

August 12, 2022

Company Name: ENECHANGE Ltd.  
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(TSE Growth Code No. 4169)  
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**Notice Concerning the Group Reorganization (Establishment of Subsidiary, Intergroup business transfers, and Change of Name of Consolidated Subsidiary)**

ENECHANGE (hereinafter referred to as "the Company") announces that the Company resolved at the Board of Directors meeting held on August 12, 2022, to establish a new subsidiary, transfer the SMAP business of SMAP Energy Limited ( hereinafter referred to as "SMAP Energy"), a consolidated subsidiary of the Company, to the Company, and change the company name of SMAP Energy, for the purpose of efficient utilization of management resources within the Group.

**1. Establishment of Subsidiaries**

① Purpose of Establishment of Subsidiary

The Company has been in the EV Charging business since November 2021, offering EV charging services for a monthly fee under the brand name "ENECHANGE EV Charge". Domestic new vehicle sales of EVs and PHVs reached a record high of 3.3% (Note) in the second quarter of 2022. Along with the future growth of the EV market, demand for EV charging facilities is expected to increase, and we have a policy of expanding our business through aggressive upfront investment.

Based on this policy, we have established a new subsidiary, ENECHANGE EV Lab Ltd., which specializes in the development and procurement of hardware and software related to EV charging facilities, in order to realize more efficient business operations while making aggressive upfront investments in the EV Charging business.

(Note) Based on Japan Automobile Dealers Association, "Numbers of Sold Vehicles by Fuel Type (Passenger Vehicles)"

② Overview of Subsidiaries

1) Name	ENECHANGE EV Lab Ltd.
2) Address	WeWork Tokyo Square Garden 14F, 3-1-1, Kyobashi, Chuo-ku, Tokyo, 104-0031, Japan
3) Name and title of representative	To be determined
4) Description of business	Research, development and procurement of hardware and software for EV charging facilities
5) Capital	To be determined
6) Date of establishment	October 1, 2022 (scheduled)
7) Fiscal year end	December 31
8) Major shareholders and voting rights ratio	ENECHANGE Ltd. 100%
9) Number of employees	10 (scheduled)

### ③ Schedule

1) Date of resolution by the Board of Directors	August 12, 2022
2) Date of establishment	October 1, 2022 (scheduled)
3) Date of business commencement	October 1, 2022 (scheduled)

### ④ Outlook

The impact on the Company's current fiscal year business performance is expected to be limited. We will disclose immediately any matters that should be publicly announced in the future.

## 2. Intergroup business transfers

### ① Reason for business transfer

SMAP Energy, a consolidated subsidiary based in the U.K., has been developing and selling the electricity smart meter data analysis SaaS "SMAP," centered on the "SMAP DR" demand response (DR) service, which realizes electricity savings by utilizing smart meter data.

SMAP Energy will transfer its "SMAP business," which focuses on the development and sales of DR products such as "SMAP DR," to the Company in order to consolidate functions related to the Data business, realize more efficient business operations, and respond to the recent increase in demand for energy-saving services in Japan.

SMAP Energy will focus on providing strategic support to the Company through the provision of specialized consulting and development services. This function will include:

1. Identifying opportunities in the global energy sector for investment in overseas decarbonization tech ventures (through the "Decarbonized Tech Fund" managed by the Company)
2. Negotiating and building business alliances with these ventures for expansion in Japan
3. Maintaining relationships with an international consortium of experts to advise and direct the Company on strategic initiatives
4. Providing broad market research and real-time monitoring of international developments in the global energy sector
5. Providing engineering resources and talent to prototype and develop new products for the Company, in addition to providing overflow support

SMAP Energy will also change its company name as described below.

### ② Outline of Target Businesses

SMAP business: Development and provision of "SMAP DR" demand response service utilizing smart meter data, and development and provision of other smart meter data analysis SaaS "SMAP

### ③ Operating Results of SMAP Business (Fiscal year ended December 31, 2021)

1) Net sales	245 million JPY
2) Operating profit	23 million JPY

### ④ Outline of counterparties (as of June 30, 2022)

1) Name	SMAP Energy Limited
2) Address	1 King William Street, London, EC4N 7AF, United Kingdom

3) Name and title of representative	Yohei Kiguchi, Representative Director and CEO
4) Description of business	Development and provision of "SMAP DR" demand response service utilizing smart meter data, and development and provision of smart meter data analysis SaaS "SMAP"
5) Capital	202.70 GBP
6) Date of establishment	June, 2017
7) Fiscal year end	December 31
8) Major shareholders and voting rights ratio	ENECHANGE Ltd. 100%
9) Number of employees	8 (As of June 30, 2022)

⑤ Transfer price and method of settlement

This has not been finalized at this time. It will be determined using a fair value assessment by a third party after discussion between the parties.

⑥ Schedule

1) Date of resolution by the Board of Directors	August 12, 2022
2) Date of contract	October 1, 2022 (scheduled)
3) Date of business transfer	October 1, 2022 (scheduled)

⑦ Outline of Accounting Procedures

The accounting treatment for this business acquisition is expected to fall under the category of "acquisition" under the accounting standards for business combinations, and the amount of goodwill and its amortization period will be determined upon consultation with the auditing firm.

⑧ Outlook

Since this business transfer will be made between the Company and its consolidated subsidiaries, the impact on the Company's current fiscal year business performance is expected to be limited.

### 3. Change of Name of Consolidated Subsidiary

In conjunction with the business transfer, SMAP Energy will change its company name. This is tentatively planned to be changed to ENECHANGE Innovation Limited.

① New company name (subject to final approval)

ENECHANGE Innovation Limited

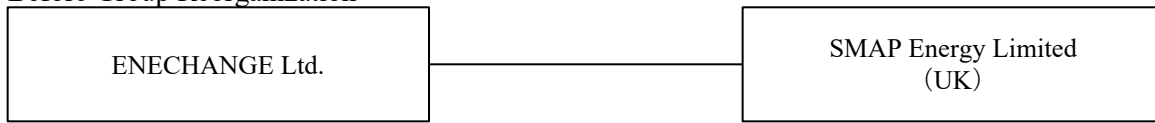
□ Current company name: SMAP Energy Limited □

② Schedule

The timing of this company name change is currently undecided and will be disclosed once determined.

(Reference: Structure before and after group reorganization)

Before Group Reorganization



After Group Reorganization

