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Frequently Asked Questions and Answers (December 2023)

Thank you for your continued interest in our company. The main questions from investors this month and the answers to those questions are disclosed below. This disclosure is made around the end of each month to reinforce transparency and fair disclosure. Although there may be some discrepancies in the answers from time to time, please be advised that at the time of writing, this is the most current version.

Q1. Can you give us a brief overview of the new service, ENECHANGE Vacancy Energy Connection Service?

This service has been released for property management companies and involves ENECHANGE managing the entire connection and disconnection procedures that occur when thousands or tens of thousands of managed properties become vacant, which is a major workload for the property manager.

Moreover, if additional conditions are met, the electricity costs when the property is vacant is also paid by ENECHANGE, making this service a significant reduction in electricity costs in addition to operational costs. Applications can be completed via the website with a single click, and an all-in-one system with real-time connection status will be available by January 2024.

Q2. There has been a move by TEPCO to restart the Kashiwazaki-Kariwa nuclear power plant, how has this affected your business?

Nuclear power is an option for long-term stable supply as a method of energy generation that does not emit CO₂. From the perspective of decarbonization and lower electricity costs, nuclear energy generation should be utilized to a certain extent, with provisions for safety as a foremost goal. In our Platform business, the restart of nuclear power plants is expected to lead to stabilization of JEPX prices, which is expected to have a positive impact on the attitude of new entrants in acquiring users. Consequently, a positive impact on our earnings is expected.

As many new entrants have now introduced their own fuel cost adjustments, JEPX's price fluctuation risk is generally transferred to the cost of electricity, and we assume that there will be no significant impact on our business even if nuclear power plants are not restarted.

Q3. Major energy companies appear to be making a significant improvement in their bottom line; what is the impact on your business?

With regard to the financial results of the major energy companies for the period April-September 2023, nine of them recorded their highest profits, showing a significant improvement in earnings compared to the beginning of the year. Although the companies are cautious that financial improvement is still some way off, we believe that this will have a positive impact on our Data business, as they are expected to be more willing to participate in new initiatives, such as service improvements and advertising costs, which they have been forced to cut costs in the past. It is envisaged that there will be increasing opportunities to work with these energy companies, including providing

new services and enhancing the value of existing ones.

Q4. The JPY is weakening, but do exchange rate fluctuations have any impact on your company's purchasing terms and conditions?

As all our operations have limited foreign currency transactions, the impact of exchange rate fluctuations is not material.