

June 14, 2023  
Shikoku Electric Power Company, Incorporated  
CHC Japan K. K.

## Establishing “Matsuyama Mikan Energy LLC” to Start Energy Storage Business in Matsuyama City, Ehime Prefecture

Shikoku Electric Power Company, Incorporated (Head Office: Takamatsu City, Kagawa Prefecture, Japan; Director and President: Keisuke Nagai, “Shikoku Electric”) and CHC Japan K.K. (Head Office: Tokyo, Japan; Director: Al-Awa Ahmed Safwat, “CHC Japan”), have jointly established Matsuyama Mikan Energy LLC to develop and operate a grid-scale battery energy storage project<sup>(\*)</sup> in Matsuyama City, Ehime Prefecture, Japan (the “**Project**”).

The Project is planned to be installed in the area of Matsuyama that is adjacent to a solar power plant owned by Shikoku Electric and will become the first grid-scale battery energy storage system for Shikoku Electric (target commercial operation date: FY 2025.)

The Japanese government is upholding the target of doubling the share of renewable energies in the country’s energy mix for fiscal year 2030, in order to increase decarbonization towards 2050. However, in recent years, Japan is facing curtailments in the grid attributed to an increased share of renewable energies.

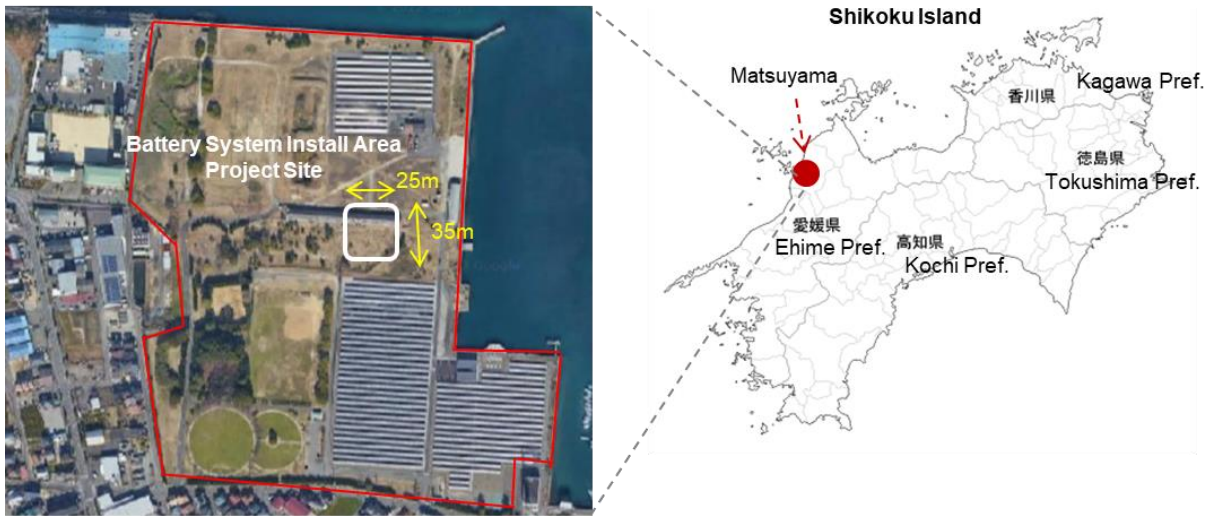
Matsuyama Mikan Energy LLC is aiming for the Project to help reduce curtailment by using its battery energy storage system to store the excess energy during off-peak hours and discharge at the peak hours, as well as providing flexibility to help stabilize the grid condition and contribute to decarbonizing the energy system for current and future generations.

※ The Project has won the FY2022 subsidy program provided by the Japanese Government (Sustainable Open Innovation Initiative). “Mikan” means mandarin orange in Japanese. Matsuyama Mikan Energy is named in honour of Matsuyama City and Ehime Prefecture’s famous Mikan, with their sweet taste and bright orange color.

### 【Basic Information】

Size	12 MW / 35.8 MWh
Construction Start	August, 2023
Commercial Operation	FY 2025 (target)

【Site Location】



Shikoku Electric Group is a major regional power company founded in 1951 that generates, transmits and distributes electricity throughout Shikoku Area in Japan. Shikoku Electric holds 2.5 million customer accounts in its business. Since Japan’s partial deregulation of the electric retail power sector in 2000, Shikoku Electric has focused on strengthening its core operations and branching out into new business areas.

CHC Japan is a subsidiary of CHC Co limited, which is joint venture established by Contemporary Amperex Technology Co., Limited (“CATL” 300750.SZ), a global leader in new energy innovative technologies, Hartree Partners LP, a global energy and commodities firm, and Cathay Fortune Corporation (“CFC”), an investment group in metals & mining and strategic emerging industries. The joint venture focuses on the development, ownership, and operation of energy storage infrastructures.