

# Consolidated Results of Operations for the Fiscal Year Ended March 2023

May 12, 2023

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	8,575 million yen (as of March 31, 2023, including legal capital surplus)
Subsidiary	Epsilon Holdings, Inc. · Jarvis, Inc
Fiscal year end	March
Special Advisor	Masaharu Hino (former Commissioner of the Financial Services Agency)
Board Members	Yoshihiko Takahashi, President, CEO and Representative Director Genki Oda, Director 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
- 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 Registered under the supplemental budget in FY2022
  - ZEB Planner: Registration No. ZEB30P-00019-C
  - Support organization for SHIFT business
  - Specified construction business: Governor of Tokyo License (Special-27) No. 144482
  - Secondhand dealer (automobile dealer): Tokyo Metropolitan Public Safety Commission License No. 303291408740

### Abolished the financial and used car businesses Promoted the reconstruction of the business portfolio

- Transferred the shares of BITPoint Japan Co., Ltd., which was the core of the financial business
- In view of the Group's business environment, focused resources and promoted the reconstruction of the business portfolio

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\* Please see the "Notice concerning the Abolition of a Portion of the Company's Business" dated on May 12, 2023 regarding the abolition of the financial business.



## Energy business

### Electricity retailing business



- Supply high-voltage and low-voltage customers with electricity throughout Japan, excluding Okinawa area and isolated islands
- Newly release of a “high-voltage flat-rate plan” to meet diversifying customers’ needs while also securing stable revenue



## Resilience business

### Renewable energy/energy-saving consulting and BCP response-related business



- Sales of the Company’s original, hybrid-type home-use power storage system, “remixbattery”
- Sales of industrial-use lithium-ion, three-phase 200V hybrid power storage system made by SOFARSOLAR



- Consulting on obtaining subsidies and other kinds of financial assistance

# Fiscal Year Ended March 2023 Results Summary

# Results for the Fiscal Year Ended March 2023

(Millions of yen)

		FY2021/22	Forecast for FY2022/23	FY2022/23
<b>Net sales</b>	<b>Total</b>	<b>28,753</b>	<b>31,966</b>	<b>32,789</b>
	Energy business	<b>12,672</b>	<b>25,242</b>	<b>25,269</b>
	Financial business	<b>10,767</b>	<b>966</b>	<b>928</b>
	Others	<b>5,313</b>	<b>5,758</b>	<b>6,590</b>
<b>Ordinary profit</b>	<b>Total</b>	<b>8,173</b>	<b>▲1,578</b>	<b>▲1,722</b>
	Energy business	<b>1,670</b>	<b>▲562</b>	<b>▲466</b>
	Financial business	<b>7,552</b>	<b>221</b>	<b>15</b>
	Others	<b>▲208</b>	<b>24</b>	<b>▲193</b>
	Business segment adjustment	<b>▲842</b>	<b>▲1,260</b>	<b>▲1,078</b>
Profit before income taxes		<b>8,172</b>	<b>7,217</b>	<b>7,258</b>
Profit attributable to owners of parent		<b>6,913</b>	<b>3,301</b>	<b>3,267</b>

## Key topics

- As BPJ became an affiliate from 2Q, BPJ's net sales are excluded from consolidation.
- In the current fiscal year, there was an impact due to market value fluctuations in electricity futures contracts, however, in 4Q, market prices stabilized, leading to higher-than-expected profits.
- As BPJ became an affiliate from 2Q, only 49% of its bottom line profit is reflected. Share of loss of entities accounted for using equity method related to BPJ after 3Q is 104 million yen.
- Mainly due to recording of loss on valuation of goods in the resilience business and allowance for doubtful accounts in other businesses.
- Due to expenses incurred in connection with the sale of BPJ shares
- Recorded an 8.9 billion yen gain on sale (extraordinary income) due to the transfer of BPJ shares.

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

## Quarterly statements of income

Ordinary profit of the energy business was 600 million yen in 4Q due to the appropriate switching of electricity customers' contracts to a new plan and proper procurement of electricity. Stable revenue is expected to continue to be recorded

(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)	Oct-Dec (3Q)	Jan-Mar (4Q)
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>	<b>8,075</b>	<b>9,044</b>
	Energy business	2,430	3,691	3,234	3,316	4,154	7,445	6,339	7,330
	Financial business	696	1,309	5,351	3,409	842	56	8	21
	Others	1,173	1,191	1,323	1,624	1,631	1,539	1,727	1,692
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>	<b>▲1,085</b>	<b>▲280</b>
	Energy business	451	268	▲211	1,162	95	▲508	▲716	662
	Financial business	198	810	4,371	2,171	311	85	▲209	▲171
	Others	▲55	▲76	12	▲88	▲4	42	25	▲256
	Business segment adjustment	▲208	▲199	▲179	▲255	▲144	▲233	▲184	▲515
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>	<b>▲340</b>	<b>▲339</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 FY2022/23 : Energy business

Although a business profit was generated for the Energy Division, segment profit declined by 466 million yen due to the impact of the gain on valuation of futures contracts for the current fiscal year posted at the end of the previous fiscal year

+ 540  
million yen

①

Estimated revenue of the current fiscal year after eliminating gain/loss on valuation due to futures contracts, etc.

▲ 1,006  
million yen

②

Valuation difference in electricity futures contracts that were recorded at the end of the previous fiscal year and had expiry dates from April 2022 to March 2023

▲ 466  
million yen

① + ②

Segment profit  
(loss)

- The Company used 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 March 2023 was 1,006 million yen. This portion does not correspond to profit or loss for 1-4Q.
- At present, the Company does not hold any electricity futures contracts with expiry dates from April 2023 onward.

# Consolidated balance sheets

(Millions of yen)

		As of March 31, 2022	As of March 31, 2023
Assets	Cash and deposits	4,896	11,173
	Trade receivables and contract asset	1,971	4,061
	Merchandise	251	221
	Users cryptoassets	46,097	—
	Owned cryptoassets	6,140	120
	Cash segregated as deposits	6,709	—
	Guarantee deposits	2,493	—
	Other	2,587	2,042
	Total current assets	71,147	17,620
	Total non-current assets	1,821	1,651
	Total assets	72,968	19,271
Liabilities	Accounts payable - trade	638	520
	Deposits received	6,569	348
	Deposits received for cryptoassets	46,097	—
	Income taxes payable	1,656	774
	Loans payable-cryptoassets	2,028	—
	Other	1,864	801
	Total current liabilities	58,853	2,445
	Total non-current liabilities	—	0
	Total liabilities	58,853	2,445
Net assets	14,114	16,826	
Total liabilities and net assets	72,968	19,271	

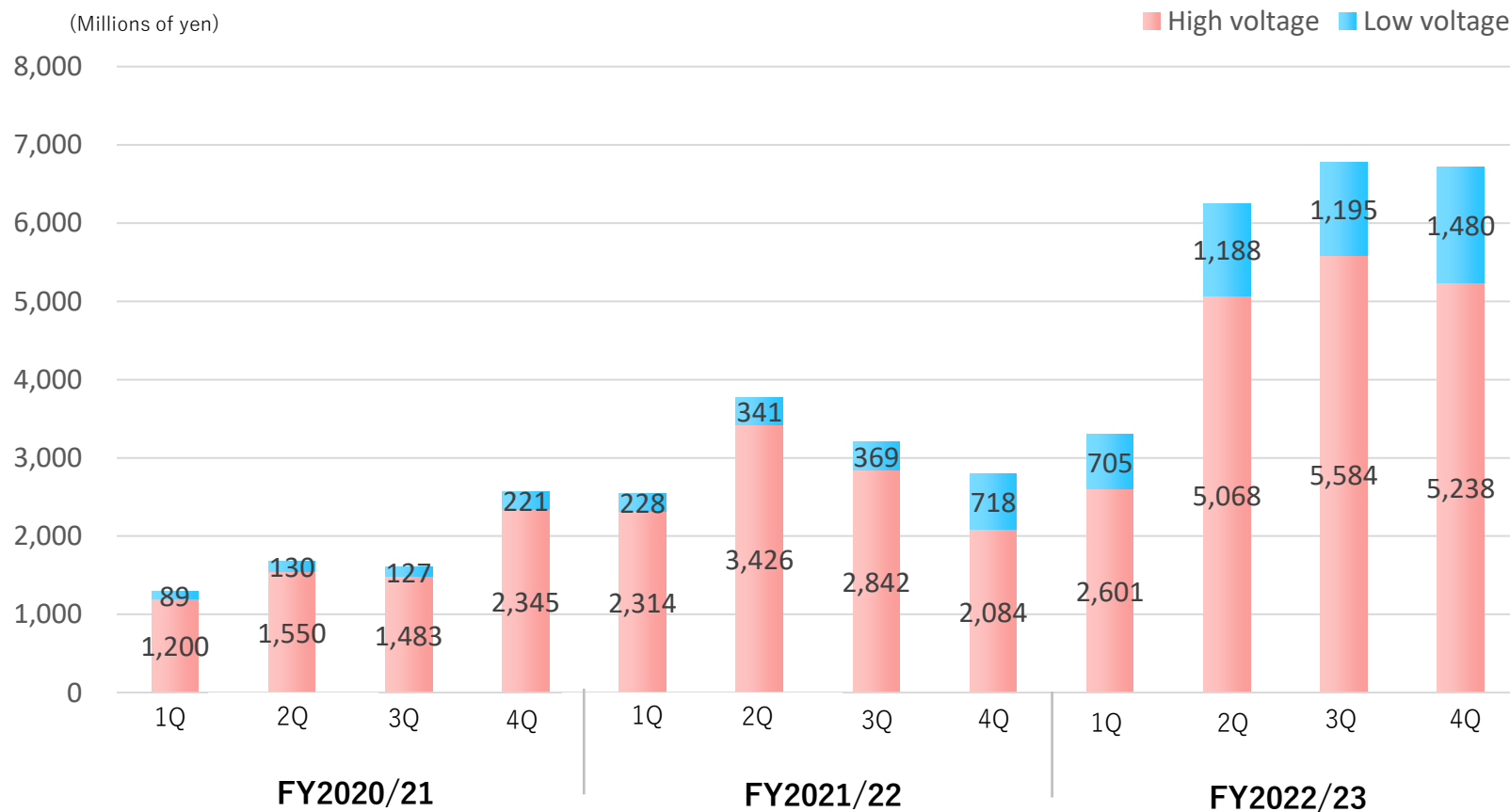
Note: “Owned cryptoassets” include guarantee deposits for cryptoassets.

# Key Topics for Each Business for the Fiscal Year Ended March



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



Note: Segment net sales in the energy business include sales of surplus electricity separately sold in the electricity market.



- 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)

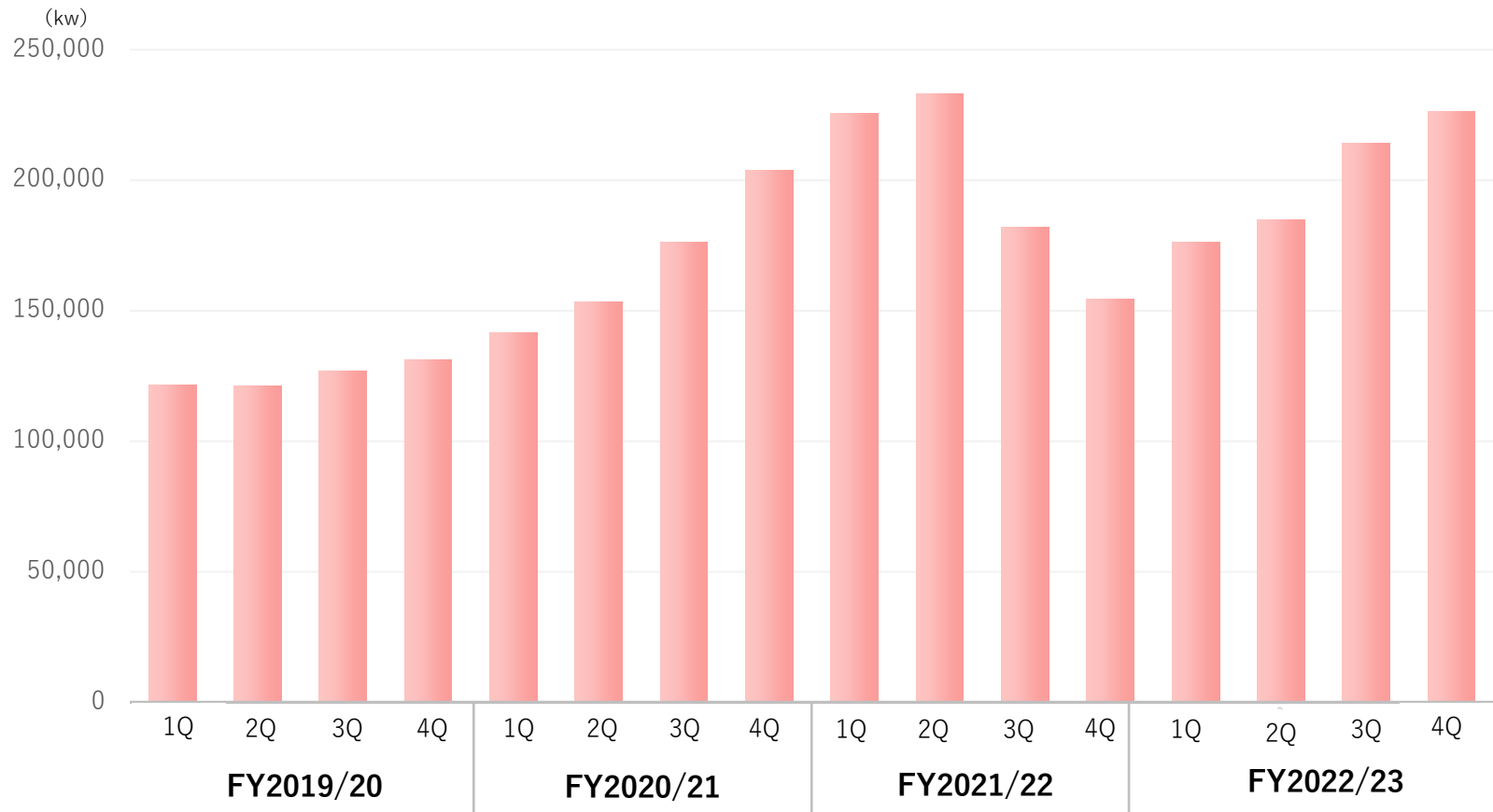
## The Company's response status

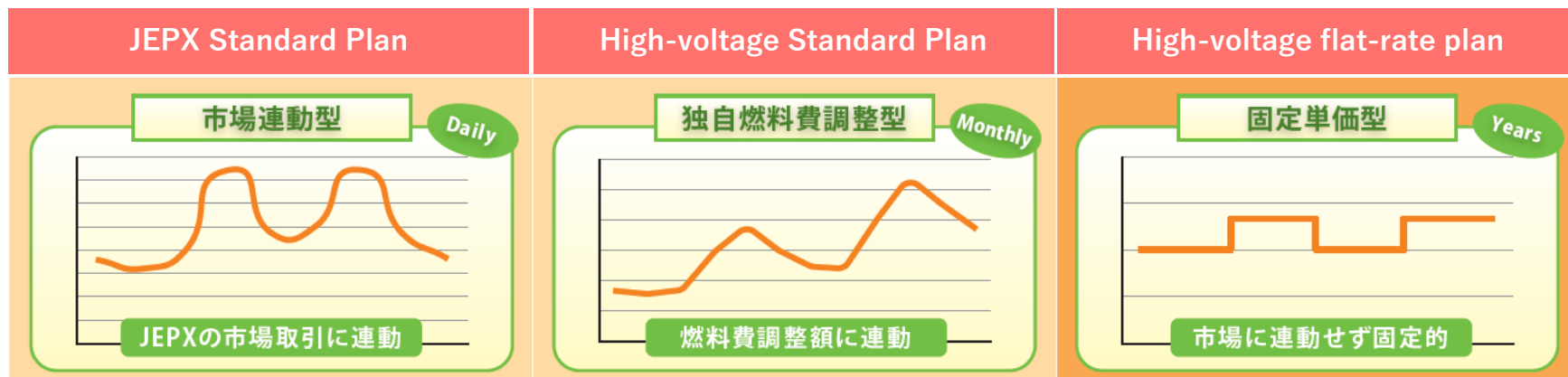
- Number of contracts: about 1,705 (about 226,000kW)
- Gradually switch from our own fuel cost adjustment system, which is a semi market-linked type, to a fully market-linked type, fixed unit price type.
- Since some large customers prefer fixed unit price, we will procure power sources through a mix of open markets and over-the-counter trading and supply electricity according to the customers' needs in the future.



The total contracted power increased due to the expansion of plans according to the customers' needs such as an electricity market price-linked plan

## Contracted power for high-voltage customers





- A plan in which the electricity rates for customers are linked to market prices (JEPX's area prices)
- For customers, the electricity rates become cheaper when market prices fall and more expensive when market prices rise



- **The Company can earn a constant revenue independent of market prices**

- A plan that adopts our own fuel cost adjustment system, different from regional electricity power
- As electricity is supplied to customers through a mix of JEPX (variable unit price power source) and over-the-counter trading (fixed unit price power source), well-balanced electricity prices are expected throughout the year



- **The Company can earn a constant revenue and hedge risks by independently adjusting fuel cost adjustment expenses according to the power sources procured**

- A plan in which the electricity rates for customers can be kept constant without being affected by market price fluctuations
- For customers, this plan is more expensive than a market-linked plan if the market prices are lower, but cheaper when market prices rise, and this is the best plan for customers who hope to avoid the risk of electricity rate fluctuations



- **The Company can control unit price setting and the number of customers to be accepted according to power sources through over-the-counter trading secured by the Company**

\* For the present, the high-voltage flat-rate plan (fixed unit price type) is offered to customers within the Tokyo, Chubu, Chugoku, and Tohoku areas.



- 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 30,000
- Resume accepting new applications of low-voltage customers (general households)
- Power sources are procured through open markets
- All customers have switched to the market-linked plan





Release of “Style Plus” and “Style Plus eco,” wholesale electricity market price-linked plans for low-voltage customers, and resumption of accepting new applications of low-voltage customers



## Style Plus

The electricity rate will be set by linking to the electricity trading prices (spot rates) of the Japan Electric Power Exchange (JEPX), which fluctuates every 30 minutes, with a basic rate of 0 yen (a basic rate will be incurred for a power supply contract).

## Style Plus eco

Supply electricity as substantial renewable energy electricity by using non-fossil certificate that attach environmental values to the electricity used by customers.

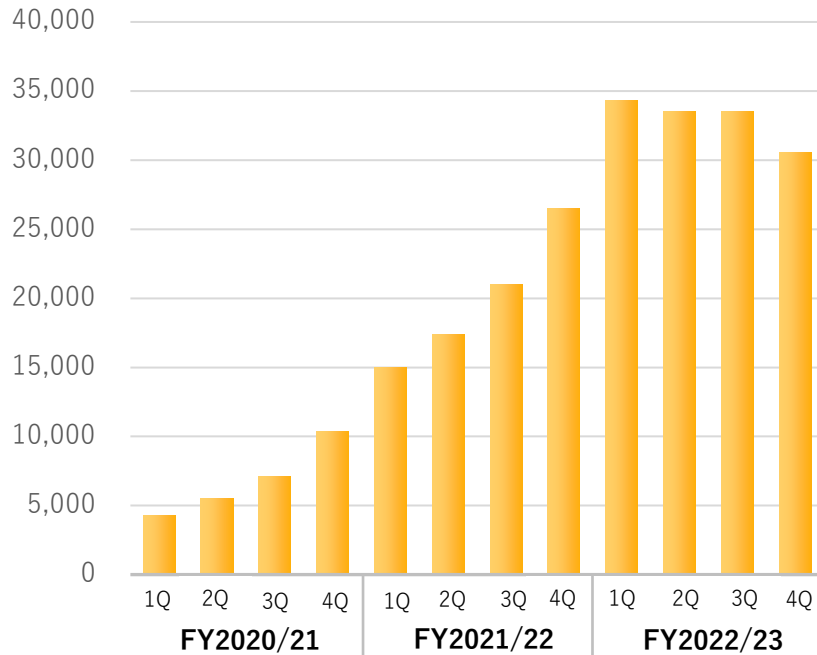


The number of contracts has declined with the suspension of new applications, but the amount of electricity used increased due to seasonal factors. Resumed accepting new applications of market-linked plans in April

## Acquisition of low-voltage customers

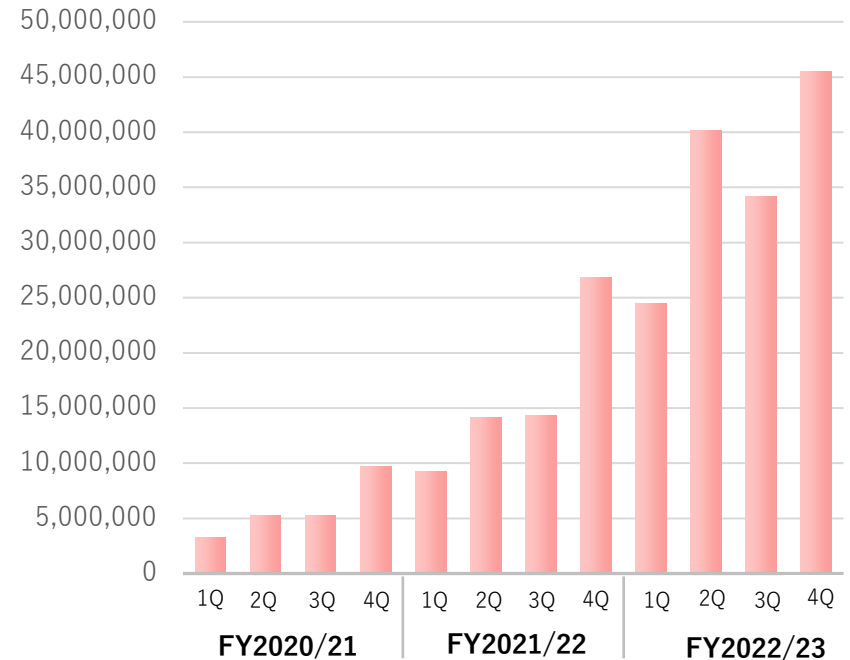
**No. of contracts**

(facilities)



**Amount of electricity used**

(kwh)





## Launch of one-stop solutions related to resilience

- Provide environmental services aimed at sustainable business continuity plans (BCP)
- Promote SDGs and BCP aimed at low carbon and self-production and self-consumption in times of disaster
- **Provide one-stop support for BCP formulation and implementation** to reduce soaring electricity rates and respond to large and prolonged

### ■ Examples of specific renewable energy, electricity rate reduction and BCP response

#### Home-use hybrid power storage system & solar modules

##### [Resilience response]

Install home-use power storage system and solar generation to provide energy



#### Industrial-use hybrid power storage system & solar modules

##### [Resilience response]

Install industrial-use power storage system and solar generation to provide energy



#### Emergency generators

##### [Disaster response]

Install emergency generators to provide energy in times of disaster





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

### remixbattery

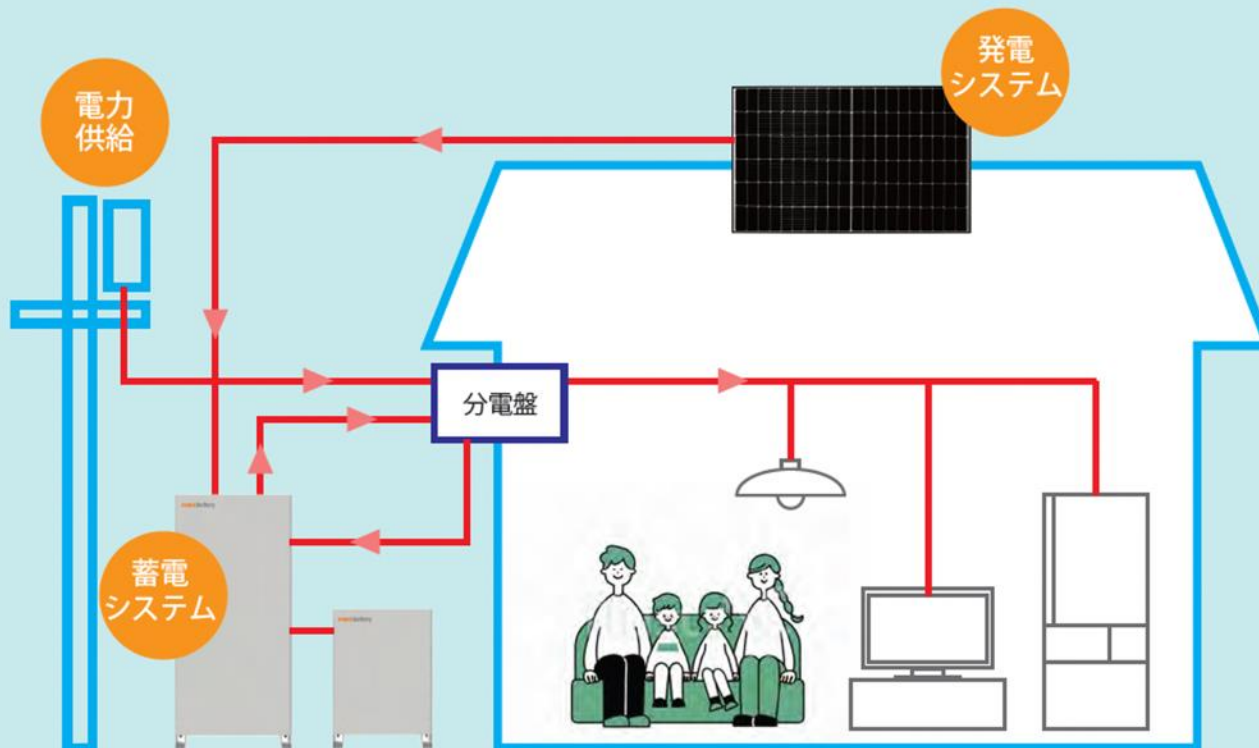
高性能・低価格なハイブリッド蓄電システムです。発電した電気を効率的に自家消費し、非常時にも安心な蓄電システムです。



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。





## 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

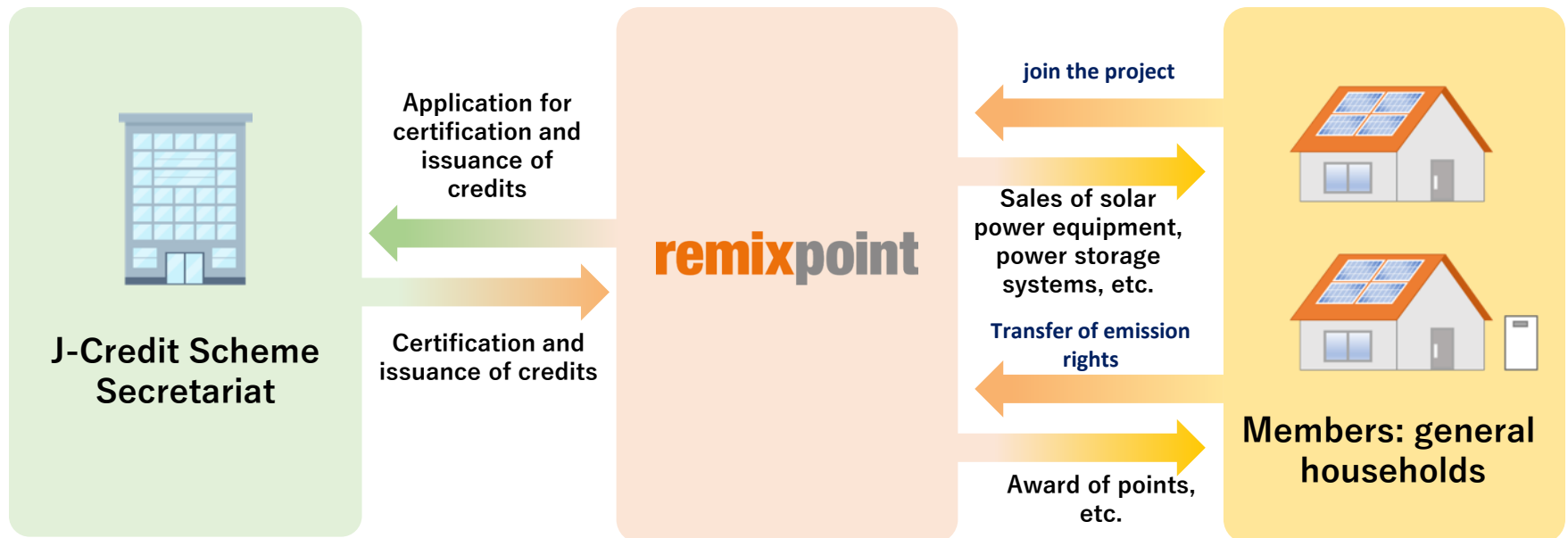
Abbreviation for “Net Zero Energy House.” It refers to “a house with the energy balance of zero or less,” in other words, a house that effectively reduces annual energy consumption to zero or less by offsetting energy used at home against energy generated by solar power, etc.



## Utilizing the J-Credit Scheme to promote the “Project for CO2 Reduction through the Introduction of Residential Solar Power Generation Equipment”

### What is the J-Credit Scheme?

Under the J-Credit Scheme, the government certifies the amount of greenhouse gas emissions (such as CO2) reduced or removed by sinks through efforts to introduce energy-saving devices and manage forests, as “credit.” Credits created under the scheme can be used for various purposes, such as achieving the targets of the Nippon Keidanren's Commitment to a Low Carbon Society, and carbon offset.





**Launch sales of compact industrial-use hybrid power storage system for corporate customers such as factories and commercial facilities, which can be installed at low cost as well as store surplus electricity without waste**

# SOFAR







**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: 605 projects (from FY2013 supplementary budget to present)**

**Note: Projects receiving subsidies in FY2022 No. of awarded subsidies: 63 projects**

(Results as of March 31, 2022)

## ■ Main subsidies awarded

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- METI: Projects for Promoting and Supporting Energy-Saving Investment
- 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 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)
- Min. of the Environment: Projects for Promoting Energy Conservation of Existing Buildings ,and many more.

## ■ Registrations etc.

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- Energy management business operator (Registered under the supplemental budget in FY2022)
- ZEB Planner (ZEB30P-00019-C)
- Support organization for SHIFT business





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