Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

October 22, 2026

Company Name PowerX, Inc.
Representative Director, President & CEO Masahiro Ito
(Code Number: 485A Tokyo Stock Exchange Growth Market)
Contact Corporate Executive Officer & CFO Toshiyuki Fujita
(TEL: 03-4400-7296)

Clarification of the Company's Production Status in Response to Media Coverage

An article published in the online edition of The Nikkei on October 22, 2026 stated that PowerX, Inc. (the "Company") "continues to face challenges in scaling up production, including a delay in opening its factory in Tomakomai." The Company provides the following clarification regarding its production status and production arrangements.

1. Current Production Status

Production of the Company's battery energy storage systems is progressing according to plan, and no production delays affecting the shipment plan for the fiscal year ending December 31, 2026 have occurred.

The production progress rate for the current fiscal year stood at 99.2% as of October 21, 2026.

Note: The production progress rate is calculated as the sales-equivalent value of finished-goods inventory as a percentage of equipment sales. It does not represent progress in shipments, customer acceptance or revenue recognition.

2. Start of Operations at the Tomakomai Factory and Production Arrangements

On August 13, 2026, the Company announced that the planned start of operations at Power Base Hokkaido, its new factory in Tomakomai, Hokkaido, would be changed from June 2027 to July 2028. The combination of two-shift production at the Okayama No. 2 Factory (located within Mitsui E&S's Tamano Works) and the new production line at the headquarters factory, Power Base, scheduled to begin operations in January 2027, is expected to enable the Company to accommodate production volumes three times its actual 2025 output from 2027 onward.

Accordingly, the Company determined that its two existing sites in Okayama could meet its production requirements for 2027 and that the additional capacity at the Hokkaido factory would not be needed until 2028. It therefore deliberately revised the start date to improve capital efficiency. This change was not caused by production issues or delays in scaling up production.

3. Outlook

There is no change to the previously announced consolidated earnings forecast for the fiscal year ending December 31, 2026. The Company will promptly disclose any matters requiring disclosure as they arise.