Financial Results Presentation for 1Q FY03/26

August 20, 2025

Abalance Corporation

(TSE Standard: 3856)

Establishment of Third-Party Committee (August 12, 2025)

For details: Notice concerning the establishment of a third-party committee, dated August 12, 2025 (Japanese text only) 140120250812539723.pdf

Under the new management structure, the Company has been re-examining various past transactions, and in conjunction with this and following feedback from an external organization, the Company has decided to establish a third-party committee to conduct a detailed investigation into the following matters.

The committee members, scheduling, and other details will be disclosed as soon as decided. For the committee's investigative report, we intend to make prompt disclosures following its receipt.

The matters to be investigated by the committee are not expected to have an impact on the financial results of the Company, excluding (2) the possibility of impairment losses for the Taiwa Town Solar Power Plant, which is noted below. We will make prompt disclosures if revisions to financial results are required based on the investigation results.

The new management team has determined that a rigid investigation by external third parties is necessary for the sustained business activities of the Company going forward. We apologize to shareholders, investors and all involved parties and ask for your continued understanding.

Scope of investigation：
(1) Re-examination of the investigation report by the Audit and Supervisory Committee dated March 13, 2024
(2) Investigation into impairment losses and application documents regarding the Taiwa Town Solar Power Plant
(3) Investigation into the transactions of related parties

Contents

1. Overview of Financial Results for 1Q FY03/26

Impact of the Change in Fiscal Year-end

Financial Period: (Beginning of the fiscal year changed from July to April)

- FY03/25 was an irregular nine-month accounting period due to the change in the fiscal year-end, and as such, the financial period for FY03/26 differs with the previous fiscal year. The first quarter of FY03/26 is from April 1, 2025 through June 30, 2025. In this material, comparisons to the the results for the first quarter of FY03/25, which corresponds to July 1, 2024 through September 30, 2025, are indicated as year-on-year changes just for reference.

FY03/25: (July 1, 2024 to March 31, 2025)

Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
The first quarter (1Q)			The second quarter (2Q)			The third quarter (3Q)		

FY03/26 (April 1, 2025 to March 31, 2026)

Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
The first quarter (1Q)			The second quarter (2Q)			The third quarter (3Q)			The fourth quarter (4Q)		

Executive Summary of 1Q FY03/26 (Financial Period: April 1 to June 30, 2025)

Management Environment

Economy

- Japanese economy continued on a recovery trend, aided by resilient consumer spending and an increase in capital investment, supported by an improvement in employment and income situations
- Meanwhile, the global economy remained uncertain due to US tariff policy, including baseline tariffs (10%) and additional tariffs for specific nations (paused 90 days from April 9) and geopolitical risks, including the conflict in Ukraine and intensifying tensions in the Middle East

Market

- Both global consumption of electricity and renewable energy generation increased in 1H 2025. Annual electricity consumption is projected up 3.3% YoY, with 90% of the demand increase to be covered by solar and wind power (IEA)
- China, which has the world's greatest power generation capacity, switched the electricity pricing of new solar power generation facilities from fixed pricing to variable pricing in June. Overall global prices appeared to recover briefly on heightened expectations of front-loaded demand but thereafter weakened again on falling domestic demand
- In the US market, the tax reform bill, the One Big Beautiful Bill (OBBB) Act, which includes the reduction of tax credits for solar power generation under the Inflation Reduction Act (IRA), was contested in both chambers. Combined with the pause in additional tariffs, there was front-loaded demand for power plant development and related products in expectation of reduced tax credits

Financial Results of the Company

Earnings recovery was driven by the core Solar Panel Manufacturing Business
Front-loaded demand for solar power plant development and related products due to the pause in additional tariffs and expectations for smaller tax credits in the US. The Company has been able to secure maximum sales of products to the US through negotiations with customers

Consolidated net sales came to 36.2 billion yen, and the operating profit margin was 10%, returning to double digits for the first time since 24/4Q.

Topics

- April 2025 The Company raised its ownership in VSUN (from 44.4% to a majority stake of 58.8%. Purchase of treasury stocks by consolidated subsidiary) *69.2% as of June 30, 2025
- April 2025 The Company conducted third-party allotment of shares (raised 490 million yen; dilution of 6.1%)
- April 2025 The new solar cell manufacturing plant in Ethiopia began operations (Phase 1; production capacity 2.0GW)
- April 2025 TOYO announced FY2024 financial results and FY2025 guidance (NASDAQ: TOYO)
- May 2025 The Company announced FY03/25 results (consolidated net sales of 72.4 billion yen, operating profit of 3.6 billion yen. Irregular nine-month period due to change in fiscal year-end)
- June 2025 Held an Ordinary General Meeting of Shareholders. Switched to new management structure including two Representative Directors (Chairman & CEO Junsei Ryu and President & COO Ryoichi Kunimoto). Increased Directors to 8, including three newly elected Directors

Consolidated Financial Results of 1Q FY03/26

Statement of Income

- **For 1Q of FY03/26, consolidated net sales were 36.2 billion yen and operating profit was 3.6 billion yen. Net sales were equivalent to 38% of the FY03/26 full-year forecast, with operating profit at 61%**
- Net sales and operating profit increased considerably YoY. Sales were robust in the US and Asia, including the growth market of India
  In 1Q FY03/2025 (Jul to Sep 2024), Vietnamese exports to US were restricted by end of tariff waivers for four Southeast Asian nations
- The operating profit margin was 10% (up 3.9 points YoY). Improved gross profit margin contributed +2.5 points (gross profit margin 20%)
- Gross profit increased by 3.4 billion yen YoY, boosted 2.5 billion yen by higher sales and 0.9 billion yen by gross profit margin improvement

(Millions of yen)	03/25 1Q (Jul-Sep) Full-year results	03/26 1Q (Apr-Jun) Full-year results	Change (YoY) Amount	Change (YoY) Ratio	FY03/26 Full-year forecast	Achievement (1Q) Ratio
Net sales	**21,655**	**36,251**	**+14,596**	**+67.4%**	**95,000**	**38.2%**
Solar Panel Manufacturing Business	19,700	33,943	+14,243	+72.3%	85,000	**39.9%**
Green Energy Business	1,796	2,052	+256	+14.3%	10,000	—
Other, adjustments	158	256	+98	+62.0%	—	—
Gross profit	3,799	**7,258**	+3,459	**+91.1%**	–	–
Gross profit margin	17.5%	20.0%	–	+2.5pt	—	–
Operating profit	**1,333**	**3,642**	**+2,309**	**+173.2%**	**6,000**	**60.7%**
Operating profit margin	6.2%	10.0%	–	+3.9pt	6.3%	–
Ordinary profit	**375**	**4,179**	**+3,804**	**+1014.4%**	**6,000**	**69.7%**
Ordinary profit margin	1.7%	11.5%	–	+9.8pt	6.3%	–
Profit attributable to owners of parent	**(578)**	**1,172**	**+1,750**	**—**	**3,000**	**39.1%**
Net profit margin	–	3.2%	–	–	3.2%	–

Including "Other, adjustments"

* Tariff waivers on imports of solar power generating equipment from four Southeast Asian nations to the US ended in June 2024

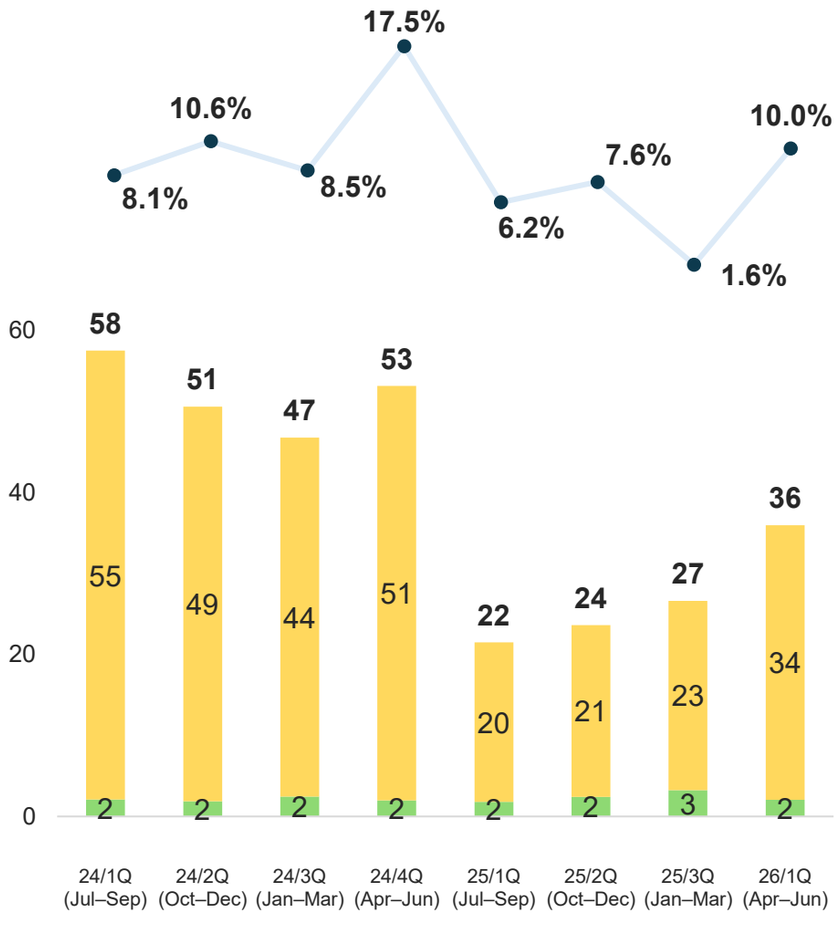
** The "Other" category includes the IT Business, the Photocatalyst Business, and sales of construction machinery.

Consolidated Financial Results for 1Q FY03/26

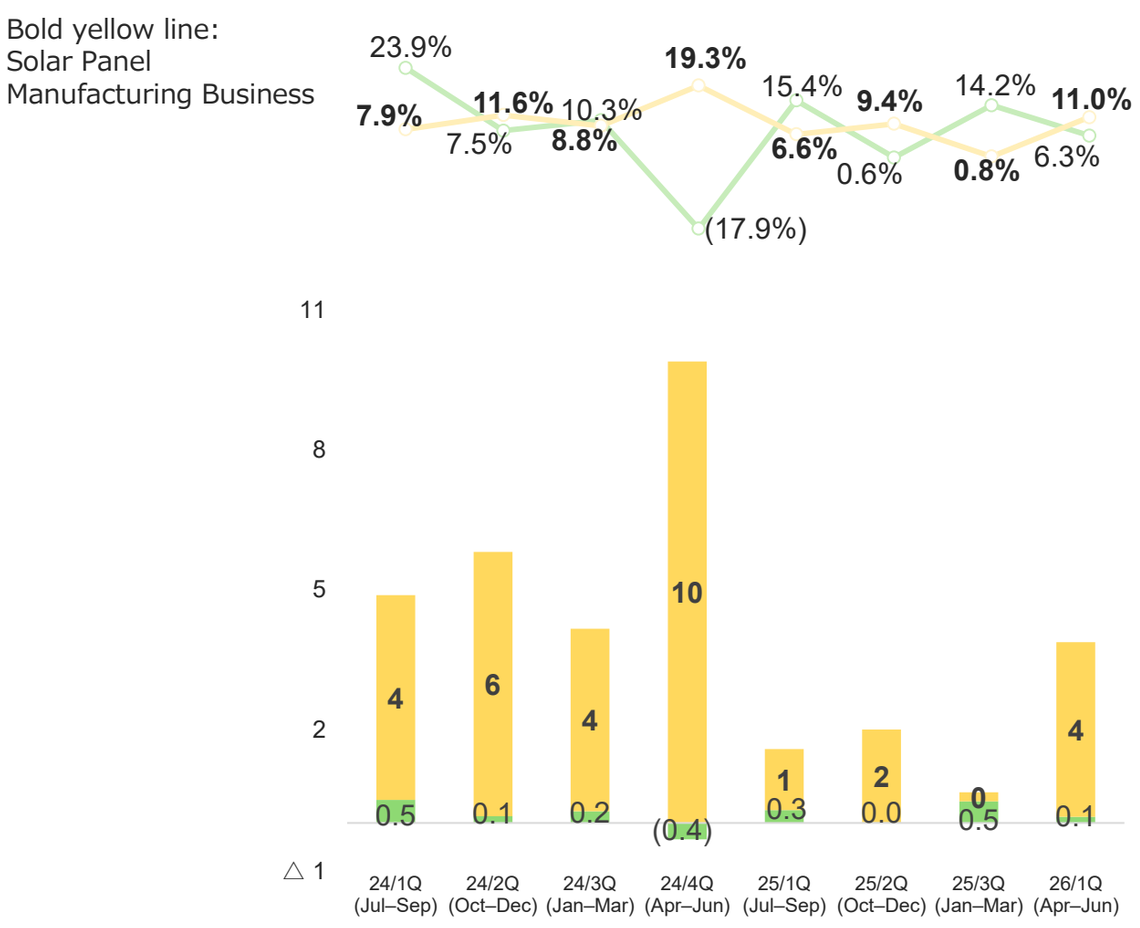
Summary of revenue and operating profit by segment

	(Millions of yen)	FY03/25 1Q	(24/1Q) YoY (%)	(24/4Q) QoQ (%)	FY03/25 2Q	(24/2Q) YoY (%)	(25/1Q) QoQ (%)	FY03/25 3Q	(24/3Q) YoY (%)	(25/2Q) QoQ (%)	FY03/26 1Q	(25/1Q) YoY (%)	(25/3Q) QoQ (%)
Solar Panel Manufacturing Business	Net Sales	19,700	(64.5%)	(61.5%)	21,254	(56.4%)	+7.9%	23,394	(47.3%)	+10.1%	33,943	+72.3%	+45.1%
	Operating Profit	1,306	(70.3%)	(86.8%)	1,989	(64.9%)	+52.3%	194	(95.%)	(90.2%)	3,749	+187.1%	+1832.5%
Green Energy Business	Net Sales	1,796	(13.1%)	(8.8%)	2,395	+27.3%	+33.4%	3,251	+34.1%	+35.7%	2,052	+14.3%	(36.9%)
	Operating Profit	277	(43.9%)	-	14	(90.1%)	(94.9%)	461	+85.1%	+3192.9%	129	(53.4%)	(72.%)
Total	Net Sales	21,655	(62.5%)	(59.4%)	23,958	(52.8%)	+10.6%	26,804	(43.1%)	+11.9%	36,251	+67.4%	+35.2%
	Operating Profit	1,333	(71.5%)	(85.7%)	1,828	(66.%)	+37.1%	441	(88.9%)	(75.9%)	3,642	+173.2%	+725.9%

Net Sales･Operating Profit margin
(stacked chart unit: billion yen)



Segment Profit/Margin
(stacked chart unit: billion yen)



※The total consolidated net sales include “Other, Adjustments.”

Consolidated Financial Results of 1Q FY03/26

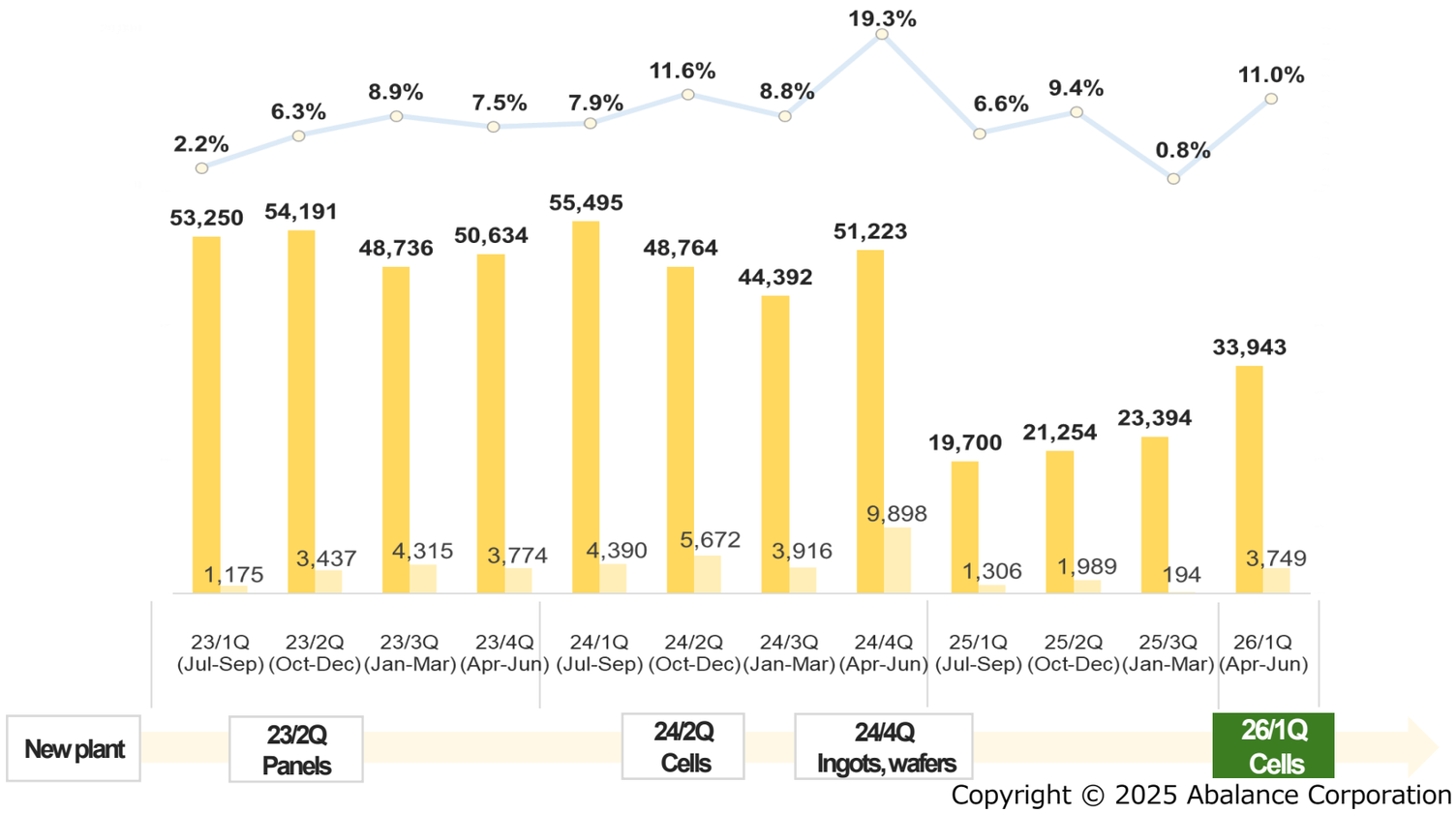
Solar Panel Manufacturing Business

- **Segment operating income margin was 11%. Returned to double digits first time in four quarters (since 24/4Q)**
- In April, commenced Phase 1 mass production at Ethiopia cell plant
  *Financial figures for Ethiopian manufacturing subsidiary for Jan-Mar 2025 reflected. Booked plant start-up and other expenses in 1Q.

(Millions of yen)	FY03/25 1Q (Jul-Sep) Full-year results	FY03/26 1Q (Apr-Jun) Full-year results	Change (YoY) Amount	Change (YoY) Ratio	FY03/26 Full-year forecast	Achievement (1Q) Ratio
Net sales	**19,700**	**33,943**	**+14,243**	**+72.3%**	**85,000**	**39.9%**
Operating profit	**1,306**	**3,749**	**+2,443**	**+187.1%**	**5,500**	**68.2%**
(% of sales)	6.6%	11.0%	–	+4.4pt	6.5%	–

Quarterly trend of net sales and segment operating profit (margin)

(Millions of yen)



Ethiopian cell plant
(2.0 GW production capacity)
Manufacturing subsidiary: TOYO SOLAR MANUFACTURING ONE MEMBER PLC

Consolidated Results for 1Q FY03/26 by Segment

Green Energy Business

- **Net sales increased year on year, but operating profit fell, with an operating profit margin of 6.3%. Strong sales of panels via major mass retailers but incurred upfront expenses for power plant development**

(Millions of yen)	FY03/25 1Q (Jul-Sep) Full-year results	FY03/26 1Q (Apr-Jun) Full-year results	Change (YoY) Amount	Change (YoY) Ratio
Net sales	**1,796**	**2,052**	**+256**	**+14.3%**
Operating profit	277	**129**	**(148)**	**(53.4)%**
(% of sales)	15.4%	6.3%	–	(9.1)pt

(Segment forecasts not disclosed)

One-time revenue business model (spot profit)

- Made progress developing solar power plants for non-FIT sales to meet corporate decarbonization needs. Contribution to earnings from 2Q onward
- Expanded stores hosting sales events for residential solar power systems using major mass retailer sales channel
  - －To start special sales events with new major mass retailers in 2Q
  - －Contribution also to original brand Maxar®
    *Maxar® is a registered trademark of WWB

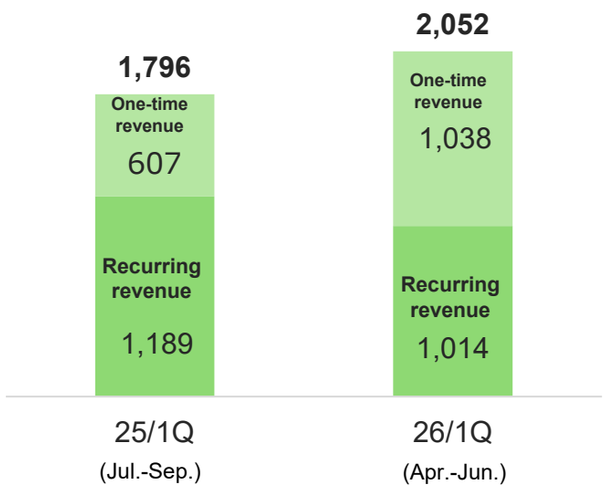
「Maxar」®

Recurring revenue business model (stable revenue)

- Revenue from sales of electricity by the development and ownership of solar power plants (high/extra high pressure)
  - －Company-held power plant: 93 in Japan and overseas, with 103MG of power generation capacity (as of June 30, 2025)
- Revenue from O&M（Operation＆Maintenance）

Net sales trend

(Millions of yen)



2．Plan for FY03/26

Plan for FY03/26 (Financial Period: April 1, 2025 to March 31, 2026)

Management Environment

Economy

- The future global economic outlook remains uncertain due to the confusion and poor visibility caused by US trade policies, including tariffs. Requires ongoing attention.
  - −US reciprocal tariff rates: Ethiopia (10%), Vietnam (20%)

Market

- In the US, an executive order was issued on July 7 (US EST) in accordance with tax reform bill, the One Big Beautiful Bill (OBBB) Act
  - −Revised conditions for tax credits under the Inflation Reduction Act (IRA) following enactment of OBBB (Internal Revenue Code (IRC) 45Y/48E)*
  - −The US government (Secretaries of Interior and Treasury) will take the following tax actions regarding new solar facility construction (main items)
    - ・Facilities starting operations in 2028 or later, in principle, to be ineligible for tax credit
    - ・Strict rules apply to extension of tax credits as an exception (construction starts within the coming year)
    - -New guidance issued to prevent artificial construction starts, etc. (Aug 15)

  *45Y and 48E refer to section numbers related to tax credits under IRC.
  45Y is based on renewable energy production amounts and 48E is based on investments in renewable energy facilities
- In 2025, the global solar power market is expected to shift from a booming growth phase to a stable growth phase with the projected introduction of 655 GW* (up 10% YoY) (Reference: up 85% in 2023 and up 33% in 2024)

Global Introduction Outlook in 2025

Optimistic scenario	30% growth YoY	774GW
***Moderate Scenario**	10% growth YoY	655GW
Pessimistic scenario	Minus 8% growth YoY	548GW

Data courtesy: SPE “Global Market Outlook for Solar Power 2025-2029” (Published on May 6, 2025)

Financial Results of the Company

- **No changes to forecasts for FY03/26 (consolidated net sales of 95.0 billion yen and operating profit of 6.0 billion yen)**
- By establishing a global supply chain comprising the US, Ethiopia, and Vietnam, we aim to minimize the impact of US tariffs. We made no changes to our forecasts in light of the fluidity of the management environment

(YoY data is omitted as the financial results for 03/25 is for 9 months)

(Millions of yen)	FY06/24 (12 months) Full-year results	FY03/25 (9 months) Full-year results	FY03/26 (12 months) Full-year forecast
Net sales	**208,972**	**73,447**	**95,000**
Solar Panel Manufacturing Business	199,874	65,378	85,000
Green Energy Business	9,098	7,441	10,000
Other, adjustments	757	628	Including “Other, adjustments”
Operating profit	**23,349**	**3,803**	**6,000**
Operating profit margin	11.2%	5.2%	6.3%
Ordinary profit	**24,894**	**3,939**	**6,000**
Ordinary profit margin	11.9%	5.4%	6.3%
Profit attributable to owners of parent	**9,530**	**958**	*** 3,000**
Net profit margin	4.6%	1.3%	3.2%

*For 03/26: TOYO’s profit increase effect (decrease in profit distribution of minor shareholders) to expand YoY

Plan for FY03/26

Solar Panel Manufacturing Business 1

Manufacturing and Procurement Strategy : Building a robust and competitive supply chain with a three-area structure

(Millions of yen)	FY06/24 (12 months) Full-year results	FY03/25 (9 months) Full-year forecast	FY03/26 (12 months) Full-year forecast
Net sales	199,874	**64,348**	**85,000**
Operating Profit	23,876	**3,489**	**5,500**
(% of Sales)	11.9%	5.4%	6.5%

※The financial results of the following two manufacturing subsidiaries are reflected in our consolidated financial statements with a three-month lag

Vietnam : TOYO (Cells 2 GW), VSUN (Ingots and wafers 4 GW, and panels 4GW)

TOYO SOLAR

In April 2025
Launch a cell plant in Ethiopia

Company name	**TOYO SOLAR MANUFACTURING ONE MEMBER PLC**
Location	Hawassa, Sidama Reional State, Ethiopia
Business	**Manufacturing and sales of solar cells**
Investment amount	Planned: approx. 16.0 billion yen (approx. 9.0 billion yen in Phase 1 and approx. 7.0 billion yen in Phase 2) *Mainly for manufacturing equipment and land and buildings on leasing contract
Production capacity (scheduled)	**Phase 1: 2.0 GW (start operation in April 2025)** **Phase 2: 2.0 GW (plan to start operation during 2Q of 03/26)**

TOYO SOLAR

Middle of 2025
Scheduled to launch a panel plant in the United States

Company name	**TOYO Solar Texas LLC**
Location	Huston, State of Texas, United States of America
Business	**Manufacturing and sales of solar panels**
Investment amount	Planned: approx. 13.5 billion yen (approx. 4.5 billion yen in Phase 1 and approx. 9.0 billion yen in Phase 2) *Mainly for manufacturing equipment and land and buildings on lease agreement
Production capacity (scheduled)	**Phase 1: 1.0 GW (plan to start operation in the middle of 2025)** **Phase 2: 1.5 GW (plan to start operation in the end of 2025)**

Plan for FY03/26

Solar Panel Manufacturing Business 2

Marketing and Sales Strategy : TOYO uses VSUN brand power in the US market while VSUN promotes diversification of the sales area

TOYO SOLAR

Gain the US domestic demand using the VSUN sales channels, taking advantage of new Texas plant

〈VSUN's expansion in the US〉

U.S. customer locations

- 8 GW PV modules installed in the US cumulatively
- Equal to 6 million homes powered by VSUN's modules annually
- Equal to 19 million tons of carbon emissions saved cumulatively

Data courtesy: TOYO, "Excerpt from TOYO's Investor Deck（April 2025）"

VSUN Innovative & Smart

Gain customers in Asia, including India, and Europe and accelerate diversification of sales destinations

〈VSUN's expansion in the world〉

Customer locations by country

BRONZE | Top 35% ecovadis Sustainability Rating DEC 2024

TIER 1 SOLAR MANUFACTURER BloombergNEF

500+ Cooperative partners

60+ Financial Partners

Data courtesy : VSUN, "VSUN Brochure 2024"

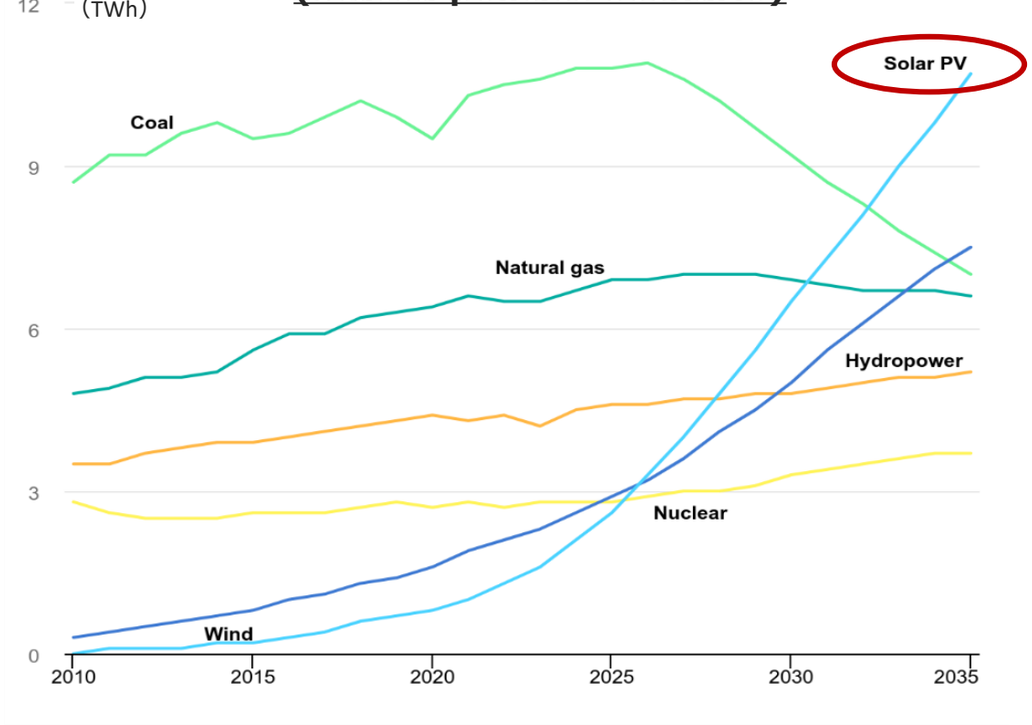
Plan for FY03/26

Solar Panel Manufacturing Business 3

Global Trend : The trend of shifting main power source to mainly solar power and other renewable energies accelerating
The US Market : Significant increase in new implementation of solar panels over 2024. In the following 10 year-period, new implementation accounting for 40 to 50 GW annually expected (SEIA, standard scenario)

Solar power generation to be the main global power source by 2035

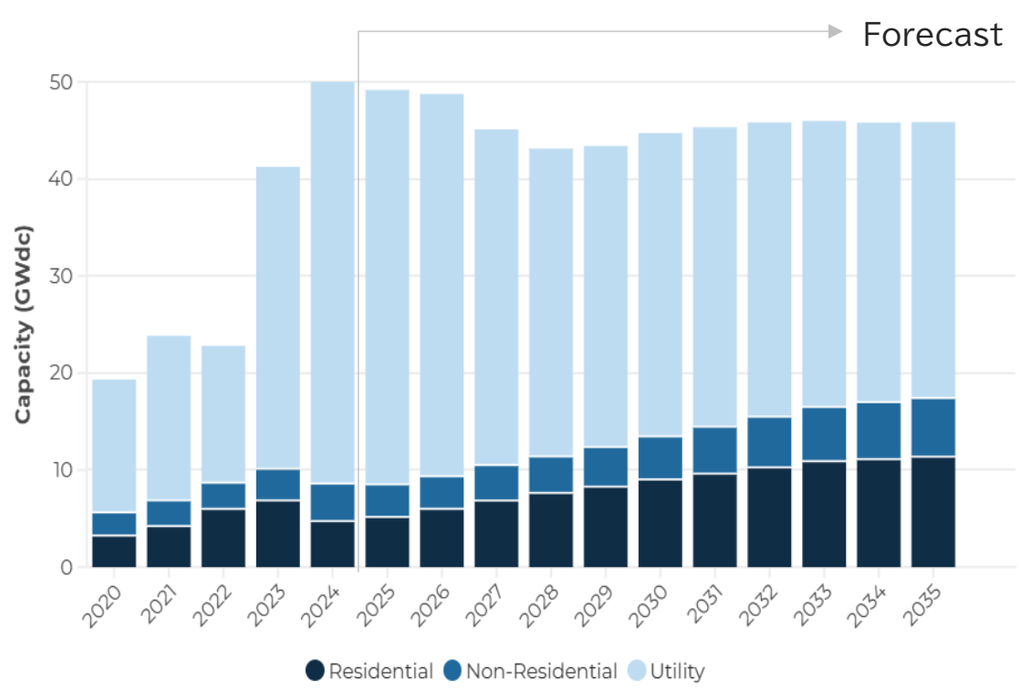
<u>World electricity generation by sources (Stated policies scenario)</u>



Data courtesy : IEA, “World electricity generation in the Stated Policies Scenario, 2010-2035”

The US to newly introduce 730 GW cumulatively by 2035 (3x compared to the results in 2024)

<u>US Forecast of new implementation of solar panels (Standard scenario)</u>



Data courtesy: SEIA, “Solar Market Insight Report 2024 Year in Review”

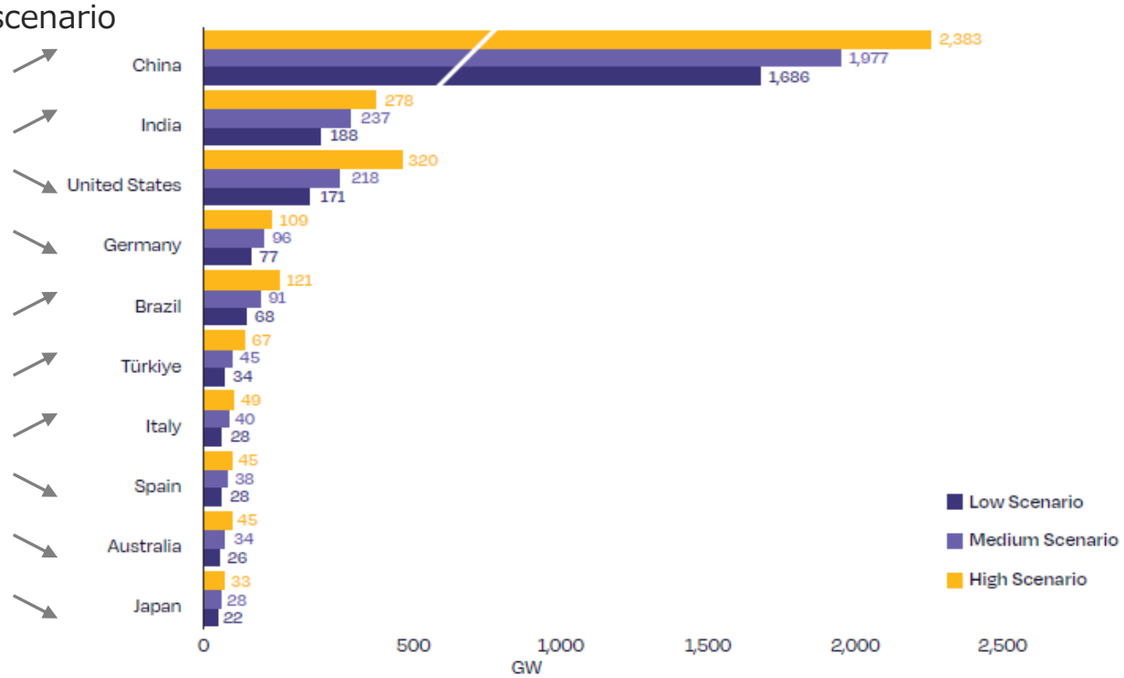
Plan for FY03/26

Solar Panel Manufacturing Business 4

India Market : Predicted to exceed the US and become 2nd in the world in volume of solar panels implemented in the next 5 years. Government support and net zero target boosted the growth
Domestic manufacturing capacity was expanded but the upstream processes mainly with cells are still depending on imports.

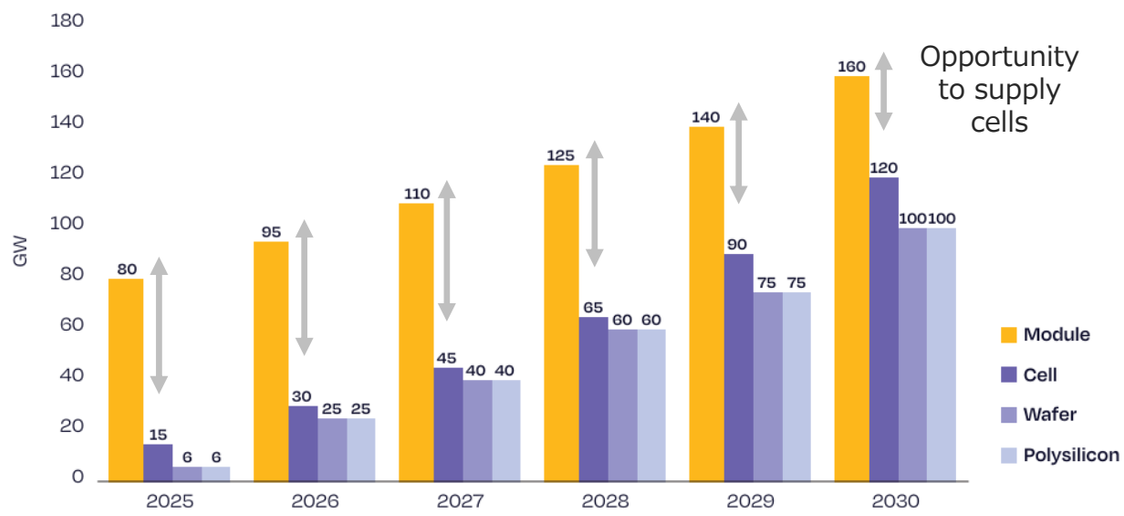
Max. 278 GW solar power to be introduced in India from 2025 to 2029 (188 GW in medium scenario)

Global outlook for implementation of new solar anels (Low/Medium/High growth scenario)



Manufacturing capacity of solar power photovoltaic products Significant expansion for 4 core components from 2025 to 2030

Outlook for manufacturing capacity of new solar power photovoltaic products in India (panels(modules), cells, wafers, polysilicon)



Data courtesy: SolarPower Europe, “Global Market Outlook for Solar Power 2025-2029” (Published on May 6, 2025)

Plan for FY03/26

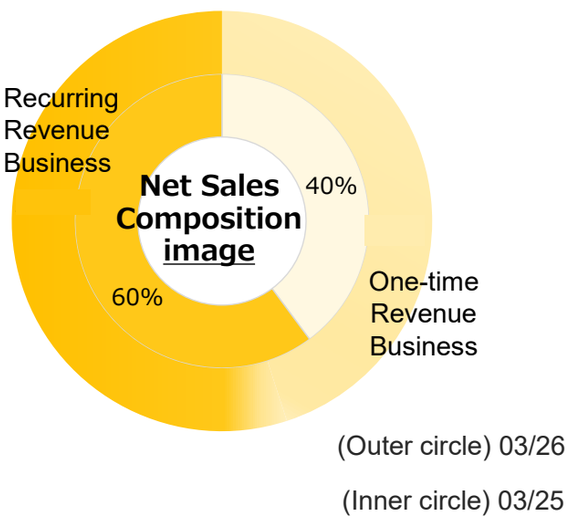
Green Energy Business 1

Business Strategy : A year to focus on integration and qualitative improvements of profit of the Green Energy Business
The sales of residential solar power generation for mass retailers will continue to be robust, and the earnings in the one-time revenue business is expected to make up a greater portion of net sales.

(Financial forecast by segment is not disclosed)

(Millions of yen)	FY06/24 (12 months) Full-year results	FY03/25 (9 months) Full-year forecast
Net sales	8,341	**7,442**
Operating Profit	532	**752**
(% of Sales)	6.4%	10.1%

※Net Sales by segment(Includes; Intersegment sales or transfers)



Generate spot revenue through one-time revenue business model (Sales)

- The sales of residential solar power generation for mass retailers are expected to remain robust continuing from the previous fiscal year.
  −Launch an “Event and Alliance Support,” retailer support providing know-how

Generate stable revenue through recurring revenue business model (Power generation operators and O&M)

- The sale of electricity by the development and ownership of solar power plants, More precise evaluation of profitability of owned assets
  −Flexibly review the solar power plants portfolio
  ※The July 15 release “(omitted) Transfer of Non-current Assets” has been factored into the earnings forecast.
- Expansion of the business foundation through business partnership and M&As

Materialize and explore new businesses (Grid-connected batteries, reuse)

- **Grid-connected batteries business (one-time/Recurring revenue business model)**
  −Launch 2 Hokkaido projects (Ishikari and Sapporo). They are expected to general profit in the next financial year and thereafter.
  −**Focus on spotting a next grid-connected battery project. Working for efficient use of generated electricity and maximized land use through proposals for construction at existing solar power plant sites**
- Promote consultative selling approach through partnership for solar panel reuse business (one-time revenue business model)
- −Number of reused panels (cumulative) 610,000 panels･172 MW positioning as one of the leading companies in the reuse business in Japan
- −The market, including the recycling business, is expected to be 0.11 trillion yen in 2050 (Data courtesy: JPEA)
- −The Ministry of Economy, Trade and Industry’s Seventh Strategic Energy Plan clearly stated the need for the promotion of renewable energy and discussion on development of a system for disposal and recycling of solar panels.

Green Energy Business 2

New Business (Grid-connected batteries business) : Nine companies including WWB launched the construction of grid-connected batteries in Sapporo City in March 2025

Fore more detailed information, please refer to the Company's news release on March 27, 2025
https://www.abalance.jp/resource/pdf/Notice_20250327-1.pdf

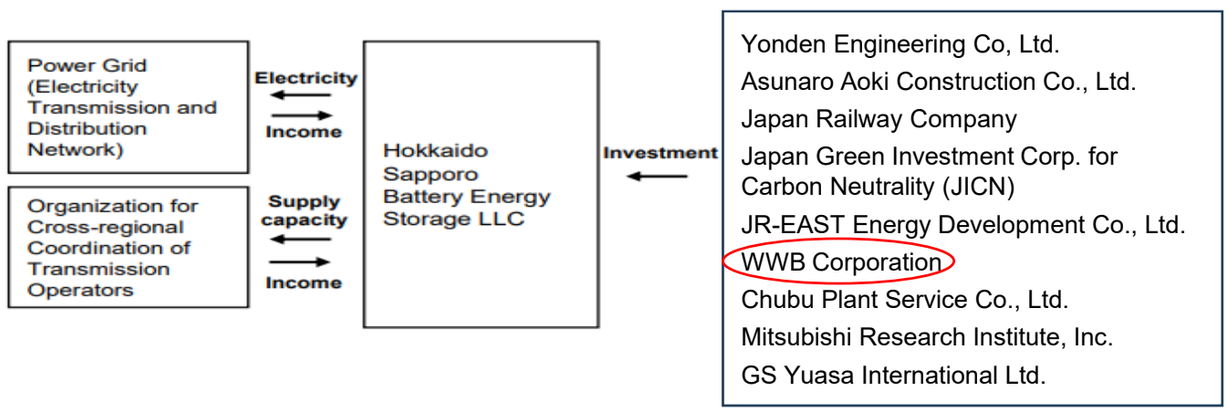
WWB 株式会社
WWB Corporation

Securing power grid connection, power consultations, and dealing with local communities and governments regarding land acquisition

Company name	**Hokkaido Sapporo Battery Energy Storage LLC**
Company name	Takamatsu City, Kagawa Prefecture
Company name	Yonden Engineering Company, Incorporated
Company name	Construction and operation of the energy storage plant Connect the energy storage plant to the power grid, charge with the surplus electricity, and sell it during peak demand periods to generate revenue
Company name	**Hokkaido Sapporo Battery Energy Storage Plant** **(Sapporo City, Hokkaido)** **Output: 10 MW, Battery capacity: 30 MWh** **Operation start in April 2027 (scheduled)**

Start operation of large-scale battery energy storage systems in April 2024 (scheduled)

〈Project and Investment Scheme〉



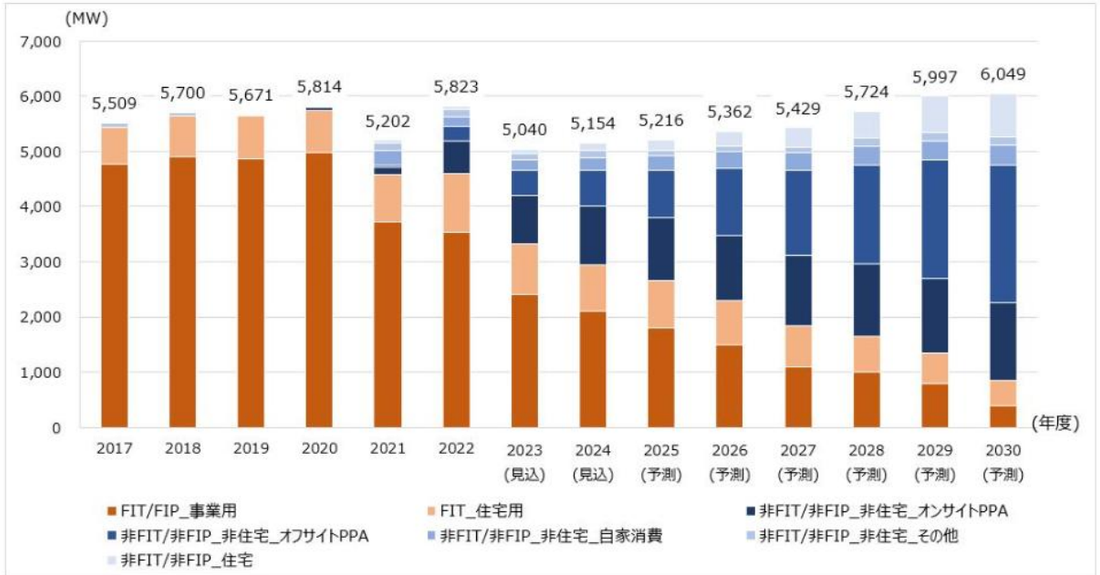
Plan for FY03/26

Green Energy Business 3

Market Size : Amid the backdrop of the Government's measures for long-term renewable energy for sustainable power supply, the solar power market in Japan will expand gradually, becoming the main power source.
(73% reduction scenario of GHG in FY2040 electric power compared to FY2013)

Decarbonization advances by shifting from FIT to offsite PPA and is driven by consumers
The solar power market in Japan will expand gradually.

Trends and Forecasts of Domestic Solar Power Generation Installation Capacity (By Contract Type)



Notes
1. The data is based on the capacity (AC) of solar power facilities in Japan.
2. Estimated value for FY2023 and FY2024 and forecast for FY2025 and after are provided.
3. FIT/FIP_Business use and FIT_Residential use up to FY2022 refer to materials by the Agency for Natural Resources and Energy, those for other financial years and installation capacity by contract type are estimated values prepared by Yano Research Institute Ltd

Data courtesy: Yano Research Institute Ltd. "Solar Power Generation Market Research (2024)"

Growing share of solar power in Japan's power supply structure (from approx. 10% in 2023 preliminary results to 20% or more in 2024 outlook)

Outlook of Japan's power demand and supply in 2024

		FY2023 Preliminary results	FY2040 Outlook
Energy self -sufficiency rate		**15.2%**	**Approx. 30 .0-40.0%**
Electric power generation		**9,854 billion kWh**	**Approx. 1.1 -1.2 trillion kWh**
Composition	**Renewable energy**	**22.9%**	**Approx. 40.0-50.0%**
	Solar	9.8%	Approx. 23 .0-29.0%
	Wind	1.1%	Approx. 4.0 -8.0%
	Hydro	7.6%	Approx. 8.0 -10.0%
	Geothermal	0.3%	Approx. 1.0 -2.0%
	Biomass	4.1%	Approx. 5.0 -6.0%
	Nuclear power	**8.5%**	**Approx. 20 .0%**
	Thermal power	**68.6%**	**Approx. 30 .0-40.0%**
Final energy consumption		**3.0 billion kL**	**Approx. 2.6 -2.7 billion kL**
Greenhouse gas reduction rate (compared to FY2023)		**22.9% *FY2022 results**	**73.0%**

Data Courtesy: METI "Seventh Strategic Energy Plan"

Plan for FY03/26 (addition)

Green Energy Business 4

Market size: The grid-connected batteries market is an area in which greater earnings opportunities are expected due to greater support from subsidies and the full-scale operations of the supply/demand adjustment market

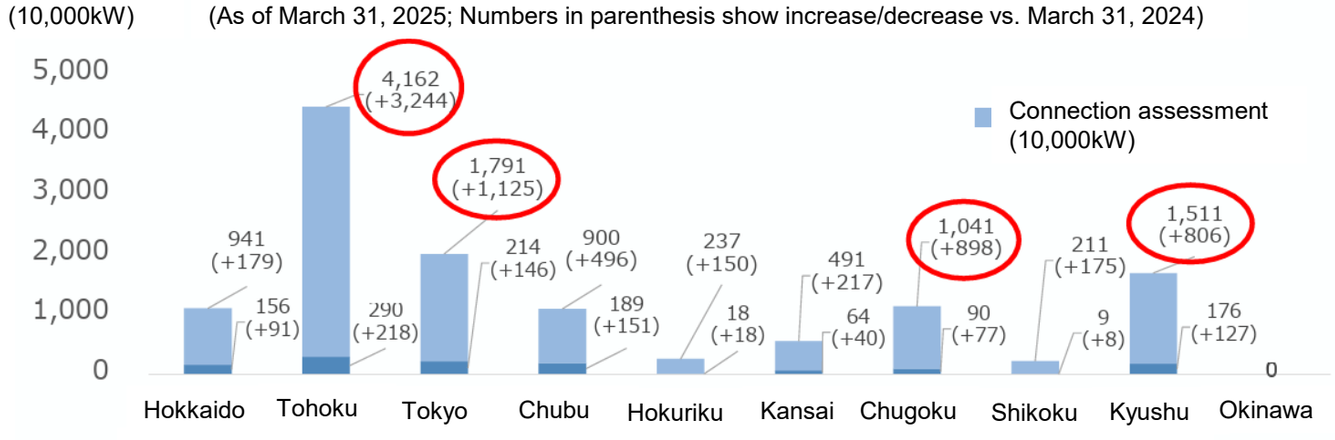
Surge in grid-connected battery connection assessment procedures; up 3-fold YoY in March 2025

Procedure: Connection assessment ⇒Connection application⇒Actual operations

Trends in Applications Received for Grid-connected Battery Connection Assessment

	(Unit: 10,000kW)	May 2023	March 2024	March 2025
Capacity	Connection assessment	1,189	3,997	11,300
	Connection application	112	331	1,200

Applications Received for Grid-connected Battery Connections (March 31, 2025; by area)

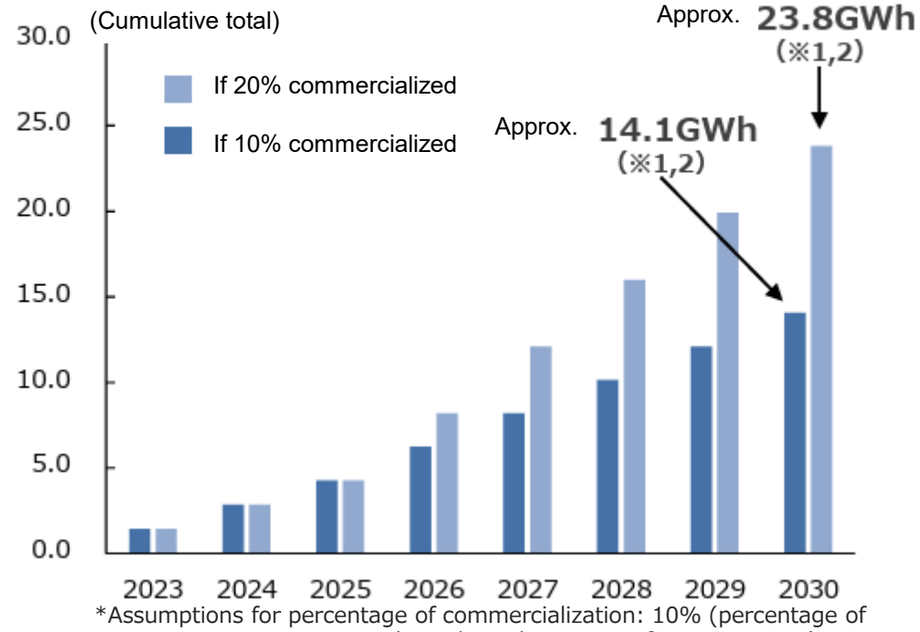


*Compiled by Agency for Natural Resources and Energy based on data compiled from general power transmission and distribution providers
*Not all connection assessments progress to grid connections.
*Rounded to the nearest whole number.

Data courtesy: Agency for Natural Resources and Energy's report "Towards Rapid Connection of Grid-connected Batteries" (June 2025; Japanese text only)
The above chart was compiled by the Company based on this report

Grid-connected batteries in operation (commercialized) have increased; growing use in response to supply/demand fluctuations (cumulative total in 2030: 14.1-23.8 GW)

Outlook for Adoption of Grid-connected Batteries (estimates by commercialization level)



*Assumptions for percentage of commercialization: 10% (percentage of assessments progressing through application as of May 31, 2023), 20% (10% + value factoring in projected scenario of lower storage battery costs)
*Assumes 70% of connection applications ⇒actual operations

Data Courtesy: 3rd batch of documents from the Cabinet Office's Working Group of Experts for the Realization of GX (November 2023)
Note (※) indicates partial excerpts

Plan for FY03/26 (addition)

Construction Machinery Sales *A business division of WWB. Accounted for in “Other” segment.

- **Sales of construction machinery is an original business of WWB. This business area is considered to be an opportunity for capturing demand for adoption of electric cargo equipment amid a tailwind from port-related companies and nationwide ports working to reduce their environmental impacts**
- Official Japanese agency for Chinese general construction machinery manufacturer, Sany Heavy Industries (SANY)

Delivered electric cargo equipment (top lifter) and charging station for major port transport customer, a first for Japan (Dec 2024)

For details: Abalance news release dated December 26, 2024 (Japanese only)
https://www.abalance.jp/resource/pdf/Notice_20241226-1.pdf

WWB KENKI

Delivered electric top lifter

Dual charging possible at charging station
(Charge time roughly 1.5 hours, enabling roughly 8 hours of continuous operations)

Main products and services of WWB

- Port machinery: Top lifters, reach stackers
- Electrical equipment: Large forklifts, electric top lifters, electric reach stackers, large charging stations, RTG (rubber-tired gantry cranes)
- After-sales services for above productions *24 hours

- Contributing also to improved work environments for operators due to quieter operations
- As a result of media coverage of this delivery, awareness of WWB has improved and inquiries have increased (up double versus the previous 12 months)
- In FY03/26, plan to deliver EV vehicles for reach stackers (similar cargo machinery) in addition to electric top lifters and charging stations

3．Group Company Information

Group Company Overview
(as of June 30, 2025)

Solar Panel Manufacturing Business　Green Energy Business　Other

*% in brackets represent shareholding ratio

Abalance Corporation
Group management control and management
https://www.abalance.jp/

*87% of VSUN is owned by FUJISOLAR, which is 80% owned by WWB

WWB株式会社 WWB Corporation
(100.0%)

WWB Corporation
Development, sales, construction of solar power systems, Operation of power plants, Sales and rental of construction machines
https://wwwb.jp/

VALORS
(100.0%)

VALORS Corporation
Design, operation, consultation, etc. of power plants
https://www.valors.co.jp/

PV REPOWER
(51.0%)

PV Repower inc.
Reuse and recycling of used photovoltaic system related products
https://www.pvr.inc/

日本光触媒センター株式会社
(100.0%)

Japan Photocatalyst Center Corporation
Manufacture and sale of photocatalytic titanium oxide coating agents and products using them
https://www.jphoc.jp/

BIRDY FUEL CELLS™ Solar Hydrogen for future generations. Leaving footprints on the sands of time.
(50.0%)

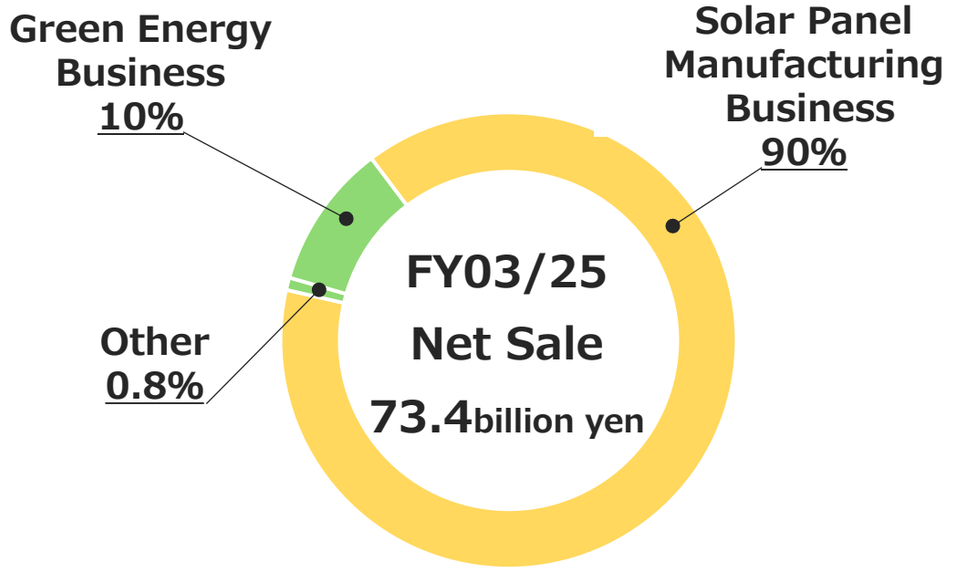
Birdy Fuel Cells LLC
Research and development of hydrogen-based energy storage systems
https://www.birdyfuelcells.com/

VSUN Innovative & Smart
(69.2%※)

Vietnam Sunergy Joint Stock Company
（BloombergBNEF25/2Q : Tier1）
Manufacture and sales of solar products related products (ingots, wafers, and panels)
https://www.vsun-solar.com/

TOYO SOLAR
(44.1%)

TOYO Company Limited
（NASDAQ : TOYO）
Manufacture and sales of solar products related products (cells and panels)
https://www.toyo-solar.com/



FY03/25 : 9months（Changed the fiscal year-end）

Company Profile and History (as of June 30, 2025)

Company Profile

Trade Name	Abalance Corporation
Address	Tennozu First Tower 16F 2-2-4 Higashishinagawa, Shinagawa-ku, Tokyo
Representative	President, Chief Operating Officer Ryoichi Kunimoto
Establishment	April 17, 2000
Capital	2,766million yen
Employees	Consolidated: 2,472/Non-consolidated: 33
Consolidated Subsidiaries	45 consolidated subsidiaries/6 equity-method affiliate
Consolidated Net Sales	72,417 million yen (FY03/25) 95,000 million yen (FY03/26 forecast)
Consolidated Operating Profit	3,602 million yen (FY03/25) 6,000 million yen (FY03/26 forecast)
Number of shares outstanding	19,033,193shares
Stock Listing	Tokyo Stock Exchange Standard Market (Code 3856)

History

April 2000	Established
September 2007	Listed on the Tokyo Stock Exchange Mothers Market(Realcom Co., Ltd.)
November 2011	Share exchange implemented: Abalance Corporation (wholly owning parent), WWB Corporation (wholly owned subsidiary)
March 2017	Company name changed: Abalance Corporation
November 2018	Change to the Second Section of the Tokyo Stock Exchange
December 2020	Consolidated subsidiary: VSUN
March 2022	Equity-method affiliate : Meiji Machine Co., Ltd. (TSE Standard: 6334)
April 2022	Transition to the Tokyo Stock Exchange Standard Market
October 2023	Subsidiary established : TOYO
July 2024	Listed on NASDAQ: TOYO (Ticker: TOYO)
November 2024	Consolidated subsidiary : TOYO Solar Texas LLC (current name)

Business Organization Chart (as of 30 June, 2025)

Suppliers

Raw materials
Merchandize

Procurement

Procurement

Green Energy Business Other
(Main sites: Japan)

WWB Corporation's Construction Machinery Division
PV Repower inc.
Japan Photocatalyst Center Corporation
Birdy Fuel Cells LLC, etc.

Power plant operations (Corporations, anonymous partnerships, etc.)

Solar Panel Manufacturing Business
(Main sites: Overseas)

Vietnam	Vietnam Ethiopia	Vietnam US
Ingots, wafers	**Cells**	**Solar panels**

Overseas sales subsidiaries

Product (component) sales
Power plant design and construction contracting
Provision of maintenance/ancillary services

Partners
・Builders
・Homebuilders
・Mass retailers, etc.

Domestic and overseas end users
・General companies
・Power companies
・Individuals

Power plant construction contracting, provision of maintenance/ancillary services

Sales of other products/merchandize and provision of ancillary services

Sales of electricity generated by company-operated power plants

Sales of solar panel (module) products

Overseas end users
Overseas renewable energy power generation companies

Sales of solar cells and other products

Overseas end users
Solar panel manufacturers

Operating Flow for Green Energy Business

Providing one-stop services from planning/design through development/construction, operation/maintenance and reuse/recycling of power plants

WWB 株式会社 WWB Corporation

VALORS

Company-held power plant
Kawaguchiko Solar Power Plant (Yamanashi Prefecture)
Approximately 1.4MW annual energy output

Company-held power plant
Kamisu Solar Power Plant (Ibaraki Prefecture)
Approximately 0.8MW annual energy output

Integrated power plant monitoring system
(in-house developed)

Business model and areas

Recurring revenue business model (stable revenue)

Plan

Basic plan
- Local research
- Product planning
- Due diligence
- Budget plan
- Simulation
- Legal confirmation
- Land purchase

Applications
- METI
- Power company
- Local government
- Regional residents
- Financial institution

Design
- Measurement
- Drawing figures
- Construction plan proposal
- Quotation production
- Quality identification
- Simulation
- Budget plan

Development/ Construction
- Various applications
- Parts procurement
- Construction management
- Foundation/civil engineering work
- Installation work
- Electrical construction

Owned by Company
- PPA business

Sale
- Investor
- Operating company
- Municipality

O&M
- Remote audit
- Driving support
- Legal inspection
- Mowing/washing
- Repair

Reuse/Recycling
- Reuse
- Recycling

PV REPOWER

One-time revenue business (spot profit)

Example of development of power plant for sale
Futtsu Arai Power Plant (Chiba Prefecture)
Approximately 42MW annual energy output

Corporate Governance

Deepening corporate governance structure aiming for global expansion and robust management

- October 2024: Newly established the Risk Compliance Committee as an advisory committee to the Board of Directors (External Director as Chair)
  Newly established the Finance Committee and Investment Committee as specialized committees for the Management Meeting (currently only Investment Committee)
- February 2025:Changed the fiscal year-end from June 30 to March 31 to facilitate global business operations and enhanced information disclosure
- **June 2025 : Transferred to new management structure including two Representative Directors aiming for enhanced governance and business**

New Management Structure
8 Directors (7 males/1 female)

*Shows maximum of four skills expected of each director in order to improve the corporate value creation of the Company.

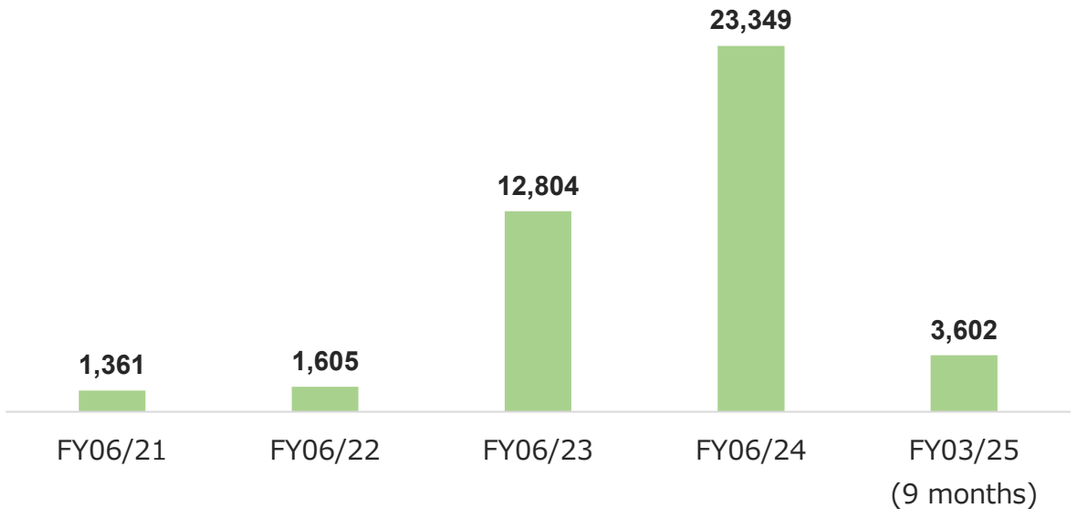
	Position	Name	Skills Matrix*					
			Corporate management	Legal affairs/ Risk management	Finance/ Accounting	Sustainability	Global business	Human resources/ Human resources development
	Chairman, CEO	Junsei Ryu	○			○	○	
New	President, COO	Ryoichi Kunimoto	○		○		○	○
	Director, Vice Chairman	Motoharu Fujisawa	○	○	○			○
New	Director, Head of Business Management Division	Kazuyasu Shibata	○	○	○	○		
New	Director, Head of Financial and Legal Affairs Division	Koichi Hashimoto	○	○	○			○
	Director, Audit and Supervisory Committee Member (Independent)	Masaru Honma		○	○	○	○	
	Director, Audit and Supervisory Committee Member (Independent)	Shigeto Yanase	○	○	○		○	
	Director, Audit and Supervisory Committee Member (Independent)	Yuriko Nakaya		○		○		○

New: Directors newly elected at the 26th Ordinary General Meeting of Shareholders held June 2025

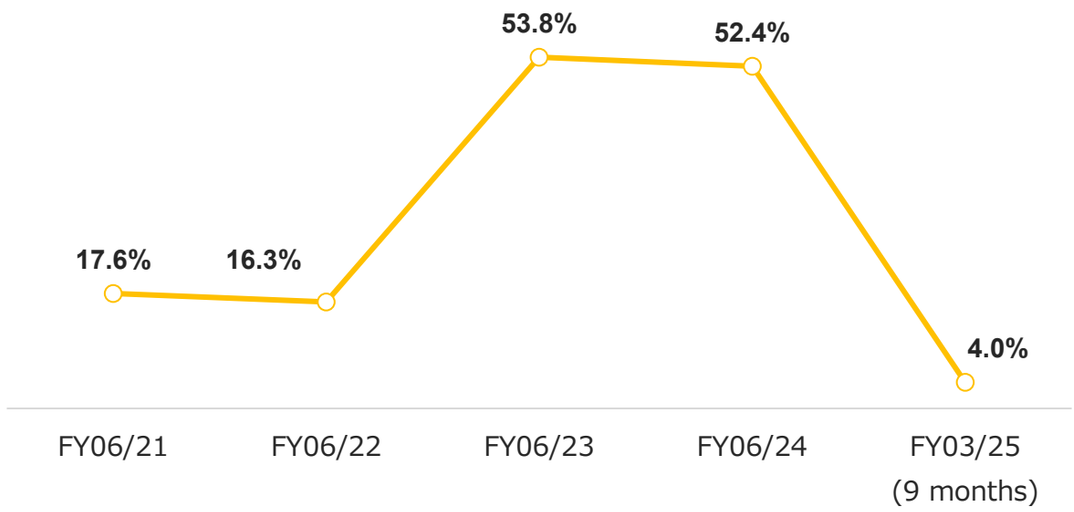
KPI、Shareholder Returns

Profitability

Operating Profit (Millions of yen)

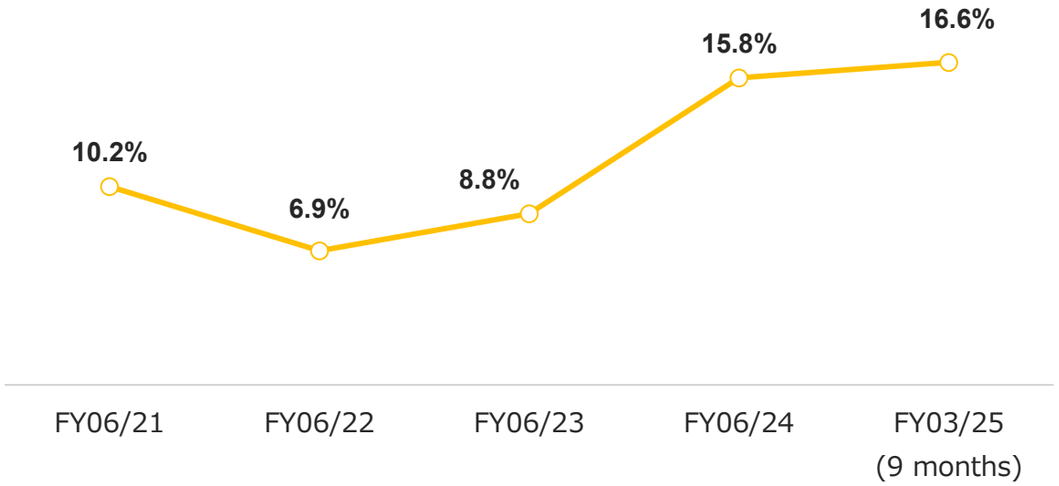


Return on Equity (ROE)



Financial Soundness

Equity Ratio



Shareholder Returns (Dividends)

- Policy: We will provide stable and continuous dividends while expanding and effectively utilizing retained earnings, thus improving corporate competitiveness and shareholder value.
- FY03/26: Annual dividends have not yet been determined, but we will make appropriate decisions while assessing our business performance.

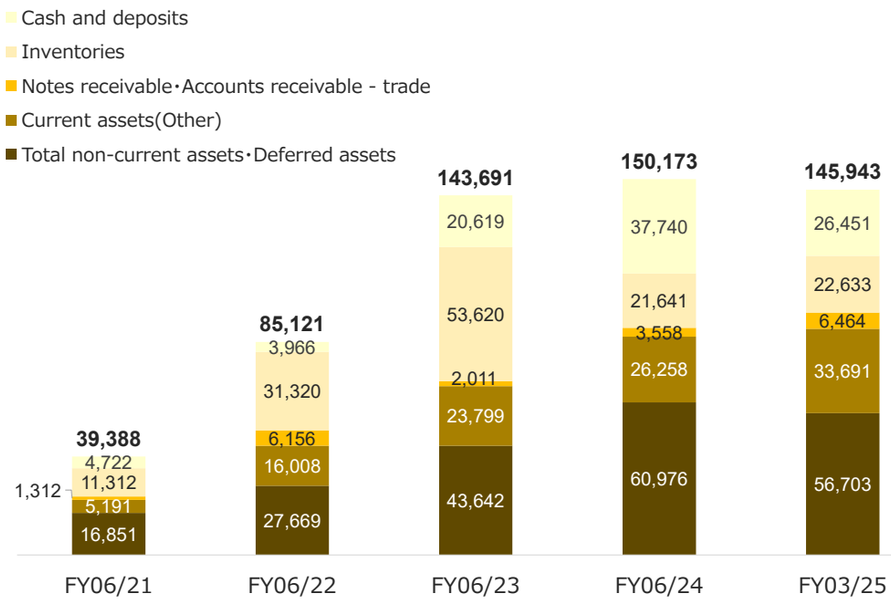
(yen)	FY06/21	FY06/22	FY06/23	FY06/24	FY03/25
Interim dividends	7	8	3	3	0
Year-end dividends	10	10	5	5	3
Annual dividends	17	18	8	8	3

※The figures for FY06/23 onwards indicate the dividends per share after a three-for-one stock split.

Financial Summary

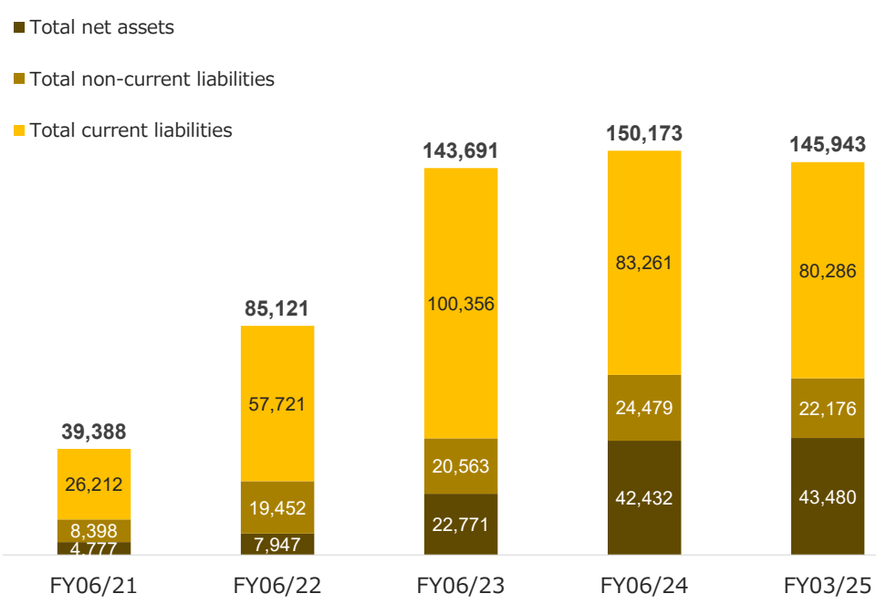
Assets

(Millions of yen)



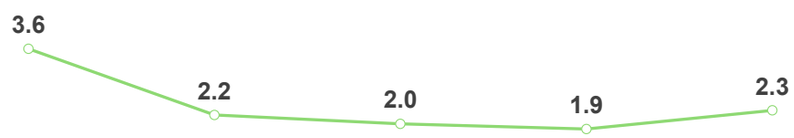
Liabilities･Net Assets

(Millions of yen)



CCC（Cash Conversion Cycle）

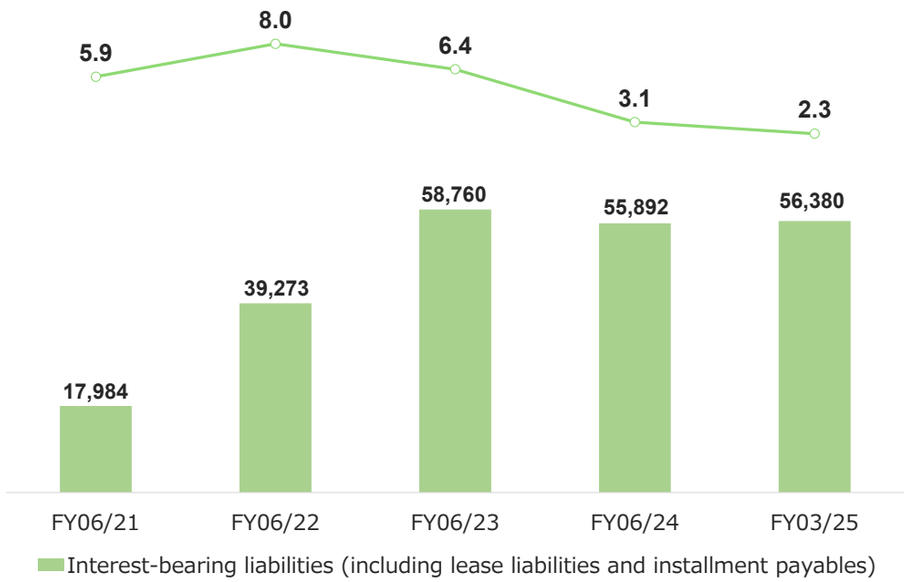
(in months)



	FY06/21	FY06/22	FY06/23	FY06/24	FY03/25
Inventory Turnover Period	4.8	3.1	2.7	2.7	3.4
Accounts Receivable Turnover Period	0.4	0.5	0.2	0.2	0.6
Accounts Payable Turnover Period	1.6	1.4	1.0	1.0	1.7

Interest-bearing Debt、D/ERatio

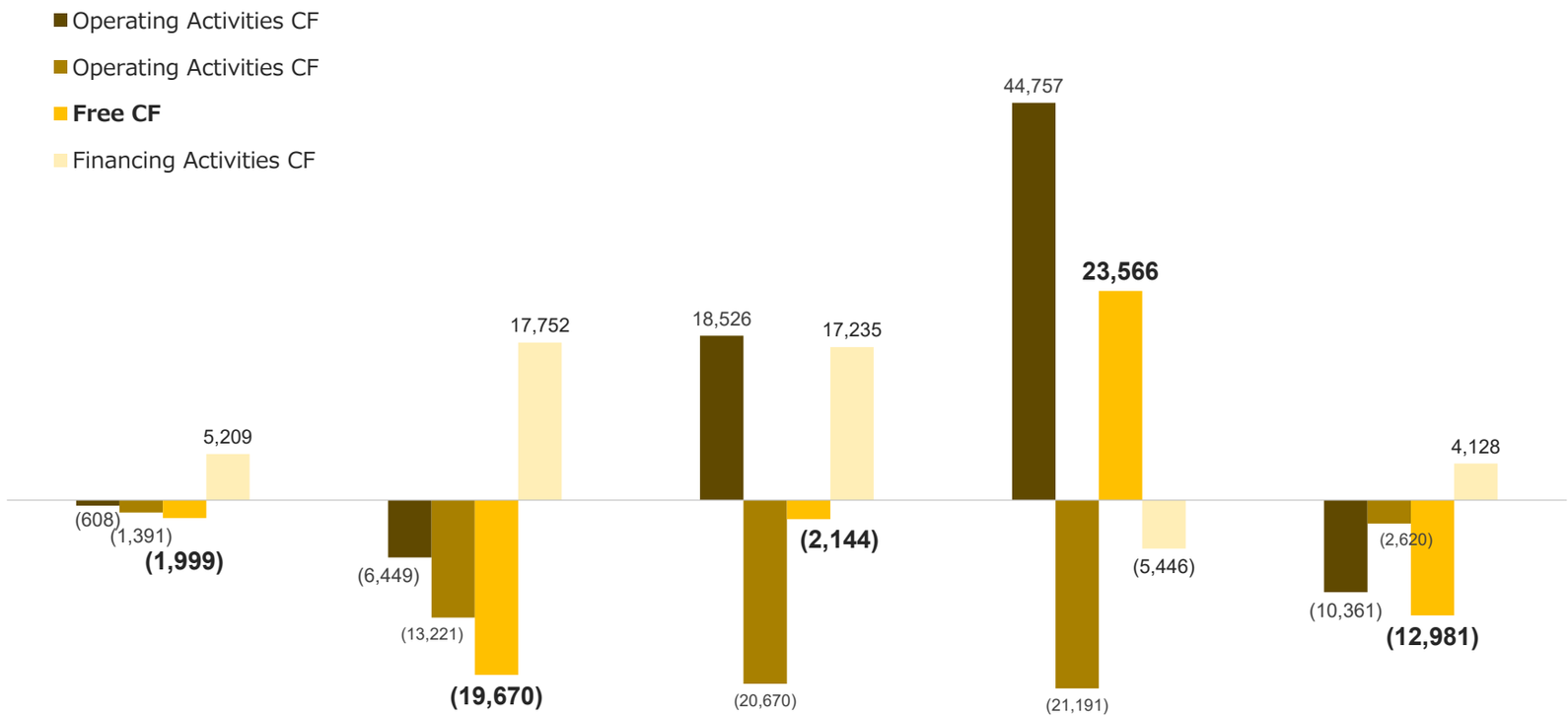
(Millions of yen, times)



Cash Flow

Operating, investing, and financing CF、Free CF、Cash & Cash Equivalents at the End of Period

(Millions of yen)

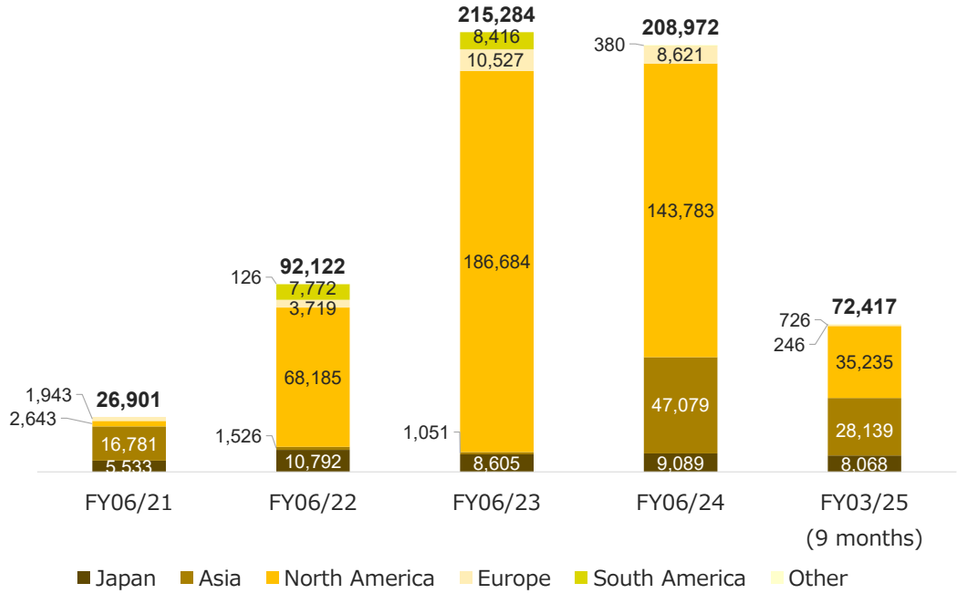


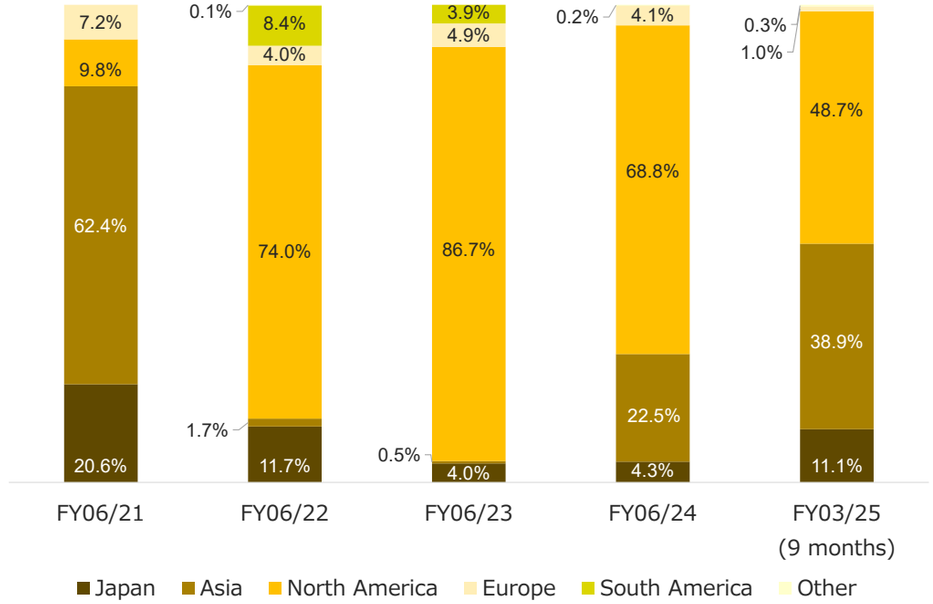
	FY06/21	FY06/22	FY06/23	FY06/24	FY03/25
Operating Activities CF	(608)	(6,449)	18,526	44,757	(10,361)
Operating Activities CF	(1,391)	(13,221)	(20,670)	(21,191)	(2,620)
Free CF	**(1,999)**	**(19,670)**	**(2,144)**	**23,566**	**(12,981)**
Financing Activities CF	5,209	17,752	17,235	(5,446)	4,128
Cash and cash equivalents at end of period	**4,191**	**3,125**	**19,507**	**37,053**	**25,924**

Sales by Region・Property, plant and equipment by region

Sales by Region

(Millions of yen)

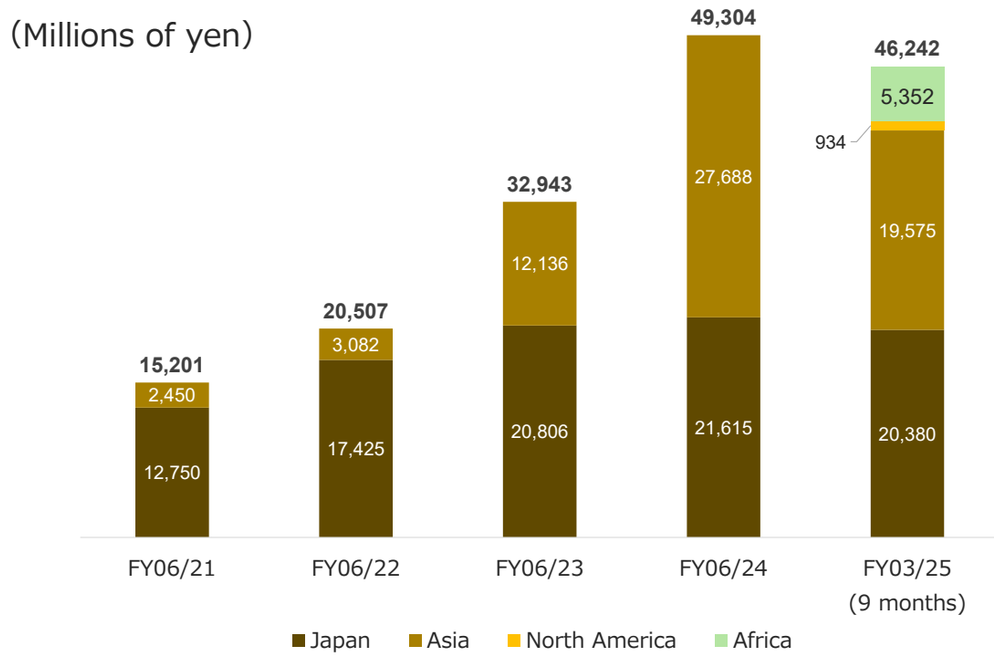




	FY06/21	FY06/22	FY06/23	FY06/24	FY03/25 (9 months)
Consolidated Net Sales	**26,901**	**92,122**	**215,284**	**208,972**	**72,417**
Japan	5,533	10,792	8,605	9,089	8,068
Asia	16,781	1,526	1,051	47,079	28,139
North America	2,643	68,185	186,684	143,783	35,235
Europe	1,943	3,719	10,527	8,621	726
South America	0	7,772	8,416	17	-
Other	0	126	-	380	246

Property, plant and equipment by region

(Millions of yen)

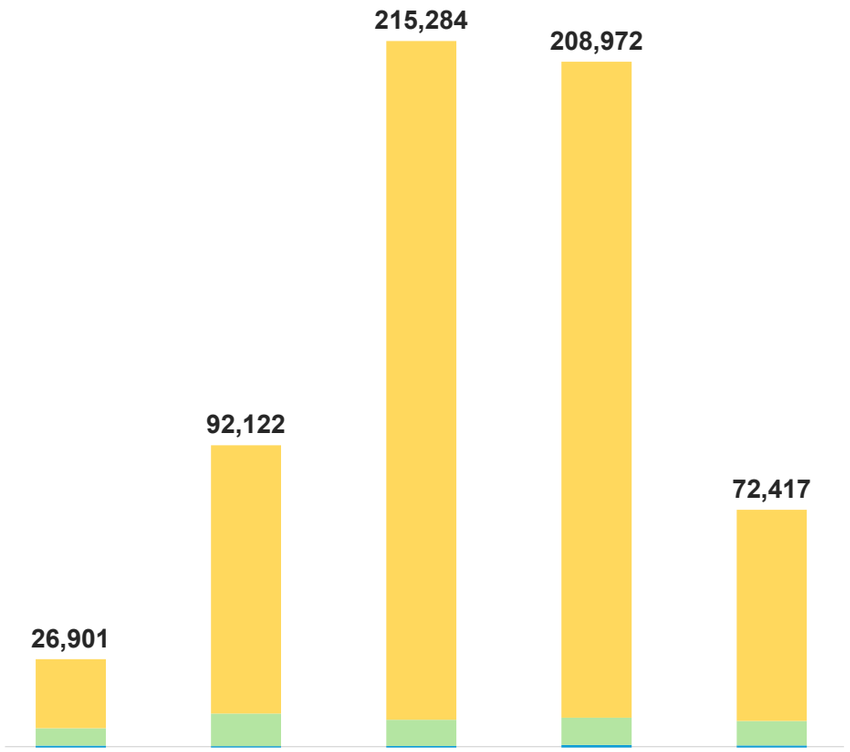


Trend in Net Sales and Operating Profit (Full-year, By segment)

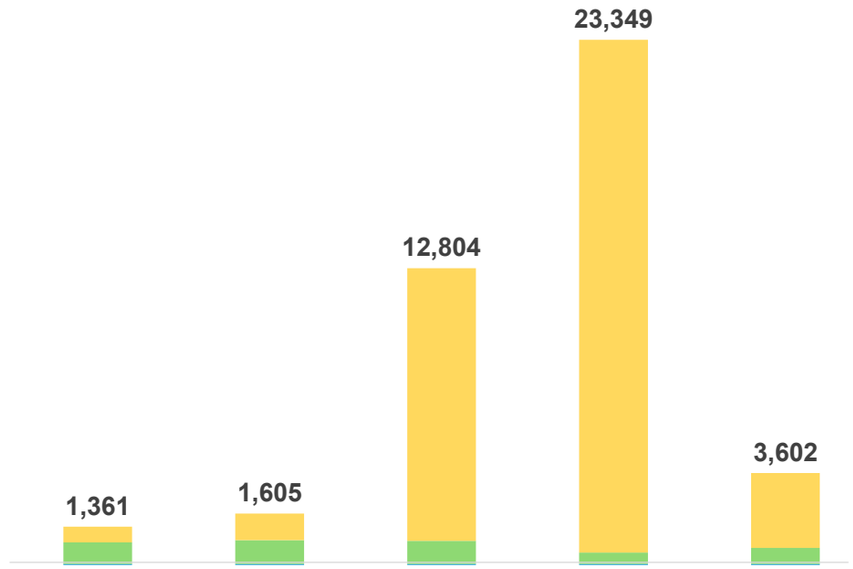
included in consolidation starting 2Q of FY06/21. The Company has grown with the Solar Panel Manufacturing Business as its core business

(Millions of yen)

⟨Trend of Net Sales and Operating Profit (margin)⟩



	FY06/21	FY06/22	FY06/23	FY06/24	FY03/25 (9 months)
Consolidated net sales	**26,901**	**92,122**	**215,284**	**208,972**	**72,417**
Solar Panel Manufacturing Business	21,013	81,775	206,811	199,874	64,348
Green Energy Business	5,311	9,921	8,002	8,341	7,442
Other, adjustments	577	426	471	757	627



	FY06/21	FY06/22	FY06/23	FY06/24	FY03/25 (9 months)
Consolidated Operating profit	**1,361**	**1,605**	**12,804**	**23,349**	**3,602**
Solar Panel Manufacturing Business	731	1,238	12,701	23,876	3,489
Green Energy Business	1,005	1,112	1,076	532	752
Other, adjustments	(375)	(745)	(973)	(1,059)	(639)

Abalance Group Vision for 2030

Corporate Philosophy: Best Values

We will continue to contribute to the sustainable development of society by striving to improve social life through value creation, focusing on the provision of advanced products, operations, and services.

FY06/22-FY06/24

Medium-Term Management Plan
For Sustainable Society

- Dramatic growth in overseas earnings, driven by VSUN (consolidated in 2020)
- Plan to shift from sales of solar power plants (one-time revenue business model) to recurring revenue business model of continuous ownership
- Expand business areas (grid-connected batteries, panel reuse, hydrogen, etc.)

FY06/24-FY03/26

(Brought forward one year due to revisions)

New Medium-Term Management Plan
For NEXT

- Strengthen global supply chain in view of increasingly uncertain business environment
  - –New plant construction, entry into US market, NASDAQ listing
- Pursue recurring revenue business model
  - –Optimize portfolio of power plants (Refine revenue and cash flow management)
- Expand business opportunities through alliances (grid-connected battery business, one-time revenue business model using channels of major mass retailers)

2030 Vision (Group Image)

Maximize corporate value

Becoming a global core renewable energy company

Contributing to a decarbonized society

- **Manufacturing targets**
  Ingots, wafers: 8 GW, cells: 16 GW, solar panels: 12 GW

- **Owned power generation target**
  1.0 GW of owned power generation capacity in Japan and overseas (solar power generation + grid-connected batteries)

Disclaimer

- The future outlook and estimated figures presented in this material are based on information available to our company at the time of its creation, as well as facts we recognized and results from our subsequent analyses, evaluations and calculations.。

- While we have considered past confirmed facts and other recognized data, we have also used certain assumptions and premises necessary for this material's preparation and future outlook, including those we have calculated independently.

- Statements about future projections inherently carry risks and uncertainties. Given the potential shifts in business operations, domestic and global economic trends, securities markets, and other changing circumstances, our actual performance, results, and outcomes may differ from the projections and outlooks provided herein. We do not guarantee that these future projections or outlooks will materialize.

- We have taken meticulous care in preparing the content of this material. However, please understand that we cannot assume responsibility for any errors in the information presented or for any damages resulting from the use of this information.

Abalance Corporation