

ENECHANGE

CHANGING ENERGY FOR A BETTER WORLD

Oberlous Japan Inc. Regarding Inclusion in Group

ENECHANGE Ltd.

October 15, 2021

Tokyo Stock Exchange Mothers

Securities Code: 4169



Handling of these materials

These materials contain statements regarding future prospects. These statements have been prepared based on information available at the time they were prepared. These statements are not guarantees of future results, and contain risks and uncertainties. Please note that actual results may differ greatly from the outlook due to changes in the environment, etc.

Factors affecting actual results include, but are not limited to, domestic and international economic conditions and trends in industries connected to the Company.

In addition, information contained in these materials from outside our company has been quoted from publicly-available information, etc. We have not verified the accuracy, appropriateness, etc. of such information in any way, and make no guarantees regarding it.

Summary

Transaction Overview

Acquire 100% of issued shares of Oberlous Japan Inc. from two shareholders

- Date of execution of share transfer agreement: October 15, 2021
- Effective date of share transfer: November 1, 2021 (scheduled)
- Acquisition amount: 350 million yen
- Funding method for acquisition: Cash and bank loans
- Impact on current fiscal year performance: Under examination (however, impact on current fiscal year performance expected to be minor)

Purpose

Strengthening customer base for ENECHANGE Platform business

- Oberlous provides energy switching using recurring revenue contracts; we will continue to strengthen our profit base through this acquisition.
- Oberlous' user base is mainly in the real estate industry, thereby strengthening our presence in this area.

Realized Benefits

Real estate is a focus area for ENECHANGE

- With the ESG perspective gaining importance in investment worldwide, especially in the real estate management industry, efforts to reduce CO₂ emissions are one of the key factors for investment decisions.*¹
- We aim to further improve our platform value by providing services that match the needs of real estate industry customers, such as providing plans that emphasize renewable energy.

*1. Environmental certifications such as GRESB, which evaluates the environmental friendliness of real estate companies and funds, and CASBEE (Comprehensive Assessment System for Built Environment Efficiency), which evaluates the environmental performance of buildings, are used.

Purpose

Through this acquisition, we expect to see an increase in the number of users eligible for recurring revenue, which is one of the key KPIs for the Platform business. Oberlous provides electricity switching using recurring revenue contracts and will contribute to our profit base through this acquisition. In addition, real estate industry users – the main clients of Oberlous – are also a focus area for ENECHANGE.

Effects on our KPIs

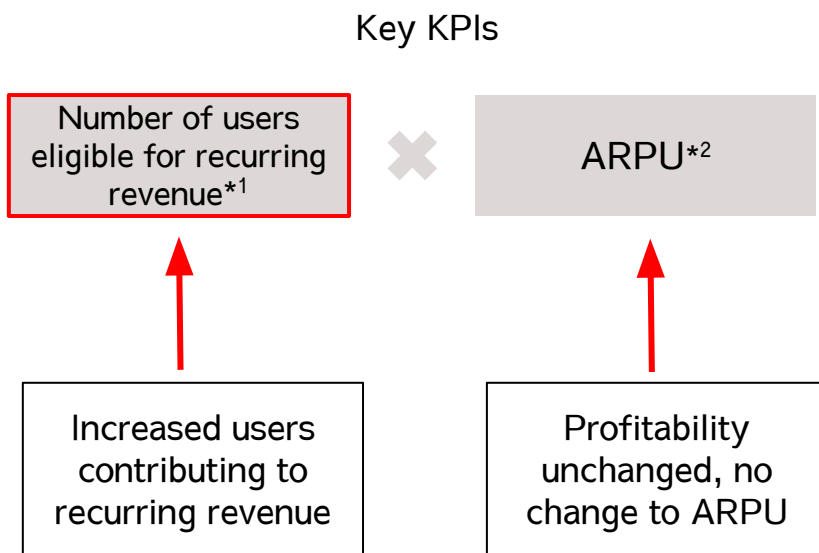
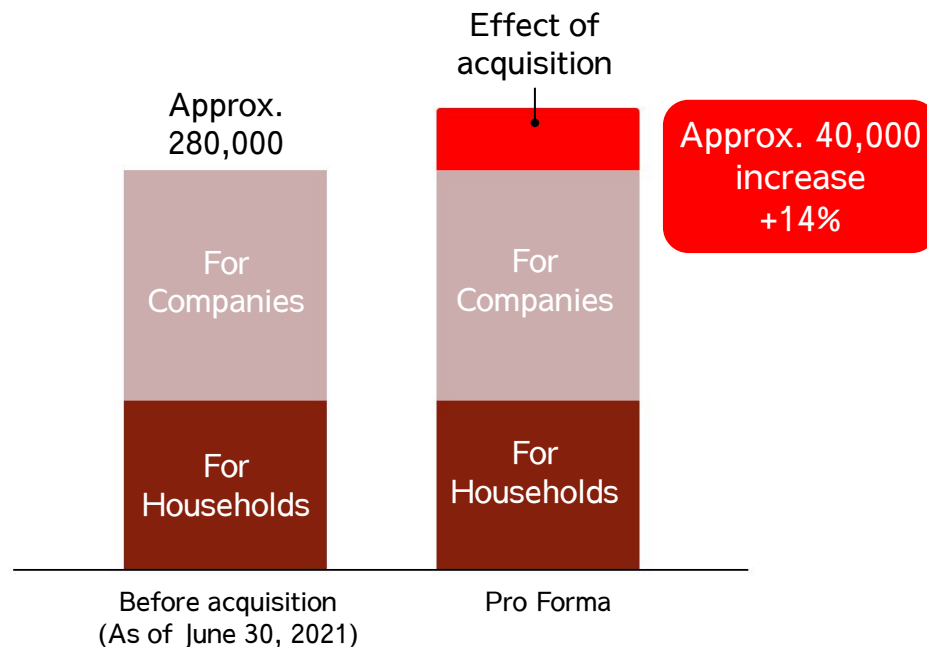


Illustration of the increasing number of users eligible for recurring revenue*3



Contributes to increase in corporate users, mainly in the real estate industry

*1. Typical household conversion by companies is based on the rebates from the total obtained capacity using the capacity of a general household as 4 kW.

*2. Average Revenue Per User: Obtained by dividing the quarter segment sales by the number of users eligible for recurring revenue at the end of the quarter.

*3. Graphical representation of Oberlous' cumulative number of users eligible for recurring revenue as of the end of September 2021, converted to ordinary households.

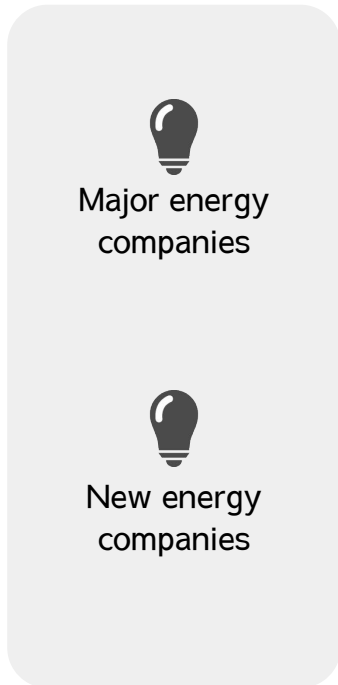
Realized Benefits

The Company will strengthen its customer base in the real estate industry while acquiring the sales staff and sales know-how of Oberlous, which has a track record of supporting the electricity switching of more than 3,000 buildings. ENECHANGE aims to further improve our platform's value by providing switching services that meet the needs of customers in the real estate industry, such as price-competitive plans and 100% renewable energy plans, along with strengthening our client base in the real estate industry.

- High demand in the real estate industry for renewable energy plans and products
- Improve the value of our platform

- Increase sales staff and sales know-how
- Strengthen customer base in the real estate industry

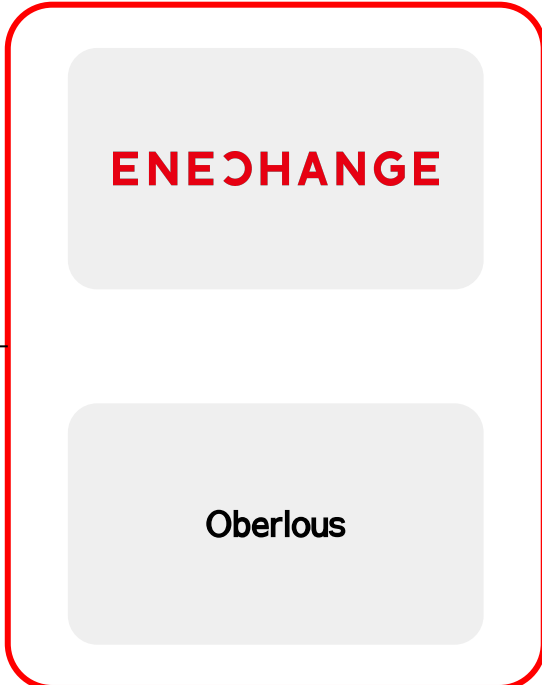
Energy Companies



Major energy companies

New energy companies

Energy switching support



ENECHANGE

Oberlous

Oberlous Users



Cumulative switching support for over 3,000 buildings

Domestic and Overseas Real Estate Funds

J-REITs

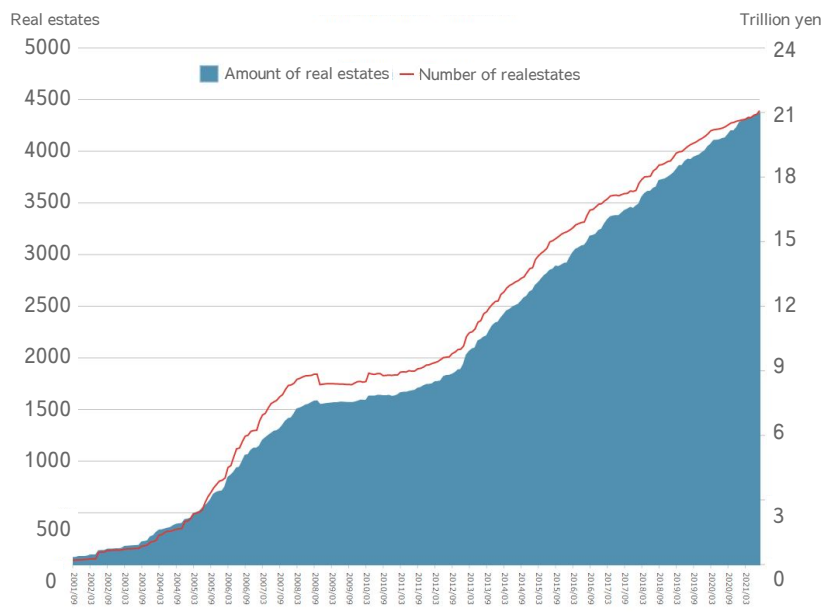
Real estate developers

Real estate owners, etc.

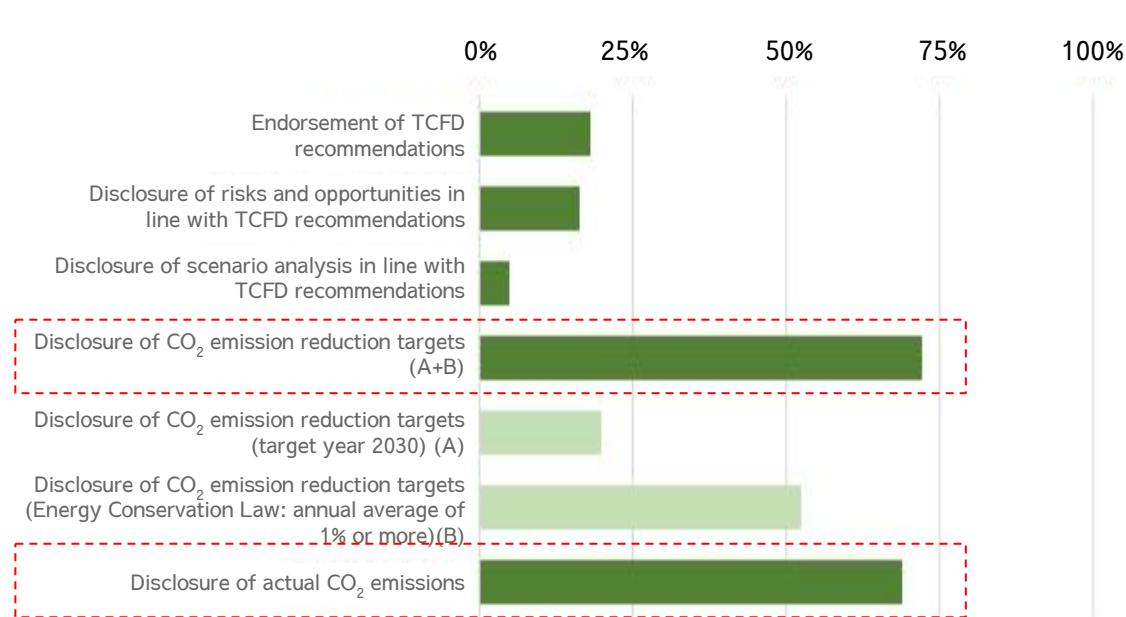
Why focus on the real estate industry?

CO₂ emissions from the real estate sector account for one third of Japan's total CO₂ emissions and are still on the rise*¹. The amount of real estate owned by J-REITs is increasing year by year, and overseas investors, who hold a large share of the J-REIT market, consider efforts to reduce CO₂ emissions to be one of the most important factors in making investment decisions*². For this reason, about 70% of J-REITs disclose their CO₂ reduction targets and actual results. We will continue to encourage the decarbonization of the real estate industry by providing support for switching to green electricity.

Trends in the amount of real estate owned by J-REITs*³



About 70% of J-REITs disclose CO₂ reduction targets and results*⁴



*1. Taken from the Ministry of Land, Infrastructure, Transport and Tourism website: https://www.mlit.go.jp/totikensangyo/totikensangyo_tk5_000107.html

*2. Environmental certifications such as GRESB, which evaluates the environmental friendliness of real estate companies and funds, and CASBEE (Comprehensive Assessment System for Built Environment Efficiency), which evaluates the environmental performance of buildings, are used.

*3. From the website of the Association for Real Estate Securitization, Japan (<https://j-reit.jp/market/05.html>), based on acquisition price

*4. Sumitomo Mitsui Trust Research Institute, Inc. "Responding to Accelerating Climate Change Risk in J-REITs" (September 10, 2021)

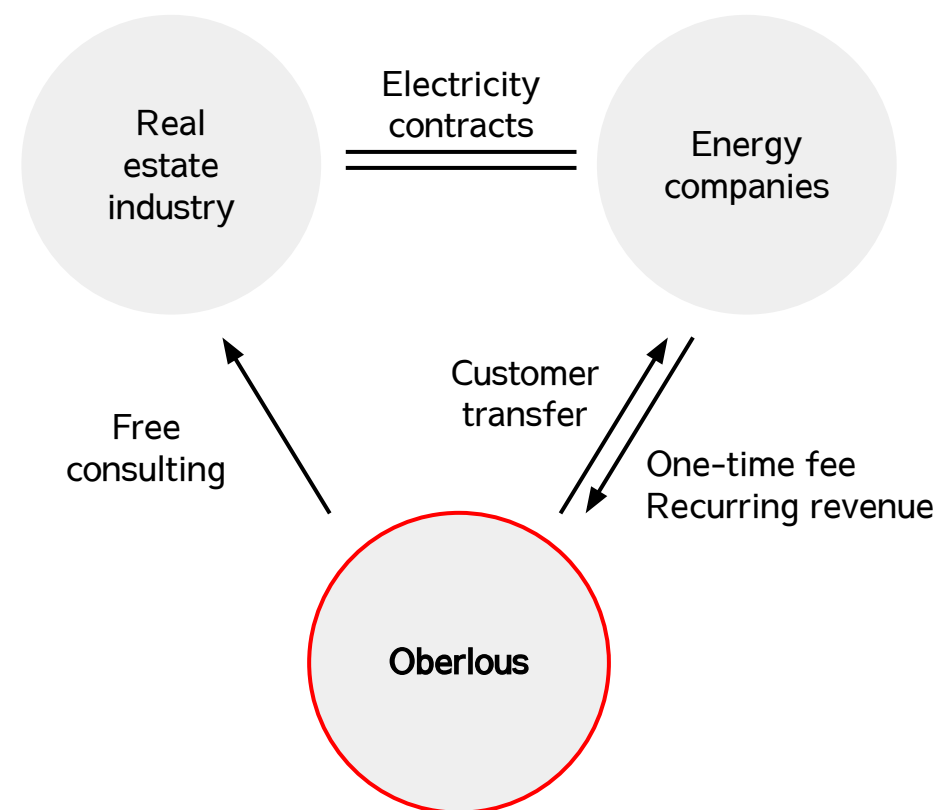
Overview of Oberlous

With the mission of "providing the best content to all real estate players and contributing to the real estate investment market," Oberlous provides electricity switching services and real estate brokerage services to developers, real estate owners, J-REITs and funds.

Basic information

Company name	Oberlous Japan Inc.
Address	The SOHO #1002, 2-7-4 Aomi, Koto-ku, Tokyo
Representative Director and Chairman	Yuta Oniwa
Representative Director and Chairman	Ryota Ikeda
Capital	10,000,000 yen
Operating Results	Net Sales: Approx. 120,000,000 yen (period ending April 2021) *Electric power business, which excludes real estate business is expected to be profitable
Businesses	Electric power business - Electricity switching mainly targeted at real estate owners Real estate business*1 - Operation of real estate sales platform, etc.

Business model



*1. The real estate business will be transferred to a separate company at the time of our acquisition. Please refer to the next page for details.

Purchase Scheme

Oberlous currently carries out a real estate business (including operation of a real estate sales platform) in addition to energy switching (equivalent to ENECHANGE's Platform business). This real estate business will be transferred to a separate company (REMS) at the moment of acquisition by ENECHANGE. ENECHANGE will only purchase the energy switching business. Additionally, after the acquisition of Oberlous, we shall consider a merger with ENECHANGE at the appropriate timing from the perspective of increasing the efficiency of operations at our company. In addition, we intend to partner with REMS, which will be running the real estate business, deepening our relationship as a partnership that strengthens customer acquisition in the real estate sector.

