



## GX Acceleration Agency Invests in TeraWatt Technology Inc.

GX Acceleration Agency has invested in TeraWatt Technology Inc. in support of its efforts to commercialize next-generation lithium-ion battery production. This initiative is poised to contribute significantly to Japan's decarbonization goals and reinforce the international competitiveness of its battery sector.

GX Acceleration Agency (GXA) has made an equity investment in TeraWatt Technology Inc. This marks the first equity-based financial support project undertaken by GXA.

### 1. Outline of the company

- 1) Company Name: TeraWatt Technology Inc. ("TeraWatt")
- 2) Headquarters: California, U.S.A.  
\*Development and manufacturing are conducted in Japan
- 3) Co-founder and CEO: Ken Ogata
- 4) Established Year: 2019
- 5) Main Business: Development and manufacture of next-generation lithium-ion batteries
- 6) Status of project implementation and future plans:
  - TeraWatt launched its initial mass production facility in Japan in September 2024 to produce lightweight, safe, and cost-competitive next-generation lithium-ion batteries.
  - TeraWatt aims to establish mass production capabilities of its proprietary next-generation lithium-ion batteries toward commercialization.

### 2. Policy Significance in Alignment with GX Policy

- 1) CO2 emission reduction
  - Energy storage batteries involve substantial CO<sub>2</sub> emissions, driven by raw material extraction, transportation, and energy-intensive manufacturing processes. TeraWatt's next-generation lithium-ion batteries mitigate these impacts through innovations that reduce component count and overall weight, thereby lowering raw material demand across the upstream supply chain. Furthermore, extended battery lifespan and their use as replacements for internal combustion engines are expected to significantly reduce CO<sub>2</sub> emissions on the user side as well.
- 2) Industrial Competitiveness and Economic Growth
  - Energy storage batteries play a critical role in the electrification of mobility and the transition to renewable energy as a primary power source, with global demand expected to rise significantly in the coming years.
  - TeraWatt combines lightweight, safe, and cost-effective battery technologies with a highly skilled and diverse team — uniting seasoned Japanese engineers who have paved the history of lithium-ion batteries since the 1990s with a cutting-edge generation of engineers/researchers. This unique and robust team has been instrumental in advancing and



industrializing next-generation lithium-ion battery space.

- By scaling domestic production and capturing international demand, TeraWatt aims to not only accelerate the deployment of advanced battery solutions but also facilitate the accumulation and transfer of core manufacturing expertise — strengthening the global competitiveness and Japan’s share in the global battery industry in the medium to long term.

We believe that our investment in TeraWatt will contribute to strengthening the competitiveness of Japan’s battery industry, supporting the achievement of the government’s 2030 target of a 150 GWh domestic production capacity while also advancing decarbonization efforts by enabling the scaled production of next-generation, low-emission batteries manufactured in Japan.

GXA will continue to actively support companies that drive the deployment of green transformation (GX) technologies, aiming to catalyze over 150 trillion yen in investment through strategic public-private partnerships.

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