

# **Supplementary Material on Financial Results for 1Q, the Fiscal Year Ending March 2023**

**Creating our future with renewable energy.**



August 8, 2022

# Disclaimer

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As a general rule and unless indicated otherwise, consolidated figures are used for the monetary amounts listed in this document. As amounts less than one million yen are rounded off, totals in each column may not match.

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I. Financial Results for 1Q, the Fiscal Year Ending March 2023 (IFRS)

## Key Highlights for 1Q, FY3/2023 and Recent Updates

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- 1** Revenue and profits in line with forecasts.
- 2** Concluded a PPA<sup>\*1</sup> of Non-FIT Solar PV for TOKYO GAS in July 2022.
- 3** Transferred a part of equity interest in Yokkaichi Solar to reallocate management resources in April 2022.
- 4** Survey of geothermal resources in Hakodate Esan Geothermal started in June 2022.

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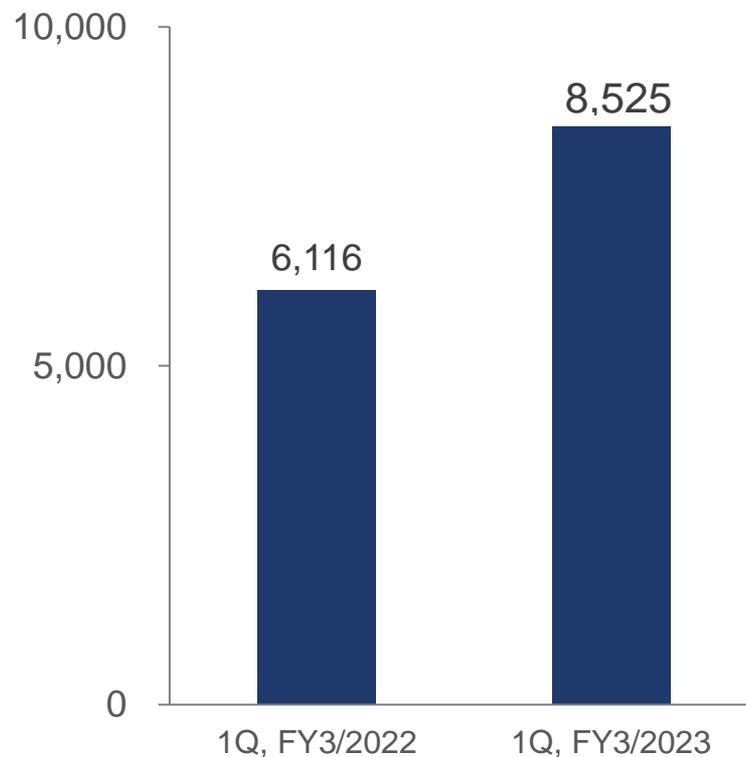
\*1 Power Purchase Agreement

# Trend in Revenue and EBITDA\*<sup>1</sup> (IFRS)

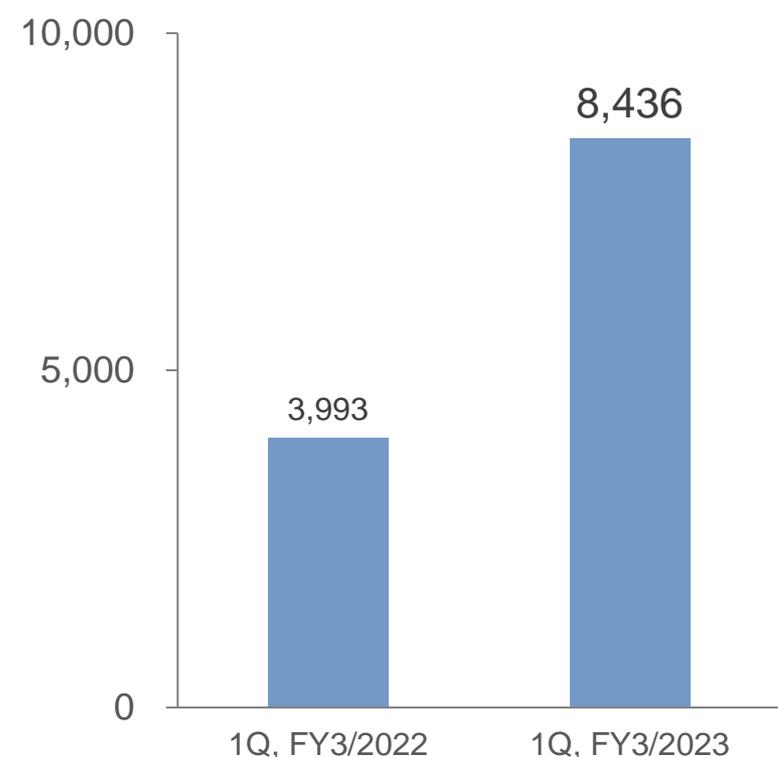
(Unit: Million yen)

- Revenue increased from the same period of the previous fiscal year due to full-year contributions from Kanda Biomass and Karumai Sonbou Solar.
- EBITDA increased due to increase in revenue and “Other income” from gain on the transfer of equity interest in silent partnership of Yokkaichi Solar's equity interest.

### Revenue (Actual)



### EBITDA (Actual)\*<sup>1</sup>



\*<sup>1</sup> EBITDA= Revenue - Fuel expenses - Outsourcing expenses - Payroll and related personnel expenses + Share of profit (loss) of investments accounted for using the equity method + Other income and expenses. EBITDA is subject to neither audit nor quarterly review.

# Financial Highlights (IFRS)

(Unit: Million yen)

- Profits below EBITDA increased with an increase in EBITDA.

|   | FY3/2022<br>1Q YTD | FY3/2023<br>1Q YTD | FY3/2023<br>(Forecast) | Change |
|---|--------------------|--------------------|------------------------|--------|
| Revenue   | 6,116              | 8,525              | 35,500                 | 24.0%  |
| EBITDA*1  | 3,993              | 8,436              | 17,800                 | 47.4%  |
| <i>EBITDA margin</i>  | 65.3%              | 99.0%              | 50.1%                  | -      |
| Operating profit  | 2,483              | 6,109              | 8,700                  | 70.2%  |
| Profit attributable to owners of the parent   | 1,310              | 4,637              | 2,900                  | 159.9% |
| EPS (yen)*2   | 16.85              | 59.04              | 36.77                  | -      |
| LTM ROE*3   | 65.1%              | 11.9%              | 12.3%                  | -      |
| Number of power plants in operation*4<br>(The figures in parentheses ( ) represents the number of power plants to which equity method investment is applied.) | 12(1)              | 14 (1)             | 16 (2)                 | -      |
| Capacity (MW)*5   | 408.3              | 593.1              | 669.9                  | -      |

\*1 EBITDA= Revenue - Fuel expenses - Outsourcing expenses - Payroll and related personnel expenses + Share of profit (loss) of investments accounted for using the equity method + Other income and expenses. EBITDA is subject to neither audit nor quarterly review.

\*2 The EPS value does not consider adjustment for dilutive shares.

\*3 For the purpose of calculating ROE, the profit figure for the last 12-month period is used, and the equity figure used is the simple average of the values at the beginning and the end of the last 12-month period.

\*4 Yokkaichi Solar is non-consolidated and not included in equity in earnings of affiliates.

\*5 The capacity figures represent gross generation capacity.

## Results by Segment (IFRS)

(Unit: Million yen)

- In the renewable energy power generation business, revenue and income increased due to the full-year contribution of Kanda Biomass and Karumai Sonbou Solar.
- In the renewable energy development and operation business, income increased due to a gain on the transfer of equity interest in silent partnership of Yokkaichi Solar which was recorded as "Other income."

|  |                         | FY3/2022<br>1Q YTD   | FY3/2023<br>1Q YTD | Change |        |
|--|-------------------------|----------------------|--------------------|--------|--------|
| Renewable Energy<br>Power Generation<br>Business                           | (A)                     | Revenue              | 5,038              | 8,393  | 66.6%  |
|  |                         | EBITDA <sup>*2</sup> | 3,848              | 5,361  | 39.3%  |
|  |                         | Operating<br>profit  | 2,368              | 3,096  | 30.7%  |
| Renewable Energy<br>Development and<br>Operation Business +<br>Elimination | (B) <sup>*1</sup>       | Revenue              | 1,079              | 133    | -87.7% |
|  |                         | EBITDA <sup>*2</sup> | 145                | 3,075  | NM     |
|  |                         | Operating<br>profit  | 116                | 3,013  | NM     |
| Total  | (A) + (B) <sup>*1</sup> | Revenue              | 6,116              | 8,525  | 39.4%  |
|  |                         | EBITDA <sup>*2</sup> | 3,993              | 8,436  | 111.3% |
|  |                         | Operating<br>profit  | 2,483              | 6,109  | 146.0% |

<sup>\*1</sup> When receiving development fees from affiliated companies, RENOVA records such development fees in its consolidated financial results after deducting amounts that correspond to RENOVA's ownership stake in those affiliated companies.

<sup>\*2</sup> EBITDA= Revenue - Fuel expenses - Outsourcing expenses - Payroll and related personnel expenses + Share of profit (loss) of investments accounted for using the equity method + Other income and expenses. EBITDA is neither subject to audit nor quarterly review.

# Key Balance Sheet Items and Credit Metrics (IFRS)

(Unit: Million yen)

- Equity ratio rose due to the change in fair value evaluation of long-term forward exchange contracts related to fuel procurement in the biomass business.
- SPC project finance accounts for Appx. 80% of consolidated interest-bearing debt. The majority of project finance has fixed interest rates through swap transactions.

|                                  |  | As of FY<br>3/2022 | End of<br>1Q FY<br>3/2023 | Change | Major Factors of<br>Increase/Decrease  |
|----------------------------------|--|--------------------|---------------------------|--------|--|
| Key<br>balance<br>sheet<br>items | Total assets   | 296,223            | 309,125                   | 12,902 | Progress of construction of Tokushima-Tsuda Biomass  |
|                                  | Equity attributable to owners of the parent                          | 31,886             | 45,750                    | 13,864 | Fair value evaluation of long-term foreign exchange contracts for biomass fuel procurement |
|                                  | Net interest-bearing debt <sup>*1</sup>                              | 163,589            | 160,079                   | -3,509 | Increase in cash and deposits  |
|                                  | Cash and deposits <sup>*2</sup>                                      | 44,283             | 48,164                    | 3,881  |  |
|                                  | Interest-bearing debt <sup>*3</sup>                                  | 207,871            | 208,243                   | 371    |  |
| Credit<br>metrics                | Ratio of equity attributable to owners of the Parent to Total assets | 10.8%              | 14.8%                     | 4.0%   |  |
|                                  | Equity Ratio   | 17.7%              | 21.9%                     | 4.2%   |  |
|                                  | Net D/E ratio <sup>*4</sup>  | 3.1x               | 2.4x                      | -0.8X  |  |
|                                  | Net Debt / EBITDA <sup>*5</sup>                                      | 12.5x              | 9.1x                      | -3.4X  |  |
|                                  | Adjusted Net Debt / LTM EBITDA <sup>*6</sup>                         | 10.2x              | 7.1x                      | -3.1x  |  |

<sup>\*1</sup> Net interest-bearing debt = Interest bearing debt – Cash and deposits <sup>\*2</sup> Cash and deposits = Cash and cash equivalents + Restricted bank deposit at SPCs

<sup>\*3</sup> Interest-bearing debt = loans payable + bonds + lease obligations + accrued interest-bearing liabilities

<sup>\*4</sup> Net D/E ratio = Net interest-bearing debt / Total Equity <sup>\*5</sup> EBITDA amounted 13,087 million yen for FY3/2022 and to 8,436 million yen for FY3/2023 1Q.

<sup>\*6</sup> Calculated excluding both Net Debt and EBITDA of SPC power plants with an operating period of less than 1 year.

# Consolidated Statements of Financial Position (IFRS)

(Unit: Million yen)

- Total assets and Total liabilities increased due to the progress of construction of Tokushima-Tsuda Biomass ,etc.

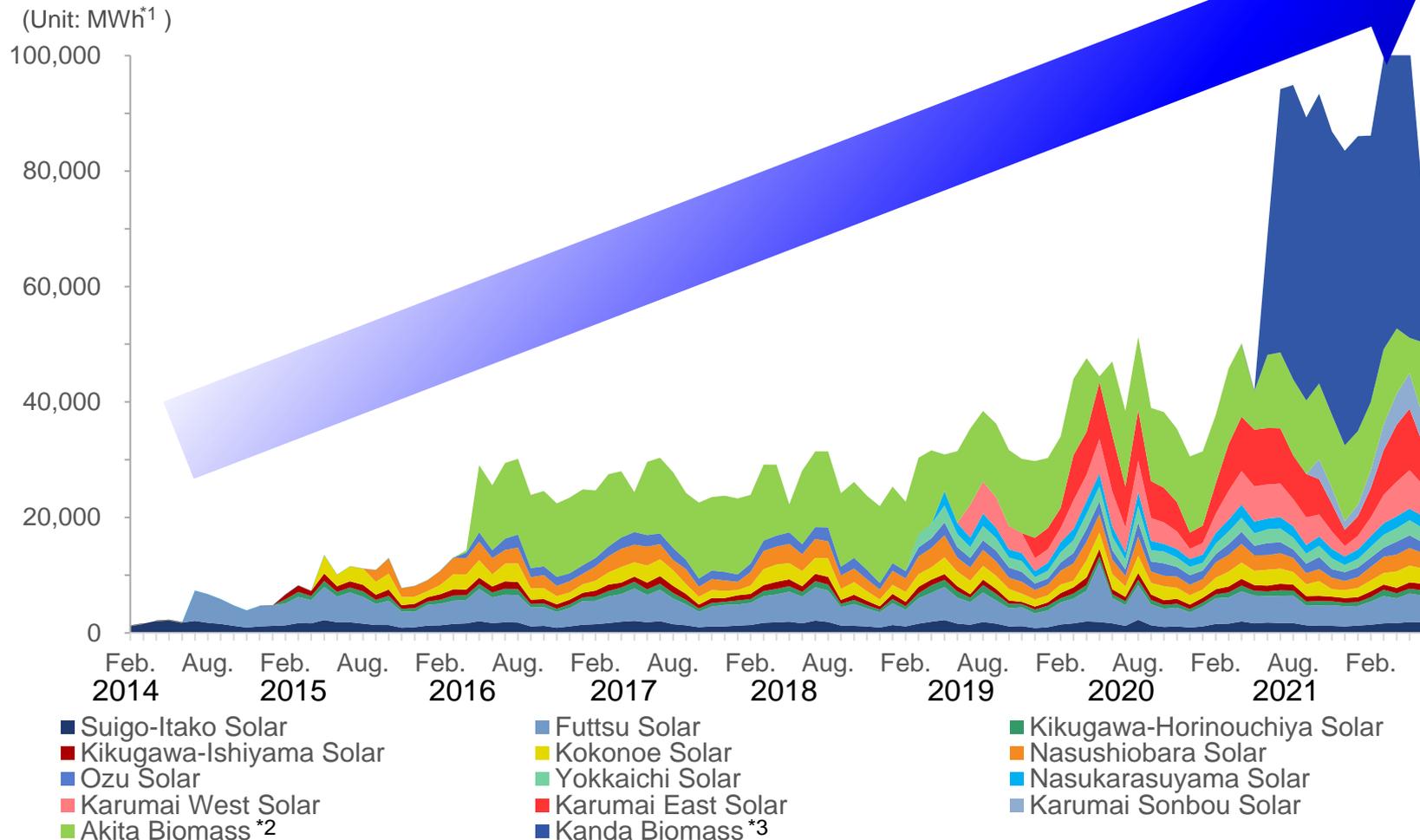
|   | As of<br>FY3/2022 | End of 1Q<br>FY3/2023 | Change        | Major Factors of Increase/Decrease   |
|---|-------------------|-----------------------|---------------|--|
| <b>Current assets</b>                             | 56,139            | 59,339                | 3,200         |  |
| <b>Non-current assets</b>                         | 240,084           | 249,786               | 9,702         |  |
| Property, plant and equipment                     | 147,480           | 146,873               | -607          |  |
| Intangible assets                                 | 37,439            | 37,009                | -430          |  |
| Other financial assets                            | 27,173            | 32,675                | 5,502         | Fair value evaluation of long-term forward exchange contracts for biomass fuel procurement |
| Other non-current assets                          | 5,804             | 5,699                 | -105          |  |
| <b>Total assets</b>                               | <b>296,223</b>    | <b>309,125</b>        | <b>12,902</b> |  |
| <b>Interest-bearing debt*1</b>                    | <b>207,871</b>    | <b>208,243</b>        | <b>371</b>    |  |
| <b>Other liabilities</b>                          | <b>35,911</b>     | <b>33,266</b>         | <b>-2,644</b> |  |
| <b>Total liabilities</b>                          | <b>243,782</b>    | <b>241,509</b>        | <b>-2,273</b> |  |
| Retained earnings                                 | 22,303            | 26,940                | 4,637         | Increase in retained earnings  |
| Other components of equity                        | 6,301             | 15,533                | 9,232         | Changes in fair value of cash flow hedges  |
| <b>Equity articulable to owners of the Parent</b> | <b>31,886</b>     | <b>45,750</b>         | <b>13,864</b> |  |
| <b>Non-controlling interests</b>                  | <b>20,555</b>     | <b>21,866</b>         | <b>1,311</b>  |  |
| <b>Total net assets</b>                           | <b>52,441</b>     | <b>67,616</b>         | <b>15,175</b> |  |

\*1 Interest-bearing debt = loans payable + bonds + lease debt + accrued interest-bearing liabilities

# Trend in Monthly Electricity Sales Volume for Domestic Power Plants

## As of June 2022

■ Stable operation has been maintained since the start of operation of each power plant.



\*1 Units express power generation volume (1MWh = 1,000kWh)

\*2 Akita Biomass underwent scheduled inspection and maintenance from April to May.

\*3 Kanda Biomass underwent scheduled inspection and maintenance from June to July.

## (Reference) Consolidated Subsidiaries of the Power Generation Business (IFRS / Unit: Million yen)

|  | Power<br>Generating<br>Capacity<br>(MW) | Purchase<br>Price<br>(/kWh) |             | Revenue | EBITDA | EBITDA<br>margin | Profit | Ownership<br>Interest |
|--|---|-----------------------------|-------------|---------|--------|------------------|--------|-----------------------|
| <b>Suigo-Itako Solar<sup>*1</sup></b>                | 15.3                                    | ¥40                         | FY3/2023 1Q | 218     | 197    | 90.0%            | 87     | 68.0%                 |
|  |   |                             | FY3/2022 1Q | 218     | 195    | 89.5%            | 85     | 68.0%                 |
| <b>Futtsu Solar<sup>*1</sup></b>                     | 40.4                                    | ¥40                         | FY3/2023 1Q | 557     | 524    | 94.2%            | 233    | 51.0%                 |
|  |   |                             | FY3/2022 1Q | 589     | 537    | 91.2%            | 239    | 51.0%                 |
| <b>Kikugawa-Ishiyama<br/>Solar<sup>*1</sup></b>      | 9.4                                     | ¥40                         | FY3/2023 1Q | 128     | 110    | 85.6%            | 39     | 63.0%                 |
|  |   |                             | FY3/2022 1Q | 131     | 115    | 88.2%            | 42     | 63.0%                 |
| <b>Kikugawa-<br/>Horinouchiya Solar<sup>*1</sup></b> | 7.5                                     | ¥40                         | FY3/2023 1Q | 104     | 92     | 88.1%            | 34     | 61.0%                 |
|  |   |                             | FY3/2022 1Q | 102     | 88     | 85.9%            | 31     | 61.0%                 |
| <b>Kokonoe Solar<sup>*2 *3</sup></b>                 | 25.4                                    | ¥40                         | FY3/2023 1Q | 338     | 300    | 88.6%            | 154    | 100.0%                |
|  |   |                             | FY3/2022 1Q | 322     | 279    | 86.8%            | 126    | 100.0%                |
| <b>Nasushiobara Solar<sup>*2 *3</sup></b>            | 26.2                                    | ¥40                         | FY3/2023 1Q | 345     | 305    | 88.5%            | 168    | 100.0%                |
|  |   |                             | FY3/2022 1Q | 339     | 288    | 85.2%            | 148    | 100.0%                |

\*1 K.K. (Corporation)

\*2 T.K. (Silent Partnership)

\*3 Taxable income from a T.K. belongs to the T.K. investors in proportion to their investment ratios, resulting in no taxation at the T.K. level.

## (Reference) Consolidated Subsidiaries of the Power Generation Business (IFRS / Unit: Million yen)

|  | Power<br>Generating<br>Capacity<br>(MW) | Purchase<br>Price<br>(/kWh) |             | Revenue | EBITDA | EBITDA<br>margin | Profit | Ownership<br>Interest |
|--|---|-----------------------------|-------------|---------|--------|------------------|--------|-----------------------|
| Ozu Solar <sup>*1 *2</sup>               | 19.0                                    | ¥36                         | FY3/2023 1Q | 226     | 180    | 79.8%            | 71     | 100.0%                |
|  |   |                             | FY3/2022 1Q | 213     | 177    | 83.5%            | 64     | 100.0%                |
| Nasukarasuyama<br>Solar <sup>*1 *2</sup> | 19.2                                    | ¥36                         | FY3/2023 1Q | 221     | 171    | 77.2%            | 66     | 100.0%                |
|  |   |                             | FY3/2022 1Q | 224     | 173    | 77.3%            | 58     | 100.0%                |
| Karumai West<br>Solar <sup>*1 *2</sup>   | 48.0                                    | ¥36                         | FY3/2023 1Q | 654     | 607    | 92.8%            | 303    | 100.0%                |
|  |   |                             | FY3/2022 1Q | 646     | 594    | 92.0%            | 260    | 100.0%                |
| Karumai East<br>Solar <sup>*1 *2</sup>   | 80.8                                    | ¥36                         | FY3/2023 1Q | 1,001   | 934    | 93.3%            | 485    | 100.0%                |
|  |   |                             | FY3/2022 1Q | 1,043   | 978    | 93.8%            | 496    | 100.0%                |
| Karumai Sonbou<br>Solar <sup>*1 *2</sup> | 40.8                                    | ¥36                         | FY3/2023 1Q | 588     | 571    | 97.1%            | 294    | 55.0%                 |
|  |   |                             | FY3/2022 1Q | -       | -      | -                | -      | 46.0%                 |
| Akita Biomass<br>(URE) <sup>*3</sup>     | 20.5                                    | ¥32/¥24                     | FY3/2023 1Q | 925     | 248    | 26.8%            | 55     | 35.3%                 |
|  |   |                             | FY3/2022 1Q | 963     | 213    | 22.1%            | 26     | 35.3%                 |
| Kanda Biomass                            | 75.0                                    | ¥24/¥32                     | FY3/2023 1Q | 3,088   | 1,225  | 39.7%            | 283    | 53.1%                 |
|  |   |                             | FY3/2022 1Q | -       | -      | -                | -      | 43.1%                 |

\*1 T.K. (Silent Partnership)

\*2 Taxable income from a T.K. belongs to the T.K. investors in proportion to their investment ratios, resulting in no taxation at the T.K. level.

\*3 United Renewable Energy Co., Ltd.

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## II . Outlook for the Fiscal Year Ending March 2023 (IFRS)

# Full-year outlook for FY3/2023 (IFRS)

(Unit: Million yen / %)

Forecasts for financial results  
remain unchanged

- Revenue and EBITDA are expected to grow due to full-year contributions from Kanda Biomass and Karumai Sonbou Solar.
- Gain on the sale of equity interest in Yokkaichi Solar will be recorded as “Other income”.
- Continue investments toward project development upon reallocation of management resources.

|  | FY3/2022<br>(Actual) | FY3/2023<br>(Outlook) | Change |
|--|----------------------|-----------------------|--------|
| <b>Revenue</b>                                     | 29,207               | <b>35,500</b>         | 21.5%  |
| <b>EBITDA<sup>*1</sup></b>                         | 13,087               | <b>17,800</b>         | 36.0%  |
| <i>EBITDA margin</i>                               | 44.8%                | <b>50.1%</b>          | -      |
| <b>Operating Profit</b>                            | 874                  | <b>8,700</b>          | 895.1% |
| <b>Profit attributable to owners of the parent</b> | 1,581                | <b>2,900</b>          | 83.4%  |
| <i>EPS(yen)<sup>*2</sup></i>                       | 20.25                | <b>36.77</b>          | -      |
| <i>ROE<sup>*3</sup></i>                            | 6.7%                 | <b>12.3%</b>          | -      |

- Full-year contributions of Kanda Biomass and Karumai Sonbou Solar
- COD of Tokushima-Tsuda Biomass
- Business development fees from multiple projects

- Will record “a gain on the sale” for equity interest sold and expect to realize “a gain on remeasurement to fair value” for equity interest retained for Yokkaichi Solar
- Continuous investments toward project development upon reallocation of management resources

<sup>\*1</sup> EBITDA= Revenue - Fuel expenses - Outsourcing expenses - Payroll and related personnel expenses + Share of profit (loss) of investments accounted for using the equity method (except Yurihonjo Offshore Wind G.K. for the fiscal year ended March 2022) + Other income and expenses. EBITDA is neither subject to audit nor quarterly review. <sup>\*2</sup> EPS figures represents basic EPS. EPS for FY3/2023 has been calculated assuming that the total number of issued shares will remain unchanged from the total number of issued shares at the end of FY3/2022. <sup>\*3</sup> For the purpose of calculating ROE, the profit figure for the most recent 12-month period is used, and the equity figure used is the simple average of the values at the beginning of the most recent 12-month period and at the end of the most recent month period.

# Major Assumptions for FY3/2023 Financial Forecast

Forecasts for financial results  
remain unchanged

## FY3/2022(Actual)

## FY3/2023(Forecast)

|  |   |  |
|--|---|--|
| Renewable<br>Energy<br>Power<br>Generation<br>Business | <p><b>Consolidated Subsidiaries</b></p> <ul style="list-style-type: none"> <li>■ 12 Solar PV plants / 353.6MW           <ul style="list-style-type: none"> <li>– 6-month contribution from Karumai Sonbou Solar</li> <li>– Forecasts for some existing solar PV plants incorporate additional output curtailment</li> </ul> </li> <li>■ 2 Biomass plants / 95.5MW           <ul style="list-style-type: none"> <li>– 8-month contribution from Kanda Biomass</li> <li>– Includes allowance for unplanned operational downtime</li> </ul> </li> </ul> <p><b>Income from equity in affiliates</b></p> <ul style="list-style-type: none"> <li>■ 1 onshore wind / 144.0MW           <ul style="list-style-type: none"> <li>– 5-month contribution from Quang Tri onshore wind</li> </ul> </li> <li>■ 1 Biomass / 75.0MW           <ul style="list-style-type: none"> <li>– Revenue from sales of electricity during commissioning of Kanda Biomass</li> </ul> </li> </ul> | <p><b>Consolidated Subsidiaries</b></p> <ul style="list-style-type: none"> <li>■ 11 Solar PV plants / 332.0MW           <ul style="list-style-type: none"> <li>– Full-year contribution from Karumai Sonbou Solar</li> <li>– Forecasts for some existing solar PV plants incorporate additional output curtailment</li> </ul> </li> <li>■ 2 Biomass plants / 170.3MW           <ul style="list-style-type: none"> <li>– Full-year contribution from Kanda Biomass</li> <li>– 1-month contribution from Tokushima-Tsuda Biomass</li> <li>– Contribution of revenue from sales of electricity during commissioning period of Tokushima-Tsuda Biomass</li> <li>– Includes allowance for unplanned operational downtime</li> </ul> </li> </ul> <p><b>Income from equity in affiliates</b></p> <ul style="list-style-type: none"> <li>■ 1 onshore wind / 144.0MW           <ul style="list-style-type: none"> <li>– full-year contribution from Quang Tri onshore wind</li> </ul> </li> <li>■ 1 Biomass / 75.0MW           <ul style="list-style-type: none"> <li>– Revenue from sales of electricity during commissioning of Ishinomaki Hibarino Biomass</li> </ul> </li> <li>■ 1 Geothermal / 2.0MW           <ul style="list-style-type: none"> <li>– 4-month contribution from Minami-Aso Yunotani</li> </ul> </li> </ul> |
| Renewable<br>Energy<br>Development<br>and<br>Operation | <p><b>Business Development Fee</b></p> <ul style="list-style-type: none"> <li>■ ¥1 bn*1</li> </ul>  | <p><b>Business Development Fees</b></p> <ul style="list-style-type: none"> <li>■ Appx. ¥1 bn*1           <ul style="list-style-type: none"> <li>– Expected from multiple development projects</li> </ul> </li> </ul>   |

\*1 Figures for business development fees are after elimination of intra-company transactions.

# Business Outlook by Segment (IFRS)

(Unit: Million yen)

**Forecasts for financial results  
remain unchanged**

- Power Generation Business is expected to grow due to full-year contributions from Kanda Biomass and Karumai Sonbou Solar, as well as the COD of Tokushima-Tsuda Biomass.
- In the Development and Operation Business, business development fees are expected from multiple projects. RENOVA will continue investments towards new project development.

|   |                            | FY3/2022<br>(Actual) | FY3/2023<br>(Outlook) | Change |  |
|---|----------------------------|----------------------|-----------------------|--------|--|
| <b>Renewable Energy Power Generation Business (A)</b>                                     | <b>Revenue</b>             | 27,887               | 33,900                | 6,013  | <ul style="list-style-type: none"> <li>■ Contributions from Kanda Biomass and Karumai Sonbou Solar</li> <li>■ COD of Tokushima-Tsuda Biomass</li> </ul>  |
|   | <b>EBITDA<sup>*2</sup></b> | 16,757               | 18,200                | 1,443  |  |
|   | <b>Operating profit</b>    | 8,640                | 9,200                 | 560    |  |
| <b>Renewable Energy Development and Operation Business + Elimination (B)<sup>*1</sup></b> | <b>Revenue</b>             | 1,320                | 1,600                 | 280    | <ul style="list-style-type: none"> <li>■ Expect recognition of multiple business development fees</li> <li>■ Continuous investments toward project development upon reallocation of resources</li> </ul> |
|   | <b>EBITDA<sup>*2</sup></b> | -3,670               | -400                  | NM     |  |
|   | <b>Operating profit</b>    | -7,766               | -500                  | NM     |  |
| <b>Total<sup>*1</sup><br/>(A + B)</b>   | <b>Revenue</b>             | 29,207               | 35,500                | 6,293  |  |
|   | <b>EBITDA<sup>*2</sup></b> | 13,087               | 17,800                | 4,713  |  |
|   | <b>Operating profit</b>    | 874                  | 8,700                 | 7,826  |  |

<sup>\*1</sup> When receiving Business development fees from affiliated companies, RENOVA records such development fees in its consolidated financial results after deducting amounts that correspond to RENOVA's ownership stake in those affiliated companies.

<sup>\*2</sup> EBITDA= Revenue - Fuel expenses - Outsourcing expenses - Payroll and related personnel expenses + Share of profit (loss) of investments accounted for using the equity method (except Yurihonjo Offshore Wind G.K. for the fiscal year ended March 2022) + Other income and expenses. EBITDA is neither subject to audit nor quarterly review.

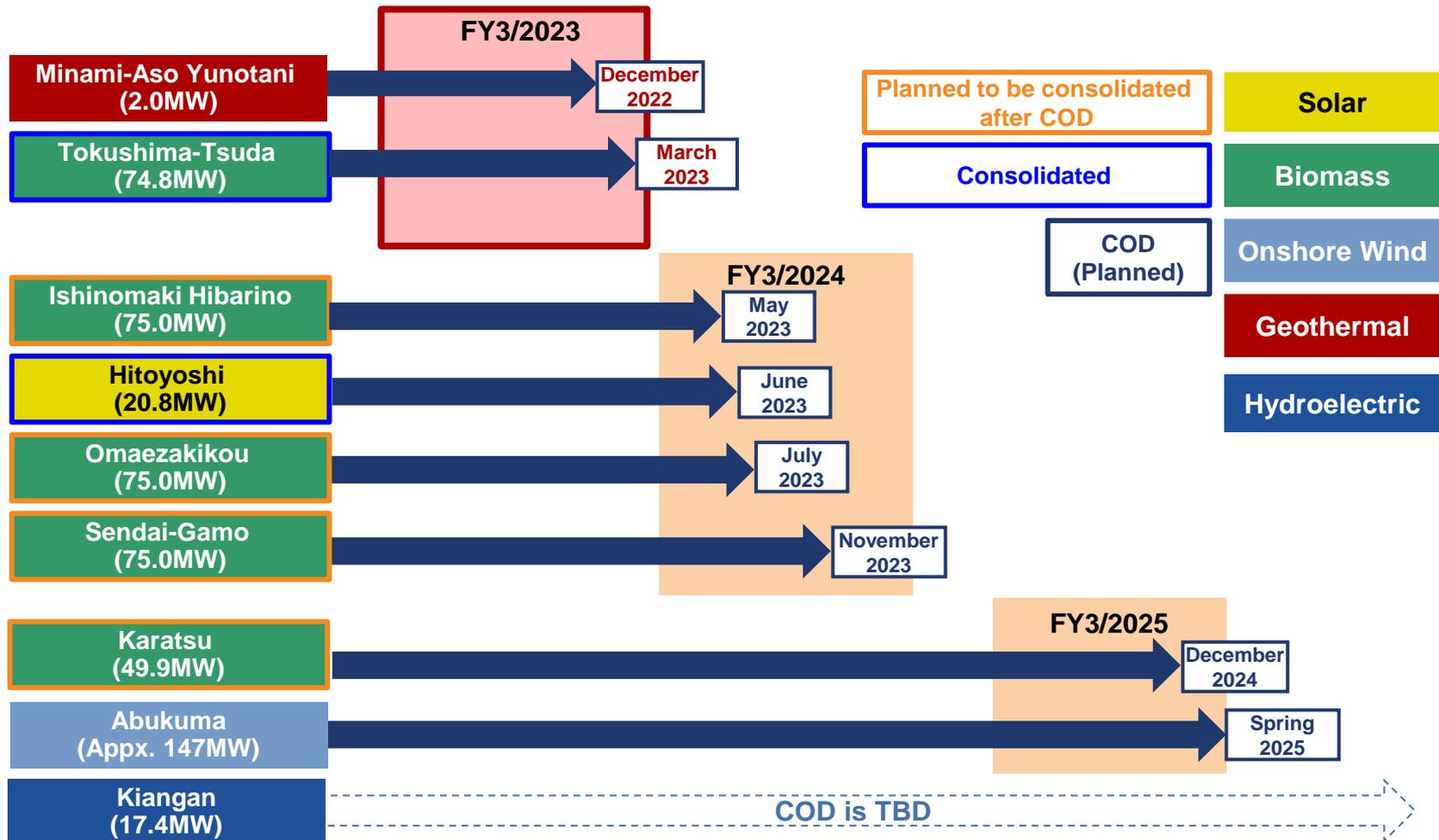
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### III. Update on Project Development

# COD Schedule for Projects Under Construction<sup>\*1\*2</sup>

## As of August 2022

- Construction of all nine projects<sup>\*2</sup> is progressing as scheduled.



<sup>\*1</sup> Projects under construction may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

<sup>\*2</sup> The COD of Kiangan hydroelectric (17.4MW), which started construction in August 2021, has not been publicly disclosed.

# Progress of Projects under Construction\*1(1/2)

## As of August 2022

- The construction of turbine buildings and piling work are progressing smoothly across all biomass projects under construction.
- Tokushima-Tsuda Biomass is making steady progress toward commencing trial operation in October 2022.

|  |   |  |
|--|---|--|
| <p><b>Tokushima-Tsuda Biomass</b><br/>(74.8MW, Tokushima-shi, Tokushima Prefecture)</p> <p><b>View of boiler frame</b><br/>(As of July 2022)</p>  <p><b>COD in March 2023 (Planned)*2</b></p> | <p><b>Ishinomaki Hibarino Biomass</b><br/>(75.0MW, Ishinomaki-shi, Miyagi Prefecture)</p> <p><b>Construction of boilers and fuel bunkers</b><br/>(As of July 2022)</p>  <p><b>COD in May 2023 (Planned)*2</b></p> | <p><b>Omaezakikou Biomass</b><br/>(75.0MW, Omaezaki-shi, etc., Shizuoka Prefecture)</p> <p><b>Fuel tank mounted</b><br/>(As of July 2022)</p>  <p><b>COD in July 2023 (Planned)*2</b></p> |
| <p><b>Sendai-Gamo Biomass</b><br/>(75.0MW, Sendai-shi, Miyagi Prefecture)</p> <p><b>Fuel tank assembly</b><br/>(As of July 2022)</p>  <p><b>COD in Nov. 2023 (Planned)*2</b></p>             | <p><b>Karatsu Biomass</b><br/>(49.9MW, Karatsu-shi, Saga Prefecture)</p> <p><b>Ground improvement work</b><br/>(As of July 2022)</p>  <p><b>COD in Dec. 2024 (Planned)*2</b></p>                                 |  |

\*1 Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

\*2 Projects under construction may be altered, delayed or cancelled.

# Progress of Projects under Construction\*1(2/2)

## As of August 2022

- Minami-Aso Yunotani Geothermal has made steady progress on mechanical work toward the start of operation in December 2022.
- Civil engineering work for Hitoyoshi Solar and Kiangan Hydroelectric are making steady progress.

|  |   |  |
|--|---|--|
| <p><b>Minami-Aso Yunotani Geothermal</b><br/>(2.0MW, Minamiaso-mura, Aso-gun, Kumamoto Prefecture)</p> <p><b>Steam valve area</b><br/>(As of July 2022)</p>  <p><b>COD in Dec. 2022 (Planned)*2</b></p> | <p><b>Hitoyoshi Solar</b><br/>(20.8MW, Hitoyoshi-shi Kumamoto Prefecture)</p> <p><b>Pile driving work</b><br/>(As of July 2022)</p>  <p><b>COD in June 2023 (Planned)*2</b></p> | <p><b>Kiangan in hydroelectric</b><br/>(17.4MW, Ifugao Province, Philippines)</p> <p><b>Headrace construction</b><br/>(As of July 2022)</p>  <p><b>Under construction for COD*3</b></p> |
|--|---|--|

\*1 Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

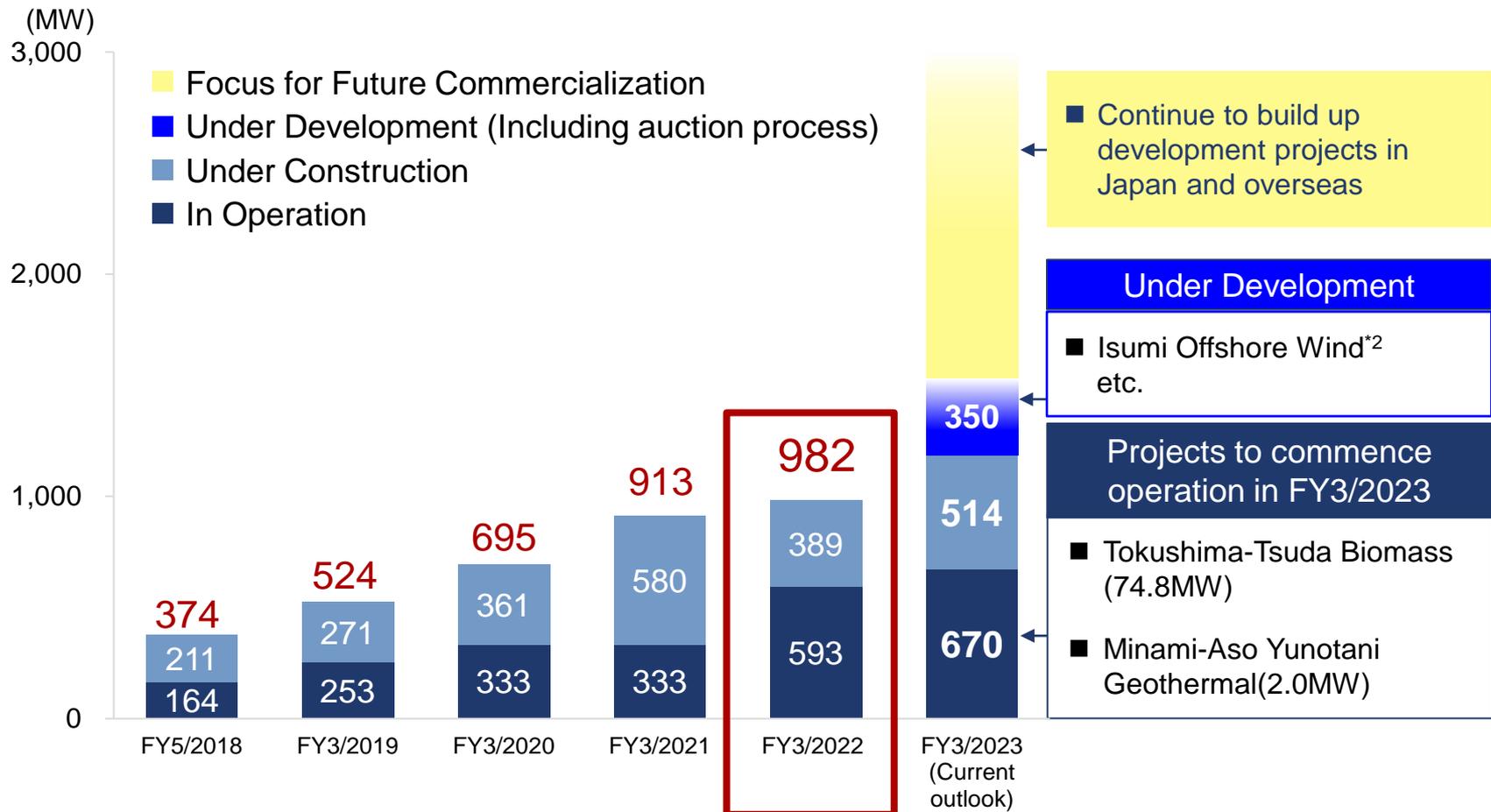
\*2 Projects under construction may be altered, delayed or cancelled.

\*3 The COD of Kiangan in hydroelectric has not been publicly disclosed.

# Total Capacity of Projects In Operation and Under Construction\*1

## As of August 2022 (Unit: MW)

- Minami-Aso Yunotani Geothermal and Tokushima-Tsuda Biomass are scheduled to start operation in December 2022 and March 2023, respectively.
- Construction of Reihoku Onshore Wind is planned to begin during this fiscal year.



\*1 Projects under construction may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

\*2 Subject to auction process

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## IV. Appendix (Other Project Information)

# RENOVA's Generation Portfolio and Pipeline (1/4)

List of plants in operation, under construction and under development\*<sup>1</sup> (As of August 2022)

- Construction of Hitoyoshi Solar is progressing on schedule.
- In July 2022, signed a PPA agreement with Tokyo Gas for its Non-FIT Solar PV under development.

| Energy Source | Project Name          | Location | Power Generating Capacity (MW) | Purchase Price* <sup>2</sup> (/kWh) | Current Status     | Ownership Interest  | COD (Target)* <sup>3</sup> | FIT end Year               |
|---------------|-----------------------|----------|--------------------------------|-------------------------------------|--------------------|---------------------|----------------------------|----------------------------|
| Solar         | Suigo-Itako           | Ibaraki  | 15.3                           | ¥40                                 | In operation       | 68.0%               | 2014                       | 2034                       |
|               | Futtsu                | Chiba    | 40.4                           | ¥40                                 | In operation       | 51.0%               | 2014                       | 2034                       |
|               | Kikugawa-Ishiyama     | Shizuoka | 9.4                            | ¥40                                 | In operation       | 63.0%               | 2015                       | 2035                       |
|               | Kikugawa-Horinouchiya | Shizuoka | 7.5                            | ¥40                                 | In operation       | 61.0%               | 2015                       | 2035                       |
|               | Kokonoe               | Oita     | 25.4                           | ¥40                                 | In operation       | 100%                | 2015                       | 2035                       |
|               | Nasushiobara          | Tochigi  | 26.2                           | ¥40                                 | In operation       | 100%                | 2015                       | 2035                       |
|               | Ozu-Machi             | Kumamoto | 19.0                           | ¥36                                 | In operation       | 100%                | 2016                       | 2036                       |
|               | Yokkaichi             | Mie      | 21.6                           | ¥36                                 | In operation       | 20%                 | 2019                       | 2039                       |
|               | Nasukarasuyama        | Tochigi  | 19.2                           | ¥36                                 | In operation       | 100%                | 2019                       | 2039                       |
|               | Karumai West          | Iwate    | 48.0                           | ¥36                                 | In operation       | 100%                | 2019                       | 2039                       |
|               | Karumai East          | Iwate    | 80.8                           | ¥36                                 | In operation       | 100%                | 2019                       | 2039                       |
|               | Karumai Sonbou        | Iwate    | 40.8                           | ¥36                                 | In operation       | 55.0%               | 2021                       | 2041                       |
|               | Hitoyoshi             | Kumamoto | 20.8                           | ¥36                                 | Under construction | 38.0%* <sup>4</sup> | (June 2023)                | (Appx. 2042)* <sup>5</sup> |

\*<sup>1</sup> Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

\*<sup>2</sup> Purchase price is not the actual contractual price agreed with the party that purchases the electricity, but the fixed purchase price (displayed without consumption tax) applied based on the FIT Scheme for each power generation facility.

\*<sup>3</sup> Expected COD of projects under development may be subject to change.

\*<sup>4</sup> RENOVA holds the right to sequentially acquire all equity (62.0%) in the silent partnership currently owned by co-sponsors..

\*<sup>5</sup> Hitoyoshi Solar is expected to reach COD in the middle of 2023, due to prolonged construction of a power transmission line by Kyushu Electric Power Co. The period of electricity sales under the FIT scheme is expected to be 18 years and 8 months, as a grid connection contract was concluded on August 1, 2016, which resulted in a three-year COD time limit to receive a full 20-year .

# RENOVA's Generation Portfolio and Pipeline (2/4)

List of plants in operation, under construction and pipeline projects\*1 (As of August 2022)

- Tokushima-Tsuda Biomass is scheduled to start trial operation in October 2022.
- Total generation capacity for biomass projects in operation and under construction is Appx. 450MW.

| Energy Source | Project Name        | Location  | Power Generating Capacity (MW) | Purchase Price*2 (/kWh) | Current Status     | Ownership Interest | COD (Target)*3 | FIT end Year |
|---------------|---------------------|-----------|--------------------------------|-------------------------|--------------------|--------------------|----------------|--------------|
| Biomass       | Akita (URE)         | Akita     | 20.5                           | ¥32/¥24                 | In operation       | 35.3%*4            | 2016           | 2036         |
|               | Kanda               | Fukuoka   | 75.0                           | ¥24/¥32                 | In operation       | 53.1%              | 2021           | 2041         |
|               | Tokushima-Tsuda     | Tokushima | 74.8                           | ¥24/¥32                 | Under construction | 70.4%*5            | (March 2023)   | (Appx. 2043) |
|               | Omaezakikou         | Shizuoka  | 75.0                           | ¥24/¥32                 | Under construction | 57.0%*6 *7         | (July 2023)    | (Appx. 2043) |
|               | Ishinomaki Hibarino | Miyagi    | 75.0                           | ¥24/¥32                 | Under construction | 49.9%*8 *9         | (May 2023)     | (Appx. 2043) |
|               | Sendai-Gamo         | Miyagi    | 75.0                           | ¥24/¥32                 | Under construction | 29.0%*10           | (Nov. 2023)    | (Appx. 2043) |
|               | Karatsu             | Saga      | 49.9                           | ¥24                     | Under construction | 35.0%*11           | (Dec. 2024)    | (Appx. 2044) |

\*1 Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as “under construction”.

\*2 Purchase price is not the actual contractual price agreed with the party that purchases the electricity, but the fixed purchase price (displayed without consumption tax) applied based on the FIT Scheme for each power generation facility.

\*3 Expected COD of projects under development may be subject to change.

\*4 RENOVA has invested in the Akita Biomass Project through Sensyu Holdings Co., Ltd., a subsidiary of RENOVA. RENOVA's ownership interest in the Akita Biomass Project, calculated as the product of RENOVA's ownership interest in Sensyu Holdings Co., Ltd., and Sensyu Holdings Co., Ltd.'s ownership in the Akita Biomass Project, resulting in 35.3%.

\*5 The figure indicates RENOVA's economic interest in the project. RENOVA's investment ratio is 60.8%

\*6 The figure indicates RENOVA's economic interest in the project. RENOVA's investment ratio is 38.0%.

\*7 RENOVA holds the right to additionally acquire a 18.0% stake (economic interest: 18.0%) at COD from co-sponsors. Following the acquisition, RENOVA's economic interest in the project will be 75.0% (RENOVA's investment ratio will be 56.0%).

\*8 The figure indicates RENOVA's economic interest in the project. RENOVA's investment ratio is 38.0%.

\*9 RENOVA holds the right to additionally acquire a 13.0% stake (economic interest: 13.0%) at COD from a co-sponsor. Following the acquisition, RENOVA's economic interest in the project will be 62.93% (RENOVA's investment ratio will be 51.0%).

\*10 RENOVA holds the right to additionally acquire a total 31.0% stake at COD from co-sponsors. Following the acquisition, RENOVA's investment ratio in the project will be 60.0%.

\*11 RENOVA holds the right to additionally acquire a total 16.0% stake at COD from co-sponsors. Following the acquisition, RENOVA's investment ratio in the project will be 51.0%.

# RENOVA's Generation Portfolio and Pipeline (3/4)

List of plants in operation, under construction and pipeline projects\*1 (As of August 2022)

- Construction of Abukuma Onshore Wind started in April 2022.
- Construction of Reihoku Onshore Wind is scheduled to begin during this fiscal year.

| Energy Source | Project Name | Location  | Power Generating Capacity (MW) | Purchase Price*3 (/kWh) | Current Status                     | Ownership Interest | EIA                                  | COD (Target)*4 | FIT end Year |
|---------------|--------------|-----------|--------------------------------|-------------------------|------------------------------------|--------------------|--------------------------------------|----------------|--------------|
| Offshore Wind | Isumi*5      | Chiba     | Appx. [350-450]                | TBD                     | Upfront Investment (Public tender) | -                  | Completion of consideration document | TBD            | -            |
|               | Karatsu*5    | Saga      | Feasibility Study              | TBD                     | Upfront Investment (Public tender) | -                  | Completion of consideration document | TBD            | -            |
| Onshore Wind  | Abukuma*6    | Fukushima | Appx. 147                      | ¥22                     | Under construction                 | Less than 10%      | Complete                             | (2025 Spring)  | (Appx. 2045) |
|               | Reihoku      | Kumamoto  | 54.6                           | ¥21                     | In progress                        | -                  | Determination of Evaluation document | (Appx. 2025)   | (Appx. 2045) |
|               | Quang Tri*6  | Vietnam   | 144.0                          | \$8.5 cent              | In operation                       | 40.0%              | -                                    | October 2021   | 2041         |

\*1 Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

\*2 The Auction Process under the Offshore Wind Promotion Law (law on Promotion of Use of Territorial Waters for Offshore Renewable Energy Generation Facilities (December 7, 2018)).

\*3 Purchase price is not the actual contractual price agreed to with the party that purchases the electricity, but the fixed purchase price (displayed without consumption tax) applied based on the FIT Scheme for each power generation facility.

\*4 Expected COD of projects under development may be subject to change.

\*5 Power generation capacity and COD target will be disclosed at a later time when there is further visibility.

\*6 RENOVA is participating in the project as a minority investor.

# RENOVA's Generation Portfolio and Pipeline (4/4)

List of plants in operation, under construction and pipeline projects\*1 (As of August 2022)

- Minami-Aso Yunotani Geothermal is scheduled to commence operation in December 2022.
- Hakodate Esan Geothermal has started work on a survey of geothermal resources. Mitsubishi Materials Corporation has newly joined the project consortium.

| Energy Source | Project Name          | Location   | Power Generating Capacity (MW) | Purchase Price*2 (/kWh) | Current Status     | Ownership Interest | EIA Status | COD (Target)*3  | FIT end Year |
|---------------|-----------------------|------------|--------------------------------|-------------------------|--------------------|--------------------|------------|-----------------|--------------|
| Geothermal    | Minami-Aso Yunotani*4 | Kumamoto   | 2.0                            | ¥40                     | Under construction | 30.0%              | -          | (December 2022) | -            |
|               | Hakodate Esan         | Hokkaido   | TBD                            | TBD                     | Upfront investment | -                  | Preparing  | TBD             | -            |
| Hydroelectric | Kiangan               | Philippine | 17.4*5                         | 5.87 PHP*6              | Under construction | 40.0%              | -          | TBD             | -            |

\*1 Pipeline projects may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

\*2 Purchase price is not the actual contractual price agreed with the party that purchases the electricity, but the fixed purchase price (displayed without consumption tax) applied based on the FIT Scheme for each power generation facility.

\*3 Expected COD of projects under development may be subject to change.

\*4 RENOVA is participating in the project as a minority investor.

\*5 Licensed

\*6 The FIT Price represents the figure on the assumption that operation will commence before FIT capacity is fulfilled.

# (Reference) FIT Purchase Price Overview in Japan\*1

## As of March 2022

- All of RENOVA's renewable power plants in operation and under construction have received FIT certification.
- Publicly disclosed projects under development have received FIT or similar certification.
  - FIT Price for offshore wind projects will be decided through an auction process, as per the Offshore Wind Act\*2.

Current FIT price as of FY 2022

**FIT Price of RENOVA's Projects**

| Renewable power generation facility categories, etc. |   | Purchase price*3 by time of entry*4 (per kWh) (tax excluded) |         |         |                                   |                                   |                |                |         |                |         |                  | FIT Duration |          |
|--|---|--|---------|---------|-----------------------------------|-----------------------------------|----------------|----------------|---------|----------------|---------|------------------|--------------|----------|
| Type   | Type or size  | FY2012   | FY 2013 | FY 2014 | FY 2015                           | FY 2016                           | FY 2017        | FY 2018        | FY 2019 | FY 2020        | FY 2021 | FY 2022          |              | FY 2023  |
| Solar PV   | 2,000 kW or more  | ¥40  | ¥36     | ¥32     | ¥29 (End of June)<br>¥27 (July -) | ¥24                               | bidding system |                |         |                |         | FIP <sup>7</sup> | -            | 20 years |
|  | Timber from forest thinning <sup>5</sup><br>2,000 kW or more      | ¥32  |         |         |                                   |                                   |                |                |         |                |         |                  | 20 years     |          |
| Biomass  | General wood, etc. <sup>5</sup><br>10,000 kW or more <sup>6</sup> | ¥24  |         |         |                                   | ¥24 (End of Sep.)<br>¥21 (Oct. -) | bidding system |                |         |                |         | -                | 20 years     |          |
|  | Onshore<br>20 kW or more  | ¥22  |         |         |                                   | ¥22 (End of Sep.)<br>¥21 (Oct. -) | ¥20            | ¥19            | ¥18     | bidding system |         |                  | -            | 20 years |
| Wind   | Offshore (Implantation type)                                      | -  | ¥36     |         |                                   |                                   |                | bidding system |         |                |         |                  | 20 years     |          |
|  | Offshore (floating type)  | -  | ¥36     |         |                                   |                                   |                |                |         |                |         |                  | 20 years     |          |
| Geothermal   | 15,000 kW or more   | ¥26  |         |         |                                   |                                   |                |                |         |                |         |                  | 15 years     |          |
|  | Less than 15,000 kW   | ¥40  |         |         |                                   |                                   |                |                |         |                |         |                  | 15 years     |          |

\*1 Prepared by RENOVA based on the websites of the Ministry of Economy, Trade and Industry and the Agency for Natural Resources and Energy (As of March 25, 2022), etc.

\*2 Act of Promoting Utilization of Sea Areas in Development of Power Generation Facilities Using Maritime Renewable Energy Resources (promulgated on December 7, 2018)

\*3 The feed-in price indicates a fixed feed-in price (consumption tax representation) applied over the period of purchase of renewable energy plants that meet the requirements based on FIT in each fiscal year.

\*4 The display year shall mean the period between April and March of the following year.

\*5 The purchase price of biomass is as follows: "Timber from forest thinning" = domestic timber residue & forest thinning; "General wood, etc." = wood, imported materials, palm shells, husks, rice straw, etc.

\*6 Biomass power generation size category (General wood, etc.): 20,000 kW or more until FY 2017, and 10,000 kW or more from FY 2018.

\*7 Targeted at 1,000 kWh or more in FY 2022.

# Corporate Overview

## As of June 30, 2022

### Corporate Information

|                          |  |
|--------------------------|--|
| Name:                    | RENOVA, Inc.   |
| Location of Head Office  | 2-2-1 Kyobashi Chuo-ku, Tokyo  |
| Representatives          | Sachio Semmoto, Executive Chairman & Director<br>Yosuke Kiminami, Founding CEO |
| Established              | May 2000   |
| Capital Stock            | 2,342 million yen  |
| Stock Exchange           | The Prime Market of the TSE* <sup>1</sup>                                      |
| Securities code          | 9519   |
| Business                 | Renewable energy business  |
| Employees (consolidated) | 288  |

### Corporate Governance

|                           |   |
|---------------------------|---|
| Board of Directors        | 9 directors, including 5 external directors |
| Audit & Supervisory Board | 4 auditors, including 3 external auditors   |

### Status of Shares (As of March 31, 2022)

|                                   |             |
|-----------------------------------|-------------|
| Total Number of Authorized Shares | 280,800,000 |
| Total Number of Shares Issued     | 78,939,300  |
| Number of Shareholders            | 31,236      |

### Key History

|                |   |
|----------------|---|
| May 2000       | Established Recycle One, Inc. (currently RENOVA, Inc.)                              |
| October 2012   | Entered renewable energy business   |
| February 2014  | COD for Suigo-Itako Solar Co., Ltd.   |
| July 2014      | COD for Futtsu Solar Co., Ltd.  |
| February 2015  | COD for Kikugawa-Ishiyama Solar Co., Ltd. and Kikugawa-Horinouchiya Solar Co., Ltd. |
| May 2015       | COD for Kokonoe Solar GK  |
| September 2015 | COD for Nasushiobara Solar GK   |
| April 2016     | COD for Ozu Solar GK  |
| February 2017  | Listed on the Tokyo Stock Exchange Mothers Section                                  |
| July 2017      | Consolidated United Renewable Energy Co., Ltd.                                      |
| February 2018  | Changed listing venue to the First Section of the Tokyo Stock Exchange              |
| March 2019     | COD for Yokkaichi Solar GK  |
| May 2019       | COD for Nasukarasuyama Solar GK   |
| July 2019      | COD for Karumai West Solar GK   |
| December 2019  | COD for Karumai East Solar GK   |
| June 2021      | COD for Kanda Biomass Energy Co., Ltd.  |
| October 2021   | COD for Karumai Sonbou Solar GK   |
| October 2021   | COD for Quang Tri Onshore Wind  |

\*1 Listed on TSE Prime Market on April 4, 2022.