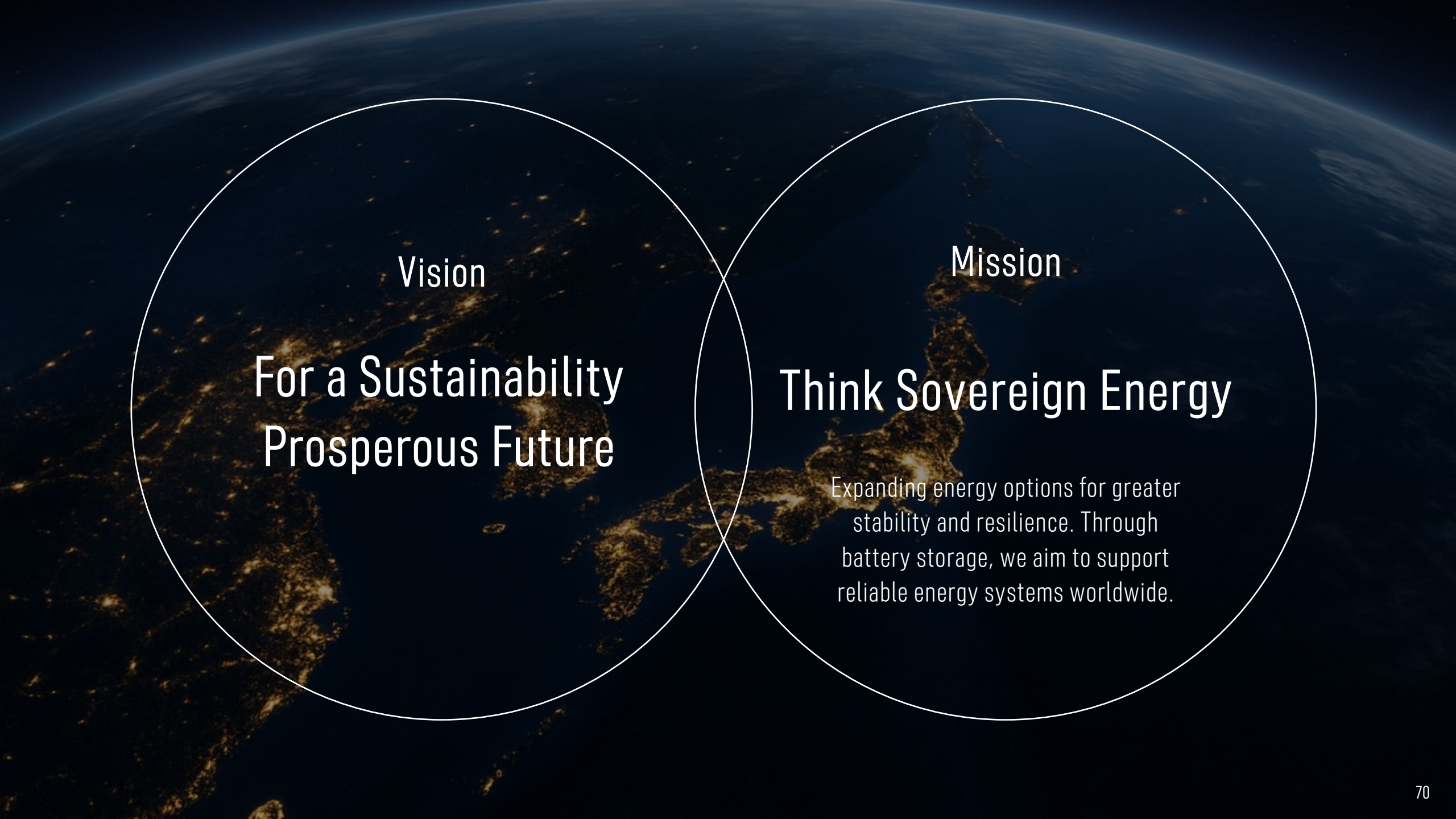
Deepak Raut

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 Sustainability Prosperous Future

Mission

Think Sovereign Energy

Expanding energy options for greater stability and resilience. Through battery storage, we aim to support reliable energy systems worldwide.

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

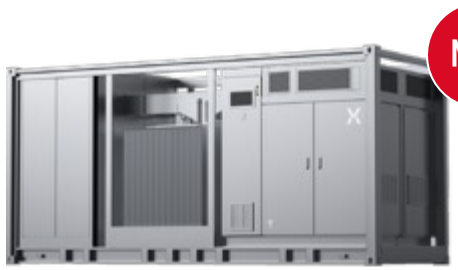
- EV Charging Station
- Battery Tanker

Engineering / R&D

+

In-house Manufacturing

PowerX Product Lineup

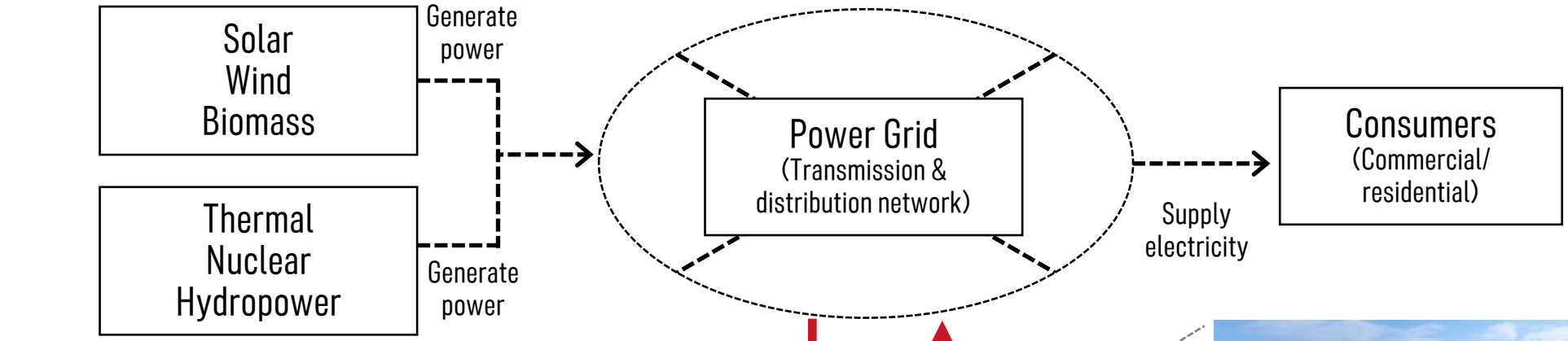
	Mega Power Series / Data Center Products		PowerX Grid Connector Series
For Battery Power Plants	 **PowerX Mega Power 2500** 2.5MWh 10ft container sized BESS	 New **PowerX Mega Power 4000 Series** Next-generation high-density BESS	 New **PowerX Grid Connector for BESS** Turnkey BESS grid connection
For Data Centers	 **PowerX Mega Power DC** Modular data center	 **PowerX Energy Blade** Blade-type/Rack-type Battery System	 New **PowerX Grid Connector for DC** Turnkey infrastructure for data centers

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.

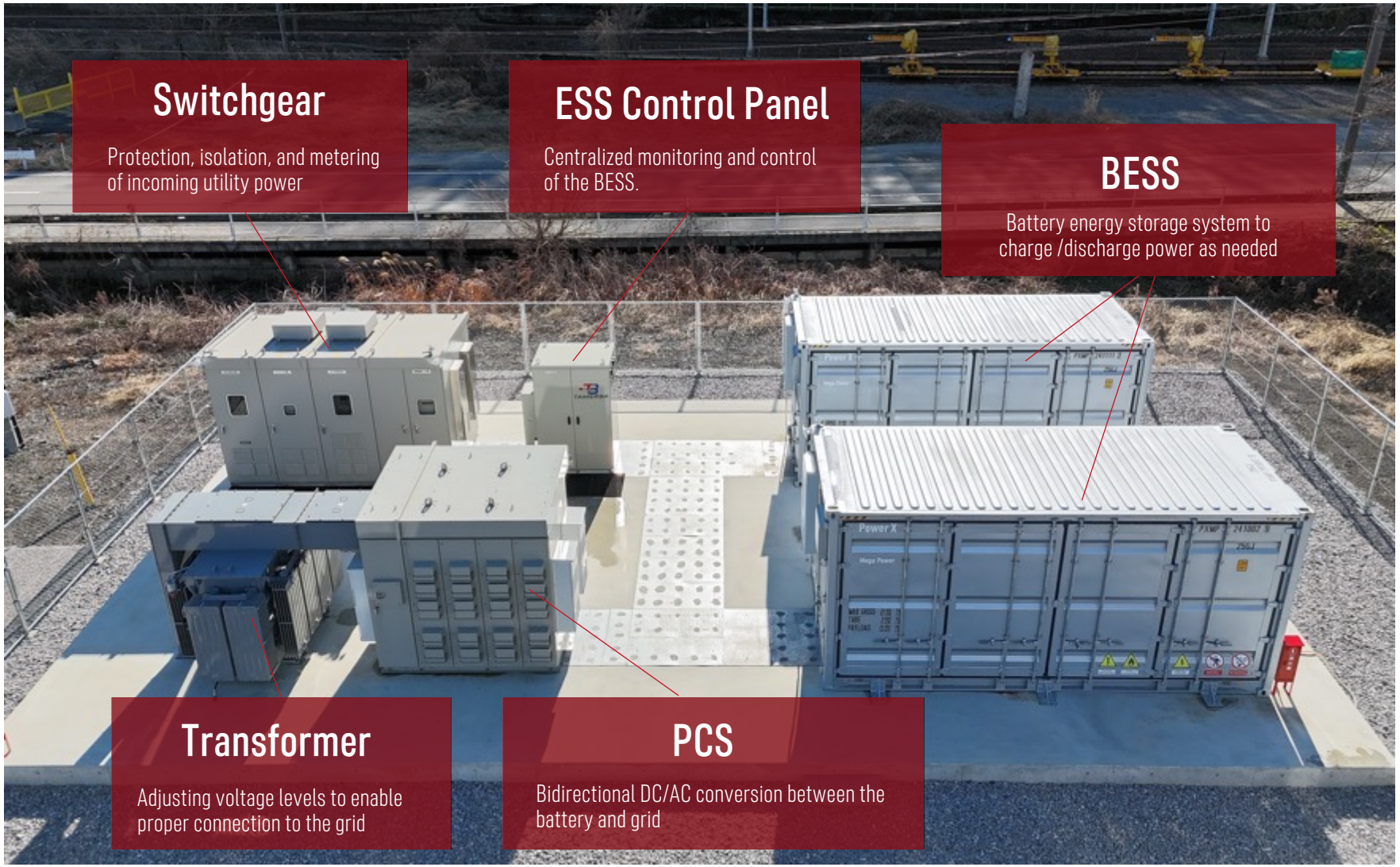


- Contributing to grid stability
- Generating revenue from three electricity markets
  (JEPX、EPRX、Capacity Market)

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

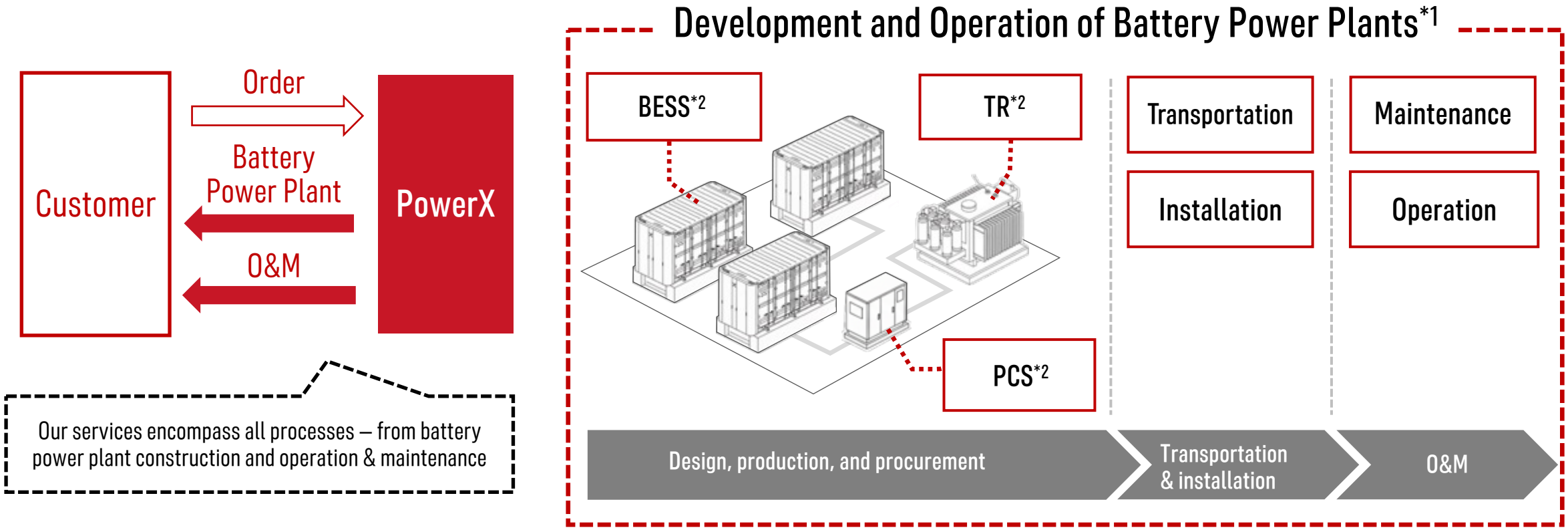
Source: Kenji Eda & Hiroaki Izuma, *Battery Storage Business*.

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.



*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

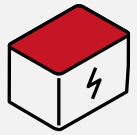
- Leverages its position as a battery system manufacturer to expand into the power business
- Delivers cost-efficient and stable services through vertical integration of power, aggregation, and assets
- Alongside plant operation and power supply services, equipment sales of the batteries themselves are also underway and expanding

Power Business

Electricity Supply Services

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

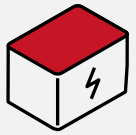
Flat Plan	Semi-Flat Plan	Advanced Plan



Aggregation Services

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

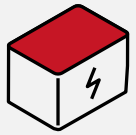
Battery Power Plant	Co-located with PV	Commercial & Industrial



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

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

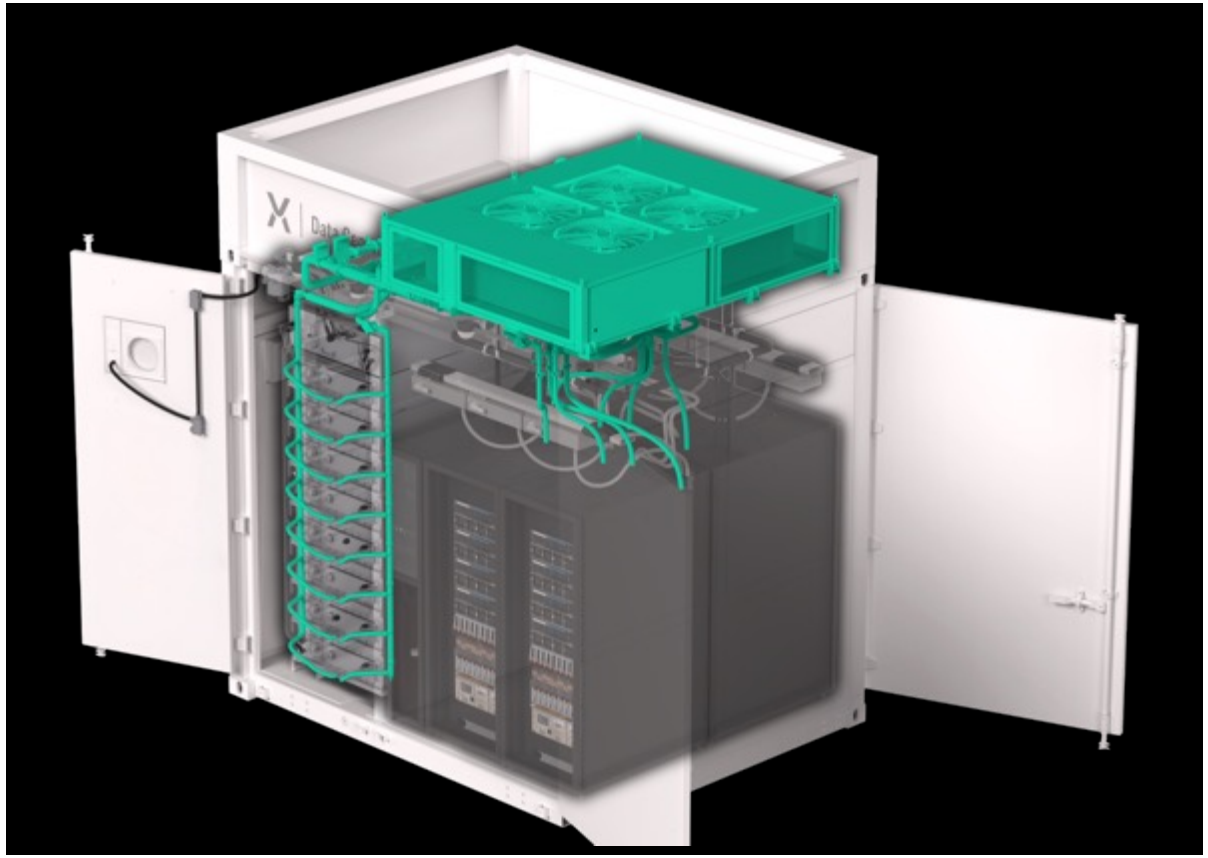
Applying cooling systems of BESS

Mass Production

Mass production at PowerX factories

Mega Power DC: Technologies Supporting Stable Operations

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

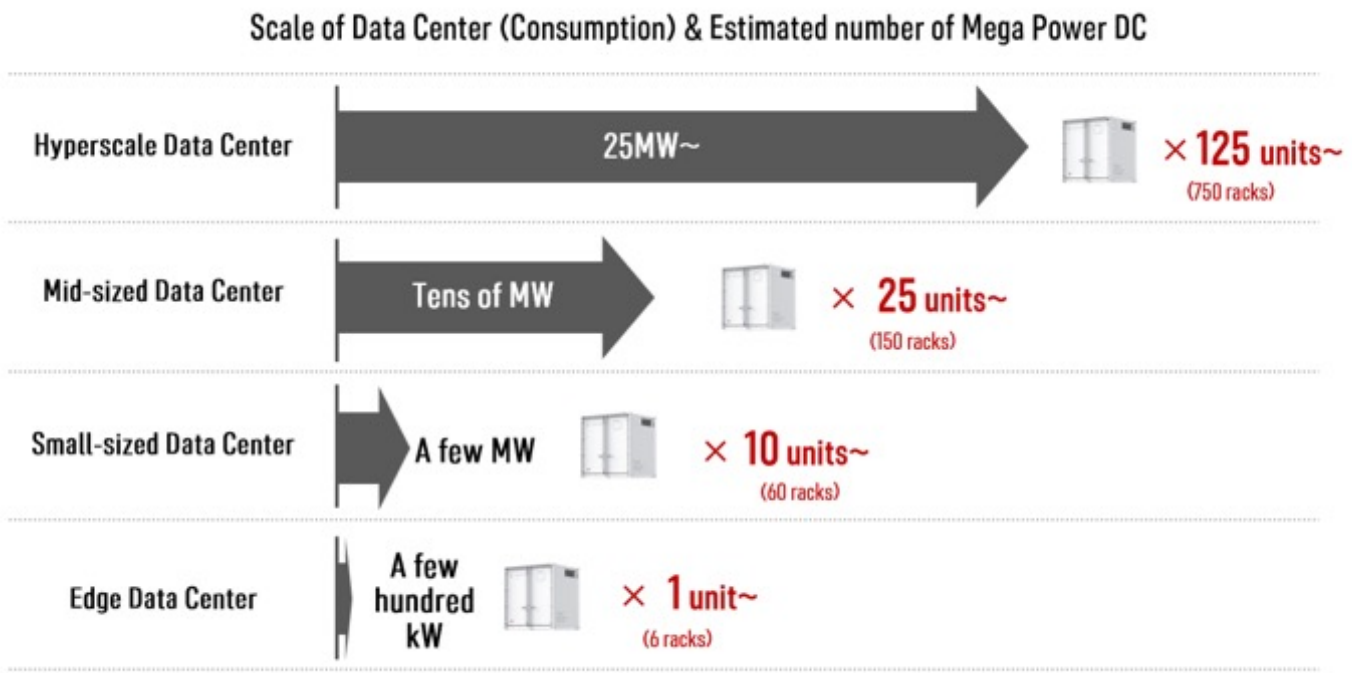


Closed-Loop Liquid Cooling for High Efficiency and Stability

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

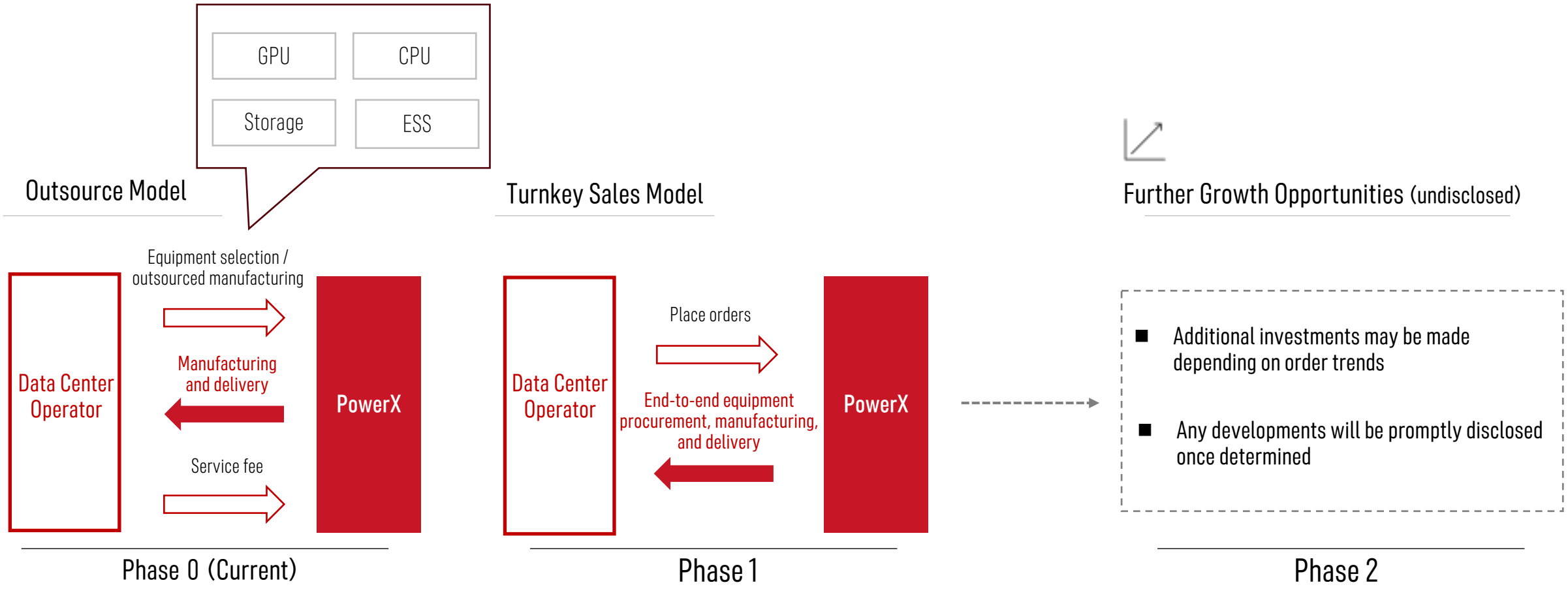
Power Received	Container	IT racks*
0.2~2MW	1~10	6~60

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)



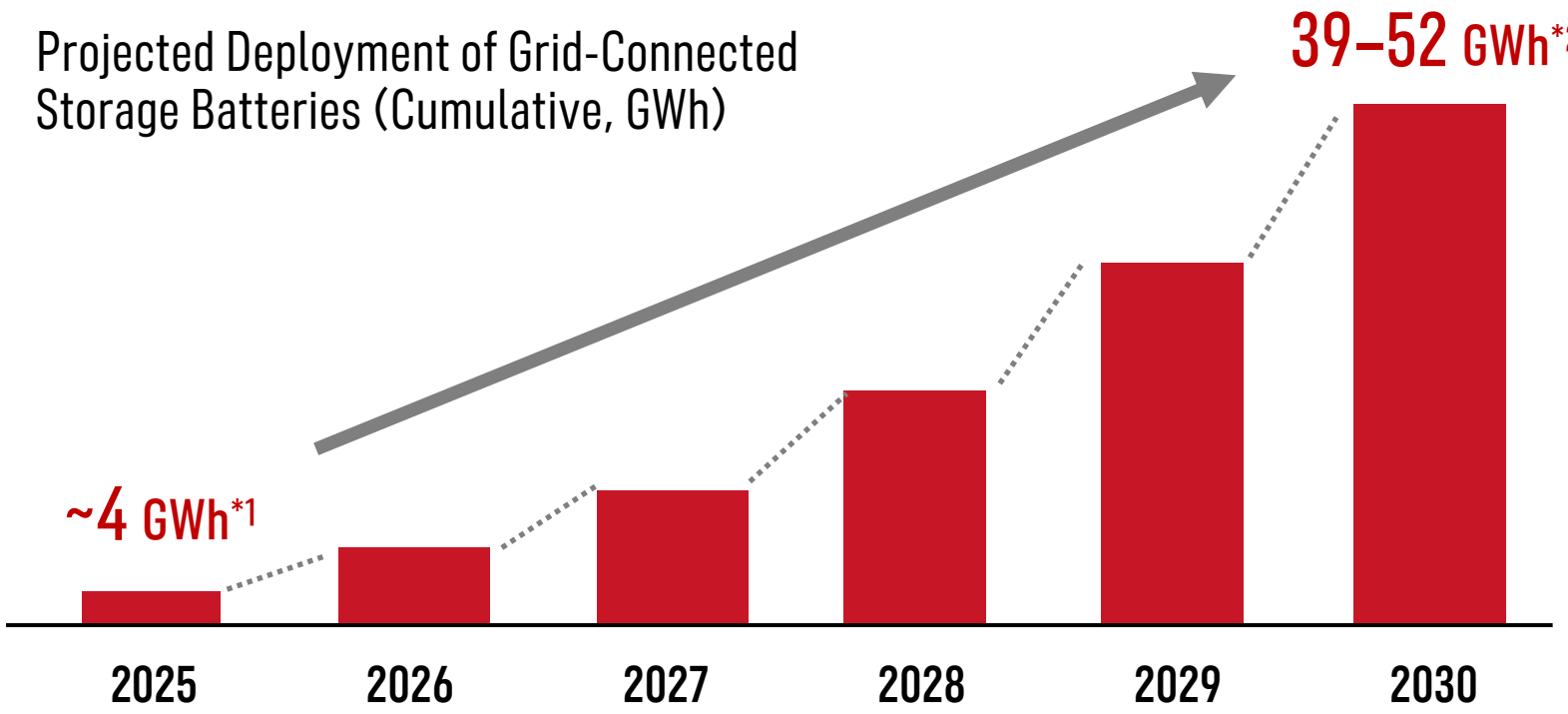
***No significant changes to large-scale CAPEX or the current disclosed business plan are expected as a result**

Domestic TAM for Grid-Connected Storage Batteries

Business Environment Update

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

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



Grid-connected battery market*3

7–9.6 GWh per year

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

Domestic 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 Case 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 Optimistic case.	+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,

+

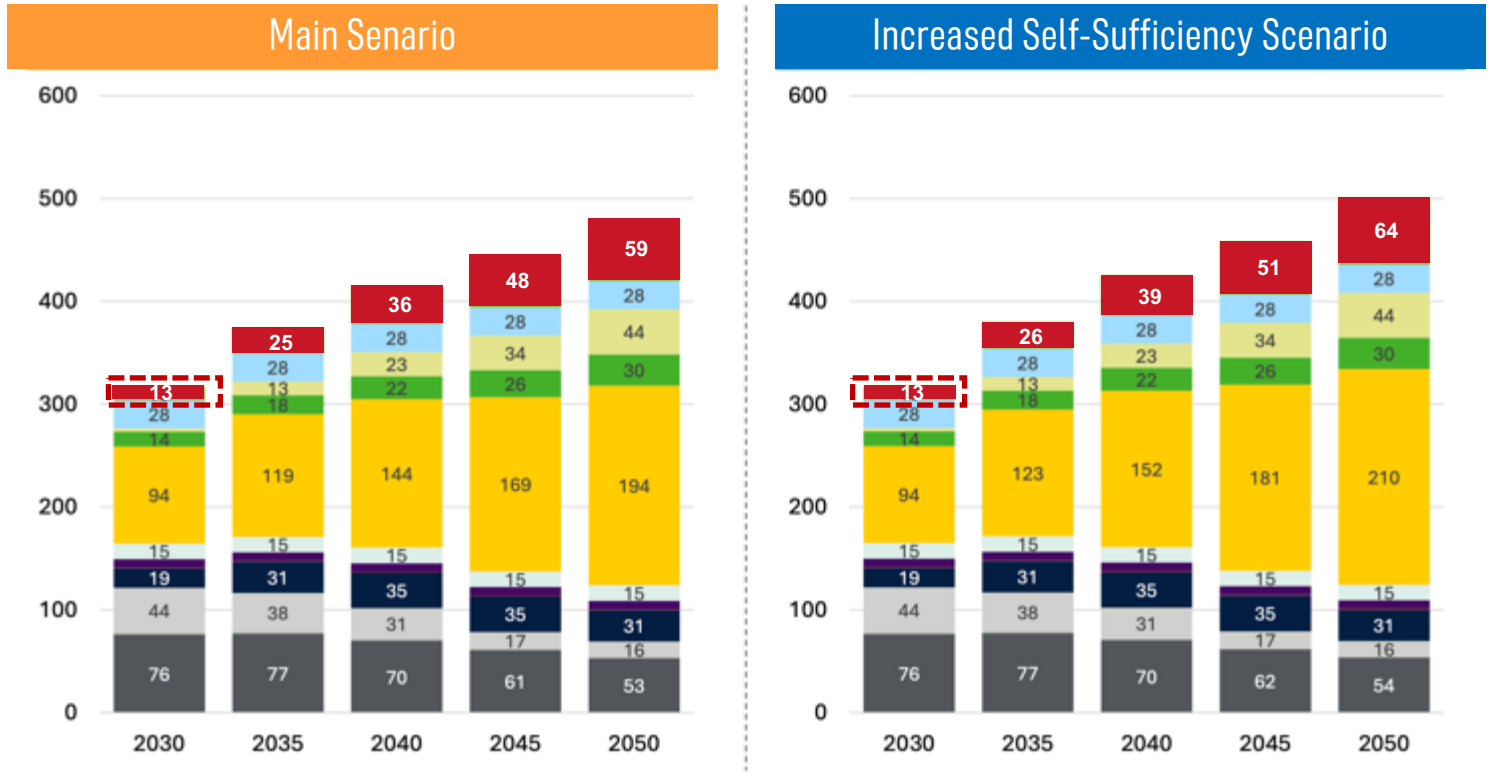
Increased demand for data centers

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

Domestic 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

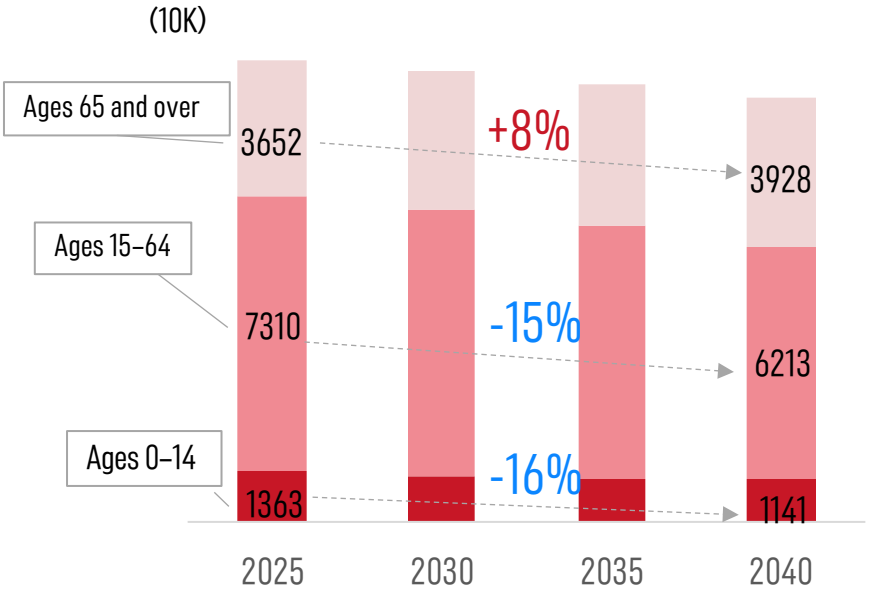
Hydro | Onshore Wind | Pumped Hydro
Solar | Offshore Wind | Storage Battery
LNG | Coal & Ammonia | Geothermal
Oil | Nuclear | Biomass

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.

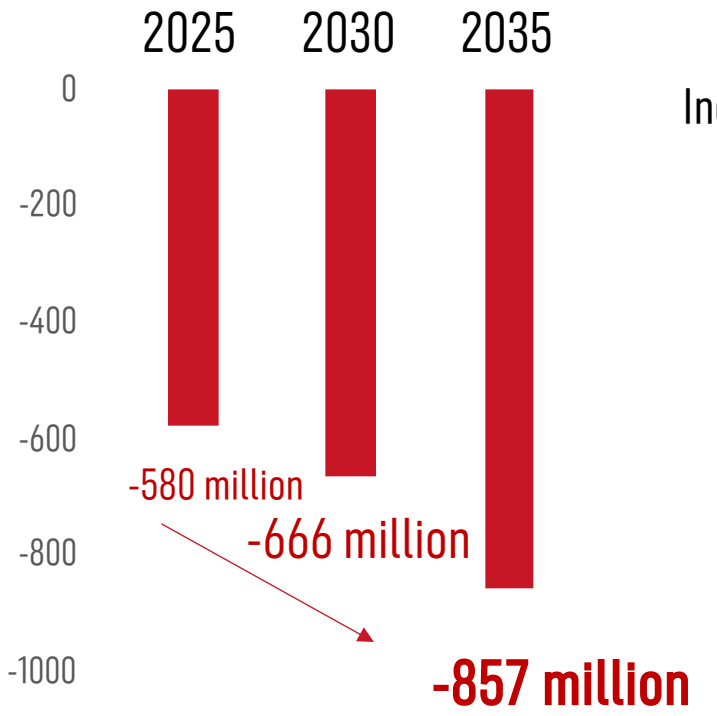
AI Data Center Demand Growth

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)

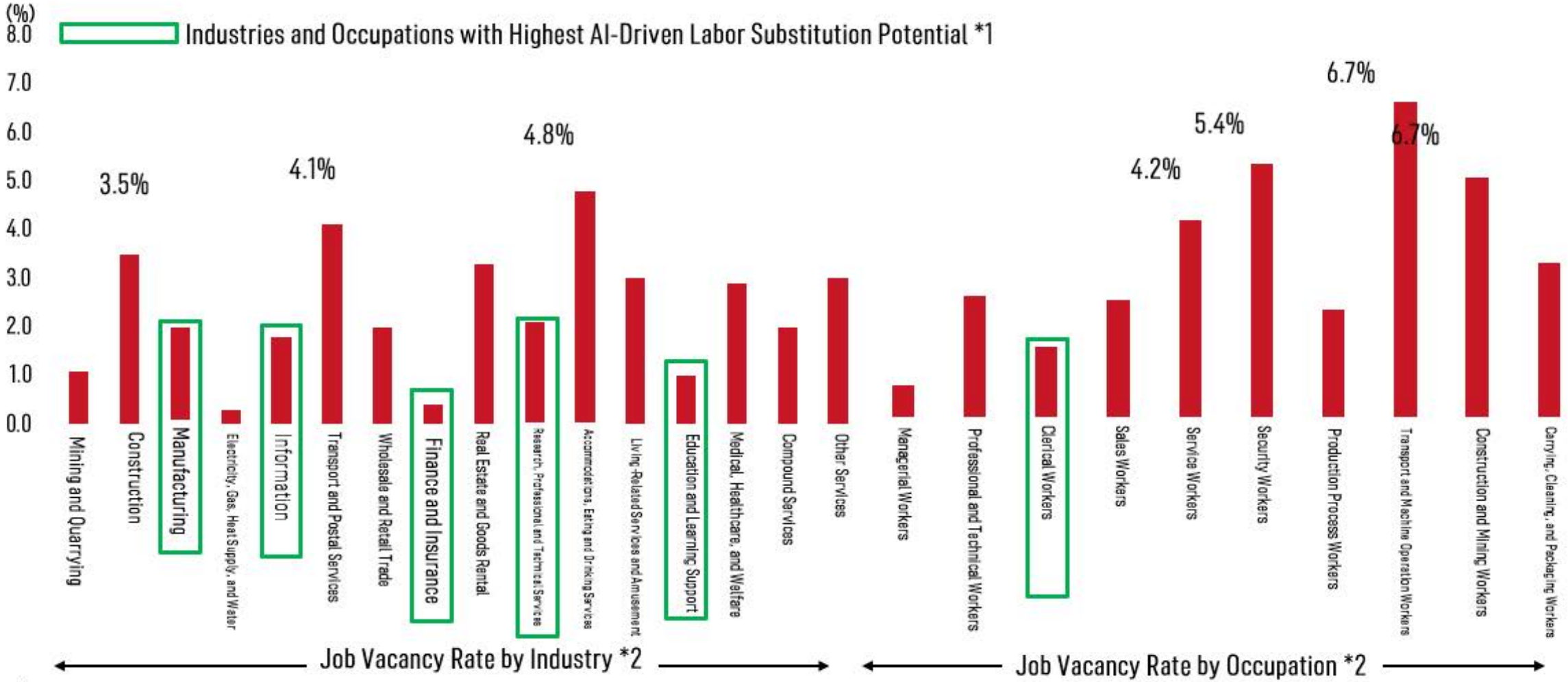
Industry/Occupation Average : 17.2% Reduction

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 (%)

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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@FinancialNikkei

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

nikkei.comから

午後4:15 · 2026年3月3日 · 1万 件の表示

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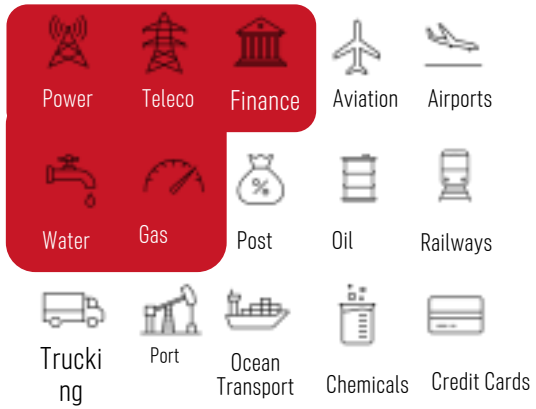
Source：https://x.com/FinancialNikkei/status/2028731017583063206

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

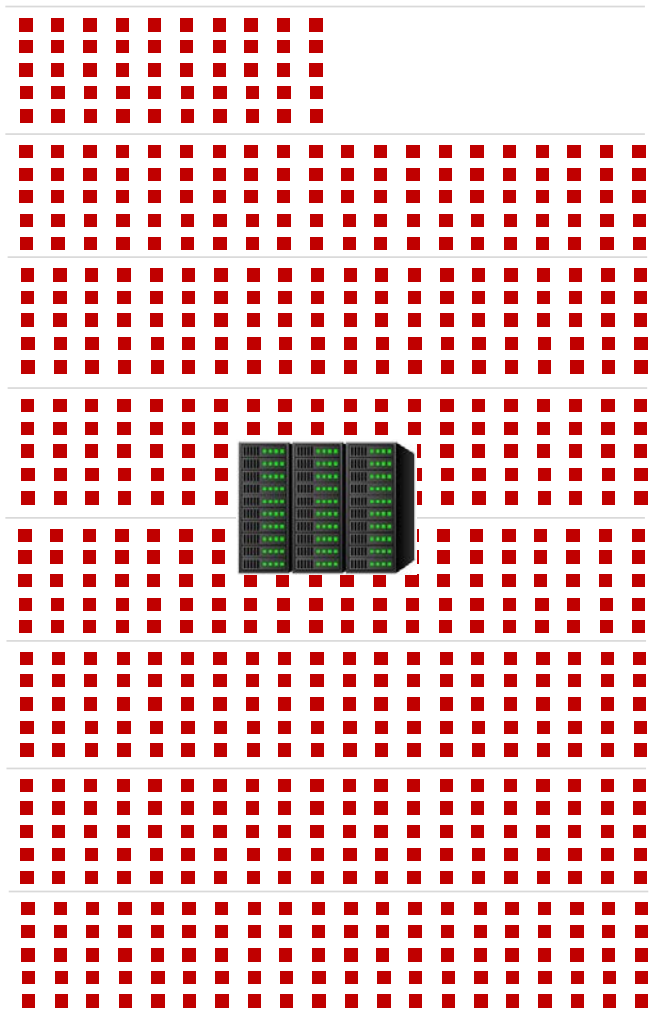
- Patient transfer assistance
- IV preparation & specimen transport
- Surgery assistance

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

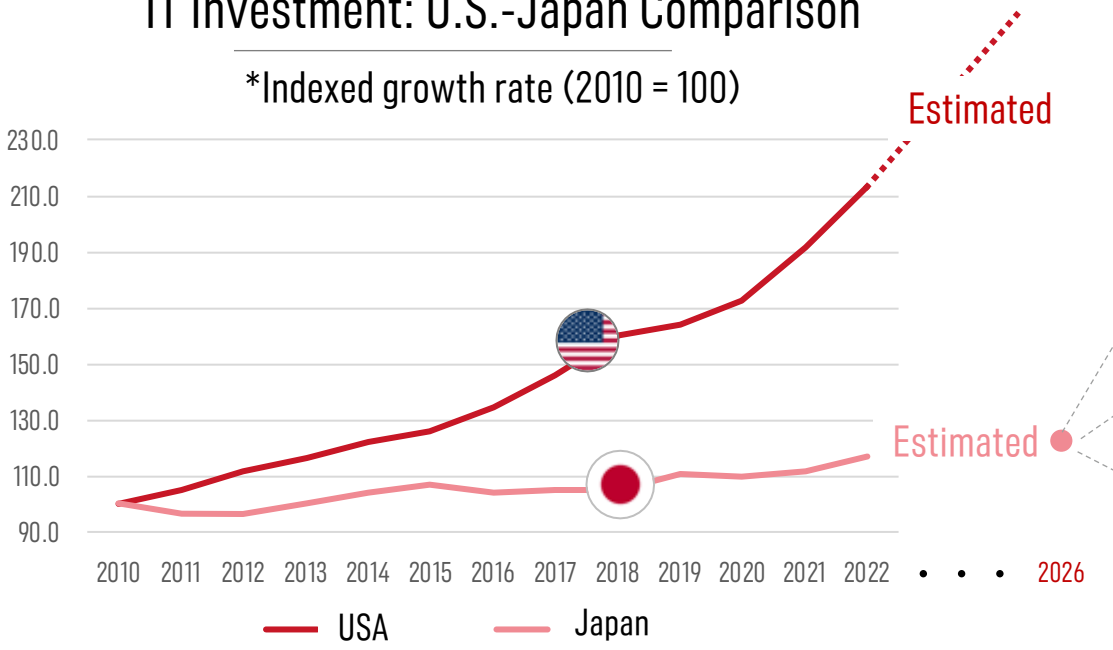
* For total data center power capacity in the United States, please refer to BloombergNEF (https://about.bnef.com/insights/commodities/power-for-ai-easier-said-than-built/). According to Lawrence Berkeley National Laboratory, AI servers accounted for approximately 22.5% of total U.S. data center power 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.

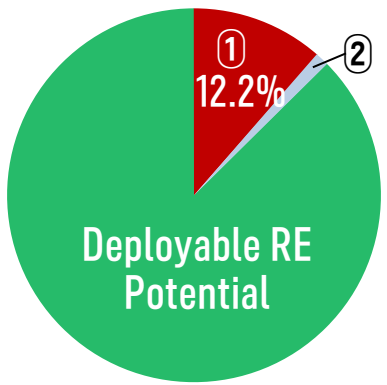
Stranded Renewables: Generation Potential vs. Grid Constraints

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

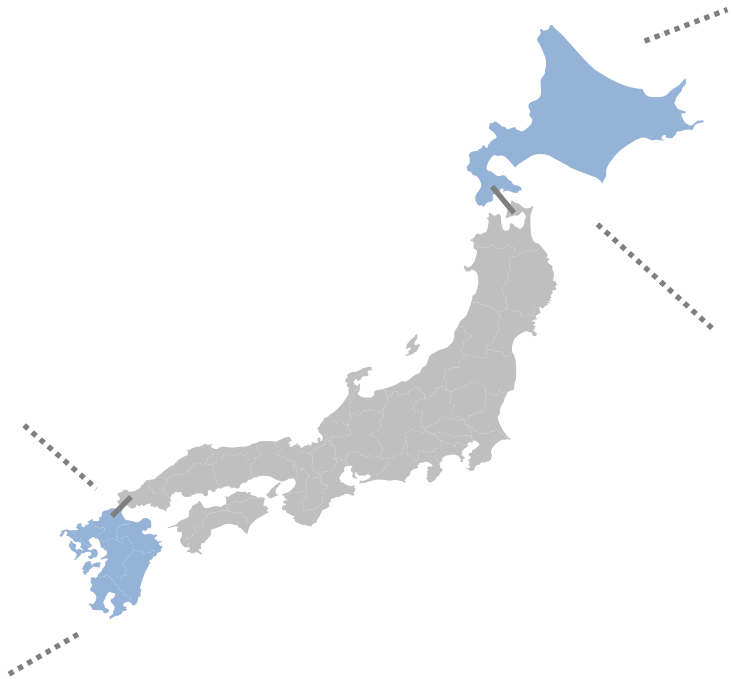
RE Potential (Solar & Wind) *2

131 GW



① Kyushu peak power demand: Approx. 16 GW *3
② Interconnection capacity to Honshu: 2.2 GW *4

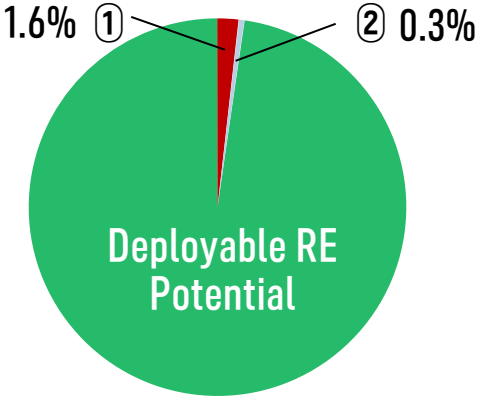
13.9%



Hokkaido

RE Potential (Solar & Wind) *2

318 GW



① Hokkaido peak power demand: Approx. 5 GW *3
② Interconnection capacity to Honshu: 0.9 GW *5

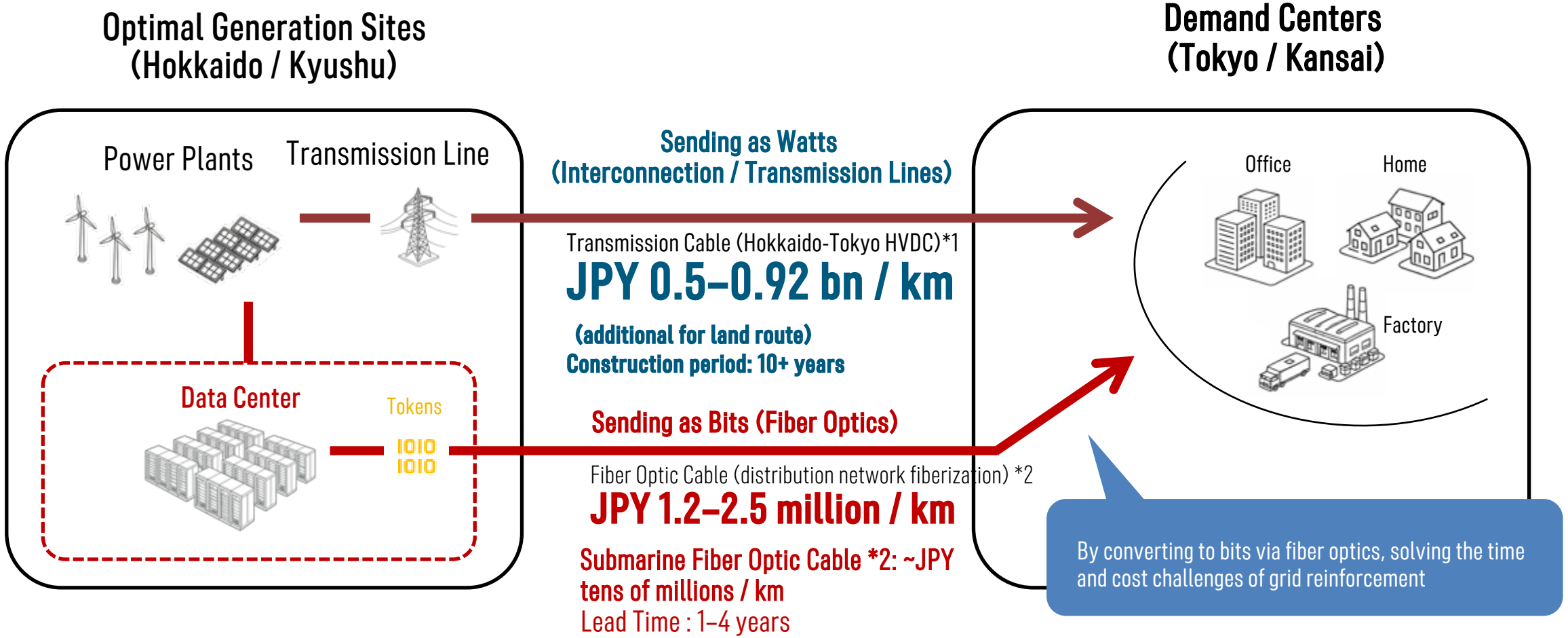
1.9%

*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.

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



*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

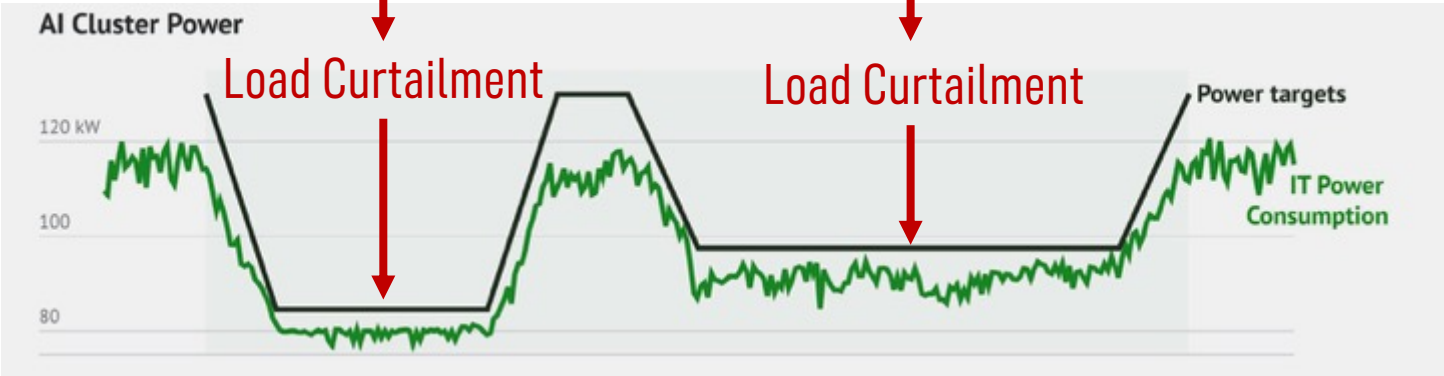
Grid Operator  → AI conductor platform (S/W) → "Orchestrator" (S/W) → GPU (HW) 

- 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

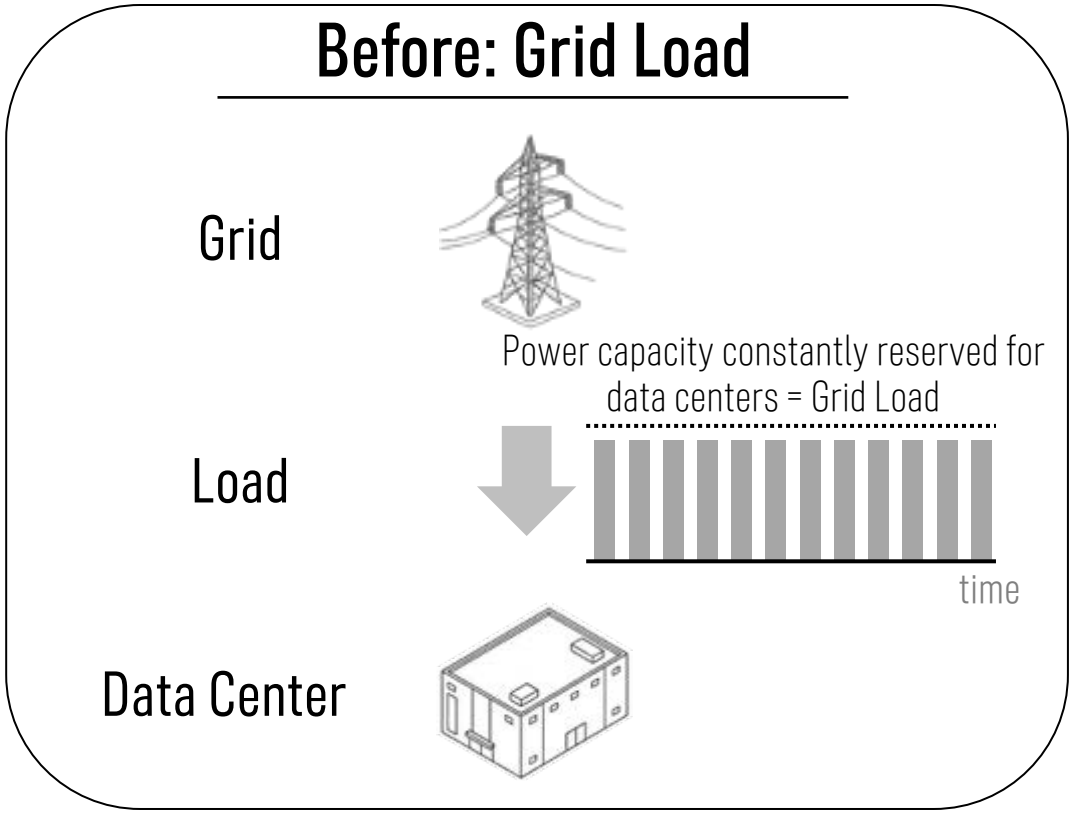
Advancing Data Center Deployment

The Future of Data Centers

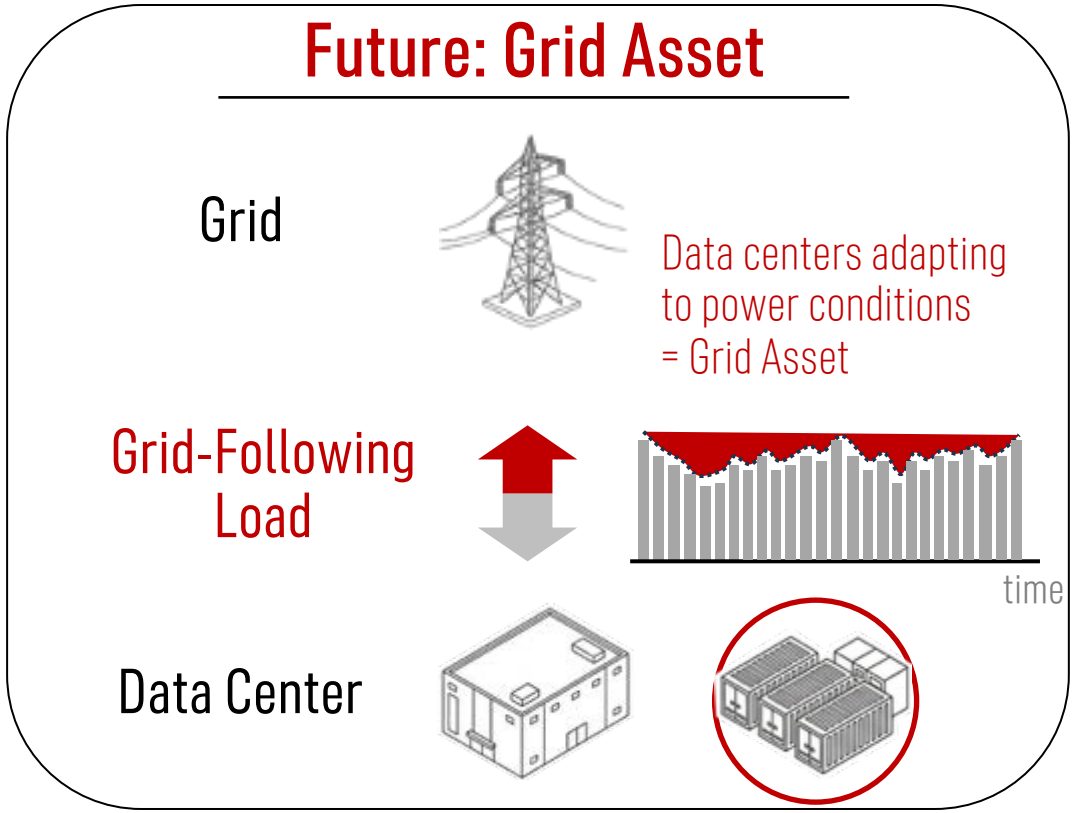
Data Center as a Grid Asset

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

Before: Grid Load



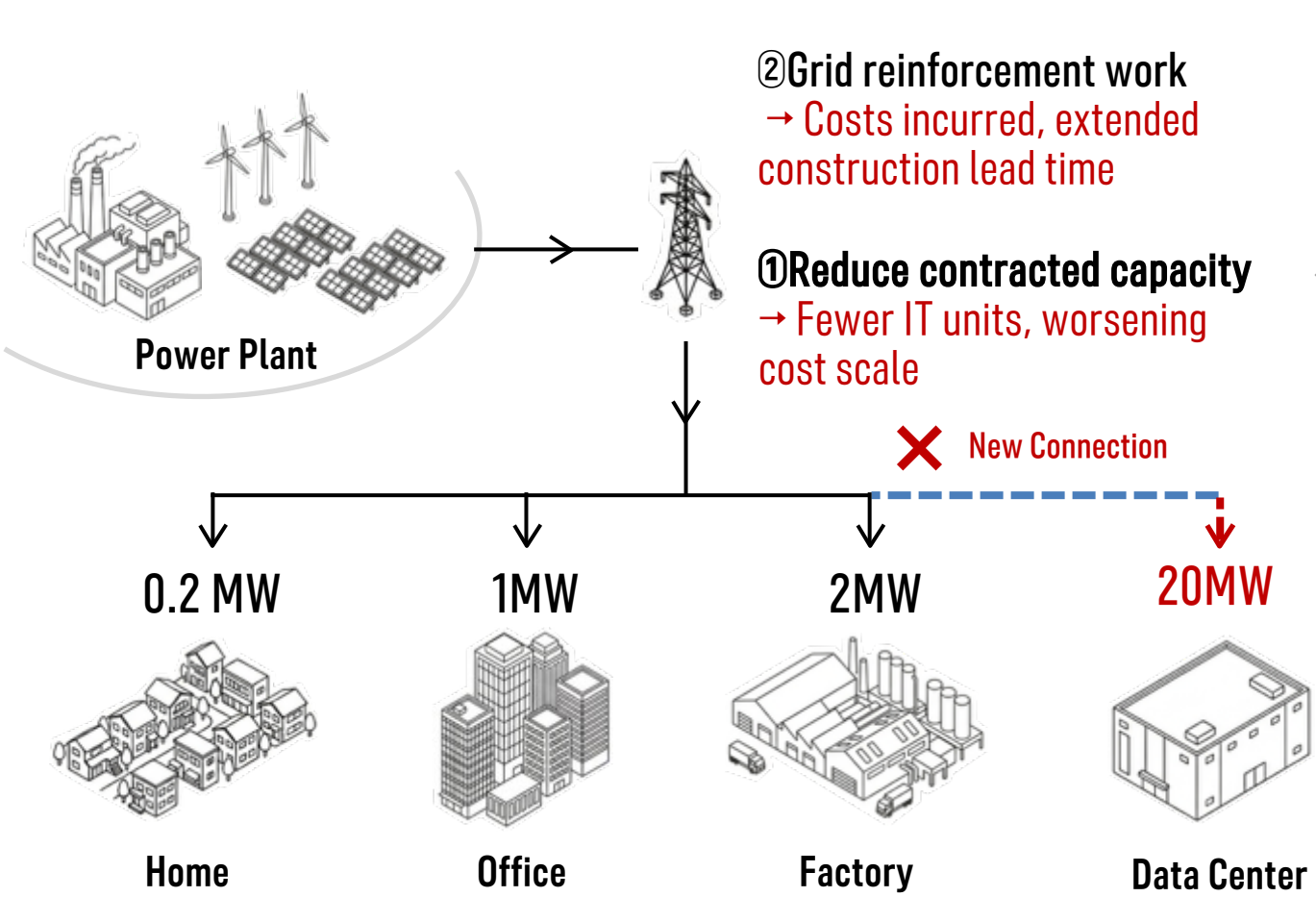
Future: Grid Asset

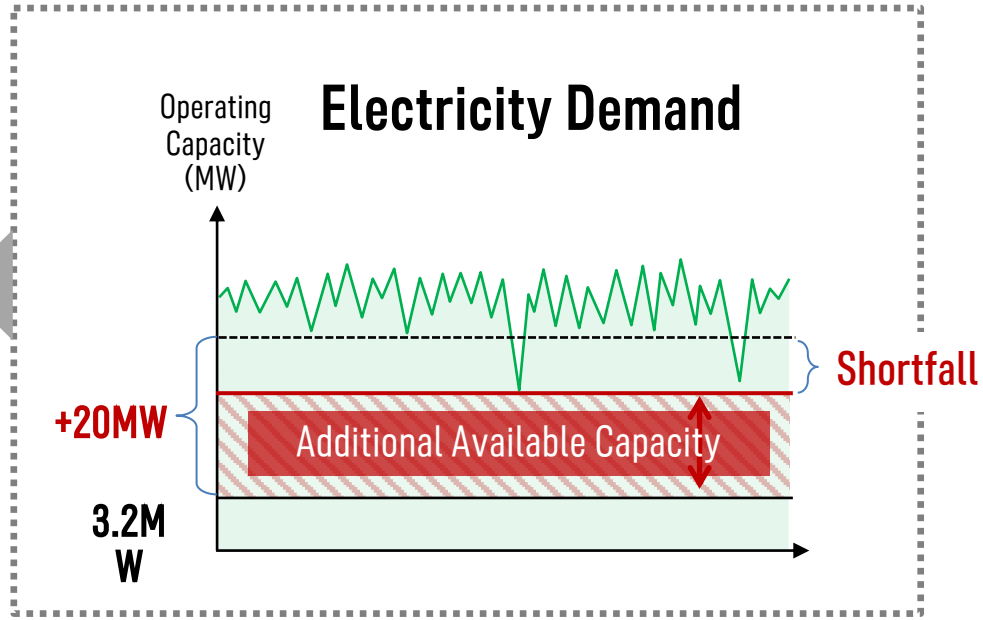


Even greater benefits with co-located BESS

Data Center × BESS: ① Grid Connection Flexibility

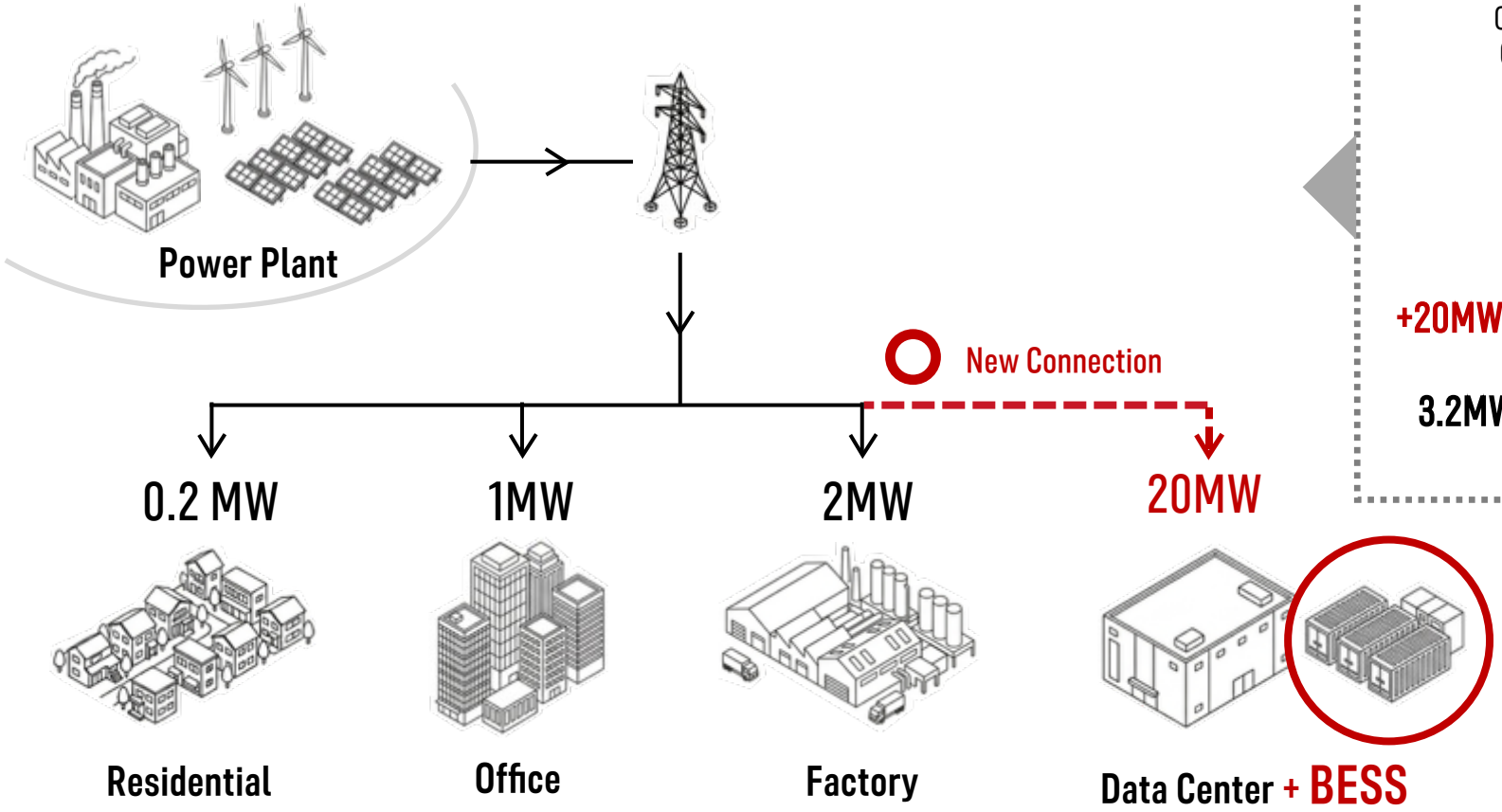
For new data center connections, power capacity must be secured 24 hours × 365 days at all times (firm capacity).
When power capacity is insufficient, the following options ① or ② are required, both leading to lost economic opportunities.

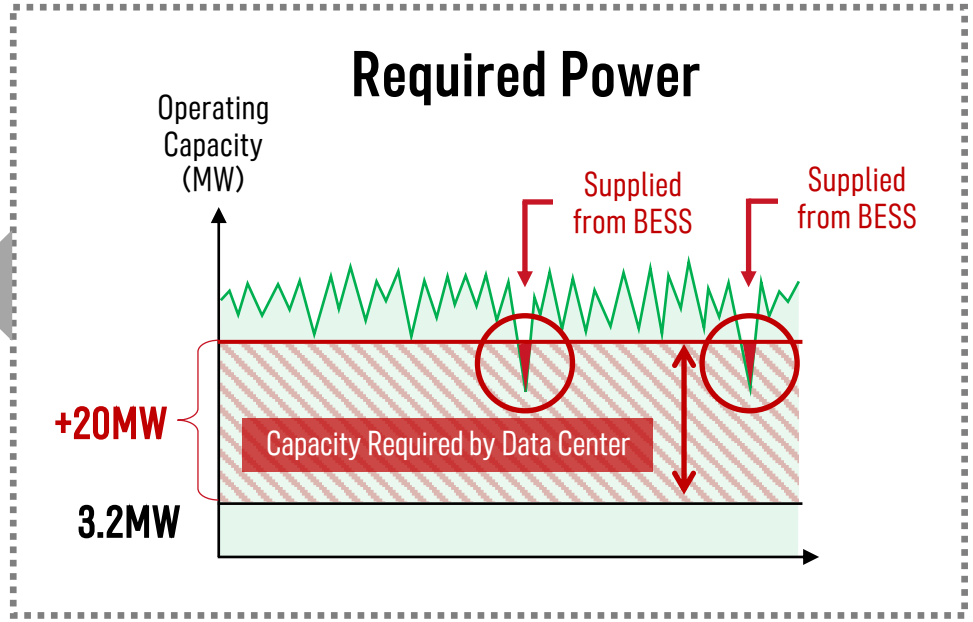




Data Centers × Battery Storage ① Flexible Grid Interconnection

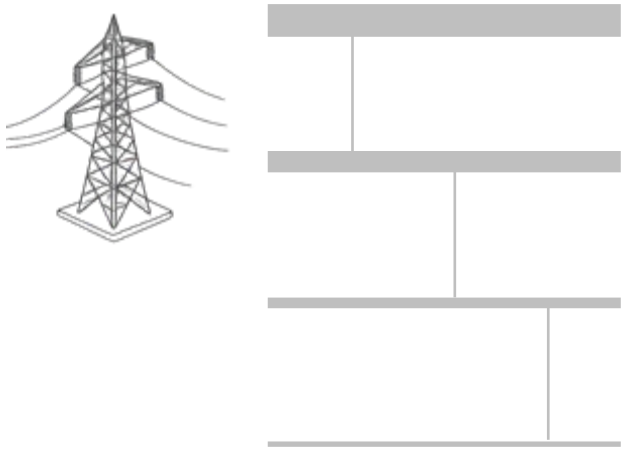
By combining data centers with BESS, electricity can be supplied from the battery during temporary or momentary reductions in grid capacity. This enables data centers to respond flexibly to grid conditions, including short-term grid capacity constraints.





Japan's Power Grid and Power Quality

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



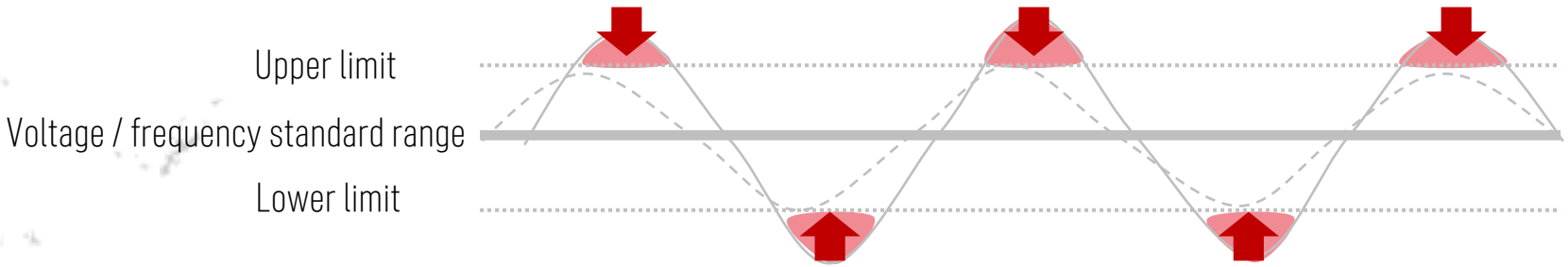
Extra-high voltage
500KV, 275KV, 154kV

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.

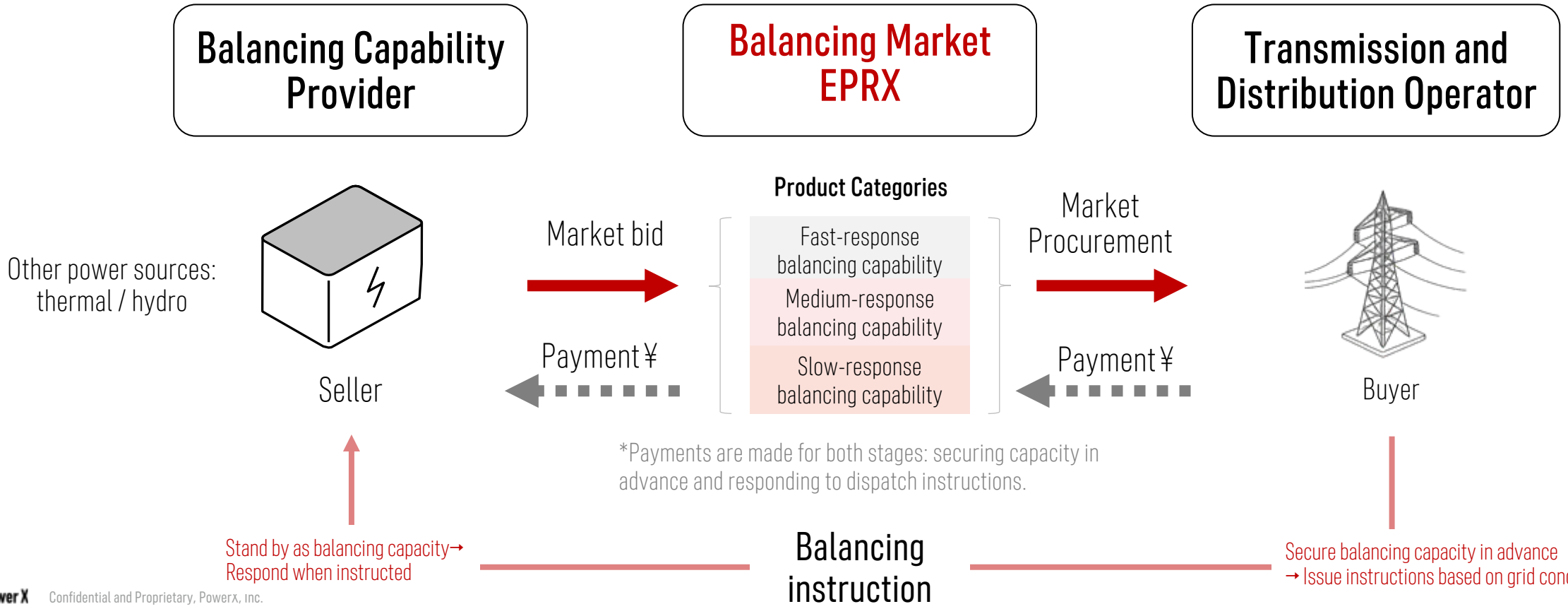


Source: TEPCO Power Grid, Grid Interconnection Technical Requirements

What Is the Balancing Market?

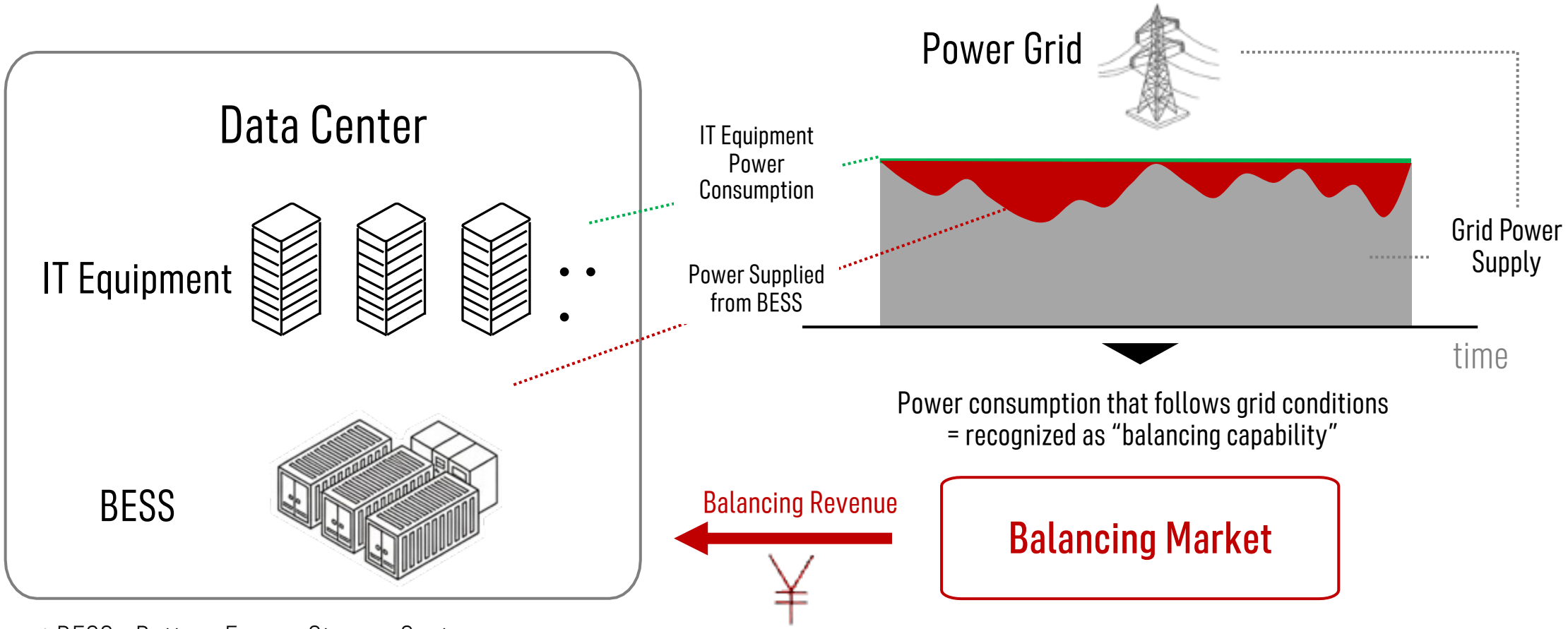
Electric Power Reserve eXchange (EPRX)
A general incorporated association whose members are Japan's transmission and distribution operators. Trading began in April 2021, following the establishment of its predecessor association.

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 × BESS ② 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.



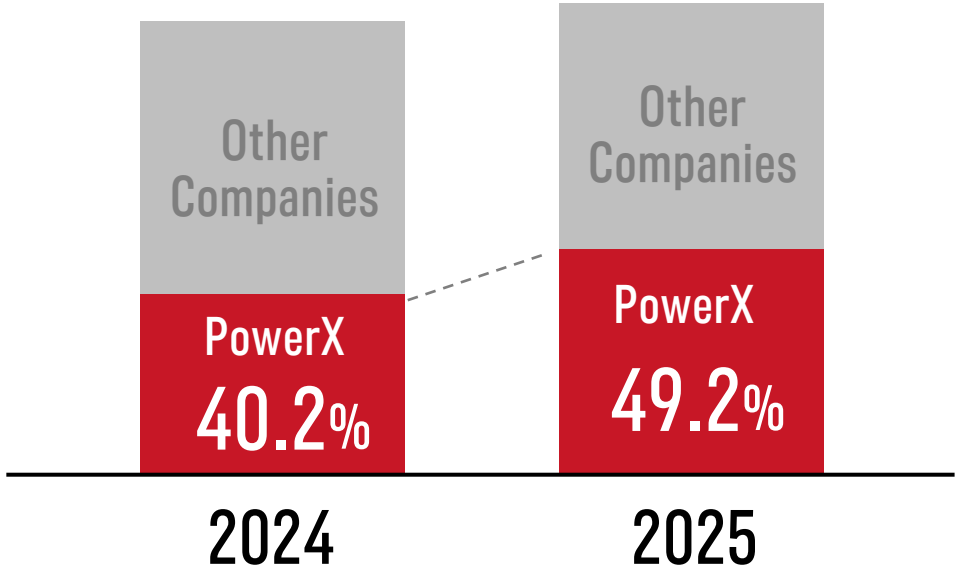
*BESS : Battery Energy Storage System

Competitive Advantages

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.

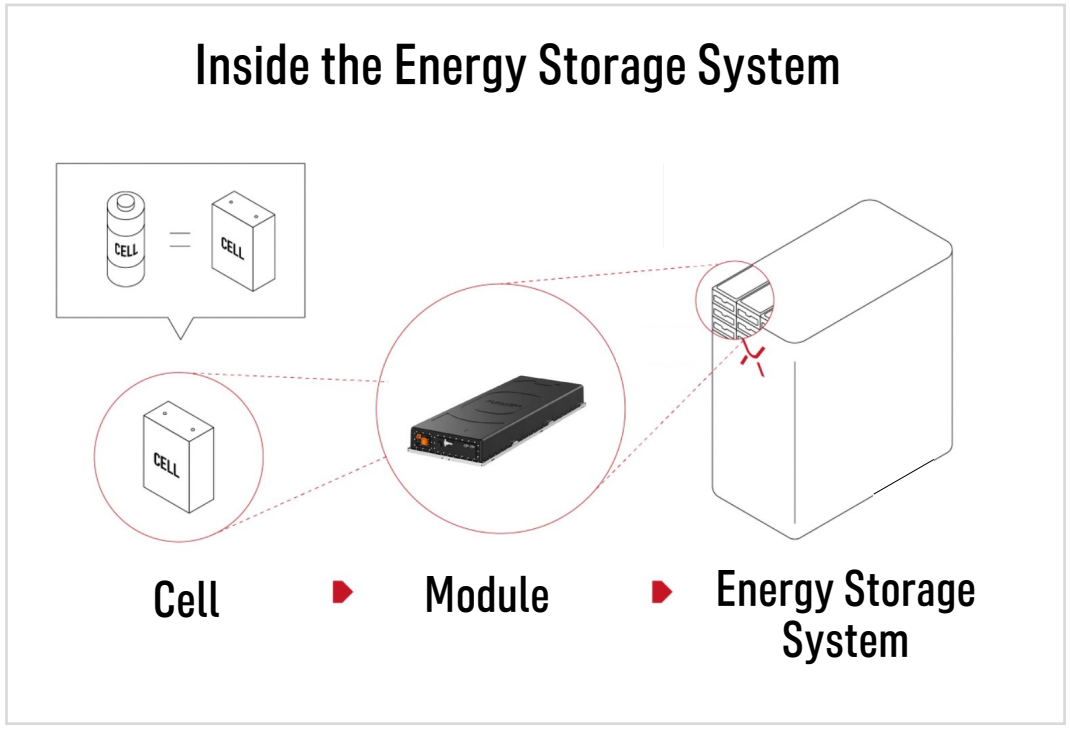
*2 Based on the Company's own research, including publicly disclosed materials of each company and interviews with stakeholders involved in subsidy programs supporting BESS deployment.

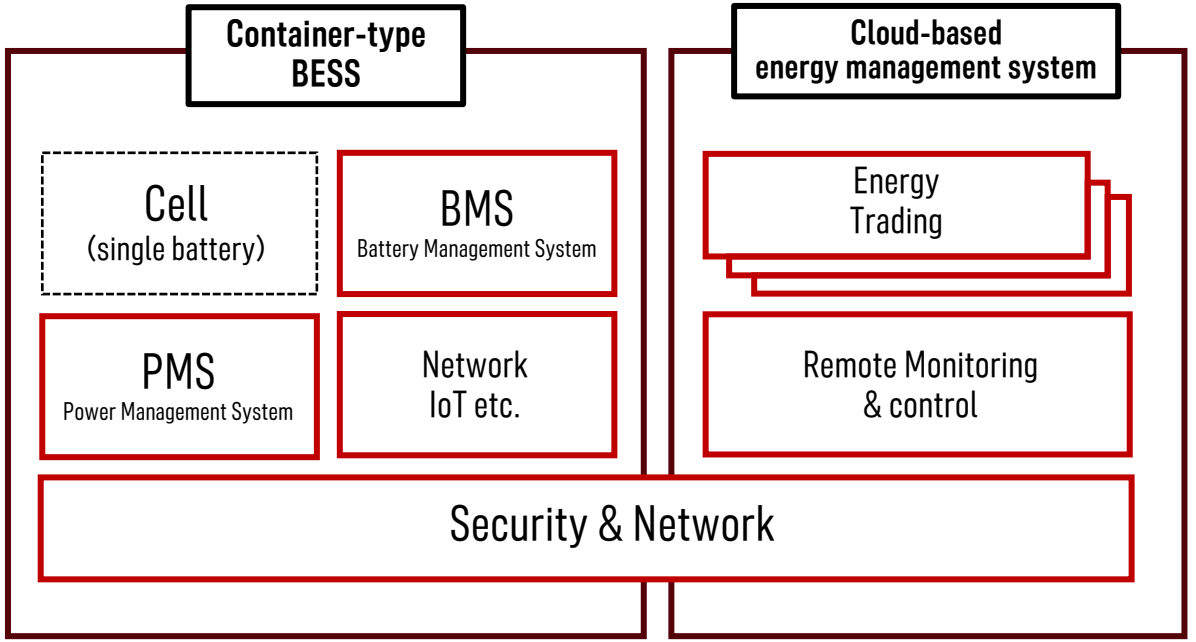
*3 In the table, "○" indicates that a company provides the relevant component as part of its product offering, while "X" indicates that the component is not directly provided. For PMS/EMS (Power Management System / Energy Management System), "△" indicates that only one of PMS or EMS is provided. For 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





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.

Power X

“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

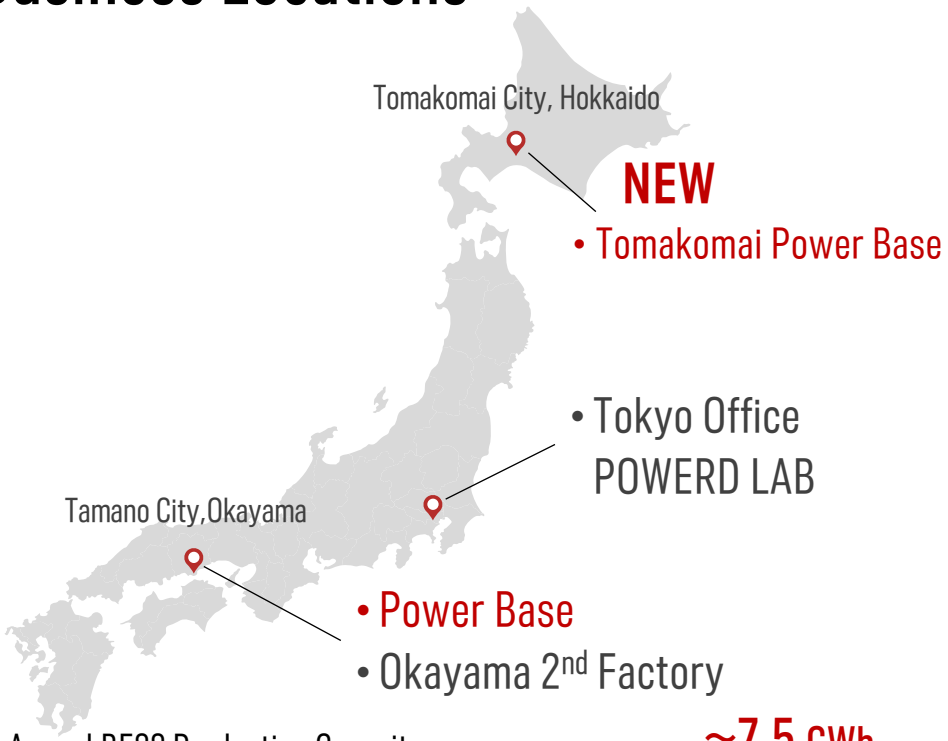
Dedicated teams provide comprehensive on-site technical support nationwide, including post-installation operations and troubleshooting, on a 24/7 basis.

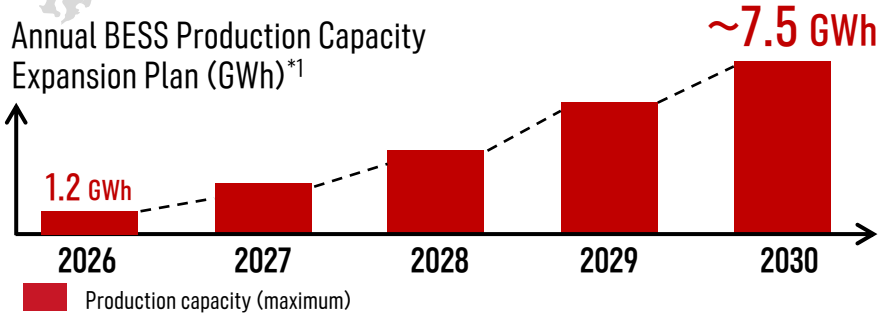
Obtained the IoT product security certification label (Level 1) under the “JC-STAR” system established by the Information-technology Promotion Agency (IPA) for stationary battery storage systems.

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 2028) 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 2028) 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.

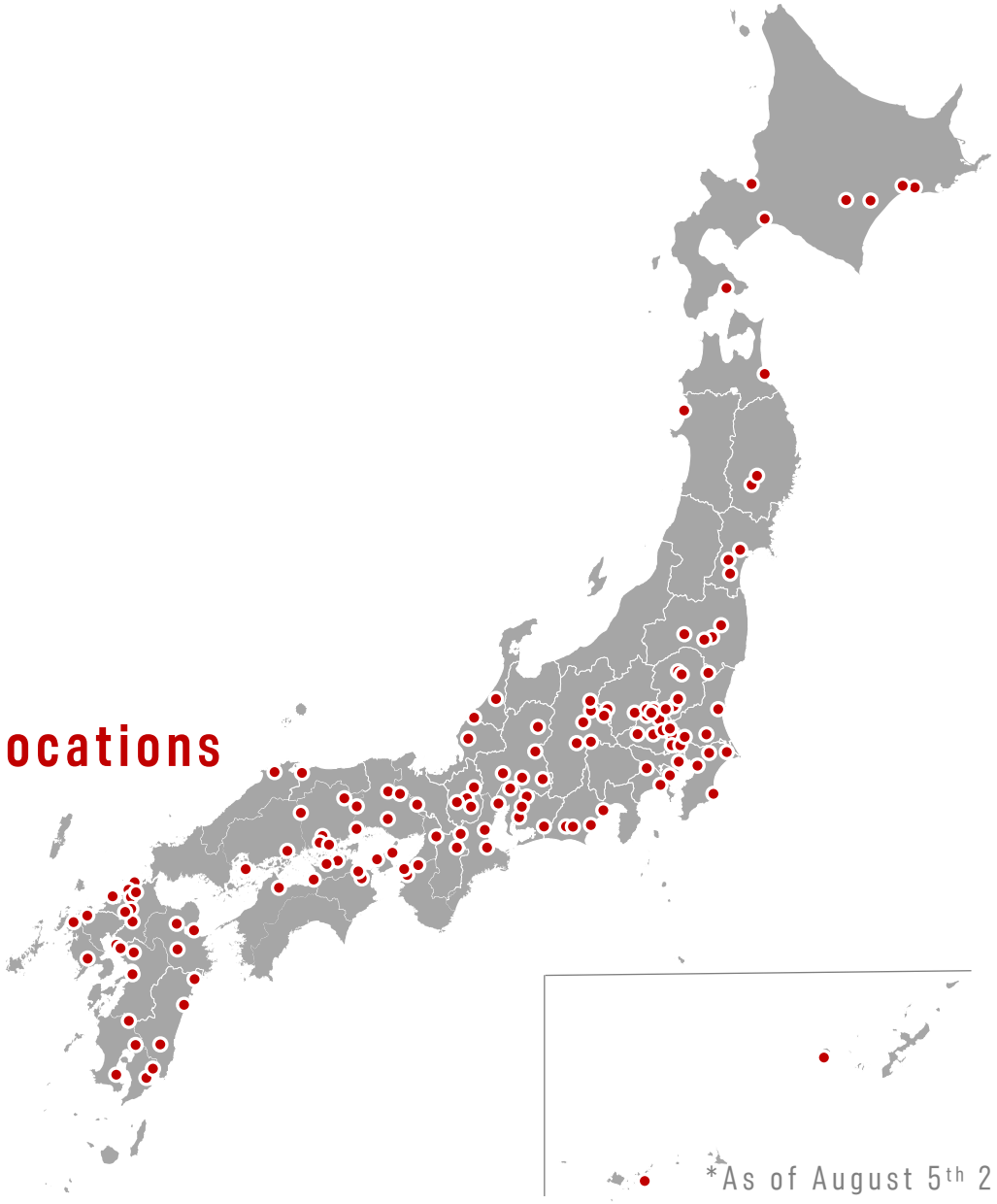
Competitive Advantages

Track Record of BESS Deployments

Installed **3,037MWh**

Mega Power 2700A
Mega Power 2500
PowerX cube

173 locations



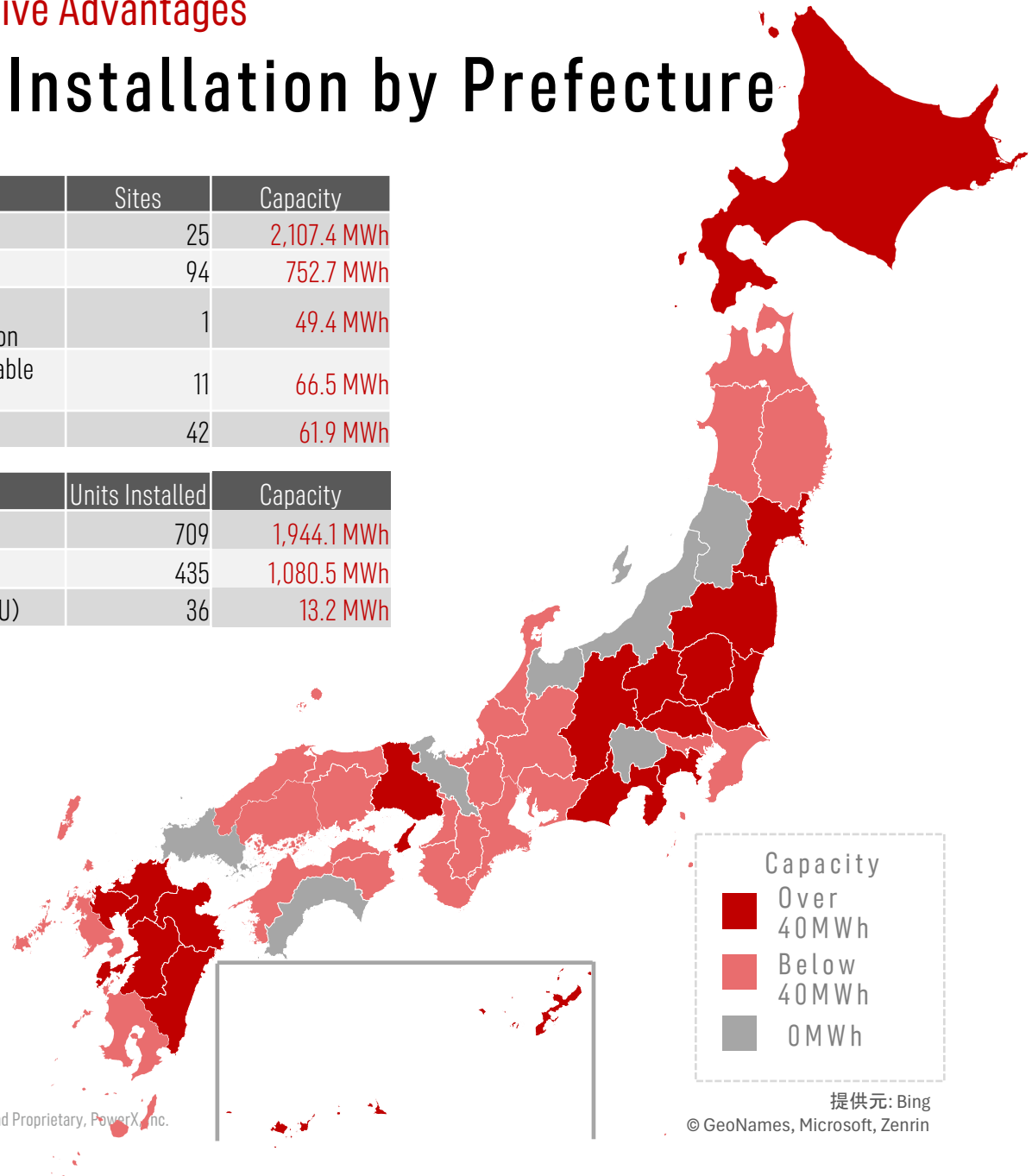
*As of August 5th 2026

Competitive Advantages

BESS Installation by Prefecture

Application	Sites	Capacity
Extra-high Voltage	25	2,107.4 MWh
High-voltage	94	752.7 MWh
Extra-high-voltage renewable co-location	1	49.4 MWh
High-voltage renewable co-location	11	66.5 MWh
Demand-side	42	61.9 MWh

Product	Units Installed	Capacity
Mega Power 2700A	709	1,944.1 MWh
Mega Power 2500	435	1,080.5 MWh
PowerX Cube 360(BU)	36	13.2 MWh



提供元: Bing
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Area	Sites	Capacity	Application	Status
Hokkaido Area	11	595.4 MWh	Extra HV	Planned : 6
			HV	Installed : 1
				Planned : 2
			Demand-side	Installed : 1
				Planned : 1
Tohoku Area	14	265.7 MWh	Extra HV	Planned : 2
			HV	Installed : 4
				Planned : 6
			Demand-side	Installed : 2
Kanto Area	43	637.9 MWh	Extra HV	Planned : 5
			HV	Installed : 13
				Planned : 12
			HV Renewable	Installed : 1
			Demand-side	Installed : 11
				Planned : 1
Chubu Area	34	358.8 MWh	Extra HV	Installed : 1
				Planned : 1
			HV	Installed : 11
				Planned : 12
			Demand-side	Installed : 9
Hokuriku Area	3	24.7 MWh	HV	Installed : 2
				Planned : 1
Kanto Area	15	207.0 MWh	Extra HV	Installed : 1
				Planned : 3
			HV	Installed : 7
				Planned : 2
			Demand-side	Installed : 2
Chugoku Area	12	68.0 MWh	HV	Installed : 2
				Planned : 5
			Demand-side	Installed : 4
				Planned : 1
Shikoku Area	6	33.3 MWh	HV	Installed : 2
				Planned : 1
			Demand-side	Installed : 3
Kyushu Area	33	751.9 MWh	Extra HV	Planned : 4
			HV	Installed : 6
				Planned : 5
			Extra HV Renewable	Installed : 1
			HV Renewable	Planned : 10
			Demand-side	Installed : 3
				Planned : 4
Okinawa Area	2	95.3 MWh	Extra HV	Planned : 2

As of August 5th

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

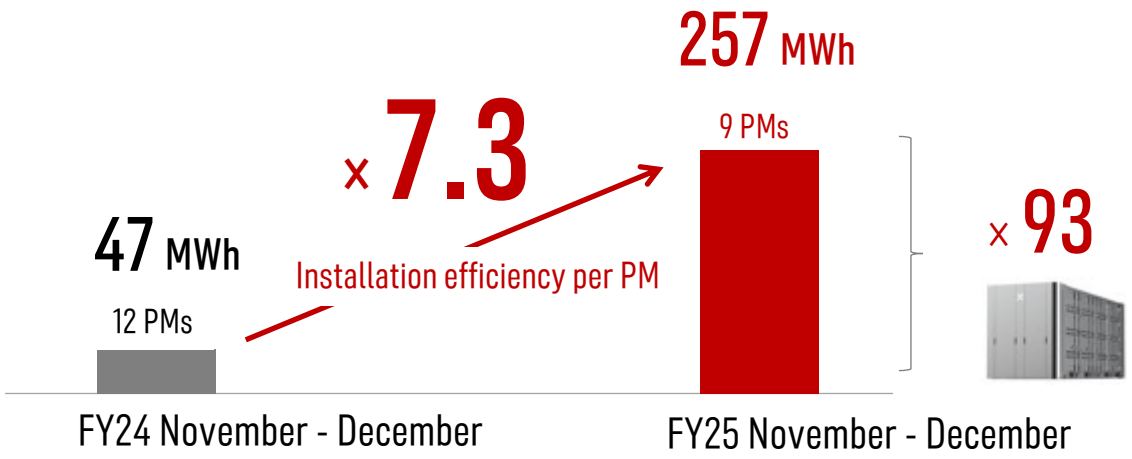
Storage in the yard

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)	Total Storage Capacity
Mega Power x3	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)	Total Storage Capacity
Mega Power x3	7,404 kWh (rated)

Marubeni Mitsumine-Ina Energy Storage Facility

Nagano Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x3	8,100 kWh

Japan Post | Okayama Post Office

Soja City, Okayama Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x1	2,132 kWh

ProLogis | ProLogis Park Soka

Soka City, Saitama Prefecture

Installed Product(s)	Total Storage Capacity
Mega Power x1	2,742 kWh

Competitive Advantages

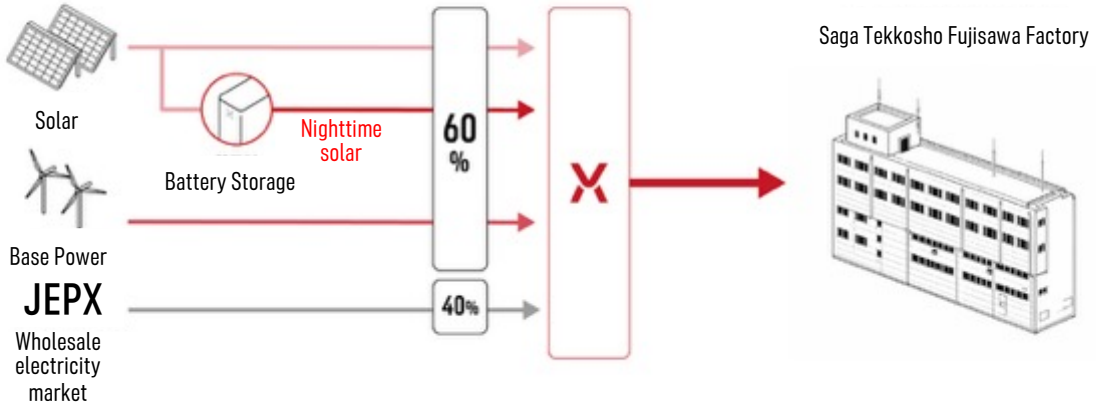
Power Supply Case Using Battery Storage (PowerX Power Business)

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.

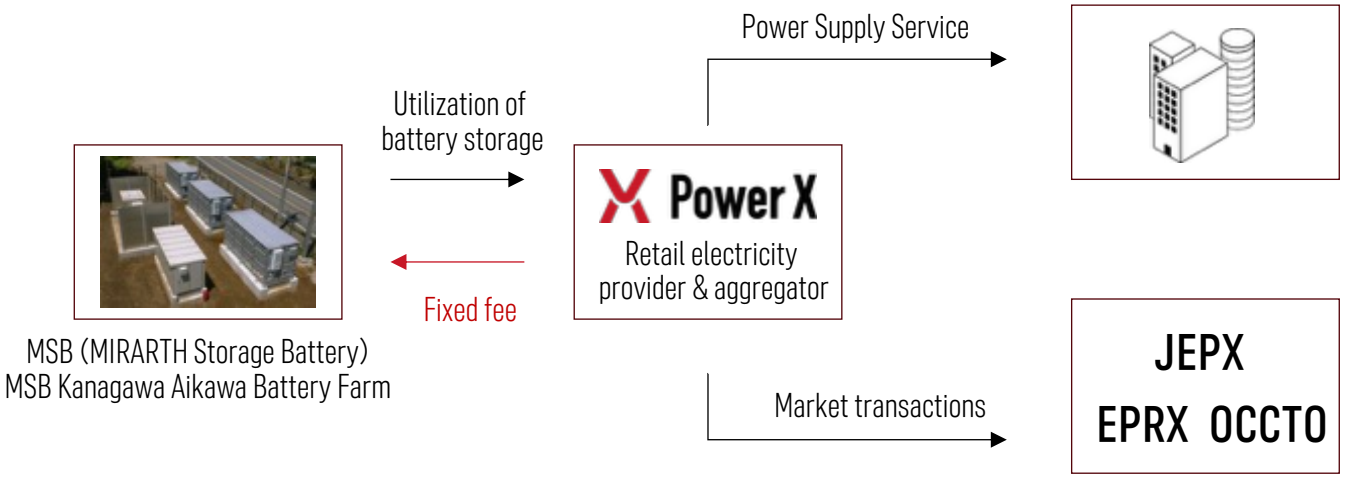
Competitive Advantages

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

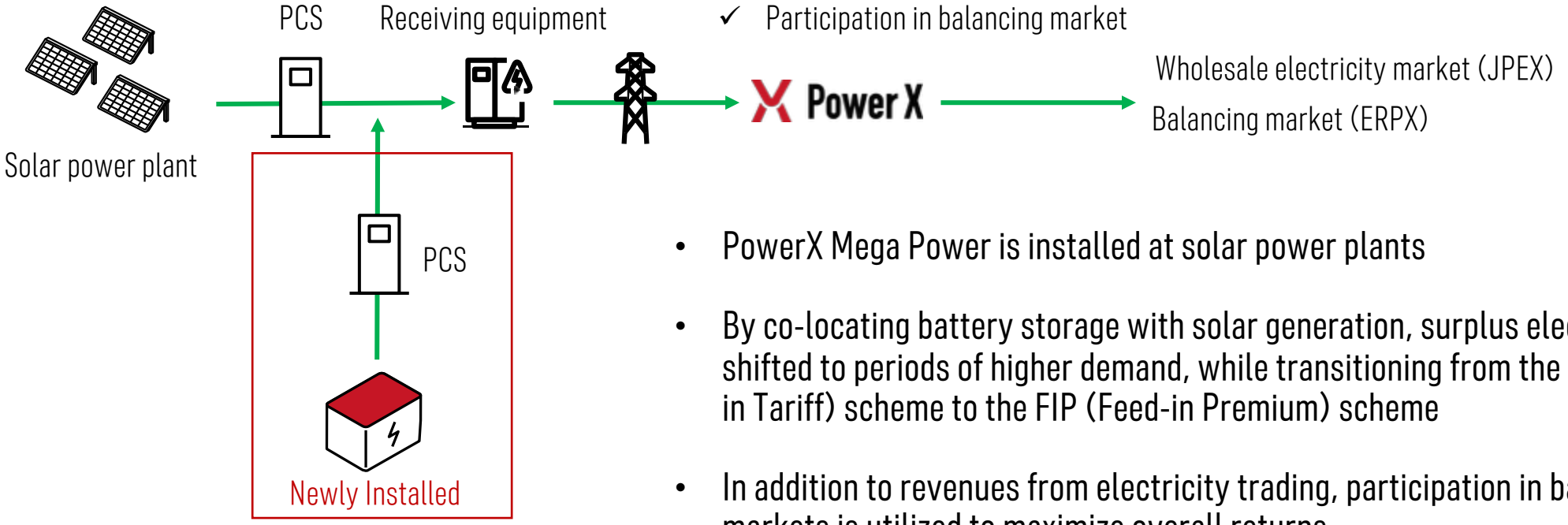


- A case of operating PowerX Mega Power under the “battery storage aggregation service” deployed within the power business
- The balancing capacity of this facility is utilized not only for PowerX’s retail electricity business, including corporate power supply services, but also for trading in the electricity 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)

Electricity flow →

Customer's power plant (FIT→FIP)

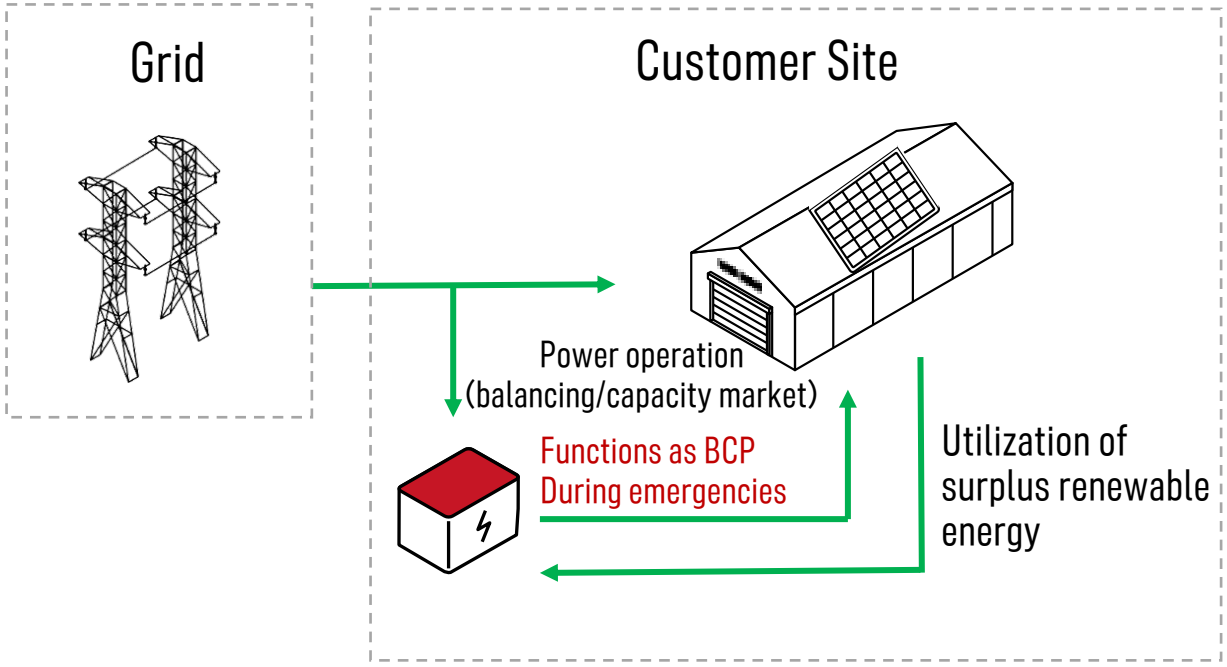


- ✓ Generation forecasting
- ✓ Imbalance management (submission of plans)
- ✓ kWh-based optimization / charging control
- ✓ Participation in balancing market

- 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

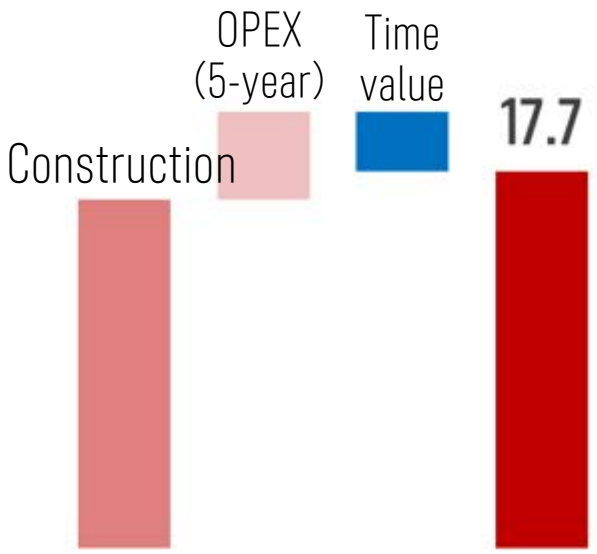
*When installed at a site where grid interconnection has already been secured—such as an existing battery storage facility—additional deployment can be significantly streamlined.

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

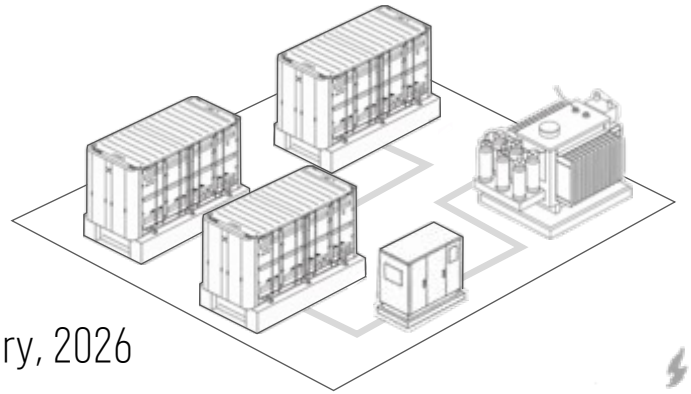
Battery charging control helps manage grid constraints
Contributes to earlier grid connection approval

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

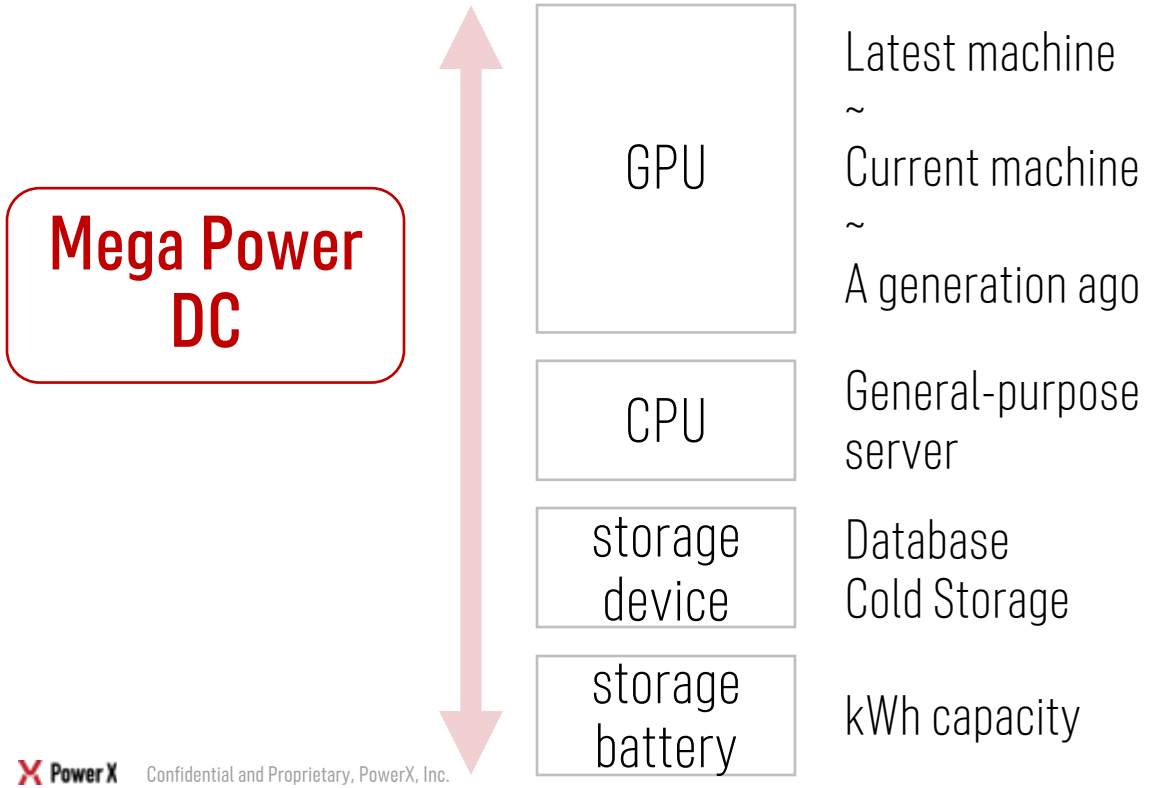
Battery-Backed Power Supply

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

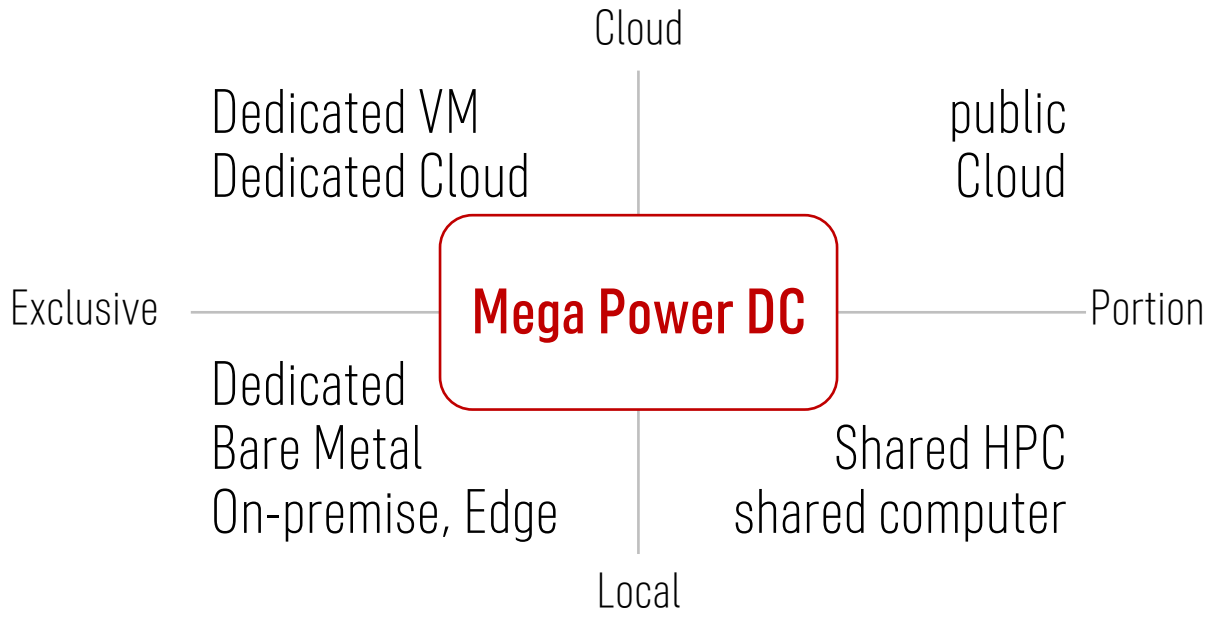
Mega Power DC Applications

- 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



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