

EPC Contract Signing Ceremony Held for Tuyen Quang Biomass Power Plant in Vietnam

erex Co., Ltd. (Head office: Chuo-Ward, Tokyo; Representative Director and President: Hitoshi Honna; hereinafter referred to as "the Company"), is pleased to announce that erex Tuyen Quang Biomass Power Co., Ltd., the Company's subsidiary, held an EPC (Engineering, Procurement, and Construction) contract signing ceremony for the Tuyen Quang Biomass Power Plant (hereinafter referred to as "the Power Plant"), which is being developed in Vietnam, with Power Engineering Consulting Joint Stock Company 2 (a subsidiary of Vietnam Electricity; Head office: Ho Chi Minh City, Vietnam; Chairman: NGUYEN CHON HUNG; hereinafter referred to as "PECC2") at PECC2's head office on December 2, 2025.

1. Background of Contract Signing

The Power Plant is positioned as a high-priority project in the 8th National Power Development Plan (PDP8), approved by the Vietnamese government on April 1, 2024. The Company obtained an Investment Registration Certificate (IRC) from the Vietnamese government in March 2025, held a groundbreaking ceremony in October 2024, and have since progressed with construction work.

Furthermore, the Company previously worked with PECC2 on the development of the Hau Giang Biomass Power Plant in Vietnam, which started operations in April 2025. Based on this track record, the Company also entered into a business alliance agreement in April 2025, with the aim of mutual cooperation to achieve de-carbonization, improve energy self-sufficiency, secure stable power supply, increase employment, and improve income through the use of biomass energy in Vietnam. Furthermore, in November 2025, the Company signed an EPC contract for its Yen Bai Biomass Power Plant.

Based on this background, the Company decided to select PECC2 as the EPC contractor for the Power Plant, and held a contract signing ceremony.

2. Future Outlook

The Tuyen Quang Biomass Power Plant is scheduled to start operations at the end of fiscal year 2027, which is broadly the same time as that of the Yen Bai Biomass Power Plant. These two units were selected for Financing Programme for Joint Crediting Mechanism (JCM) ^{(*)1} Model Projects in FY2023 ^{(*)2}.

Vietnam is experiencing increasing electricity demand and energy imports due to economic growth, but is also being required to address de-carbonization, having declared its goal of achieving carbon neutrality by 2050. The Company believes that these power plants, which utilize Vietnam's untapped biomass resources, will not only contribute to Vietnam's de-carbonization, but will also contribute to improving its



energy self-sufficiency rate and creating jobs.

Furthermore, by bringing back to Japan the carbon credits generated from these power plants and utilizing them, the Company aims to contribute to de-carbonization not only in Vietnam but also in Japan.

*1 Ministry of the Environment, Japan has been implementing the "JCM Model Projects," which provides financial supports covering up to half of the initial investment costs. The purpose of this model projects is to financially support the implementation of projects which reduce GHG emissions by utilizing leading decarbonizing technologies in developing countries, and in return, to acquire JCM credits for achievement of Japan's GHG emission reduction and the partner countries' emission reduction target. This project is being implemented with the cooperation of the Vietnamese and Japanese governments

*2 The announcement was made on March 22, 2024

■Power Plant Overview

Business Company Name	erex Tuyen Quang Biomass Power Co., Ltd.
Power Plant Name	Tuyen Quang Biomass Power Plant
Construction Site	Tuyen Quang Province, Socialist Republic of Vietnam
Investing Company	erex Co., Ltd. 100%
Power Generation Output	50MW
Fuel	Wood residue (approximately 500,000 tons per year)
Scheduled Start of Operations	End of fiscal year 2027

Contract Signing Ceremony with PECC2





■ Contact

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Note:

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