

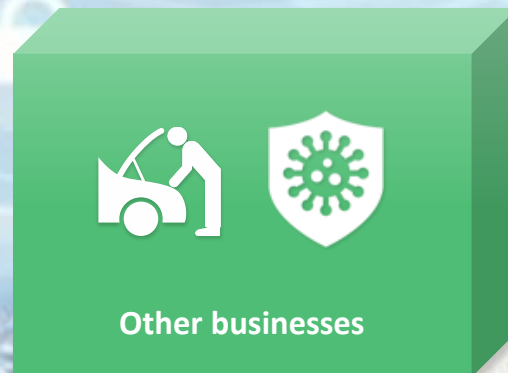
# Consolidated Results of Operations for the Six Months Ended September 30, 2022

November 11, 2022

Remixpoint is a company that **tackles, through business, issues that arise as society transforms**



**remixpoint**



# remixpoint

## Company overview

Trade name	Remixpoint, inc.
Head office	Sumitomo Shin Toranomom Building, 4-3-9 Toranomom, Minato-ku, Tokyo, Japan
Established	March 2004
Equity capital	8,568 million yen (as of September 30, 2022, including legal capital surplus)
Subsidiary	BITPoint Holdings, Inc.
Fiscal year end	March
Special Advisor	Masaharu Hino (former Commissioner of the Financial Services Agency)
Board Members	Genki Oda, President, CEO and Representative Director Yoshihiko Takahashi, Director and General Manager, Corporate Management Department Yuji Nakagomi, Director and General Manager, Energy Division Shinichi Imagawa, Director who is an Audit and Supervisory Committee Member (Outside) Takehiro Takayama, Director who is an Audit and Supervisory Committee Member (Outside) Miho Eto, Director who is an Audit and Supervisory Committee Member (Outside) Yoichi Yamada, Director who is an Audit and Supervisory Committee Member (Outside)

## Businesses

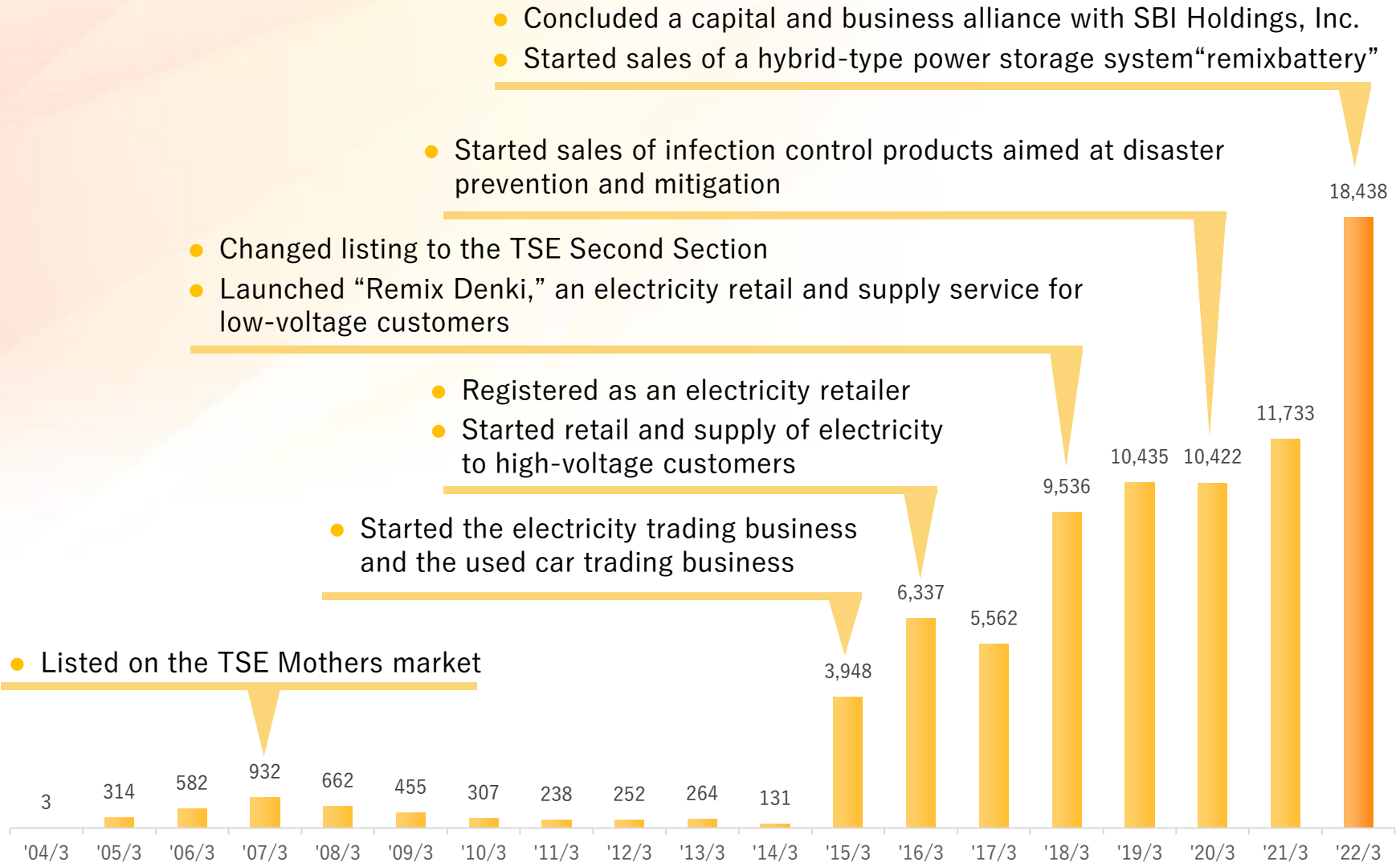
- Energy business
- Resilience business
- Used car business
- Financial business
- Other businesses

## Member organization, licenses and permits, etc.

- **Member organization**
  - Japan Electric Power Exchange (JEPX) Trading Member
- **Licenses and permits, etc.**
  - Electricity retailer: Registration No. A0090
  - Specified-Scale Electricity Utility (Power producer and supplier (PPS)): Registration No. 128
  - Energy management business operator: Registered in FY2022
  - ZEB Planner: Registration No. ZEB30P-00019-C
  - Specified construction business: Governor of Tokyo License (Special-27) No. 144482
  - Secondhand dealer (automobile dealer): Tokyo Metropolitan Public Safety Commission License No. 303291408740

# Changes in net sales (non-consolidated) and history of Remixpoint

(Millions of yen)





## Energy business

### Electricity retailing business



- Supply electricity as an electricity retailer with a focus on high-voltage consumers
- Actively secure power sources through over-the-counter trading and diversify the procurement of electricity, including making use of electricity futures contracts to provide stable electricity supply to customers



## Resilience business

### Energy-saving consulting business and infection control business



- Sales of the Company's original, hybrid-type home-use power storage system, "remixbattery"



- Consulting on obtaining subsidies and other kinds of financial assistance



- Sales of MA-T System products ("Amazing Water" Series)



## Used car business

### Used car trading business

- Trading of used cars, mainly luxury cars, with domestic business operators
- Trading of used cars, mainly luxury cars, with domestic business operators



## Financial business

### Financial business

- Investment in cryptoasset-related business



# Six Months Ended September 30, 2022 Results Summary

# Results for the six months ended September 30, 2022

(Millions of yen)

		1H FY2021/22 Results	1H FY2022/23 Results
<b>Net sales</b>	<b>Total</b>	<b>10,493</b>	<b>15,669</b>
	Energy business	<b>6,212</b>	<b>11,599</b>
	Financial business	<b>2,006</b>	<b>898</b>
	Others	<b>2,365</b>	<b>3,170</b>
<b>Ordinary profit</b>	<b>Total</b>	<b>1,188</b>	<b>▲356</b>
	Energy business	<b>719</b>	<b>▲412</b>
	Financial business	<b>1,009</b>	<b>396</b>
	Others	<b>▲132</b>	<b>38</b>
	Business segment adjustment	<b>▲407</b>	<b>▲378</b>
Profit before income taxes		<b>1,206</b>	<b>7,869</b>
Profit attributable to owners of parent		<b>972</b>	<b>3,946</b>

## Key topics

- Net sales increased due to rising electricity prices
- Since BPJ, which operates a cryptoasset exchange, became an affiliate from 2Q, BPJ's net sales are excluded from consolidation.
- Due to market value fluctuations in electricity futures contracts
- As BPJ became an affiliate from 2Q, only 49% of its bottom line profit is reflected
- Recorded an 8.2 billion yen gain on sale (extraordinary income) due to the transfer of 51% of BPJ shares

## Quarterly statements of income

The electricity futures contracts for the current fiscal year that the Company entered into during the previous fiscal year posted a valuation gain in the previous fiscal year, but the prices of futures contracts fell sharply from 2Q onward due to the global economic recession, dragging down profit in the energy business

(Millions of yen)

		FY2021/22				FY2022/23	
		Apr-Jun (1Q)	Jul-Sep (2Q)	Oct-Dec (3Q)	Jan-Mar (4Q)	Apr-Jun (1Q)	Jul-Sep (2Q)
Net sales	<b>Total</b>	<b>4,300</b>	<b>6,193</b>	<b>9,909</b>	<b>8,350</b>	<b>6,627</b>	<b>9,041</b>
	Energy business	2,430	3,691	3,234	3,316	4,154	7,445
	Financial business	696	1,309	5,351	3,409	842	56
	Others	1,173	1,191	1,323	1,624	1,631	1,539
Ordinary profit	<b>Total</b>	<b>386</b>	<b>802</b>	<b>3,992</b>	<b>2,991</b>	<b>258</b>	<b>▲614</b>
	Energy business	451	268	▲211	1,162	95	▲508
	Financial business	198	830	4,383	2,180	311	85
	Others	▲55	▲76	12	▲88	▲4	42
	Business segment adjustment	▲208	▲220	▲191	▲263	▲144	▲233
Profit attributable to owners of parent		<b>342</b>	<b>630</b>	<b>3,171</b>	<b>2,769</b>	<b>80</b>	<b>3,866</b>

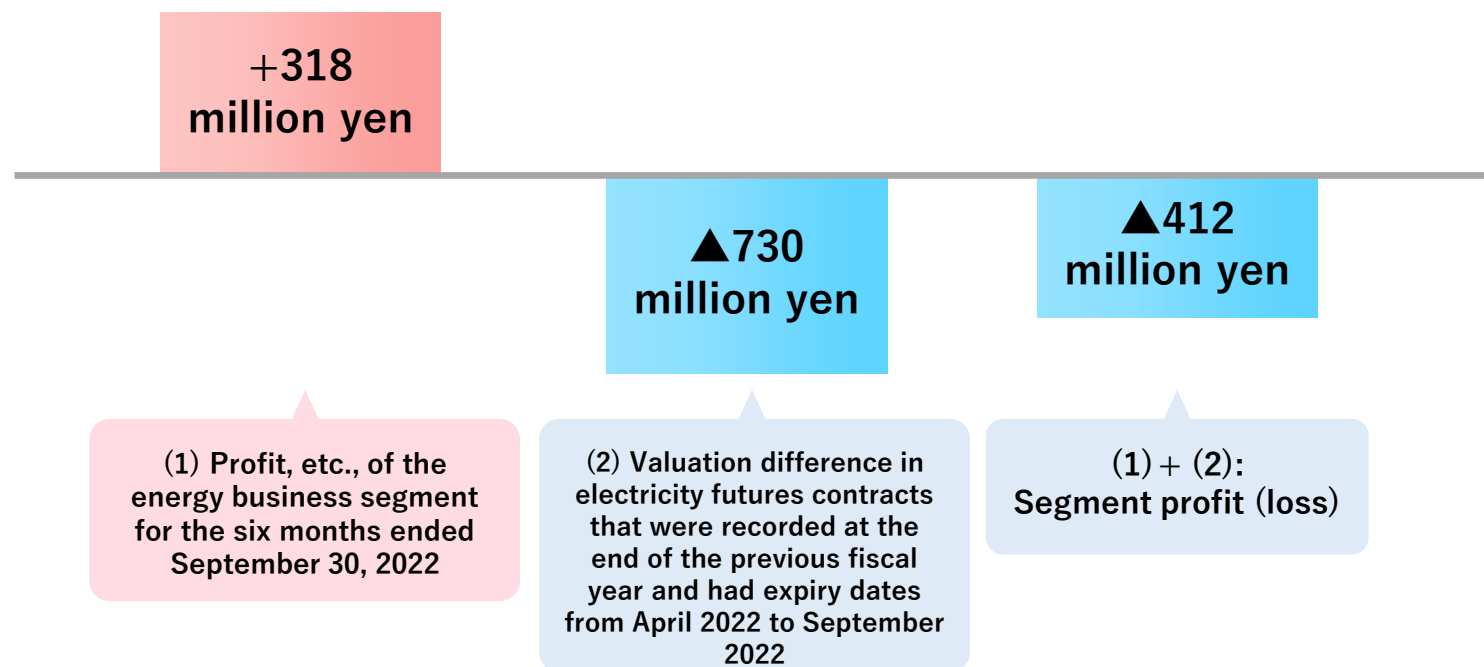
Note: "Others" include the used car business, resilience business, and other businesses.

Note: Due to the exclusion of BPJ from the scope of consolidation from 2Q FY2022/23, ordinary profit of the financial business for 1Q FY2022/23 has been restated.




## Supplementary explanation of profit/loss for 1H FY2022/23: Energy business

Although the energy business segment generated business segment profit, including by procuring electricity from power sources secured through over-the-counter trading, the valuation difference in the prices of electricity futures for the period from April to the end of September became negative, resulting in an accounting loss



- The Company uses electricity futures contracts to hedge against rises in electricity trading prices in the wholesale electricity market.
- As electricity futures contracts are derivatives, they are subject to market valuation for accounting purposes. If the future price of an electricity futures contract rises, a valuation gain will be realized, and if it falls, a valuation loss will be realized.
- At the end of the previous fiscal year, the gain on valuation of electricity futures contracts with expiry dates up to September 2022 was 730 million yen. This portion does not correspond to profit or loss for 1H.

BITPoint remained profitable in 2Q despite the tough cryptoassets market. Share of profit or loss of BPJ accounted for using equity method was reflected in ordinary profit/loss

	 BITPOINT	Other financial businesses
<b>Sales</b>	671 million yen	56 million yen
<b>Profit (loss)</b>	183 million yen	▲5 million yen

- 671 million yen of BPJ's net sales for 2Q (three months) was excluded from consolidation.
- Of 183 million yen of BPJ's profit for 2Q (three months), 90 million yen was reflected in consolidated ordinary profit/loss as share of profit or loss of entities accounted for using equity method.

- As 51% of the shares of BITPoint Japan Co., Ltd. were transferred to the SBI Group on July 1, 2022, BPJ was excluded from the Company's consolidation, and profit or loss proportional to the 49% stake was reflected for the purpose of accounting.
- Income from other financial businesses mainly consists of usage fees for systems owned by the Company and gains and losses on investment projects. In addition, ▲5 million yen is classified under ordinary profit/loss.

## Consolidated balance sheets

The equity ratio increased from 19.3% at the end of the previous fiscal year to 74.3% as the risk amount on BS decreased due to the transfer of BPJ shares.

(Millions of yen)

		2022As of March 31, 2022	As of September 30, 2022
Assets	Cash and deposits	4,896	10,997
	Trade receivables and contract asset	1,971	4,286
	Merchandise	251	367
	Users cryptoassets	46,097	—
	Owned cryptoassets	6,140	—
	Cash segregated as deposits	6,709	—
	Guarantee deposits	2,493	—
	Other	2,587	1,753
	Total current assets	71,147	17,404
	Total non-current assets	1,821	6,137
<b>Total assets</b>	<b>72,968</b>	<b>23,541</b>	
Liabilities	Accounts payable - trade	638	597
	Deposits received	6,569	310
	Deposits received for cryptoassets	46,097	—
	Income taxes payable	1,656	3,889
	Loans payable-cryptoassets	2,028	—
	Other	1,8640	1,245
	<b>Total liabilities</b>	<b>58,853</b>	<b>6,043</b>
Net assets	14,114	17,498	
<b>Total liabilities and net assets</b>	<b>72,968</b>	<b>23,541</b>	

Note: "Owned cryptoassets" include guarantee deposits for cryptoassets.

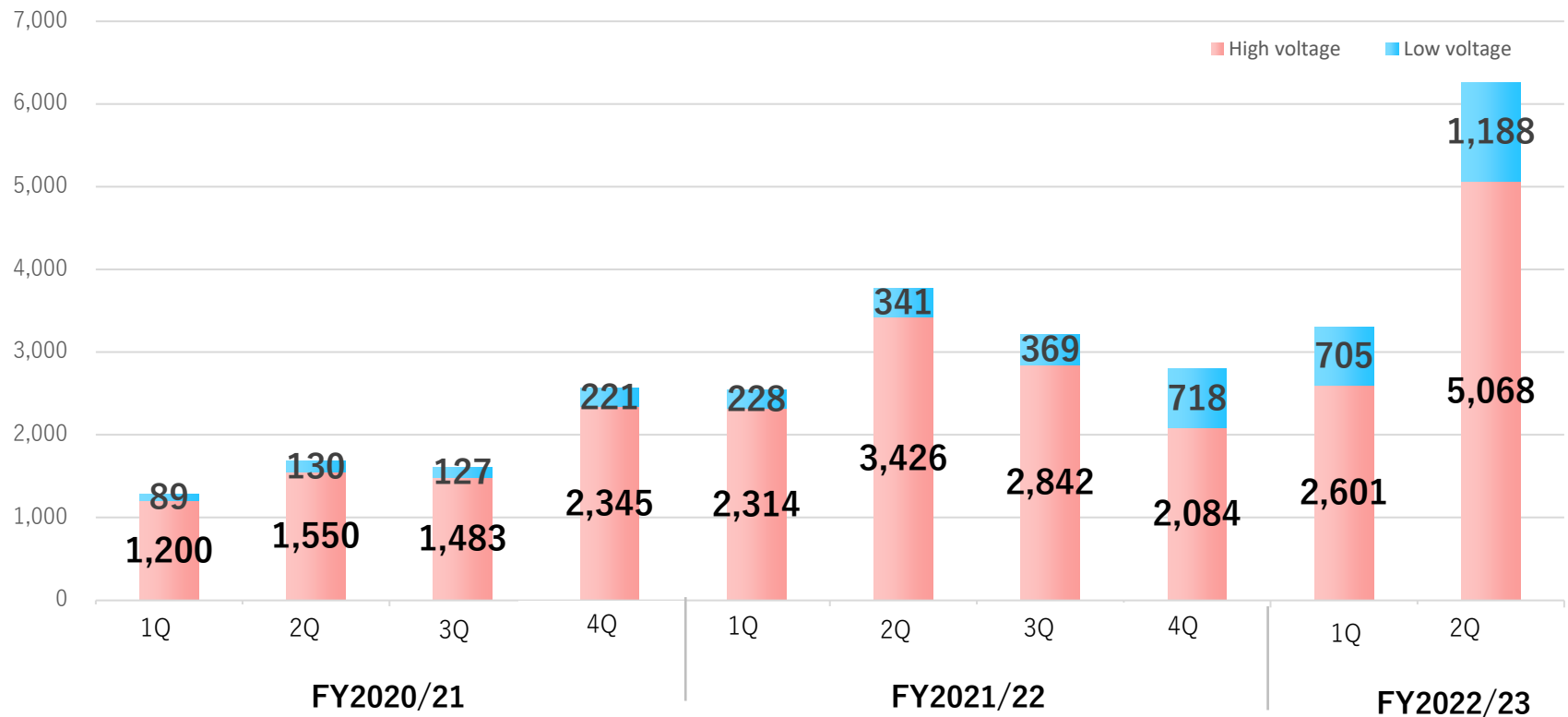
# Key Topics for Each Business for the Six Months Ended September 30, 2022



**Net sales in the electricity retailing business increased significantly year on year due to an increase in the number of customers and higher electricity prices**

**Sales to high-voltage and low-voltage customers**

(Millions of yen)





- Contracted power: over 50kW  
High voltage: 50kW to 2,000kW  
Extra-high voltage: over 2,000kW
- Contract groups: Mainly large facilities such as factories, hospitals, commercial facilities, and buildings
- Electricity consumption fluctuates greatly depending on the time of day (high consumption during the day and low consumption at night)

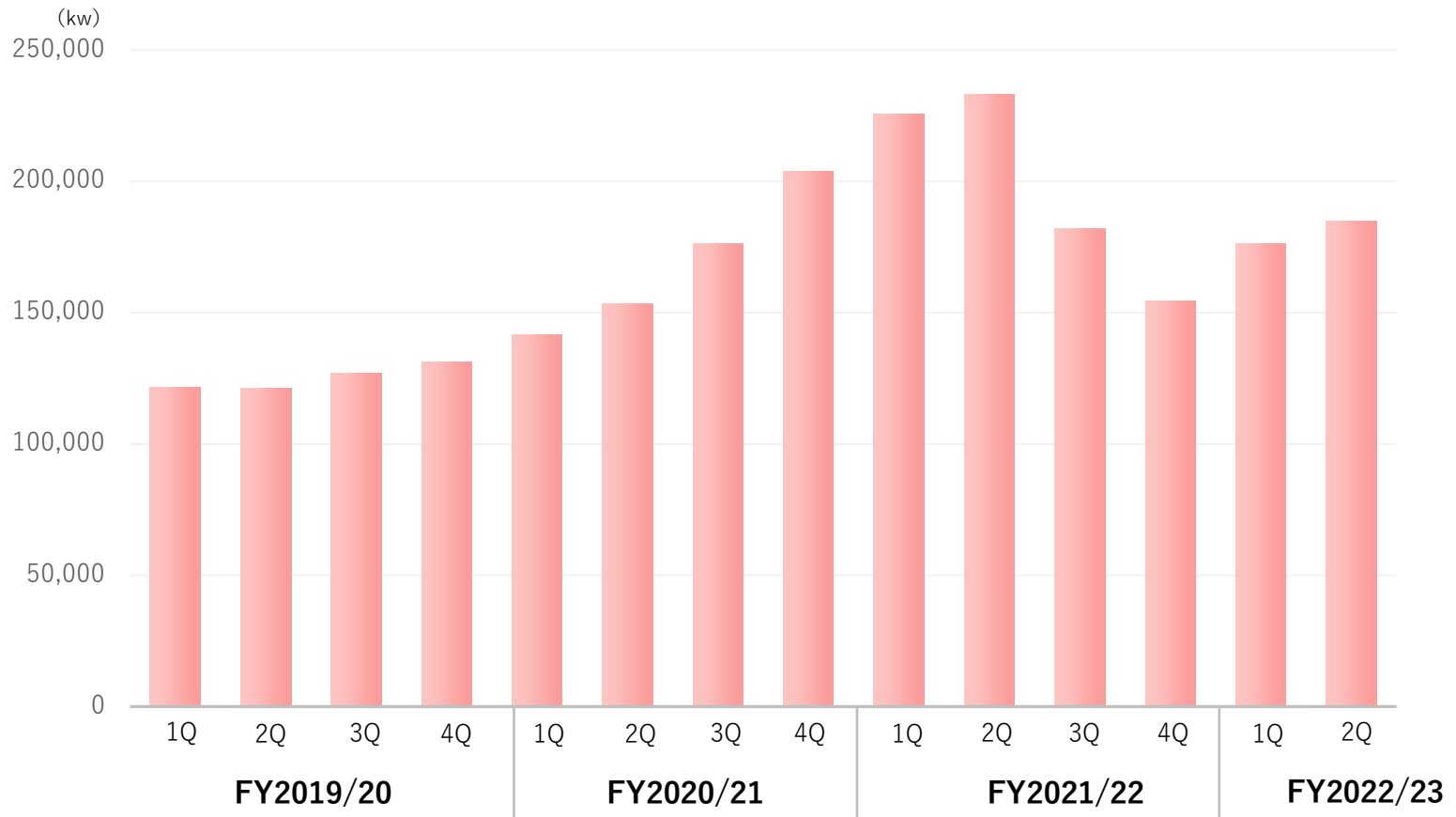
### The Company's response status

- Number of contracts: about 1,360 (about 175,000kW)
- We have been employing our own fuel cost adjustment system until now, but have decided to switch to a market-linked plan and are currently accepting new applications.
- Power sources are a mix of open markets, over-the-counter trading, and futures contracts, and prices fluctuate.



The total contracted power increased due to the launch of the “JEPX Standard Plan,” which is linked to electricity market prices.

Contracted power for high-voltage customers





Started offering from July the “JEPX Standard Plan,” a market price-linked plan linked to wholesale electricity market prices, to corporations that have concluded a final guaranteed supply contract

### What is a market price-linked plan?

- Unit prices for electricity are determined in line with JEPX transaction prices
- Unit prices are lower than general electricity rates depending on the time of year and the time of day, although they may be affected by market price hikes during periods of high electricity demand, such as summer and winter
- The Company can earn a constant revenue independent of market prices

#### ■ JEPX Standard Plan: Application Results as of September 30 (\*only high voltage)

No. of applications : **190** Total: approximately **32,000** kw

(Monthly breakdown)

July: 52 applications, 7,100kw; August: 33 applications, 7,300kw; September: 105 applications, 17,600kw

Considering offering the plan to low-voltage customers from the next fiscal year





- Contracted power: less than 50kW
- Contract groups: Shops, restaurants, offices, households, etc.
- Electricity consumption is relatively flat with small consumption fluctuations over the 24-hour period

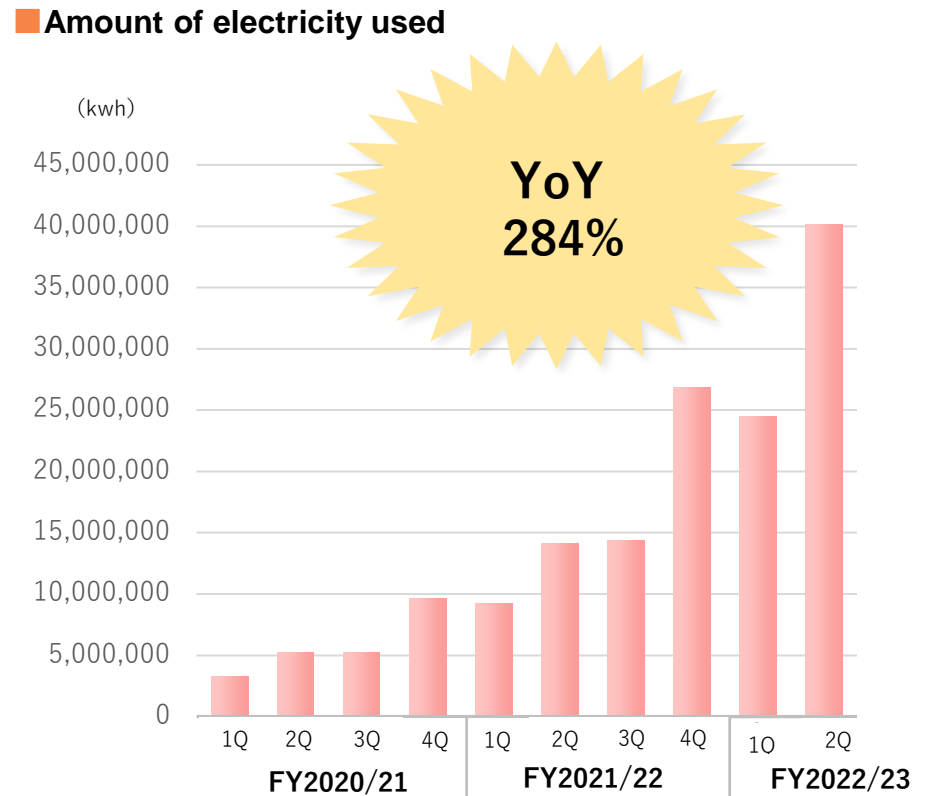
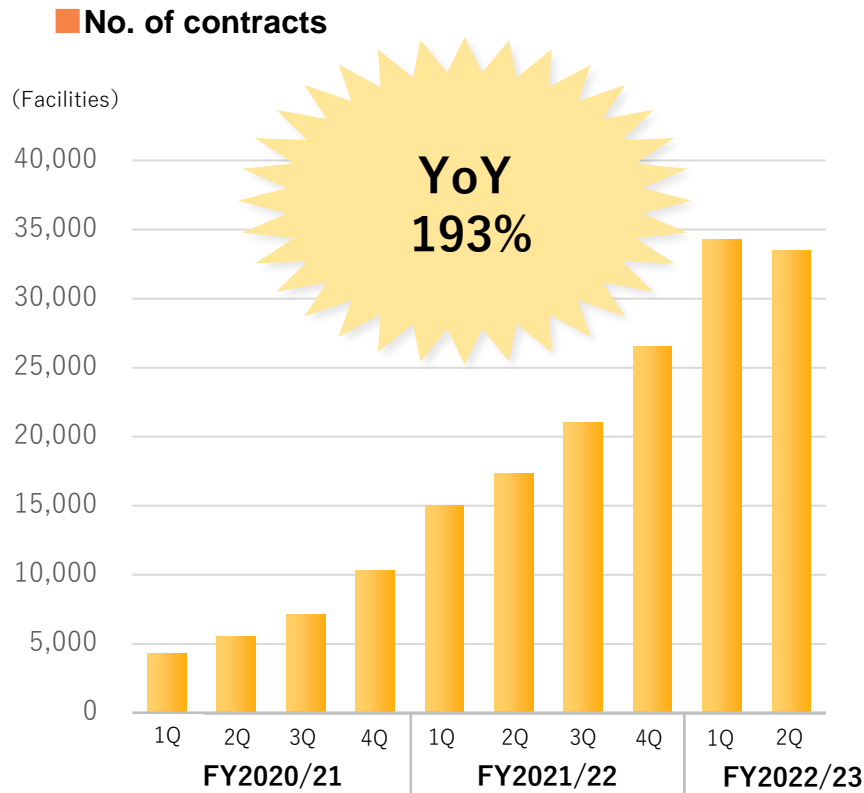
### The Company's response status

- Number of contracts: about 33,500 (about 155,000kW)
- New applications of low-voltage customers are currently suspended
- Electricity prices for the current fiscal year are entirely fixed using over-the-counter transactions and electricity futures contracts
- Considering switching to a market-linked plan in the future



## Power consumption growth contributed to sales even though new applications of low-voltage customers have been suspended

### Acquisition of low-voltage customers



Note: Comparison with 1H FY2021/22

Note: New applications for plans for low-voltage customers are currently suspended. **New applications under the market price-linked plan for low-voltage customers are scheduled to resume in 3Q**



## Home-use hybrid power storage system “remixbattery”

Registered as a product eligible for subsidies under the Projects for Supporting the Conversion of Detached Houses to ZEH, etc.



With this registration, **customers will be able to receive subsidies** when installing remixbattery.

### ZEH

Abbreviation for “Net Zero Energy House.” It refers to “a house with the energy balance of zero or less,” in other words, a house that effectively reduces annual energy consumption to zero or less by offsetting energy used at home against energy generated by solar power, etc.



## Proposal of schemes that leverage synergies between the resilience business and the energy business

### remixbattery

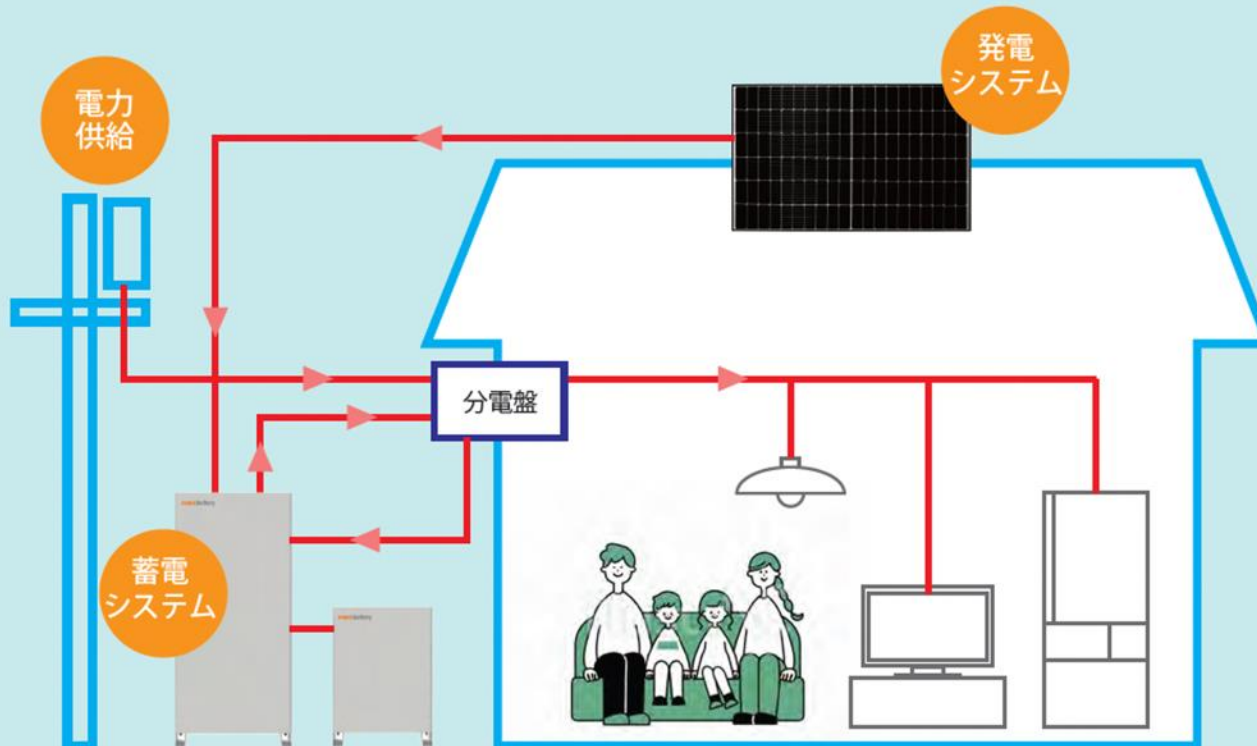
高性能・低価格なハイブリッド蓄電システムです。発電した電気を効率的に自家消費し、非常時にも安心な蓄電システムです。

### SUNTECH

高出力で信頼性の高いセルを使用した太陽電池モジュールを開発。高効率な発電システムを安心の長期保証と共にお届けします。

### リミックスでんき

実績豊富で安定基盤を持つリミックスでんきが、All in One パッケージに最適でお得なプランで電気をお届けします。





## Supporting renewable energy and energy saving for companies through subsidy application support by capitalizing on our accumulated knowledge and know-how

### ■ Projects receiving subsidies

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No. of awarded subsidies: **586** projects (from FY2013 supplementary budget to present)

Note: Projects receiving subsidies in FY2022 No. of awarded subsidies: **44** projects (Results as of September 30, 2022)

### ■ Main subsidies awarded

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- METI: Projects for Promoting and Supporting Energy-Saving Investment (Revised)
- METI: Projects for Promoting and Supporting Progressive Energy-Saving Investment, (C) Projects to Adopt Specified Equipment
- Min. of the Environment: Projects for Supporting CO2-Reduction Refurbishment of Private Buildings, etc.
- Min. of the Environment: Projects for Promoting Progressive Decarbonization Efforts at Factories and Workplaces
- Min. of the Environment: Projects for Promoting Energy Conservation of Existing Buildings
- Min. of the Environment: Projects for Supporting Decarbonization in Normal Times and Phase-Free, CO2-Reduction, and Self-Standing Facilities to Realize Peace of Mind in Disasters
- Min. of the Environment: Projects for Promoting Price Reductions of Solar Power Generation Equipment, etc., to Achieve Storage Parity
- Min. of the Environment: Projects for Utilizing New Installation Methods for Solar Power Generation in Buildings (solar carports) ,and many more.

### ■ Registrations etc.

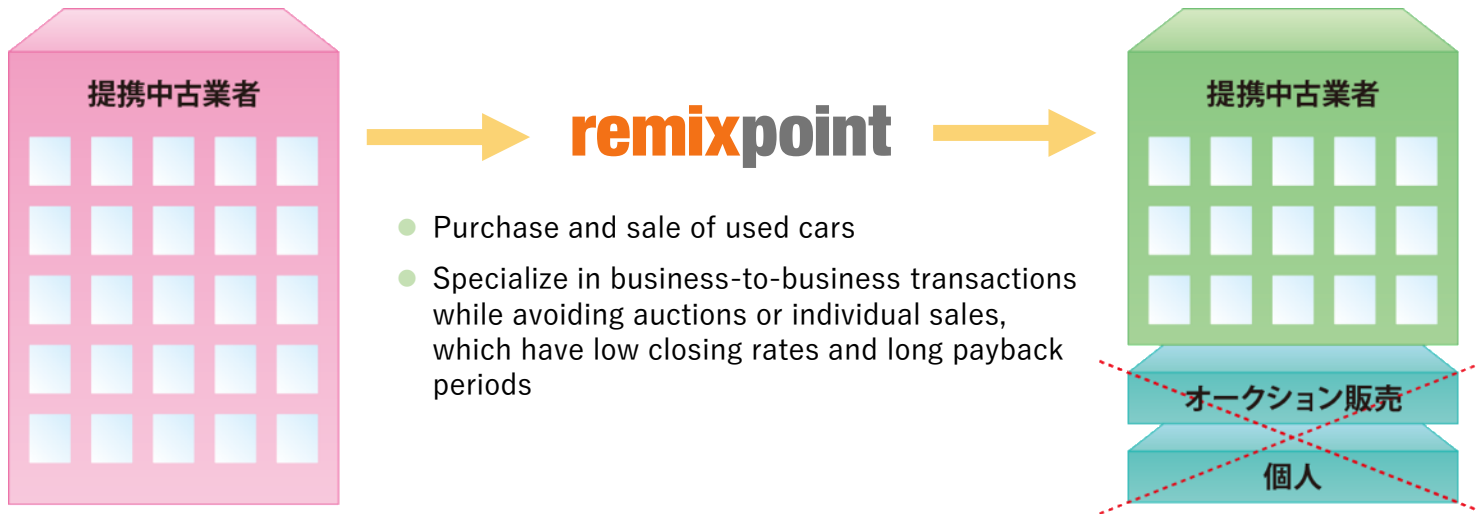
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- Energy management business operator (registered in FY2022 for nine consecutive years since FY2014)
- ZEB Planner (ZEB30P-00019-C)
- Support Organization for Businesses Assisting with Formulation of Decarbonization Plans (certified in FY2022)





## Steady business performance despite the COVID-19 pandemic Continue to operate focusing on trading with domestic business operators, with luxury cars as our main product






### Points of the used car business

- We only buy from and sell to business operators. This reduces advertising costs and collection risks.
- We mainly handle luxury cars and imported cars. A high chance of closing deals is achieved by limiting the number of affiliated business operators.
- The average gross profit margin is low, but the length of time between procurement and recovery of sales proceeds is short, and the capital turnover ratio is high.
- A business structure that can generate stable sales every year has been established.
- Policies to shift to electric vehicles (EVs) and hybrid vehicles for new car sales in the future have been announced. Although the impact of those policies on the used car market is still uncertain, appropriate measures will be taken in light of the spread of charging facilities and other circumstances



## Remixpoint's financial business continues to invest in cryptoasset-related funds

(Millions of yen)

Investments by the Company	Investment balance
	188
	54
	104

Note: Investment balance is the accounting book value and is different from dividends and unrealized gains from each fund. When dividends or profits are realized, we will reflect such income as sales of the financial business.

An acquisition of treasury shares on the Tokyo Stock Exchange was completed on September 22, 2022  
The ratio of treasury shares to the total number of shares issued after the acquisition is 3.3%

- Total of treasury shares acquired: 4,000,000 shares (upper limit)
- Total purchase price of shares : 1,938,740,000 yen
- Percentage to the total number of shares issued after acquisition: 3.30%

<Reference: Details of the resolution at the Board of Directors meeting held on May 13, 2022>

- Number of shares to be acquired: 4 million shares (upper limit) (3.44% of total number of shares issued (excluding treasury shares))
- Total purchase price of shares: 2.0 billion yen (upper limit)
- Timing of acquisition: July 4, 2022 – September 30, 2022
- Method of acquisition: Market buying on the Tokyo Stock Exchange



## SBI Holdings completed its market purchase of shares of the Company

Confirmed that SBI Holdings had acquired common shares of the Company (5,826,535 shares), which is equivalent to 5.0% of the total number of issued shares of the Company (116,530,700 shares as of March 31, 2022), through market trades

### Major shareholders (as of September 30, 2022)

Order	Names of shareholders	No. of shares held	Ownership ratio
1	SBI Holdings, Inc.	5,826,600 shares	4.74%
2	Remixpoint, inc.	4,060,000 shares	3.30%
3	Revive Investment Partnership	2,804,400 shares	2.28%
	• • •		

## Earnings forecasts for FY2022/23 are not disclosed.

The Energy business could be affected in the short term by power transaction price trends, and in the medium and long term by power system transformation in connection with the pursuit of decarbonization.

At the present time, it is difficult to make a reasonable estimate of the impact on consolidated earnings for the fiscal year ending March 2023 of the capital and business alliance with the SBI Group, which was described in a press release dated May 12, 2022 titled “Notice Concerning Conclusion of Capital and Business Alliance with SBI Holdings, Inc., Change in Consolidated Subsidiaries (Partial Stock Transfer), and the Expected Posting of Extraordinary Profit.”

The Company intends to announce consolidated financial forecasts for the fiscal year ending March 2023 as soon as a reasonable estimate becomes possible.

- ① Numerical forecasts and future outlooks presented or stated in this document are based on judgments, assessments, and assumptions made using information currently in the possession of the Remixpoint Group.  
Due to the uncertainties inherent in these judgments, assessments, and assumptions as well as future changes in business administration, internal/external circumstances, etc., the actual outcomes may be substantially different from the projections made. The Remixpoint Group provides no warranties as to the reliability of any representation related to future projections.
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