

April 25, 2022

Company Name: ENECHANGE Ltd.  
Representative: Yohei Kiguchi, Representative Director and CEO  
Ippei Arita, Representative Director and COO  
(TSE Growth Code No. 4169)  
Inquiries: Takuya Sugimoto, Executive Officer / CFO  
TEL: +81-3-6774-6709

**Notice Concerning the Impact of LPIO's Suspension  
of Electricity Retail Services (Disclosure Progress Report)**

ENECHANGE (hereinafter referred to as "the Company") announces a follow-up to its timely disclosure titled "Notice Concerning the Impact of LPIO's Suspension of Electricity Retail Services", announced on March 26, 2022, regarding the expected impact on its full-year business results forecast for the fiscal year 2022.

**1. Background**

On March 25, 2022, LPIO Co., Ltd (hereinafter referred to as "LPIO") announced that LPIO has decided to suspend all the electricity retail services ("LPIO Electricity") in all areas.

In the fiscal year 2021, LPIO has approximately 39,000 users (Note) via the Company's switching platform, approximately 10% of the Company's total number of users of 387,000 (figures as of December 31, 2021).

With regard to sales from LPIO in the full-year sales forecast for the fiscal year 2022, the Company's sales forecast from LPIO was approximately 58 million yen after April 30 (the end date of service suspension), of which approximately 41 million yen was recurring revenue and approximately 17 million yen was non-recurring revenue.

The Company intended to maintain this sales forecast by supporting all of LPIO's customers (estimated to be approximately 140,000) in switching their electricity contracts to other energy suppliers collaborating with LPIO, and by promoting other energy suppliers to new users.

**2. Impact on the Company's business performance**

As of April 25, 2022, the Company had received over 40,000 switching applications from users due to this matter, exceeding the number of 39,000 LPIO users through the Company. Thus, the impact of this matter on the Company's business performance is expected to be limited. The Company will continue to provide support for LPIO's users who have not yet switched, by increasing support staff of the consultation desk.

Since this case is not a bankruptcy or other legal liquidation, we expect to collect the receivables owed by LPIO as usual.

(Note) To accurately compare the impact of company and household switches, switches are calculated for companies using an equivalent rate and converted based on the rebates from the total obtained capacity using the capacity of a general household as 4 kW.