



## 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

### **Acquired 47,000 outstanding shares of Sumasapo Inc. (hereinafter referred to as "Sumasapo")**

- Date of execution of share transfer agreement: August 5, 2022
- Effective date of share transfer: August 12, 2022 (Scheduled)
- Acquisition amount: 100 million JPY
- Ownership ratio post transaction: 2.1%
- Impact on current fiscal year performance: Under investigation (expected to be limited)
- Entering into a business alliance agreement along with the share transfer agreement

## Purpose

### **Increase in number of household users and ARPU for Platform Business**

- Through the alliance with Sumasapo, which has established a channel to reach 2.26 million users nationwide by providing services to 604 property management companies, we expect:
  - an increase in the number of electricity and gas switches at the time of moving, and
  - an increase in ARPU through cross-selling
- To strengthen this alliance, ENECHANGE also establishes capital relationship with Sumasapo.

## Synergies

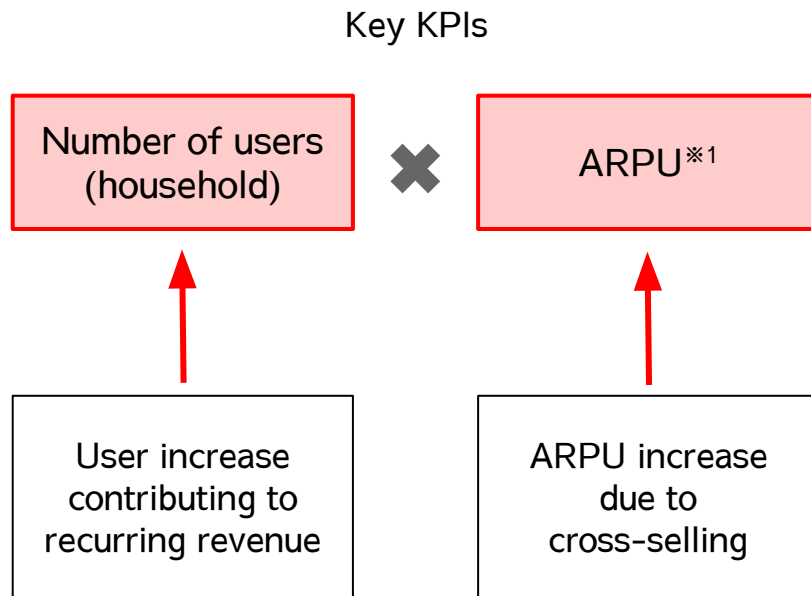
### **Providing optimal energy switching services to users by leveraging networks of both parties**

- Through this alliance, ENECHANGE expects to see a significant increase in opportunities for switching electricity and gas to household users, especially when they move, and Sumasapo expects to enhance its service quality by providing an electricity and gas platform services to household users.

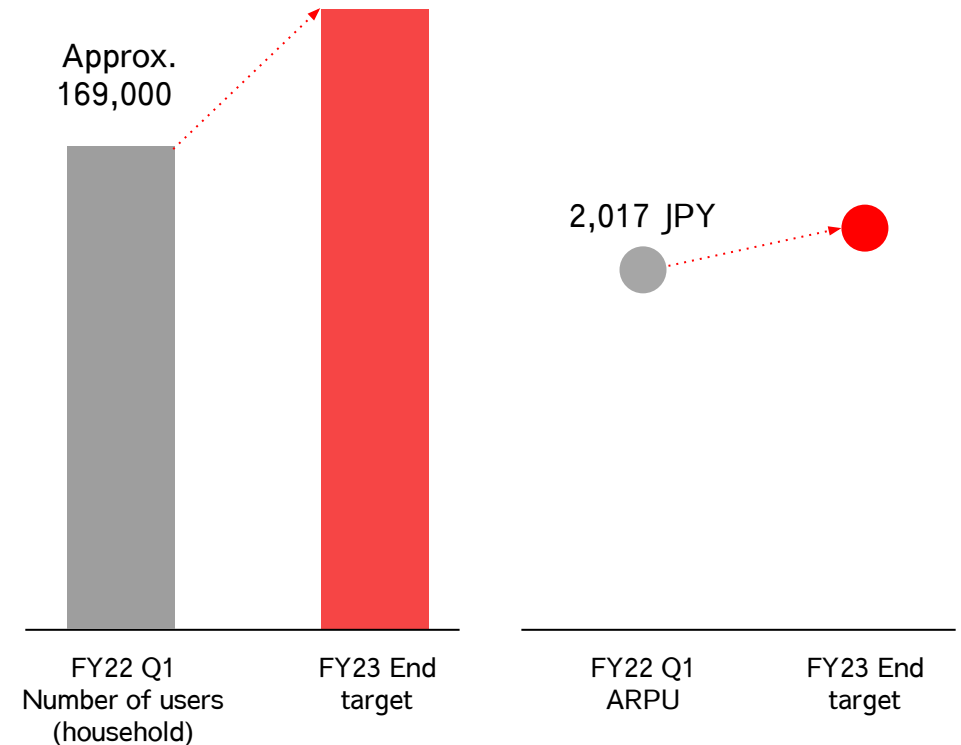
# Purpose of Alliance

This alliance is aimed to increase the number of users and ARPU, which are key KPIs of the Platform business. Sumasapo has established a channel that can reach 2.26 million users nationwide<sup>\*2</sup> through its services to 604 property management companies. As such, ENECHANGE will be able to capture electricity and gas switching opportunities at the time of moving, a key area of strategic focus. ENECHANGE also expects an increase in ARPU through cross-selling.

## ■ Impact on KPIs



## ■ Illustration of the increasing number of users and ARPU



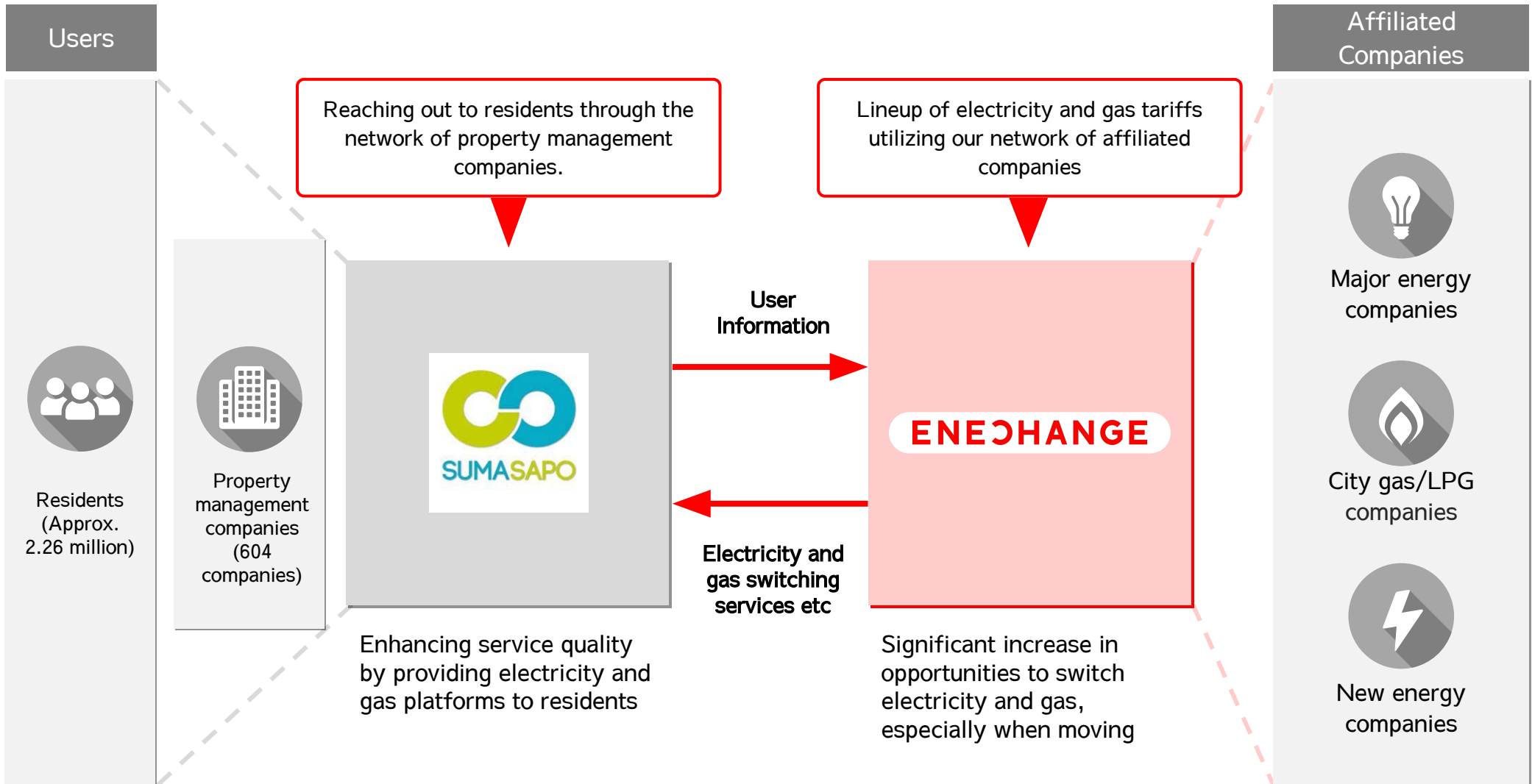
This alliance has positive impact on KPIs of the Platform business

※1 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

※2 From materials received by Sumasapo (as of August 2022)

# Expected Synergies

Through this alliance, we will be able to provide the electricity and gas comparison and switching platform to users who switch electricity and gas when they move, leveraging Sumasapo's channels to property management companies and residents. In order to strengthen this alliance, we will also invest in Sumasapo.

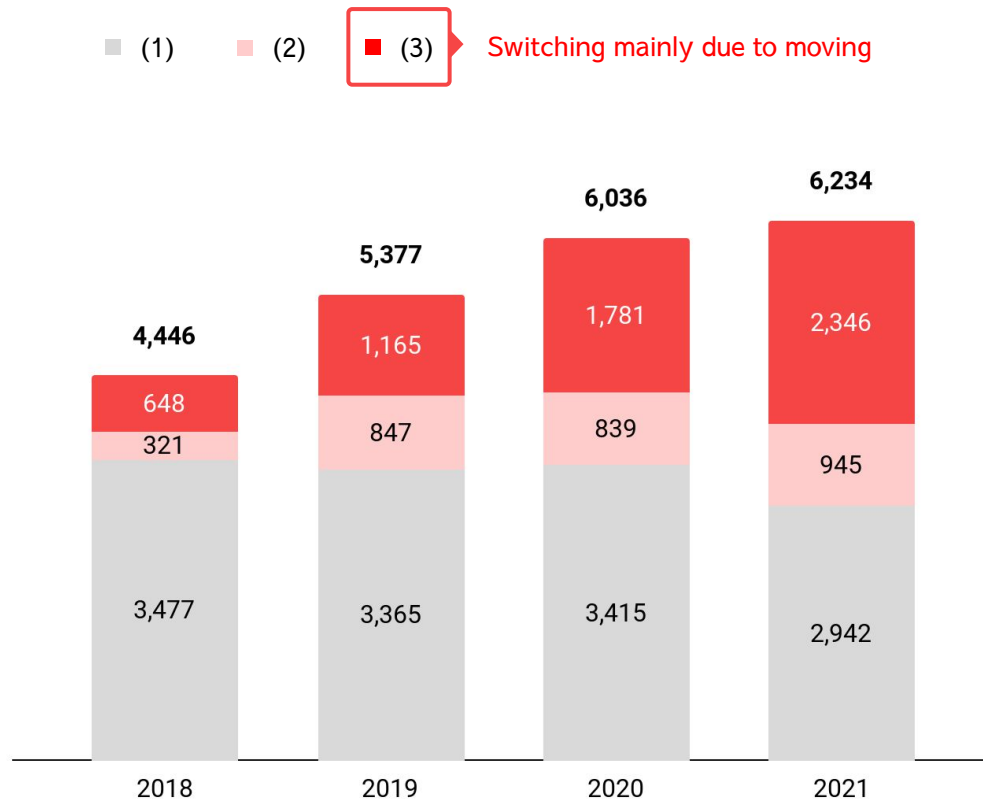


# Background of our strategic focus on the moving area

Switches include switching (1) from “big 10” energy suppliers, (2) from a new entrant supplier, and (3) new contracts due to relocation. Since many of the contracts concluded by (3) are triggered by moving, we expect that this alliance will effectively increase our market share by strengthening our access to users who are moving.

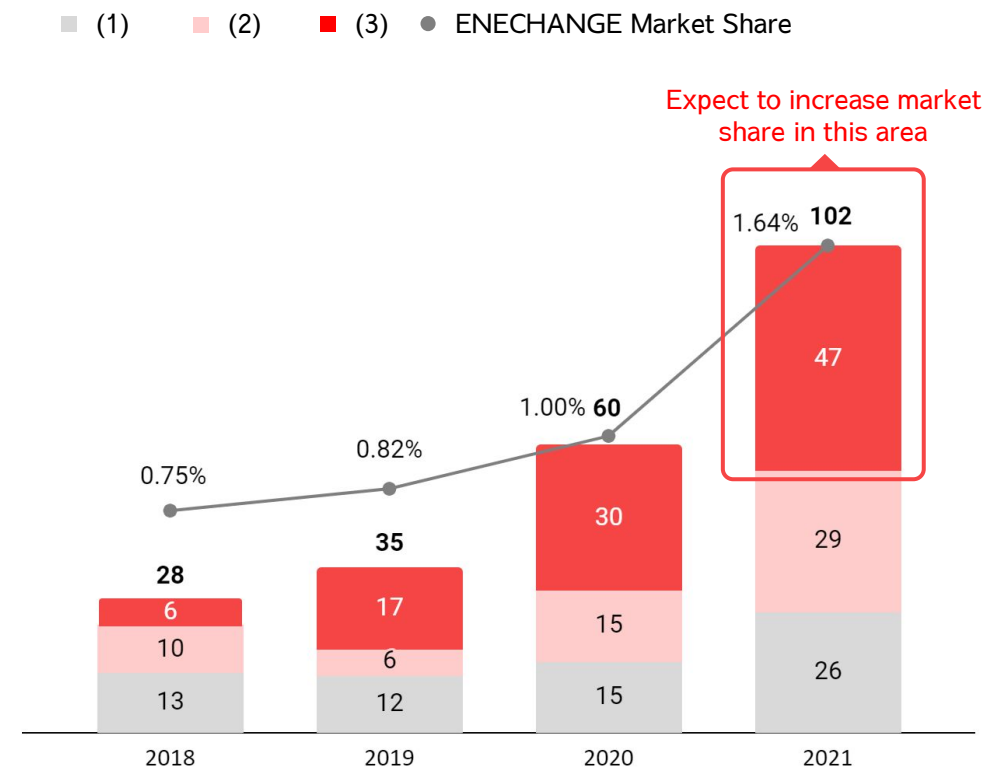
## ■ Number of switches to new entrants in Japan (quarterly)\*1

Unit: Thousands of cases



## ■ Number of switches at ENECHANGE (households)\*2

Unit: Thousands of cases



\*1. Based on Electricity and Gas Market Surveillance Commission, "Results of Electric Power Transactions". Special high pressure and high pressure are not included.

\*2. Share is the percentage of our switches in \*1.

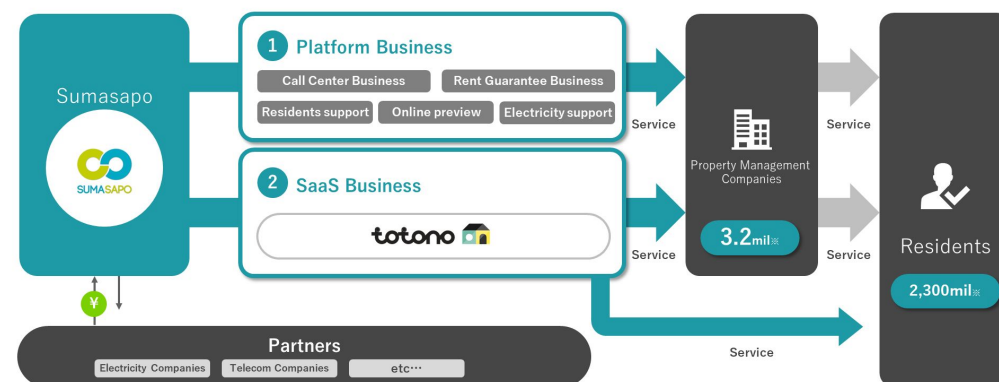
# Overview of Sumasapo

Sumasapo, under its mission of "Supporting a Smart lifestyle - creating new value in the real estate industry with technology and ideas to enrich people's lives," provides new value in the area of communication between property management companies and rental tenants, which until now has been primarily offline. Since the service was launched in 2016, Sumasapo has grown steadily, and further business growth is expected.

## ■ Basic information

Company name	Sumasapo Inc.
Address	Head office: Nihonbashi Front 1F, 3-6-2 Nihonbashi, Chuo-ku, Tokyo Osaka office: Shinshibakawa building 3F, 3-4-11 Doshomachi, Chuo-ku, Osaka
Representative	Shinzo Oda, Representative Director, CEO
Capital	274 million JPY (incl. capital reserve)
Financial results (Fiscal year ended Sep. 2021)	Sales 2.03 billion JPY
Businesses	Operation of Sumasapo Platform, a platform for the property industry

## ■ Business model



\*The potential size of targeted accessible market which is based on Sumasapo's in-house calculations. Data from Ministry of Land, Infrastructure, Transport and Tourism and Ministry of Economy, Trade and Industry.