



## Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Based on Japanese GAAP)

\* Please note this document is a translation of the original Japanese document "Financial Results for the fiscal year ended March 31, 2024 (Kessan Tanshin)" and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

May 10, 2024

|   |  |   |
|---|--|---|
| Company Name  | erex Co., Ltd.   | Listing Market TSE  |
| Stock Code  | 9517   | URL <a href="https://www.erex.co.jp/en/ir/">https://www.erex.co.jp/en/ir/</a> |
| Representative Director                                     | (Title) Representative Director and President            | (Name) Hitoshi Honna  |
| Contact   | (Title) Executive Director                               | (Name) Takanobu Yasunaga<br>TEL +81-3-3243-1167                               |
| Scheduled Date of GSM                                       | June 25, 2024  | Scheduled Date to Start Dividend Payment -                                    |
| Scheduled Date to File Securities Report                    | June 26, 2024  |   |
| Preparation of Supplementary Material on Financial Results: | Yes  |   |
| Holding of Financial Results Meeting:                       | Yes (for institutional investors and financial analysts) |   |

(Rounded down to the nearest JPY million)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 – March 31, 2024)

#### (1) Consolidated Operating Results

(% shows year-over-year changes)

|                                  | Net Sales   |       | Operating Income |      | Ordinary Income |      | Net Income Attributable to Owners of Parent |      |
|----------------------------------|-------------|-------|------------------|------|-----------------|------|---|------|
|                                  | JPY million | %     | JPY million      | %    | JPY million     | %    | JPY million                                 | %    |
| Fiscal Year Ended March 31, 2024 | 244,977     | △17.3 | △19,851          | -    | △18,388         | -    | △22,257                                     | -    |
| March 31, 2023                   | 296,312     | 28.6  | 14,823           | 18.6 | 15,234          | 10.7 | 9,131                                       | △5.4 |

(Note 1) Comprehensive Income Fiscal Year ended Mar 31, 2024: △14,331 JPY million (-%)  
Fiscal Year ended Mar 31, 2023: 8,331 JPY million (△36.9%)

(Note 2) In the 2Q of fiscal year ended March 2024, the provisional accounting treatment for the business combination was finalized, and each figure for the fiscal year ended March 2023 reflects the details of the finalization of the provisional accounting treatment.

|                   | EPS     | Diluted EPS | ROE   | ROA   | Operating Margin |
|-------------------|---------|-------------|-------|-------|------------------|
| Fiscal Year Ended | JPY     | JPY         | %     | %     | %                |
| March 31, 2024    | △375.29 | -           | △40.6 | △11.6 | △8.1             |
| March 31, 2023    | 154.29  | 154.05      | 15.5  | 9.3   | 5.0              |

(Reference) Equity Method Fiscal Year ended Mar 31, 2024: 235 JPY million  
Fiscal Year ended Mar 31, 2023: 171 JPY million

(Note) Diluted EPS for the current fiscal year is not stated because it is a net loss per share, although there are diluted shares.

#### (2) Consolidated Financial Position

|                | Total Assets | Net Assets  | Equity Ratio | BPS      |
|----------------|--------------|-------------|--------------|----------|
|                | JPY million  | JPY million | %            | JPY      |
| March 31, 2024 | 145,180      | 55,233      | 32.7         | 800.07   |
| March 31, 2023 | 172,105      | 73,953      | 36.0         | 1,046.80 |

(Reference) Shareholders' Equity March 31, 2024: 47,504 JPY million  
March 31, 2023: 62,013 JPY million

(Note) In the 2Q of fiscal year ended March 2024, the provisional accounting treatment for the business combination was finalized, and each figure for the fiscal year ended March 2023 reflects the details of the finalization of the provisional accounting treatment.

(3) Consolidated Cash Flow

|                   | Operating Cash Flow | Investing Cash Flow | Financing Cash Flow | Cash and Cash Equivalents at Fiscal Year End |
|-------------------|---------------------|---------------------|---------------------|--|
| Fiscal Year Ended | JPY million         | JPY million         | JPY million         | JPY million                                  |
| March 31, 2024    | △23,226             | △114                | 15,672              | 19,670                                       |
| March 31, 2023    | 21,489              | △14,576             | △225                | 33,488                                       |

2. Dividend

|  | Annual Dividend |             |          |              |              | Total Dividend Amount | Payout Ratio (Consolidated) | DOE (Consolidated) |
|--|-----------------|-------------|----------|--------------|--------------|-----------------------|-----------------------------|--------------------|
|  | 1Q              | 2Q          | 3Q       | 4Q           | Total        |                       |                             |                    |
| Fiscal Year Ended March 31, 2023             | JPY<br>-        | JPY<br>0.00 | JPY<br>- | JPY<br>22.00 | JPY<br>22.00 | JPY million<br>1,306  | %<br>14.2                   | %<br>2.2           |
| Fiscal Year Ended March 31, 2024             | -               | 0.00        | -        | 0.00         | 0.00         | -                     | -                           | -                  |
| Fiscal Year Ending March 31, 2025 (Forecast) | -               | 0.00        | -        | -            | Not Decided  |                       | -                           |                    |

3. Financial Forecasts for the Fiscal Year ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(% shows year-over-year changes)

|           | Net Sales   |   | Operating Income |   | Ordinary Income |   | Net Income Attributable to Owners of Parent |   | EPS   |
|-----------|-------------|---|------------------|---|-----------------|---|---|---|-------|
|           | JPY million | % | JPY million      | % | JPY million     | % | JPY million                                 | % | JPY   |
| Full Year | 155,456     | - | 5,378            | - | 4,388           | - | 1,885                                       | - | 31.75 |

(Note)

Regarding the consolidated financial forecasts for the fiscal year ending March 2025, erex has decided to voluntarily apply International Financial Reporting Standards (hereinafter referred to as "IFRS") from the 1Q of the fiscal year ending March 2025, and the forecasts have been calculated based on IFRS. Therefore, the percentage increase/decrease from the results for the fiscal year ended March 2024, when Japanese standards were applied, is not stated.

(\*Notes)

(1) Changes in important subsidiaries during the fiscal year ended March 31, 2024 (changes in specified subsidiaries resulting in the change in the scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

1) Changes in accounting policies due to amendments to accounting standards and other regulations: No

2) Changes in accounting policies due to reasons other than 1) above: No

3) Changes in accounting estimates: No

4) Restatement of prior period financial statements: No

(3) The Number of Issued and Outstanding Shares (Common Shares)

|  |                                |                   |                                |                   |
|--|--------------------------------|-------------------|--------------------------------|-------------------|
| ① The Number of Issued and Outstanding Shares (Including Treasury Stocks) at the End of the Period | As of March 31, 2024           | 59,517,808 shares | As of March 31, 2023           | 59,382,058 shares |
| ② The Number of Treasury Stocks at the End of the Period   | As of March 31, 2024           | 142,014 shares    | As of March 31, 2023           | 140,814 shares    |
| ③ Average Number of Shares during the Period   | 12 Months ended March 31, 2024 | 59,307,857 shares | 12 Months ended March 31, 2023 | 59,183,804 shares |

(Reference) Non-Consolidated Operating Results

1. Non-Consolidated Operating Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(1) Non-Consolidated Operating Results

(% shows year-over-year changes)

| Fiscal Year Ended | Net Sales   |       | Operating Income |      | Ordinary Income |      | Net Income  |      |
|-------------------|-------------|-------|------------------|------|-----------------|------|-------------|------|
|                   | JPY million | %     | JPY million      | %    | JPY million     | %    | JPY million | %    |
| March 31, 2024    | 212,528     | △16.6 | △21,986          | -    | △26,119         | -    | △17,789     | -    |
| March 31, 2023    | 254,854     | 38.8  | 10,388           | 61.7 | 10,970          | 43.6 | 8,014       | 34.7 |

| Fiscal Year Ended | EPS     | Diluted EPS |
|-------------------|---------|-------------|
|                   | JPY     | JPY         |
| March 31, 2024    | △299.95 | -           |
| March 31, 2023    | 135.42  | 135.20      |

(2) Non-Consolidated Financial Position

| Fiscal Year Ended | Total Assets | Net Assets  | Equity Ratio | BPS    |
|-------------------|--------------|-------------|--------------|--------|
|                   | JPY million  | JPY million | %            | JPY    |
| March 31, 2024    | 106,452      | 30,908      | 29.0         | 520.55 |
| March 31, 2023    | 110,007      | 41,927      | 38.1         | 707.74 |

(\*Reference) Net Worth                      March 31, 2024                      30,908                      JPY million                      March 31, 2023                      41,927                      JPY million

\* This document (Kessan Tanshin) is not subject to the audit procedures by certified public accountants or audit firms.

\* Explanations regarding the appropriate use of financial forecasts and other special instructions

(Cautions regarding forward looking statements)

Forward looking statements included in this document, including financial forecasts, are based on information that is currently available to management of erex Co., Ltd. and certain assumptions that are judged to be reasonable, and are not intended to guarantee the achievement of these financial forecasts. Actual results may be significantly different from these financial forecasts due to various factors.

(Supplementary Materials)

Supplementary materials will be posted on the website of erex Co., Ltd. (<https://www.erec.co.jp/ir/>) on the same day.

## Table of Contents of the Appendix

|   |    |
|---|----|
| 1. Summary of Operating Results and Others  | 2  |
| (1) Summary of Operating Results  | 2  |
| (2) Summary of Financial Position   | 3  |
| (3) Summary of Cash Flow  | 4  |
| (4) Financial Forecasts   | 5  |
| (5) Important Events Related to Going Concern Assumptions, etc.                   | 6  |
| 2. Basic Ideas for Selection of Accounting Standards                              | 7  |
| 3. Consolidated Financial Statements and Important Notes                          | 8  |
| (1) Consolidated Balance Sheet  | 8  |
| (2) Consolidated Income Statement and Consolidated Comprehensive Income Statement | 10 |
| Consolidated Income Statement   | 10 |
| Consolidated Comprehensive Income Statement                                       | 11 |
| (3) Consolidated Statement of Changes in Shareholders' Equity                     | 12 |
| (4) Consolidated Statement of Cash Flow   | 14 |
| (5) Notes to the Consolidated Financial Statements                                | 15 |
| (Notes Related to Going Concern Assumptions)                                      | 15 |
| (Segment Information)   | 15 |
| (Per Share Information)   | 17 |
| (Material Subsequent Events)  | 18 |

## 1. Summary of Operating Results and Others

### (1) Explanations on the Operating Results

During the current consolidated fiscal year, the Japanese economy remained at a high level of geopolitical risks such as Russia's invasion of Ukraine and conflict between Israel and Hamas, the yen continued to weaken, and the inflation rate was high. In the energy sector, although fluctuations in fuel prices were limited, domestic electric power demands decreased compared to last year even during the record high-temperature summer season, and the fuel supply system for power generation was sufficient. As a result, the market price of electric power continued to be sluggish.

Under these circumstances, the consolidated financial results for the current consolidated fiscal year were as follows: Net sales were 244,977 million yen (down 17.3% year-over-year), cost of sales was 254,143 million yen (down 6.1% year-over-year), and gross sales loss was 9,166 million yen (previous year's gross profit was 25,719 million yen). Selling, general and administrative expenses were 10,685 million yen (down 1.9% year-over-year), operating loss was 19,851 million yen (previous year's operating income was 14,823 million yen), ordinary loss was 18,388 million yen (previous year's ordinary income was 15,234 million yen), and net loss attributable to owners of the parent company was 22,257 million yen (previous year's net income attributable to owners of the parent company was 9,131 million yen).

The main reason for this loss is that the decrease in electric power demand and the slump in electric power market prices resulted in a surplus of power sources that had been procured in the previous fiscal year, which had to be sold to the electric power market with a negative spread. erex Group has already taken measures to prevent such losses from occurring in the future. Specifically, in the power source procurement, erex Group will no longer take surplus positions based on price forecasts, and the organization has been changed so that power source procurement and retail departments will be able to communicate more timely and smoothly based on detailed sales and power generation forecasts. In addition, the entire group is working together to thoroughly improve efficiency across all business activities, including building a business foundation, reorganizing domestic operations, and responding to globalization.

The situation by business is as follows.

In the power retail business, erex Group's sales subsidiaries, Evergreen Marketing Co., Ltd., Evergreen Retailing Co., Ltd., Okinawa Gas New Power Co., Ltd., T'dash G.K., and e-sell Co., Ltd. conduct sales, with the first two being the core. In the high-voltage sector, sales per customer increased due to a profit-oriented sales strategy, but the power sales volume decreased by 38.4% to 1,523 million kWh. However, in the 2H of the period, the pace of decline in sales slowed as inquiries for unique plans that utilize electric power futures markets, etc. increased. In the low-voltage sector, both power sales volume and the number of customers remained roughly flat, with the power sales volume at 1,382 million kWh (up 0.2%) and the number of customers at 307,000 (up 0.0%), while profit margins have stabilized by switching to market-linked plans.

In the trading business, the low JEPX spot price in FY2023 made the power sources procured in FY2022 more expensive. At the same time, due to the shift of low-voltage demands to the market-linked menu and the decrease in power sales volume in the high-voltage sector, the surplus power sources increased had to be sold wholesale to JEPX at lower prices, which resulted in a negative spread. Due to these reasons, profits declined significantly. On the other hand, erex Group also worked to develop and structure unique plans that combine various power transactions, including transactions on the wholesale power trading market (JEPX), PPA wholesale transactions, and power derivative transactions, which are sold in the retail business.

In the power generation business, Saiki, Buzen, Ofunato, and Nakagusuku biomass power plants operated as planned throughout the year. On the other hand, Tosa Power Plant operated in consideration of PKS price and FIP unit price, and Itoigawa Power Plant implemented suppressed operation in consideration of coal price and electric power market price, resulting in lower than planned results. Regarding the Non-FIT mega biomass power plant, an information session for residents was held in Niigata Prefecture, the environmental assessment is progressing smoothly, and erex Group is moving forward with efforts toward starting commercial operations in FY2029. As for overseas projects, in Vietnam, the construction of a large-scale commercial biomass power plant (20 MW in Hau Giang Province, Vietnam: adopted as an equipment subsidy project under the Joint Crediting Mechanism (JCM) financial assistance project for fiscal 2022 by the Ministry of the Environment), the first such project for both erex Group and Vietnam, is progressing smoothly and is scheduled to start operations at the end of 2024. In Cambodia, construction of the hydroelectric power generation project is progressing smoothly, including the construction of a diversion tunnel and reinforcement work at the upstream entrance, with completion scheduled for November 2025.

Regarding Japan's first commercial hydrogen-fired power plant, erex Group has confirmed that it can generate electric power by using hydrogen produced using Hydrogen Technology's proprietary technology, and has completed the acquisition of data such as operating characteristics, so the demonstration operation was completed in March 2024.

In the fuel business, due to supply shortages, mainly in response to third-party certification of PKS for FIT, the prices of palm kernel shells ("PKS") and wood pellets have increased, and together with the depreciation of the yen, the cost burden has been rising. Under these circumstances, erex Group is working to reduce costs and build/expand a stable supply system for PKS by appropriately combining in-house procurement through JVs in Malaysia and Indonesia with long-term contracts, and by promoting efforts to reduce transportation costs. Regarding wood pellets, erex Group is working to reduce costs, including transportation costs, and build/expand a stable supply system by securing its own manufacturing capacity in Vietnam in addition to procurement from trading houses. In addition, erex Group has secured

unused biomass fuels such as woody residues and rice husks in Vietnam, and is developing biomass fuels in combination with new sorghum under cultivation.

Selling, general and administrative expenses decreased due to reductions in agent fees and personnel expenses.

With the vision of “to become a pioneer in the new era of electric power with renewable energy at the core”, erex Group will steadily and step by step materialize its initiatives for de-carbonization not only in the Japanese market but also in Vietnam and other Asian countries, and evolve into a “comprehensive energy company” with a “culture of challenge” inherited from the company's founding.

(\*1) A project that utilizes superior de-carbonization technology to reduce greenhouse gas emissions in developing countries, etc., and conducts measurement, reporting, and verification (MRV). The aim is to reduce greenhouse gas emissions in developing countries and other countries, and to help Japan and partner countries achieve their greenhouse gas emission reduction targets through the JCM. Subsidy will be provided up to one-half of the initial investment cost for excellent de-carbonization technology, etc. This project is being implemented with the cooperation of the Vietnamese and Japanese governments.

## (2) Explanations on the Financial Position

### (Assets)

Current assets at the end of the current consolidated fiscal year were 66,903 million yen, a decrease of 12,426 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease in cash and deposits and accounts receivable/trade, which was partially offset by an increase in accrued revenue and consumption taxes receivable, etc. Noncurrent assets were 78,277 million yen, a decrease of 14,497 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease in “buildings and structures (net amount)” and “machinery and delivery equipment (net amount)” due to the exclusion of Buzen New Energy G.K. from the scope of consolidation.

As a result, total assets were 145,180 million yen, a decrease of 26,924 million yen from the end of the previous consolidated fiscal year.

### (Liabilities)

Current liabilities at the end of the current consolidated fiscal year were 41,411 million yen, a decrease of 6,989 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease in accounts payable/trade, current portion of long-term loans payable, income taxes payable and derivative liabilities, which was partially offset by an increase in short-term loans payable. Noncurrent liabilities were 48,536 million yen, a decrease of 1,215 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease in long-term loans payable due to the exclusion of Buzen New Energy G.K. from the scope of consolidation, which was partially offset by an increase in bonds payable.

As a result, total liabilities were 89,947 million yen, a decrease of 8,204 million yen from the end of the previous consolidated fiscal year.

### (Net Assets)

Total net assets at the end of the current consolidated fiscal year were 55,233 million yen, a decrease of 18,719 million yen from the end of the previous consolidated fiscal year. This was mainly due to a decrease in retained earnings as a result of net loss attributable to owners of the parent company and non-controlling shareholders' interests resulting from the exclusion of Buzen New Energy G.K. from the scope of consolidation, which was partially offset by an increase in deferred hedge gain/loss.

As a result, the net asset ratio was 32.7%.

## (3) Summary of Cash Flow

Cash and cash equivalents (hereinafter referred to as the "Fund") decreased 13,818 million yen to 19,670 million yen in the current consolidated fiscal year from the end of the previous consolidated fiscal year. The status and factors of each cash flow in the current consolidated fiscal year are as follows.

### (Cash Flows from Operating Activities)

The Fund used by operating activities was 23,226 million yen (down 208.1% year-over-year). Major factors included 20,649 million yen of loss before income taxes, 4,781 million yen of income taxes payment or refund (decrease in the Fund), 3,415 million yen of increase in consumption taxes receivable (decrease in the Fund), etc.

### (Cash Flows from Investing Activities)

The Fund used in investing activities was 114 million yen (down 99.2% year-over-year). Major factors included 3,637 million yen of time deposits made and 2,674 million yen of acquisition of property, plant and equipment, partially offset by 4,328 million yen of collection of lease and guarantee deposits.

(Cash Flows from Financing Activities)

The Fund provided in financing activities was 15,672 million yen (up 7,049.1% year-over-year). Major factors included 9,501 million yen of proceeds from long-term loans payable, 6,000 million yen of proceeds from issuance of corporate bonds payable, and 5,390 million yen of net increase in short-term loans payable.

(Reference) Historical Management Indicators related to Cash Flow

|   | FY March 2020 | FY March 2021 | FY March 2022 | FY March 2023 | FY March 2024 |
|---|---------------|---------------|---------------|---------------|---------------|
| Net Asset Ratio (%)                             | 25.0          | 34.5          | 35.5          | 36.2          | 32.7          |
| Net Asset Ratio Using Market Cap (%)            | 59.7          | 85.4          | 65.2          | 64.6          | 28.3          |
| Interest-Bearing Debt to Cash Flow Ratio (Year) | 7.8           | 2.5           | 4.0           | 2.5           | -             |
| Interest Coverage Ratio (Times)                 | 17.2          | 37.5          | 26.8          | 46.5          | -             |

Net Asset Ratio: Net Asset / Total Asset

Net Asset Ratio Using Market Capitalization: Market Capitalization / Total Asset

Interest-Bearing Debt to Cash Flow Ratio: Interest-Bearing Debt / Cash Flow

Interest Coverage Ratio: Cash Flow / Interest Payment

(\*Note 1) All indicators in this section are calculated using consolidated financial numbers.

(\*Note 2) Market Capitalization is calculated using the total number of issued and outstanding shares excluding treasury stock.

(\*Note 3) Cash Flow in this section means operating cash flow.

(\*Note 4) Interest-Bearing Debt includes all the liabilities on the consolidated balance sheet for which interest is paid. Interest Payment means the interest payment amount on the consolidated cash flow statement.

(\*Note 5) Interest-Bearing Debt to Cash Flow Ratio and Interest Coverage Ratio for the fiscal year ended March 2024 are noted stated due to negative operating cashflow.

(4) Outlook for the Future

Outlook for the Next Fiscal Year

The business environment surrounding erex Group is at an unprecedented turning point such as increasing social demands for the realization of a de-carbonized and recycling-oriented society, continuing geopolitical risks such as Russia's invasion of Ukraine and the conflict between Israel and Hamas and the significant yen depreciation.

Under these circumstances, erex Group anticipates a return to profitability due to a review of its business promotion structure and changes to its strategy, which were implemented in light of the large deficit in the previous fiscal year, as well as growth in the power retail business, which posted a profit in the previous fiscal year. Regarding growth investments for the future, erex Group will focus on overseas business.

(Power Retail Business)

Regarding the high voltage sector, erex Group will propose plans that meet customer needs, such as fully-fixed plans and hybrid plans, as well as provide solutions such as corporate PPA and DR. Regarding the low voltage sector, erex Group will switch all contracts to CO2-free plans, work to strengthen acquisition of customers through direct online and to strengthen sales agents such as acquisition of customers when moving.

(Trading Business)

By the end of FY2023 (end of March 2024), all relatively expensive PPA contracts have ended, and from now on, erex Group will carry out the necessary procurement to meet the determined power sales volume. Additionally, erex Group will create retail plans that utilize its know-how in various power transactions, including power futures.

(Power Generation Business)

Regarding biomass power plants in Japan, the power generation volume is expected to decrease due to the effects of increased output curtailment orders, but erex Group will work to shorten the number of days required for periodic repairs by making it more efficient, and will thoroughly implement daily maintenance to shorten equipment inspection periods due to natural disasters, etc. Additionally, with the launch of the capacity market system, Itoigawa Power Plant (coal-fired power plant) will be operated in accordance with the system. In addition, erex Group will continue to make preparations for its planned power plants.

(Fuel Business)

The introduction of certification system for PKS (palm kernel shell) in April 2024 is expected to increase fuel costs. As a countermeasure, some of the PKS will be switched to wood pellets to reduce costs. In Japan, erex Group will begin full-fledged external sales based on long-term fuel supply contracts, take measures to counter the depreciation of the yen through foreign exchange contracts, which it has been using, and reduce transportation costs by increasing the size of ocean transport ships for fuel.

(Overseas Business)

In Vietnam, Hau Giang Biomass Power Plant and Yen Bai / Tuyen Quang pellet factories are scheduled to be completed within the fiscal year. The "Implementation Plan of Vietnam's 8<sup>th</sup> National Power Development Plan (PDP8)", which

prioritizes biomass power plants in Yen Bai and Tuyen Quang provinces (\*2), was approved on April 1, 2024, and erex Group will proceed with preparations for the early start of construction of the two power plants

In Cambodia, erex Group will continue construction of a hydroelectric power plant scheduled for completion in November 2025, and work on a feasibility study for the construction of new biomass power plants.

#### (De-Carbonization Strategy)

As its de-carbonization strategy, erex Group has set a goal of reducing CO2 emissions by 25 million tons by 2030, and will accelerate its challenge to achieve carbon negative emissions by 2050. Looking ahead to the realization of a net-zero society in which trade in environmental value will materialize through carbon pricing and global emissions trading, erex Group will transform itself from an energy company to a leading de-carbonization company and accelerate its growth by using environmental value as a source of revenue.

(\*2) These two power plants have been adopted by the Ministry of the Environment's "Joint Crediting Mechanism (JCM): equipment subsidy project among financial assistance project" (A project that utilizes superior de-carbonization technology to reduce greenhouse gas emissions in developing countries, etc., and conducts measurement, reporting, and verification (MRV). The aim is to reduce greenhouse gas emissions in developing countries and other countries, and to help Japan and partner countries achieve their greenhouse gas emission reduction targets through the JCM. Subsidy will be provided up to one-half of the initial investment cost for excellent de-carbonization technology, etc. This project is being implemented with the cooperation of the Vietnamese and Japanese governments).

#### (5) Notes Related to Going Concern Assumption

As a result of a decrease in net assets due to the recording of a large amount of ordinary loss and net loss in the current consolidated fiscal year, erex Group violated the financial covenants in some of its borrowing agreements at the end of the current consolidated fiscal year.

However, consent has been obtained from all relevant financial institutions not to exercise the right to forfeit the benefit of time with respect to such contracts that were in violation of financial covenants, and erex Group has determined that there is no material uncertainty regarding the going concern assumption.

#### 2. Basic Ideas for Selection of Accounting Standards

erex Group plans to voluntarily adopt International Financial Reporting Standards (IFRS) in place of Japanese GAAP for its consolidated financial statements from the 1Q of FY March 2025, in order to improve the international comparability of financial information in the capital markets and to enhance communication with investors and other stakeholders.



3. Consolidated Financial Statements and Important Notes  
(1) Consolidated Balance Sheet

|  | (JPY million)     |                   |
|--|-------------------|-------------------|
|  | March 31,<br>2023 | March 31,<br>2024 |
| <b>Assets</b>                                    |                   |                   |
| <b>Current Assets</b>                            |                   |                   |
| Cash and Deposits                                | 33,621            | 23,506            |
| Accounts Receivable/Trade                        | 26,078            | 21,106            |
| Materials and Supplies                           | 2,311             | 2,388             |
| Short-Term Loans to Affiliated Companies         | 5,195             | 3,301             |
| Accrued Revenue                                  | 3,640             | 6,205             |
| Consumption Taxes Receivable, etc.               | 1,297             | 4,714             |
| Derivative Receivables                           | 5,714             | 740               |
| Others   | 1,468             | 4,938             |
| <b>Total Current Assets</b>                      | <b>79,329</b>     | <b>66,903</b>     |
| <b>Noncurrent Assets</b>                         |                   |                   |
| <b>Property, Plant and Equipment</b>             |                   |                   |
| Buildings and Structures (Net)                   | 10,347            | 6,469             |
| Machinery and Delivery Equipment (Net)           | 45,242            | 23,318            |
| Land   | 747               | 747               |
| Construction in Progress                         | 975               | 4,029             |
| Others (Net)                                     | 189               | 116               |
| <b>Total Property, Plant and Equipment (Net)</b> | <b>57,503</b>     | <b>34,682</b>     |
| <b>Intangible Assets</b>                         |                   |                   |
| Goodwill   | 3,943             | 2,799             |
| Others   | 1,757             | 1,629             |
| <b>Total Intangible Assets</b>                   | <b>5,701</b>      | <b>4,428</b>      |
| <b>Investments and Other Assets</b>              |                   |                   |
| Investment Securities                            | 2,681             | 3,666             |
| Long-Term Loans to Affiliated Companies          | -                 | 1,500             |
| Affiliated Companies' Shares                     | 2,708             | 2,759             |
| Investments in Affiliated Companies              | -                 | 6,290             |
| Deferred Tax Assets                              | 808               | 570               |
| Long-Term Prepaid Expenses                       | 729               | 602               |
| Lease and Guarantee Deposits                     | 6,959             | 2,817             |
| Derivative Receivables                           | 8,016             | 13,113            |
| Others   | 8,218             | 8,190             |
| Allowance for Doubtful Accounts                  | △550              | △344              |
| <b>Total Investments and Other Assets</b>        | <b>29,570</b>     | <b>39,166</b>     |
| <b>Total Noncurrent Assets</b>                   | <b>92,775</b>     | <b>78,277</b>     |
| <b>Total Assets</b>                              | <b>172,105</b>    | <b>145,180</b>    |

(JPY million)

|   | March 31, 2023 | March 31, 2024 |
|---|----------------|----------------|
| <b>Liabilities</b>                                    |                |                |
| <b>Current Liabilities</b>                            |                |                |
| Accounts Payable/Trade                                | 19,137         | 15,047         |
| Short-Term Loans Payable                              | 9,440          | 14,830         |
| Current Portion of Long-Term Loans Payable            | 5,342          | 3,200          |
| Accounts Payable/Other than Trade                     | 2,462          | 2,466          |
| Income Taxes Payable                                  | 4,611          | 1,727          |
| Provision for Bonuses                                 | 323            | 166            |
| Derivative Liabilities                                | 4,452          | 316            |
| Others  | 2,629          | 3,656          |
| <b>Total Current Liabilities</b>                      | <b>48,400</b>  | <b>41,411</b>  |
| <b>Noncurrent Liabilities</b>                         |                |                |
| Corporate Bonds Payable                               | 5,000          | 11,000         |
| Long-Term Loans Payable                               | 35,345         | 26,913         |
| Retirement Benefit Liabilities                        | 286            | 360            |
| Asset Retirement Obligations                          | 6,419          | 5,303          |
| Deferred Tax Liabilities                              | 2,161          | 4,399          |
| Derivative Liabilities                                | 151            | 161            |
| Others  | 387            | 396            |
| <b>Total Noncurrent Liabilities</b>                   | <b>49,751</b>  | <b>48,536</b>  |
| <b>Total Liabilities</b>                              | <b>98,152</b>  | <b>89,947</b>  |
| <b>Net Assets</b>                                     |                |                |
| <b>Shareholders' Equity</b>                           |                |                |
| Capital Stock   | 11,313         | 11,362         |
| Capital Surplus                                       | 10,088         | 10,898         |
| Retained Earnings                                     | 36,315         | 12,751         |
| Treasury Stock  | △124           | △125           |
| <b>Total Shareholders' Equity</b>                     | <b>57,593</b>  | <b>34,887</b>  |
| <b>Accumulated Other Comprehensive Income</b>         |                |                |
| Valuation Difference on Available-for-Sale Securities | △135           | 995            |
| Deferred Hedge Gain/Loss                              | 4,124          | 11,010         |
| Foreign Currency Translation Adjustments              | 431            | 610            |
| <b>Total Accumulated Other Comprehensive Income</b>   | <b>4,420</b>   | <b>12,617</b>  |
| <b>Non-Controlling Shareholders' Interest</b>         | <b>11,939</b>  | <b>7,728</b>   |
| <b>Total Net Assets</b>                               | <b>73,953</b>  | <b>55,233</b>  |
| <b>Total Liabilities and Net Assets</b>               | <b>172,105</b> | <b>145,180</b> |

## (2) Consolidated Income Statement and Consolidated Comprehensive Income Statement

(Consolidated Income Statement)

(JPY million)

|   | FY March 2023 | FY March 2024 |
|---|---------------|---------------|
| Net Sales   | 296,312       | 244,977       |
| Cost of Sales   | 270,593       | 254,143       |
| Gross Profit  | 25,719        | △9,166        |
| Selling, General, and Administrative Expenses                       | 10,895        | 10,685        |
| Operating Income  | 14,823        | △19,851       |
| Non-Operating Income  |               |               |
| Interest Income   | 121           | 344           |
| Dividend Income   | 39            | 47            |
| Foreign Exchange Gain   | 1,043         | 1,807         |
| Equity Method   | 171           | 235           |
| Others  | 38            | 214           |
| Total Non-Operating Income  | 1,414         | 2,650         |
| Non-Operating Expenses  |               |               |
| Interest Expense  | 461           | 463           |
| Commission Expense  | 49            | 64            |
| Derivative Loss   | 298           | 530           |
| Others  | 194           | 129           |
| Total Non-Operating Expenses  | 1,004         | 1,187         |
| Ordinary Income   | 15,234        | △18,388       |
| Extraordinary Loss  |               |               |
| Impairment Loss   | -             | 2,260         |
| Total Extraordinary Loss  | -             | 2,260         |
| Income before Income Taxes  | 15,234        | △20,649       |
| Income Taxes  | 5,525         | 1,665         |
| Income Taxes Deferred   | △4            | 255           |
| Total Income Taxes  | 5,520         | 1,921         |
| Net Income (△Loss)  | 9,714         | △22,570       |
| Net Income (△Loss) Attributable to Non-Controlling Shareholders     | 582           | △313          |
| Net Income (△Loss) Attributable to the Owners of the Parent Company | 9,131         | △22,257       |

(Consolidated Comprehensive Income Statement)

(JPY million)

|   | FY March 2023 | FY March 2024 |
|---|---------------|---------------|
| Net Income  | 9,714         | △22,570       |
| Other Comprehensive Income  |               |               |
| Valuation Difference on Available-for-Sale Securities                               | 36            | 1,131         |
| Deferred Hedge Gain/Loss  | △1,656        | 6,848         |
| Foreign Currency Translation Adjustments  | 214           | 204           |
| Share of Other Comprehensive Income of Associates Accounted for Using Equity Method | 23            | 54            |
| Total Other Comprehensive Income  | △1,382        | 8,239         |
| Comprehensive Income  | 8,331         | △14,331       |
| (Breakdown)   |               |               |
| Comprehensive Income Attributable to the Owners of the Parent Company               | 7,680         | △14,060       |
| Comprehensive Income Attributable to Non-Controlling Shareholders                   | 650           | △270          |

## (3) Consolidated Statement of Changes in Shareholders' Equity

Previous Consolidated Fiscal Year (April 1, 2022 - March 31, 2023)

(JPY million)

|  | Shareholders' Equity |                 |                   |                |                            |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|
|  | Capital Stock        | Capital Surplus | Retained Earnings | Treasury Stock | Total Shareholders' Equity |
| Beginning Balance  | 11,242               | 10,238          | 28,487            | △124           | 49,844                     |
| Changes during the Fiscal Year   |                      |                 |                   |                |                            |
| Issuance of New Stock  | 71                   | 71              |                   |                | 143                        |
| Change in Equity due to Acquisition of Shares of Consolidated Subsidiaries |                      | △221            |                   |                | △221                       |
| Change in Equity due to Capital Increase of Consolidated Subsidiaries      |                      | △0              |                   |                | △0                         |
| Dividend of Retained Earnings  |                      |                 | △1,303            |                | △1,303                     |
| Net Income Attributable to Owners of Parent                                |                      |                 | 9,131             |                | 9,131                      |
| Acquisition of Treasury Stock  |                      |                 |                   | △0             | △0                         |
| Changes Other than Shareholders' Equity during the Fiscal Year (Net)       |                      |                 |                   |                |                            |
| Total Changes during the Fiscal Year                                       | 71                   | △150            | 7,827             | △0             | 7,748                      |
| Ending Balance   | 11,313               | 10,088          | 36,315            | △124           | 57,593                     |

|  | Total Accumulated Other Comprehensive Income          |                          |  |  | Non-Controlling Shareholders' Interest | Total Net Assets |
|--|---|--------------------------|--|--|--|------------------|
|  | Valuation Difference on Available for Sale Securities | Deferred Hedge Gain/Loss | Foreign Currency Translation Adjustments | Total Accumulated Other Comprehensive Income |  |                  |
| Beginning Balance  | △171  | 5,844                    | 198                                      | 5,871  | 11,104                                 | 66,820           |
| Changes during the Fiscal Year   |   |                          |  |  |  |                  |
| Issuance of New Stock  |   |                          |  |  |  | 143              |
| Change in Equity due to Acquisition of Shares of Consolidated Subsidiaries |   |                          |  |  |  | △221             |
| Change in Equity due to Capital Increase of Consolidated Subsidiary        |   |                          |  |  |  | △0               |
| Dividend of Retained Earnings  |   |                          |  |  |  | △1,303           |
| Net Income Attributable to Owners of Parent                                |   |                          |  |  |  | 9,131            |
| Acquisition of Treasury Stock  |   |                          |  |  |  | △0               |
| Changes Other than Shareholders' Equity during the Fiscal Year (Net)       | 36  | △1,719                   | 232                                      | △1,450                                       | 834                                    | △616             |
| Total Changes during the Fiscal Year                                       | 36  | △1,719                   | 232                                      | △1,450                                       | 834                                    | 7,132            |
| Ending Balance   | △135  | 4,124                    | 431                                      | 4,420  | 11,939                                 | 73,953           |

Current Consolidated Fiscal Year (April 1, 2023 - March 31, 2024)

(JPY million)

|  | Shareholders' Equity |                 |                   |                |                            |
|--|----------------------|-----------------|-------------------|----------------|----------------------------|
|  | Capital Stock        | Capital Surplus | Retained Earnings | Treasury Stock | Total Shareholders' Equity |
| Beginning Balance  | 11,313               | 10,088          | 36,315            | △124           | 57,593                     |
| Changes during the Fiscal Year   |                      |                 |                   |                |                            |
| Issuance of New Stock  | 48                   | 48              |                   |                | 97                         |
| Change in Equity due to Capital Increase of Consolidated Subsidiaries              |                      | 0               |                   |                | 0                          |
| Dividend of Retained Earnings  |                      |                 | △1,306            |                | △1,306                     |
| Net Income ( △ Loss) Attributable to Owners of Parent                              |                      |                 | △22,257           |                | △22,257                    |
| Acquisition of Treasury Stock  |                      |                 |                   | △1             | △1                         |
| Change in Equity due to Acquisition of Treasury Stock of Consolidated Subsidiaries |                      | 761             |                   |                | 761                        |
| Changes Other than Shareholders' Equity during the Fiscal Year (Net)               |                      |                 |                   |                |                            |
| Total Changes during the Fiscal Year   | 48                   | 810             | △23,563           | △1             | △22,705                    |
| Ending Balance   | 11,362               | 10,898          | 12,751            | △125           | 34,887                     |

|  | Total Accumulated Other Comprehensive Income          |                          |  |  | Non-Controlling Shareholders' Interest | Total Net Assets |
|--|---|--------------------------|--|--|--|------------------|
|  | Valuation Difference on Available for Sale Securities | Deferred Hedge Gain/Loss | Foreign Currency Translation Adjustments | Total Accumulated Other Comprehensive Income |  |                  |
| Beginning Balance  | △135  | 4,124                    | 431                                      | 4,420  | 11,939                                 | 73,953           |
| Changes during the Fiscal Year   |   |                          |  |  |  |                  |
| Issuance of New Stock  |   |                          |  |  |  | 97               |
| Change in Equity due to Capital Increase of Consolidated Subsidiary        |   |                          |  |  |  | 0                |
| Dividend of Retained Earnings  |   |                          |  |  |  | △1,306           |
| Net Income ( △ Loss) Attributable to Owners of Parent                      |   |                          |  |  |  | △22,257          |
| Acquisition of Treasury Stock  |   |                          |  |  |  | △1               |
| Change in Equity due to Acquisition of Shares of Consolidated Subsidiaries |   |                          |  |  |  | 761              |
| Changes Other than Shareholders' Equity during the Fiscal Year (Net)       | 1,131   | 6,885                    | 179                                      | 8,196  | △4,210                                 | 3,986            |
| Total Changes during the Fiscal Year                                       | 1,131   | 6,885                    | 179                                      | 8,196  | △4,210                                 | △18,719          |
| Ending Balance   | 995   | 11,010                   | 610                                      | 12,617                                       | 7,728                                  | 55,233           |

## (4) Consolidated Statement of Cash Flow

(JPY million)

|   | FY March 2023  | FY March 2024  |
|---|----------------|----------------|
| <b>Cashflow from Operating Activities</b>   |                |                |
| Income before Income Taxes  | 15,234         | △20,649        |
| Depreciation and Amortization   | 5,564          | 3,529          |
| Impairment Loss   | -              | 2,260          |
| Amortization of Goodwill  | 343            | 387            |
| Increase (△Decrease) in Provision for Bonuses   | 174            | △157           |
| Increase (△Decrease) in Retirement Benefit Liabilities  | 87             | 83             |
| Interest Income and Dividend Income   | △161           | △392           |
| Interest Expenses   | 461            | 463            |
| Decrease (△Increase) in Accounts Receivable/Trade   | 3,990          | 3,796          |
| Decrease (△Increase) in Inventory   | △356           | △600           |
| Increase (△Decrease) in Accounts Payable/Trade  | 88             | △3,330         |
| Decrease (△Increase) in Consumption Tax Receivable  | 798            | △3,415         |
| Increase (△Decrease) in Consumption Tax Payable   | △1,091         | △469           |
| Decrease (△Increase) in Accrued Revenue   | 1,553          | △2,543         |
| Increase (△Decrease) in Accrued Expenses  | △1,393         | 26             |
| Increase (△Decrease) in Deposits Payable  | △1,479         | 1,441          |
| Others  | 519            | 1,087          |
| <b>Sub-Total</b>  | <b>24,334</b>  | <b>△18,481</b> |
| Interest and Dividend Received  | 322            | 392            |
| Interest Paid   | △461           | △354           |
| Income Taxes Paid (△Refund)   | △2,705         | △4,781         |
| <b>Cashflow from Operating Activities</b>   | <b>21,489</b>  | <b>△23,226</b> |
| <b>Cashflow from Investing Activities</b>   |                |                |
| Proceeds from Withdrawal of Time Deposits   | 330            | -              |
| Payments into Time Deposits.  | -              | △3,637         |
| Payments for Capital Increase of Affiliated Companies   | △6,280         | -              |
| Payments for Acquisition of Property, Plant and Equipment   | △751           | △2,674         |
| Payments for Acquisition of Intangible Assets   | △616           | △393           |
| Payments for Investments in Capital   | -              | △254           |
| Collection of Lease and Guarantee Deposits  | 4,564          | 4,328          |
| Payments for Lease and Guarantee Deposits   | △12,484        | △405           |
| Collection of Loans Receivable  | -              | 2,618          |
| Payments for Loans Receivable   | △775           | △130           |
| Payments for Acquisition of Shares in Subsidiaries Resulting in Change in Scope of Consolidation                    | △77            | -              |
| Others  | 1,515          | 433            |
| <b>Cashflow from Investing Activities</b>   | <b>△14,576</b> | <b>△114</b>    |
| <b>Cashflow from Financing Activities</b>   |                |                |
| Net Increase (△Net Decrease) of Short-Term Loans Payable  | -              | 5,390          |
| Proceeds from Long-Term Loans Payable   | -              | 9,501          |
| Repayment of Long-Term Loans Payable  | △4,649         | △4,007         |
| Payment of Dividend   | △1,303         | △1,306         |
| Proceeds from Issuance of New Shares  | -              | 13             |
| Payments from Changes in Ownership Interests in Subsidiaries That Do Not Result in Change in Scope of Consolidation | 26             | △72            |
| Proceeds from Issuance of Corporate Bonds   | 5,000          | 6,000          |
| Others  | 701            | 153            |
| <b>Cashflow from Financing Activities</b>   | <b>△225</b>    | <b>15,672</b>  |
| Effect of Exchange Rate Change on Cash and Cash Equivalents.  | 1              | 293            |
| <b>Increase (△Decrease) in Cash and Cash Equivalents</b>  | <b>6,689</b>   | <b>△7,374</b>  |
| Cash and Cash Equivalents at the Beginning of the Fiscal Year   | 26,799         | 33,488         |
| Decrease in Cash and Cash Equivalents due to Exclusion from Consolidation   | -              | △6,444         |
| <b>Cash and Cash Equivalents at the End of the Fiscal Year</b>  | <b>33,488</b>  | <b>19,670</b>  |

(5) Notes to the Consolidated Financial Statements

(Notes Related to Going Concern Assumptions)

N/A

(Segment Information)

[Segment Information]

erex Group has a single business segment whose main business is electric power business, therefore segment information is omitted.

[Related Information]

Previous Consolidated Fiscal Year (April 1, 2022 - March 31, 2023)

1. Information by Product and Service

(JPY million)

|                                 | Power Retail | Power Wholesale | Others | Total   |
|---------------------------------|--------------|-----------------|--------|---------|
| Net Sales to External Customers | 98,525       | 190,844         | 6,942  | 296,312 |

2. Information by Region

(1) Net Sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales in the statement of income.

(2) Property, Plant and Equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the balance sheet.

3. Information by Major Customer

(JPY million)

| Name of the Customer                 | Net Sales | Related Segment Name    |
|--------------------------------------|-----------|-------------------------|
| Japan Electric Power Exchange (JEPX) | 101,998   | Electric Power Business |

Current Consolidated Fiscal Year (April 1, 2023 - March 31, 2024)

1. Information by Product and Service

(JPY million)

|                                 | Power Retail | Power Wholesale | Others | Total   |
|---------------------------------|--------------|-----------------|--------|---------|
| Net Sales to External Customers | 75,328       | 147,842         | 21,797 | 244,967 |

2. Information by Region

(1) Net Sales

This information is omitted because net sales to external customers in Japan account for more than 90% of net sales in the statement of income.

(2) Property, Plant and Equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment on the balance sheet.

(3) Information by Major Customer

(JPY million)

| Name of the Customer                 | Net Sales | Related Segment Name    |
|--------------------------------------|-----------|-------------------------|
| Japan Electric Power Exchange (JEPX) | 32,629    | Electric Power Business |
| Energy Grid Corporation Limited      | 31,403    | Electric Power Business |

[Information Regarding Impairment Loss on Noncurrent Assets by Business Segment]

The information is omitted because erex Group has a single business segment whose main business is electric power business.

[Information Regarding Goodwill Amortization Amount and Unamortized Balance by Business Segment]

The information is omitted because erex Group has a single business segment whose main business is electric power business.

[Information Regarding Gain on Negative Goodwill by Business Segment]

The information is omitted because erex Group has a single business segment whose main business is electric power business.



## (Per Share Information)

| Previous Consolidated Fiscal Year<br>(April 1, 2022 – March 31, 2023)<br>(JPY) |          | Current Consolidated Fiscal Year<br>(April 1, 2023 – March 31, 2024)<br>(JPY) |         |
|--|----------|---|---------|
| BPS  | 1,046.80 | BPS   | 800.07  |
| EPS  | 154.29   | EPS   | △375.29 |
| Diluted EPS  | 154.05   | Diluted EPS   | -       |

(\*1) erex shares owned by Director Remuneration BIP Trust are included in treasury stock deducted from the total number of outstanding shares at the end of the fiscal year in calculating BPS. (138,000 shares in the previous consolidated fiscal year, and 138,000 shares in the current consolidated fiscal year)

Also, in calculating EPS and Diluted EPS, erex shares owned by the Director Remuneration BIP Trust are included in treasury stock deducted in calculating the average number of shares during the period. (140,000 shares in the previous consolidated fiscal year and 142,000 shares in the current consolidated fiscal year)

(\*2) Diluted EPS for the current consolidated fiscal year is not stated because it is a net loss per share, although there are diluted shares.

(\*3) Basis for calculating BPS is as follows;

|   | Previous Consolidated<br>Fiscal Year<br>(March 31, 2023) | Current Consolidated<br>Fiscal Year<br>(March 31, 2024) |
|---|--|---|
| Total Net Assets (JPY million)                            | 73,953   | 55,233  |
| Amounts Deducted from Total Net Assets<br>(JPY million)   | 11,939   | 7,728   |
| (Non-controlling Shareholders' Interest)<br>(JPY million) | (11,939)   | (7,728)   |
| Total Net Assets for Common Stock<br>(JPY million)        | 62,013   | 47,504  |
| Number of Common Stock Used to<br>Calculate BPS (shares)  | 59,241,244   | 59,375,794  |

(\*3) Basis for calculating EPS and Diluted EPS are as follows;

|   | Previous consolidated<br>Fiscal Year<br>(April 1, 2022 – March 31,<br>2023) | Current Consolidated<br>Fiscal Year<br>(April 1, 2023 – March 31,<br>2024) |
|---|---|--|
| EPS   |   |  |
| Net Income Attributable to the Owners of<br>the Parent Company (JPY million)                                    | 9,131   | △22,257  |
| Amounts not Attributable to Common<br>Stockholders (JPY million)  | -   | -  |
| Net Income Attributable to Common<br>Stockholders of the Parent Company<br>(JPY million)                        | 9,131   | △22,257  |
| Average Number of Shares during the<br>Fiscal Year (shares)   | 59,183,804  | 59,307,857   |
| Diluted EPS   |   |  |
| Adjustment to Net Income Attributable to<br>Owners of the Parent Company<br>(JPY million)                       | -   | -  |
| Number of Common Stocks Increased<br>(shares)   | 95,877  | -  |
| (Stock Subscription Rights) (shares)  | (95,877)  | (-)  |
| Summary of Dilutive Stocks not Included in<br>the Calculation of Diluted EPS for not<br>having Dilutive Effects | -   | -  |

(Material Subsequent Events)

N/A