



February 9, 2024

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## **Notice Regarding Issuance of New Shares through Third-Party Allotment and Changes in Major Shareholders**

ENECHANGE (hereinafter referred to as the "Company") announces that its Board of Directors, at a meeting held on February 9, 2024, has resolved to issue new shares through a third-party allotment, with JIC VGI Opportunity Fund 1 Investment Business LLP designated as the intended allottee (hereinafter referred to as the "Third-Party Allotment Increase"). The shares to be issued through this third-party allotment increase are referred to as "New Shares."

Furthermore, as a result of this third-party allotment increase, changes in major shareholders are anticipated.

### I. Issuance of new shares through third-party allotment

#### 1. Overview of the solicitation

(1)	Payment deadline	February 26, 2024
(2)	Number of newly issued shares	Common Stock 3,784,200 Shares
(3)	Issue price	1,057 JPY per share
(4)	Amount of funds raised	3,999,899,400 JPY For an estimated amount after deducting issuance expenses, please refer to Section 3, "Amount, purpose, and expected expenditure timing of funds to be raised".
(5)	Method of solicitation or disposal (Intended allottees)	We will allocate all shares to JIC VGI Opportunity Fund 1 Investment Business Limited Liability Partnership through the method of third-party allotment.
(6)	Others	For each of the above items, the effectiveness is conditional upon the filing of a securities registration statement under the Financial Instruments and Exchange Act.

#### 2. The purpose and reasons for the solicitation

##### (1) The background and purpose

We offer two main reasons as to why we came to this decision.

##### (a) The increasing societal significance of the EV Charging business.

In the global trend towards decarbonization and the Japanese government's Green Transformation (GX) policy, we consider our EV Charging business to play a crucial role in the construction of Japan's EV charging infrastructure (social infrastructure).

The Japanese government decided on the "Basic Policy for Achieving GX - Roadmap for the Next 10 Years" in February 2023, aiming to realize 150 trillion yen in GX investments over the next 10 years through public-private collaboration. The government has indicated its intention to

execute preliminary investment support of approximately 20 trillion yen to achieve this goal (Note 1).

Regarding the development of essential EV charging infrastructure for the widespread adoption of electric vehicles (EVs), the 'Green Growth Strategy for Achieving Carbon Neutrality by 2050' announced in June 2021 set a target to install 150,000 public charging ports (including 120,000 Level 2 charging ports and 30,000 fast charging ports) by no later than 2030. Furthermore, in October 2023, the Ministry of Economy, Trade, and Industry published guidelines for accelerating the development of charging infrastructure, aiming to double the target for public charging ports by 2030 from 150,000 to 300,000 (including 270,000 Level 2 charging ports and 30,000 fast charging ports) (Note 2). In addition, with the annual increase in the budget for subsidies related to EV charging infrastructure development—from 17.5 billion JPY in FY23 to 36 billion JPY in FY24—there is a growing societal demand for the expansion of EV charging infrastructure (Note 3).

In our group's EV Charging business, we primarily offer the all-in-one EV charging service "ENECHANGE EV Charge," which includes installation of 6kW Level 2 charging ports, providing user billing apps, and post-installation support. We believe that the societal significance of our group's EV Charging business is increasingly important in the background and we see further growth opportunities for our company.

(b) The necessity of strategic preemptive investment

From a medium to long-term perspective and considering beyond 2030, the strategic and continuous implementation of substantial investment becomes crucial in establishing the EV charging network as a sustainable business in the social infrastructure. Even overseas, prominent CPO companies (Note 4) have successively raised funds from the market between 2022 and 2023. Globally, CPOs undertaking strategic and continuous preemptive investment to expand their presence is deemed essential.

In such a scenario, it is essential to conduct proactive business expansion into new locations and intensify advertising and promotions, such as taxi and elevator advertising. Additionally, there is a need for ongoing and proactive investment in expanding our group's business in the EV charging sector while maintaining unit economics. Furthermore, to strengthen purchasing power while steadily progressing the installation of EV charging ports, it is anticipated that the need for purchasing a certain volume of EV charging ports will increase in the future, leading to an expanded need for working capital.

In view of the strategic need for substantial preemptive investment from the perspectives (a) and (b) mentioned above, and to secure funds for the significant growth opportunity in the construction of the EV charging network, a certain amount of fundraising is deemed necessary to maximize the enhancement of corporate value. In line with the "Startup Cultivation 5-Year Plan" formulated by the Japanese government in November 2022, as part of the startup support provided by the Japan Investment Corporation (JIC), a fund strategically focused on providing funding to support the sustained and remarkable growth of direct, secondary, and publicly listed startups, namely JIC VGI Opportunity Fund 1 Investment Business Limited Liability Partnership, has been introduced as the designated allottee from our company's transaction financial institution. Based on the reasons outlined in the later section "I. Issuance of New Shares through Third-Party Allotment 6. Reasons for Selection of the Allottee (2) Reasons for selecting the planned allocation recipient," we have decided to proceed with fundraising through this Third-Party Allotment Increase.

At the current stage, when our group is in the phase of market expansion, we aim to further strengthen preemptive investments in significant growth opportunities through this Third-Party Allotment Increase. Our goal is to establish a position as a leading player in the Level 2 charging

infrastructure in Japan.

(Note 1) "Basic Policy for Achieving GX" (February 2023).

(Note 2) "Green Growth Strategy for Achieving Carbon Neutrality by 2050" (June 18, 2021).

(Note 3) From the budgeted amount of JPY 17.5 billion JPY for the subsidy for the introduction of charging infrastructure to promote the diffusion of clean energy vehicles in the supplementary budget for FY22 and the initial budget for FY23, and from the supplementary budget for FY23 and the initial budget for FY24, which was 36 billion JPY.

(Note 4) Charge Point Operator (Companies that own and operate public charging infrastructure ports for electric vehicles (EVs))

(2) The reason for choosing third-party allotment increase as the method of fundraising

In the course of this fundraising, the company has carefully considered various fundraising methods, aiming to achieve the objectives mentioned above considering the interests of our shareholders, securing growth capital, and enhancing corporate value. As a result, we have concluded that issuing new shares through third-party allotment to long-term stable shareholders is the optimal approach. While there are alternative capital enhancement measures such as public offerings, shareholder-specific allotment increases, issuing new share subscription rights, and bank borrowings, we deemed the certainty of fundraising under favorable conditions in the Japanese stock market to be low for capital-intensive fundraising methods like public offerings and shareholder-specific allotment increases. Additionally, in consideration of our current borrowing situation (total borrowing balance as of December 2023: 2,484 million JPY), we concluded that debt-based fundraising methods, such as bank borrowings, are not the optimal choice. To maintain and improve financial soundness, expediently and reliably secure a certain amount of funds, and to ensure the best means for substantial long-term business growth, we have chosen third-party allotment increase as the method for this fundraising.

In connection with this third-party allotment increase, it is acknowledged that the total number of issued shares will increase, leading to dilution of the value per share. Specifically, the number of shares related to this third-party allotment increase is 3,784,200 shares, representing approximately 12.23% of the total issued common shares of the company as of December 31, 2023 (30,935,684 shares), and approximately 12.25% of the total voting rights (308,831 shares), resulting in a certain level of dilution. However, from our perspective, the execution of this third-party allotment increase is intended to secure growth capital and enhance corporate value. Therefore, we believe that carrying out this third-party allotment increase now contributes to the company's medium to long-term growth and improvement of corporate value, ultimately leading to the appreciation of the future value of our company's shares.

3. Amount of funds to be raised, use of funds, and expected timing of expenditures

(1) The amount of funds to be raised

(1)	The total amount of the payment	3,999,899,400 JPY
(2)	Estimated amount of issuance expenses	25,000,000 JPY
(3)	Estimated net proceeds	3,974,899,400 JPY

(Note) 1. The breakdown of the estimated issuance expenses includes registration-related expenses, legal fees, and the cost of preparing the securities registration statement.

2. Consumption tax and local consumption tax are not included in the estimated issuance expenses.

(2) Specific use of the funds to be raised

The estimated net proceeds of 3,974 million JPY mentioned above will be allocated for the following purposes as investment capital for future growth.

Specific use	Amount (million JPY)	Expected expenditure timing
(1) Funds for investment in strengthening promotion and operational structure of the EV Charging business	1,558	March 2024 to December 2025
(2) Working capital for the purchase of charging ports for the construction of the EV charging infrastructure network	1,442	March 2024 to December 2025
(3) Investment Funds to contribute to the future growth of the EV Charging business	974	March 2024 to December 2028

(Note) During the period until the funds are allocated for the above purposes, the funds will be managed through bank deposits, etc.

(1) Funds of 1,558 million JPY allocated for investment in strengthening the promotion and operational structure of the EV Charging business: Advertising and promotional expenses of 1,144 million JPY for digital marketing, taxi advertising, direct mail, and various marketing activities aimed at acquiring new leads and expanding service awareness; sales commissions for partnerships. Additionally, 414 million JPY will be allocated for sales activities to secure new orders, construction management for the supervision and promotion of EV charging port installation projects, and engineering personnel expenses for development aimed at improving usability. These funds are planned to be utilized from March 2024 to the end of December 2025.

(2) Working capital of 1,442 million JPY allocated for the purchase of EV chargers for the construction of the EV charging infrastructure network: This fund will be utilized primarily for the purchase of 6kW charging ports planned for sale from the FY24 onwards. The funds are planned to be utilized from March 2024 to the end of December 2025.

(3) Investment Funds to contribute to the future growth of the EV Charging business: Funds allocated for growth initiatives, including investments in future growth of the EV Charging business (including M&A), with a remaining balance of 974 million JPY planned to be utilized from March 2024 to the end of December 2028.

#### 4. The rationale for the use of funds

Allocating the funds raised through this third-party allotment to the purposes specified in "3. Amount of funds to be raised, use of funds, and expected timing of expenditures" and "3(2) Specific use of the funds to be raised" is considered reasonable for our company's management. This is because it contributes to the expansion of the EV Charging business and, consequently, the growth of our company.

#### 5. Reasonableness of issuance conditions and others

##### (1) The basis for calculating the payment amount and its specific details

The issuance price for this third-party allotment increase was determined to be 1,057 JPY, equivalent to 96.35% of the average closing price (1,097 yen) of our common shares on the Tokyo Stock Exchange over the most recent one-month period up to February 8, 2024, the last trading day before the board of directors' resolution date (February 9, 2024). This decision was made because by using a smoothed value, such as the average closing price over a certain period, we can accurately reflect the appropriate value of the shares, while neutralizing significant short-term fluctuations in recent stock prices, which we deemed to be a rational basis for calculation. This decision is also based on compliance with the Japan Securities Dealers Association's "Guidelines for Handling Third-Party Allotment Increases", which stipulates that the payment amount should

fundamentally be no less than 0.9 times the stock price on the last trading day immediately before the board's resolution. This was decided upon discussion with the planned allottees. Furthermore, the reason for setting the calculation period to the most recent one month is that using an average over a period longer than one month could potentially diverge from the recent value of the shares. The issuance price represents a 9.97% discount compared to the closing price of our common shares on the Tokyo Stock Exchange on the last trading day before the board of directors' resolution date (1,174 yen), a 1.31% discount compared to the average closing price over the most recent three months (1,071 yen), and a 1.77% discount compared to the average closing price over the most recent six months (1,076 yen). Taking these factors into account, we have determined that the issuance price for this third-party allotment increase complies with the Japan Securities Dealers Association's "Guidelines on Third-Party Allotment Increases" and is neither particularly advantageous nor unreasonable, but rather is considered rational.

Furthermore, we have received opinions from all three external audit committee members, who are all external auditors, stating that the issuance price for the third-party allotment is based on the market price, which is an objective value reflecting the value of our common stock. Additionally, we have received opinions confirming that the issuance price for the third-party allotment, being calculated in accordance with the guidelines of the Japan Securities Dealers Association regarding the "handling of third-party allotment increases", does not constitute a particularly advantageous amount.

- (2) The basis for determining that the issuance quantity and the scale of stock dilution are reasonable. The number of shares for this third-party allotment is 3,784,200 shares, representing approximately 12.23% of the total issued common shares (30,935,684 shares) as of December 31, 2023, and 12.25% of the total voting rights (308,831 shares), causing a certain level of dilution. However, we believe that this third-party allotment is expected to create long-term shareholder value that outweighs the short-term dilution impact, contributing to the company's medium- to long-term growth and increased corporate value. Additionally, the designated recipient of this third-party allotment, JIC VGI Opportunity Fund 1 Investment Business LLP, can be a medium to long term shareholder as outlined in "6. Reasons for Selecting the Allottee, etc. (3) Holding Policy of the Allottee," contributing to the stability of the stock price. Therefore, we have determined that the number of shares issued and the scale of dilution of shares through this third-party allotment are reasonable.

## 6. Reasons for Selection of the Allottee

### (1) Overview of the designated allottee

①	Name	JIC VGI Opportunity Fund No. 1 Investment Business Limited Liability Partnership	
②	Location	3-1-1 Toranomom, Minato-ku, Tokyo	
③	Basis of establishment	Law on investment business limited liability partnership agreement	
④	Objectives of composition	Investment	
⑤	Date of composition	September 1, 2023	
⑥	Total amount of investment	400 billion JPY (planned)	
⑦	Investors, Investment Ratios, and Overview of Investors	Industrial Revitalization Investment Corporation VGF2-OPF1 Officers' Investment Business Limited Liability Partnership JIC Venture Growth Investments Co., Ltd. Regarding the ownership ratio, although we have confirmed with JIC Venture Growth Investments Co., Ltd. (hereinafter referred to as "JIC VGI"), an executing member of the planned allocation, we have not obtained consent for disclosure, so it is not disclosed.	
⑧	Overview of executive committee members	Name	JIC Venture Growth Investments Co., Ltd.
		Location	3-1-1 Toranomom, Minato-ku, Tokyo
		Representative Position/Name	Representative Director and President Hideki Yarimizu
		Business activities	The formation, administration, and operation of investment limited liability partnerships and other entities engaged in investment business, as well as the investment and management of the assets of these entities, etc.
		Capital	20 million JPY
⑨	Relationship between our company and the fund	Relationship between our company and the fund	There are no relevant items.
		Relationship between our company and the executive members of the partnership	There are no relevant items.

(Note) In the expected stock subscription agreement to be concluded between our company and the planned allocation recipient, we plan to obtain statements and assurances from the planned allocation recipient, confirming the absence of any ties to antisocial forces, etc. Additionally, our company will investigate through internet searches to confirm that the planned allocation recipient (including its main investors, executing members, as well as their representatives and officers) has absolutely no connection with antisocial forces. Furthermore, JIC, which is the main investor of the planned allocation recipient and its executing members, is a corporation established through public and private investment under the Industrial Competitiveness Enhancement Act. We have confirmed through hearings, among other means, that JIC has no ties to antisocial forces. Considering JIC's compliance

manual, which declares a strict system for its personnel to disassociate from antisocial forces, and the submission of a confirmation letter to the Tokyo Stock Exchange stating that the planned allocation recipient (including its main investors, executing members, as well as their representatives and officers) is not associated with antisocial forces and has no relationship with them, we determine that they are not antisocial forces and have no connection with them.

## (2) Reasons for selecting the planned allocation recipient

1. The planned allocation recipient is an investment fund formed under the mission of JIC Venture Growth Investments Co., Ltd. (JIC VGI) to promote innovation in Japan through venture growth investment activities, aiming at enhancing international competitiveness and addressing industrial and social challenges in the country. The fund specifically focuses on supporting the organic growth of promising already-listed companies.

2. JIC VGI, serving as the operating company, has a track record of investing in various companies in the energy sector, including new energy and decarbonization technologies (cleantech), through other investment funds. They have accumulated experience and insights in providing hands-on support in this field, demonstrating a broad network.

3. The planned allocation recipient, under JIC VGI's management, can be a medium to long term shareholder.

Considering these factors, we have chosen the planned allocation recipient.

## (3) Ownership policy of the planned allocation recipient

The acquisition of our common stock through the planned third-party allocation from the planned allocation recipient is intended to contribute to our medium- to long-term growth and enhancement of corporate value through the measures and other initiatives described in the above "3. Amount of funds to be raised, use of funds, and expected timing of expenditures (2) Specific use of the funds to be raised." Based on this investment purpose, it has been explained that the planned allocation recipient is able to hold the acquired shares for the medium to long term, unless there are significant reasons to the contrary.

Furthermore, we plan to obtain a commitment letter from the planned allocation recipient, stating that if they transfer all or part of the common stock acquired through the planned third-party allotment within two years from the payment date, they will report the details in writing to our company, consent to our company reporting such details to the Tokyo Stock Exchange, and agree that the reported information will be made available for public inspection.

## (4) Confirmation of the existence of assets required for the payment by the planned allocation recipient

As of today, we acknowledge that the intended allottee, JICVGI Opportunity Fund No. 1 Investment LLP, does not currently possess the necessary and sufficient funds for the payment related to this third-party allotment capital increase. However, by reviewing excerpts from the investment limited partnership agreement related to JICVGI Opportunity Fund No. 1, we have confirmed that there is a commitment between the investors, such as JIC, and the intended allottee that the investors will contribute to the allottee within the scope of their unfulfilled contribution amounts in response to a capital call by JICVGI, the general partner, whenever the allottee requires funds. Furthermore, by reviewing copies of the capital call notices issued by JICVGI to each investor, we have confirmed that the intended allottee is expected to secure the necessary and sufficient funds from each investor by the payment deadline for this third-party allotment capital increase.

Through hearings with JICVGI and other means, we have verified the willingness of the investors in the intended allottee to make contributions in response to the capital call, their possession of

sufficient funds, and that the total amount the allottee can secure through the capital call from its investors exceeds the funds required for the payment. Additionally, by examining the cash and deposit amounts listed in the financial statements of JIC, a major investor in the intended allottee, for the fiscal year ending March 2023 as per the Companies Act, we have confirmed that they possess sufficient funds to fulfill the contribution. These verifications have assured us that there are no issues regarding the willingness or the ability of the investors to fulfill their contributions to the intended allottee in response to the capital call.

Moreover, in the share subscription agreement to be concluded between our company and the intended allottee, we plan to obtain a representation and warranty from the intended allottee that it will possess sufficient cash for the payment on the payment date.

#### 7. Post-offering major shareholders and ownership ratios

Before the offering (As of December 31, 2023)		After the offering	
Yohei Kiguchi	18.66 %	Yohei Kiguchi	16.63 %
Custody Bank of Japan, Ltd. (Trust Account)	9.32 %	JICVGI Opportunity Fund 1 Investment Business Limited Liability Partnership	10.90 %
ENERGY STATION COMPANY LIMITED (Permanent Agent: Mizuho Securities Co., Ltd.)	7.76 %	Custody Bank of Japan, Ltd. (Trust Account)	8.31 %
Takahiro Yamaguchi	4.71 %	ENERGYSTATION COMPANY LIMITED (Permanent Agent: Mizuho Securities Co., Ltd.)	6.91 %
The Master Trust Bank of Japan ,Ltd.(Trust Account)	4.24 %	Takahiro Yamaguchi	4.20 %
THE BANK OF NEW YORK 133652 (Permanent Agent: Mizuho Bank, Ltd.)	4.14 %	The Master Trust Bank of Japan, Ltd.(Trust Account)	3.77 %
Ippei Arita	3.90%	THE BANK OF NEW YORK 133652 (Permanent Agent: Mizuho Bank, Ltd.)	3.68 %
EPCO Co.,Ltd.	1.55 %	Ippei Arita	3.48%
Takeshi Hayakawa	1.27 %	EPCO Co.,Ltd.	1.38 %
THE BANK OF NEW YORK 140051 (Permanent Agent: Mizuho Bank, Ltd.)	1.21 %	Takeshi Hayakawa	1.13 %



- (Note) 1. The ownership ratio before the offering is calculated based on the shareholder registry as of December 31, 2023, reflecting the amendments from the change report submitted by Ipei Arita on January 30, 2024, which includes the correction report filed on February 2, rounding to the third decimal place.
2. The ownership ratio before the offering is calculated based on the proportion of owned shares to the total issued shares, excluding treasury stock, as of December 31, 2023, with a total of 30,935,425 shares.
3. The ownership ratio after the offering is calculated based on the total issued shares, excluding treasury stock as of December 31, 2023, with the addition of the newly issued shares, 3,784,200 shares.

#### 8. Outlook for the future

The impact of this third-party allotment on the financial results for the fiscal year ending December 2024 is already reflected in the "Consolidated Financial Forecast for the Fiscal Year Ending December 2023" disclosed today. However, from the perspective of making agile investment decisions, the impact on profits is currently under careful review. If there are any matters that need to be disclosed in the future, we will promptly make the necessary disclosures.

#### 9. Matters related to procedures under the corporate code of conduct

The third-party allotment does not require obtaining opinions from independent third parties as specified in Article 432 of the Tokyo Stock Exchange Listing Regulations, as it meets the following criteria: 1) Dilution ratio is less than 25%, and 2) it does not involve a change in controlling shareholders.

#### 10. Performance and equity finance situation over the past three years

##### (1) Consolidated performance over the last three years

	FY21	FY22	FY23
Consolidated sales	3,018 million JPY	3,734 million JPY	6,625 million JPY
Consolidated operating income	40 million JPY	-1,121 million JPY	-1,066 million JPY
Consolidated ordinary income	-2 million JPY	-1,156 million JPY	-1,199 million JPY
Net income attributable to the parent company's shareholders	-85 million JPY	-1,315 million JPY	-1,247 million JPY
Consolidated earnings per share	-3.25 JPY	-44.01 JPY	-40.91 JPY
Dividends per share	—	—	—
Consolidated net assets per share	163.09 JPY	116.21 JPY	74.43 JPY

(Note) The company conducted a stock split on April 1, 2021, at a ratio of 2 shares for 1 common stock, and another stock split on January 1, 2022, at a ratio of 2 shares for 1 common stock. Assuming that these stock splits occurred at the beginning of the fiscal year ending in December 2021, we have calculated the consolidated earnings per share and consolidated net assets per share.

##### (2) The current status of issued shares and potential shares as of February 9, 2024

	Number of shares	Ratio to the number of issued shares
Issued shares	30,961,508 shares	100.00 %
Potential shares at the current conversion price (exercise price)	4,817,728 shares	15.56 %

Potential shares at the lower limit conversion price (exercise price)	-	-
Potential shares at the upper limit conversion price (exercise price)	-	-

(3) The recent stock price situation

1. The recent three-year situation

	FY21	FY22	FY23	FY24
Opening price	5,540 JPY □2,400 JPY ■2,188 JPY	2,017 JPY	998 JPY	1,006 JPY
Highest price	6,770 JPY □9,180 JPY ■2,232 JPY	2,019 JPY	1,590 JPY	1,213 JPY
Lowest price	3,800 JPY □1,668 JPY ■1,953 JPY	502 JPY	818 JPY	998 JPY
Closing price	4,705 JPY □4,445 JPY ■1,992 JPY	938 JPY	1,035 JPY	1,174 JPY

(Note) 1. The stock prices for FY24 are recorded as of February 8, 2024.

2. A 2-for-1 stock split was conducted on April 1, 2021. The □ mark for the fiscal year ending December 2021 indicates the adjusted stock prices after the rights expiration due to the 2-for-1 stock split on April 1, 2021.

3. A 2-for-1 stock split was carried out on January 1, 2022. The ■ mark for FY21 indicates the post-rights expiration stock prices adjusted for the 2-for-1 stock split on January 1, 2022.

2. The recent six-month view

	2023 September	October	November	December	2024 January	February
Opening price	1,214 JPY	1,148 JPY	954 JPY	1,060 JPY	1,006 JPY	1,100 JPY
Highest price	1,325 JPY	1,150 JPY	1,179 JPY	1,129 JPY	1,136 JPY	1,213 JPY
Lowest price	1,086 JPY	818 JPY	925 JPY	970 JPY	998 JPY	1,063 JPY
Closing price	1,149 JPY	943 JPY	1,060 JPY	1,035 JPY	1,130 JPY	1,174 JPY

(Note) The stock prices for February 2024 are presented as of February 8, 2024.

3. The stock price on the last trading day before the issuance resolution date

	February 8, 2024
Opening price	1,168 JPY
Highest price	1,213 JPY
Lowest price	1,161 JPY
Closing price	1,174 JPY

(4) The recent three-year equity finance situation

Issuance of new shares through public offering

Payment deadline	December 13, 2021
Amount of funds raised	3,870,850,000 JPY (Net take-home approximate amount)
Issue price	5,219.80 JPY per share
Number of issued shares at the time of solicitation	13,800,010 shares
Number of shares issued	750,000 shares

through the offering	
Total issued shares after the offering	14,550,010 shares
At the time of issuance initial use of funds	<ol style="list-style-type: none"> <li>1) Investment of 1,200 million JPY for strengthening the promotion and sales/marketing structure in the Platform business.</li> <li>2) Funds of 350 million JPY for the acquisition aimed at strengthening our group's customer base.</li> <li>3) Funds of 800 million JPY to enhance our in-house services, including strengthening services for members in preparation for the liberalization of electricity data.</li> <li>4) Funds of 600 million JPY for investment and operation in the "Decarbonization Tech Fund" in the Data business.</li> <li>5) Funds of 850 million JPY to support future growth in the development of EV related services in the decarbonization and decentralization sectors.</li> <li>6) Funds for corporate personnel expenses, including hiring costs, salaries for engineers, sales, support staff, and finance/organizational development functions, as well as common expenses necessary for organizational operation (rent, server/software costs, expert fees, etc.), and the remaining balance for repayment of existing bank loans.</li> </ol>
At the time of issuance expected expenditure timeline	<ol style="list-style-type: none"> <li>1) From January 2022 to December 2022</li> <li>2) From December 2021 to December 2026</li> <li>3) From January 2022 to December 2023</li> <li>4) From January 2022 to September 2024</li> <li>5) From January 2022 to December 2023</li> <li>6) From January 2022 to December 2023</li> </ol>
At the current moment allocation status	<ol style="list-style-type: none"> <li>1) Of the 1,200 million JPY, 300 million JPY has been allocated to promotion expenses in the Platform business, and 200 million JPY has been allocated to the investment in strengthening sales/marketing structure from January 2022 to December 2022. The remaining balance of 700 million JPY has been allocated as promotion expenses from August 2023 to December 2023. (Note)</li> <li>2) 200 million JPY has been allocated as funds for the acquisition of shares in OBERLOUS Japan Co., Ltd. from December 2021 to December 2023. The remaining balance of 150 million JPY is planned to be allocated for the same fund usage until December 2026.</li> <li>3) 800 million JPY been allocated as funds for enhancing services, including strengthening member services for the liberalization of electricity data in the Platform business, and expanding our in-house services from January 2022 to December 2023.</li> <li>4) 530 million JPY has been allocated as funds for investment and operation in the "Decarbonization Tech Fund" in the Data business from January 2022 to December 2023. The remaining balance of 70 million JPY is planned to be allocated for the same fund usage until September 2024.</li> <li>5) 850 million JPY has been allocated as funds to support future growth in the development of EV related services in the</li> </ol>

	<p>decarbonization and decentralization sectors from January 2022 to December 2023.</p> <p>6) The remaining balance of 70 million JPY has been allocated as funds for corporate personnel expenses, including hiring costs for engineers, sales, support staff, and finance/organizational development functions, as well as personnel expenses and common expenses necessary for organizational operation (rent, server/software costs, expert fees, etc.), and repayment of existing bank loans from January 2022 to December 2023.</p>
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(Note) Regarding the "Expected expenditure timeline at the time of issuance," as announced on May 13, 2022, in the "Notice of Changes in Funding Allocation Period," the expected timeline for some of the allocations under 1) was modified. However, as per the announcement on August 10, 2023, in the "Notice of Changes in Funding Allocation Period," the expected timeline for the remaining balance has been set as the end of December 2023.

#### 11. Issuance terms

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|--|---|
| (1) Type and number of shares to be offered                        | Common stock: 3,784,200 shares  |
| (2) Amount to be paid for the shares                               | Per share: 1,057 JPY  |
| (3) Total amount of the payment                                    | Total: 3,999,899,400 JPY  |
| (4) Amount of increased capital                                    | 1,999,949,700 JPY (per share: 528.5 JPY)  |
| (5) Amount of increased capital reserve                            | 1,999,949,700 JPY (per share: 528.5 JPY)  |
| (6) Method of offering or allocation                               | By third-party allocation   |
| (7) Application period   | February 26, 2024   |
| (8) Payment deadline   | February 26, 2024   |
| (9) Designated recipients and the number of shares to be allocated | JIC VGI Opportunity Fund 1 Investment Business Limited Liability Partnership: Common stock 3,784,200 shares |
| (10) Each of the above items is conditioned upon                   | the effectiveness of the filing under the Financial Instruments and Exchange Act.                           |

## II. Change in major shareholders

### 1. Background of the change

As mentioned above, with the issuance of the new shares through this third-party allocation increase, JIC VGI Opportunity Fund 1 Investment Business Limited Liability Partnership is expected to become a major shareholder of the company, leading to a change in our major shareholders.

### 2. Overview of the changing shareholder

For details on the overview of the changing shareholder, please refer to the section "I. Issuance of New Shares through Third-Party Allocation 6. Reasons for Selection of the Allottee (1) Overview of the designated allottee" mentioned earlier.

### 3. The number of voting rights (owned shares) and the percentage of voting rights to the total voting rights held by the changing shareholder before and after the change

	Number of voting rights (Owned shares)	Percentage of voting rights to the total voting rights held by shareholders	Ranking of major shareholders
Before the change (As of December 31, 2023)	0	0.00 %	–
After the change	37,842 units (3,784,200 shares)	10.92 %	Second

(Note) The percentage of voting rights to the total voting rights held by shareholders after the change is calculated based on the total voting rights as of December 31, 2023, which is 308,831, adding the number of increased voting rights due to the issuance of new shares through this third-party allocation, 37,842 units.

### 4. Scheduled date of change

February 26, 2024 (planned)

### 5. Outlook for the future

There is no anticipated impact on performance due to changes in major shareholders in the future.