

# **Supplementary Material on Financial Results for 1Q, the Fiscal Year Ending March 2022**

**Creating our future with renewable energy.**



August 5, 2021

# 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.

In this document, current(quarterly) profit is listed as net(quarterly) income attributable to owners of the parent.

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I. Financial Results for 1Q, the Fiscal Year Ending March 2022(IFRS)

# Key Highlights for 1Q, FY3/2022 and Recent Updates

As of August 5, 2021

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**1 Revenue and profits in line with forecasts.**

**2 Kanda Biomass (75.0 MW<sup>\*1</sup>)  
commenced operation in June 2021,  
contribute to consolidated revenue from August 2021.**

**3 Minami-Aso Yunotani Geothermal (2.0 MW<sup>\*2</sup>)  
signed loan agreement in June 2021,  
started construction in July 2021.**

\*1 The generation capacity for biomass power plants is based upon the generator output

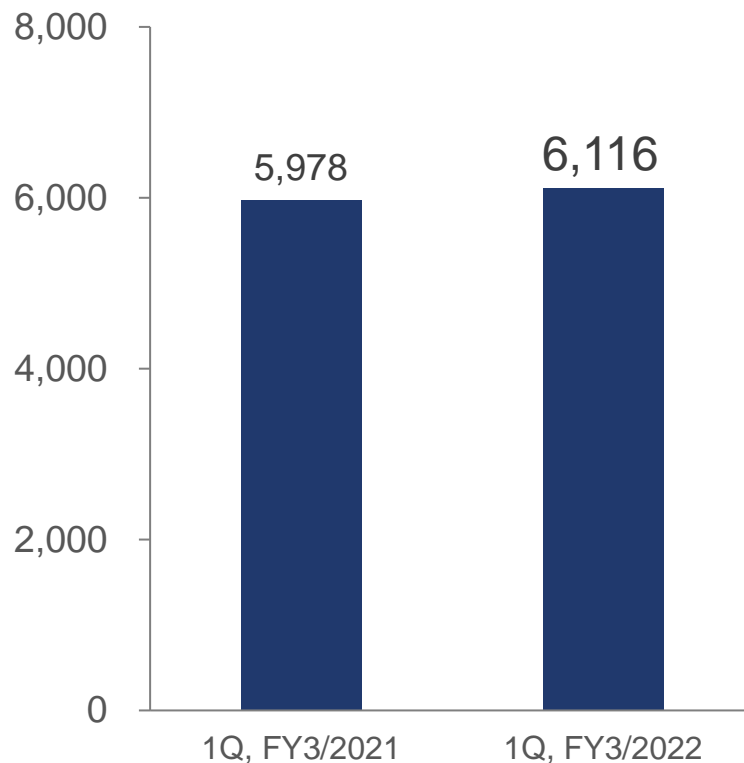
\*2 The generation capacity for geothermal power generation plants is based upon the sending-end output

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

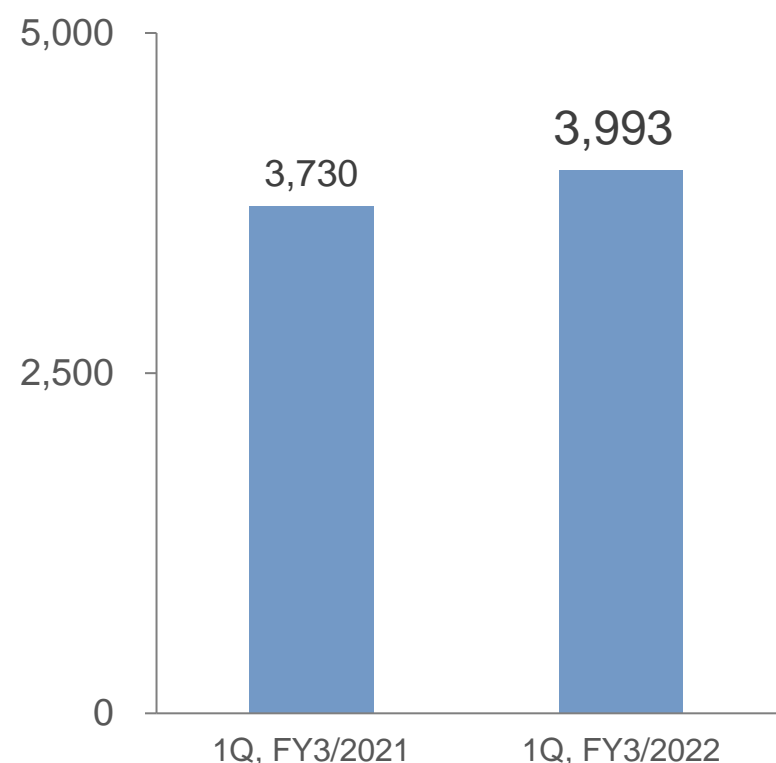
(Million yen)

- Revenue was in line with our forecast and slightly above previous Q1 result.
  - Recorded business development fees, identical to the same period of the previous year.
- EBITDA increased year on year due to equity-method contribution from Kanda Biomass which commenced operation in June.

**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)

## (Million yen)

- Profit attributable to owners of the parent increased year on year.

	FY3/2021 1Q YTD	FY3/2022 1Q YTD	FY3/2022 (Forecast)	Change
Revenue	5,978	6,116	30,000	20.4%
EBITDA*1	3,730	3,993	12,600	31.7%
<i>EBITDA margin</i>	<b>62.4%</b>	<b>65.3%</b>	<b>42.0%</b>	-
Operating profit	2,232	2,483	4,700	52.8%
Profit attributable to owners of the parent	1,091	1,310	5,100	25.7%
EPS (yen)*2	14.27	16.85	65.31	-
LTM ROE*3	-	65.1%	36.2%	-
Number of power plants in operation (The figures in parentheses ( ) represents the number of power plants to which equity method investment is applied.)	12(0)	12(1)	14(1)	-
Capacity (MW)*4	333.3	408.3	593.1	-

\*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 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.

\*4 The capacity figures represent gross generation capacity.

# Renewable Energy Business by Segment (IFRS)

(Million yen)

- The Renewable Energy Power Generation Business slightly exceeded the same period of the previous year due to stable operation. On the other hand, EBITDA and Operating profit decreased due to the end of period of “Premium Electricity Purchase on FIT Price”.
- The Renewable Energy Development and Operation Business recorded similar level of Revenue due to business development fees identical to the same period of the previous year. EBITDA increased due to equity-method contribution from Kanda Biomass.

		FY3/2021 1Q YTD	FY3/2022 1Q YTD	Change	
Renewable Energy Power Generation Business	(A)	Revenue	4,960	5,038	1.6%
		EBITDA <sup>*2</sup>	3,921	3,848	-2.0%
		Operating profit	2,454	2,368	-2.5%
Renewable Energy Development and Operation Business + Elimination	(B) <sup>*1</sup>	Revenue	1,017	1,079	6.1%
		EBITDA <sup>*2</sup>	-191	145	NM
		Operating profit	-222	116	NM
Total	(A) + (B) <sup>*1</sup>	Revenue	5,978	6,116	2.3%
		EBITDA <sup>*2</sup>	3,730	3,993	7.1%
		Operating profit	2,232	2,483	11.2%

<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.

# Commencement of operation of 75.0 MW large-scale biomass

## Kanda Biomass(75.0 MW, Kanda-machi, Fukuoka Prefecture / As of August 2021)

- Commenced operation in June 2021, the second biomass power plant reached COD following Akita Biomass (20.5 MW) .
- Consolidated through exercise of call option in July 2021. Consolidated revenue contribution in this fiscal year is for eight months.



Aerial view  
(As of June 2021)



Completion ceremony  
(July 2021)



Entrance  
(June 2021)

### Overview

Capacity* <sup>1</sup>	75.0 MW
Main Fuel	Imported Wood pellets (co-fired with palm kernel shells (PKS) and domestic woodchips)
FIT Price	¥ 24 /kWh (¥32 /kWh for domestic wood biomass)
Revenue* <sup>2</sup>	Appx. ¥13 billion /year
EBITDA margin* <sup>2</sup>	Appx. 40%
Total project cost* <sup>3</sup>	Appx. ¥50 billion
LTC	90.0%
Ownership interest	RENOVA : 53.07% Sumitomo Forestry : 41.5% Others

## COD in June 2021, consolidated in July

\*1 The generation capacity for biomass power plants is based upon the generator output. \*2 Figures are as currently planned and may be subject to change.

\*3 Amount includes all costs and expenses required to start of operation, such as power generation facilities, buildings, land, civil engineering development, finance related expenses (including reserves), and start-up related expenses.



# Minami-Aso Yunotani Geothermal (2.0 MW\*1)

## (Minamiaso-mura, Aso-gun, Kumamoto Prefecture / As of August 2021)

- Taking advantage of the subsidies from JOGMEC\*2 to carry out geothermal exploration activities such as surface and boring survey.
- Loan agreement was signed in June 2021, and construction commenced in July 2021 for COD December 2022.

### Overview

<b>Capacity*1</b>	2.0 MW
<b>FIT Price*3</b>	¥ 40 /kWh
<b>COD</b>	December 2022 (Planned)
<b>Ownership interest</b>	RENOVA : 30% Focus Co. Ltd. : 60% Denergy Thermal : 10%



Fumarole test  
(As of September 2020)



Fumarole test  
(As of September 2020)



Building Foundation  
Work (July 2021)

First geothermal project for RENOVA.  
Focus on the contribution to revitalization of the regional economy and collaborative creation with the local community.

\*1 The generation capacity for geothermal power generation plants is based upon the sending-end output

\*2 Japan Oil, Gas and Metals National Corporation

\*3 The FIT scheme is expected to be 15 years

# Key Balance Sheet Items and Credit Metrics (IFRS)

(Million yen)

- Equity ratio rose due to profit attributable to owners of the parent and the change in fair value evaluation of long-term forward exchange contracts related to fuel procurement in the biomass business.

		As of FY 3/2021	End of 1Q FY 3/2022	Change	Major Factors of Increase/Decrease
Key balance sheet items	Total assets	220,546	227,741	7,195	Increase due to progress in construction of Tokushima-Tsuda Biomass
	Equity attributable to owners of the parent	15,252	20,466	5,214	Increase in retained earnings. Fair value evaluation of long-term foreign exchange contracts for biomass fuel procurement.
	Net interest-bearing debt* <sup>1</sup>	122,630	127,926	5,296	Loan increase of Tokushima-Tsuda Biomass
	Cash and deposits* <sup>2</sup>	40,356	37,510	-2,846	
	Interest-bearing debt* <sup>3</sup>	162,986	165,436	2,450	
Credit metrics	Ratio of equity attributable to owners of the Parent to Total assets	6.9%	9.0%	2.1%	
	Equity Ratio	11.3%	13.5%	2.3%	
	Net D/E ratio* <sup>4</sup>	4.9x	4.1x	-0.8x	
	Net Debt / EBITDA* <sup>5</sup>	11.5x	11.8x	0.3x	
	Adjusted Net Debt / LTM EBITDA* <sup>6</sup>	8.8x	8.8x	-	

\*1 Net interest-bearing debt = Interest bearing debt – Cash and deposits

\*2 Cash and deposits = Cash and cash equivalents + Restricted bank deposit at SPCs

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

\*4 Net D/E ratio = Net interest-bearing debt / Total Equity

\*5 EBITDA amounted 10,620 million yen for FY3/2021 and to 10,883 million yen for FY3/2022 1Q.

\*6 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)

## (Million yen)

- Total assets and Total liabilities increased due to the consolidation of Tokushima-Tsuda Biomass (74.8 MW).

	As of FY3/2021	End of 1Q FY3/2022	Change	Major Factors of Increase/Decrease
<b>Current assets</b>	46,699	47,190	491	
<b>Non-current assets</b>	173,847	180,551	6,704	
Property, plant and equipment	104,148	106,595	2,446	Increase due to progress in construction of Tokushima-Tsuda Biomass
Intangible assets	19,730	19,707	-23	
Other financial assets	17,840	21,012	3,172	Fair value evaluation of long-term forward exchange contracts for biomass fuel procurement
Other non-current assets	4,733	4,814	80	
<b>Total assets</b>	<b>220,546</b>	<b>227,741</b>	<b>7,195</b>	
<b>Interest-bearing debt*1</b>	162,986	165,436	2,450	Loan increase of Tokushima-Tsuda Biomass
<b>Other liabilities</b>	32,696	31,476	-1,219	
<b>Total liabilities</b>	<b>195,682</b>	<b>196,913</b>	<b>1,231</b>	
<b>Retained earnings</b>	20,722	22,032	1,310	Increase in retained earnings
<b>Other components of equity</b>	-8,729	-4,872	3,857	Changes in fair value of cash flow hedges
<b>Equity articulable to owners of the Parent</b>	15,252	20,466	5,214	
<b>Non-controlling interests</b>	9,612	10,363	750	
<b>Total net assets</b>	<b>24,864</b>	<b>30,828</b>	<b>5,964</b>	

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

## (Republication) Change in Scope / Timing of Consolidation Upon IFRS Adoption

Newly consolidated SPCs under IFRS indicated in bold and underline(As of August 5,2021)

- Scope of consolidation differs before and after IFRS adoption in some cases, which may in turn affect financial figures and KPIs.
- TK-GK (silent partnership) scheme businesses (some solar businesses) will apply these changes retroactively back to the establishment date of the TK.

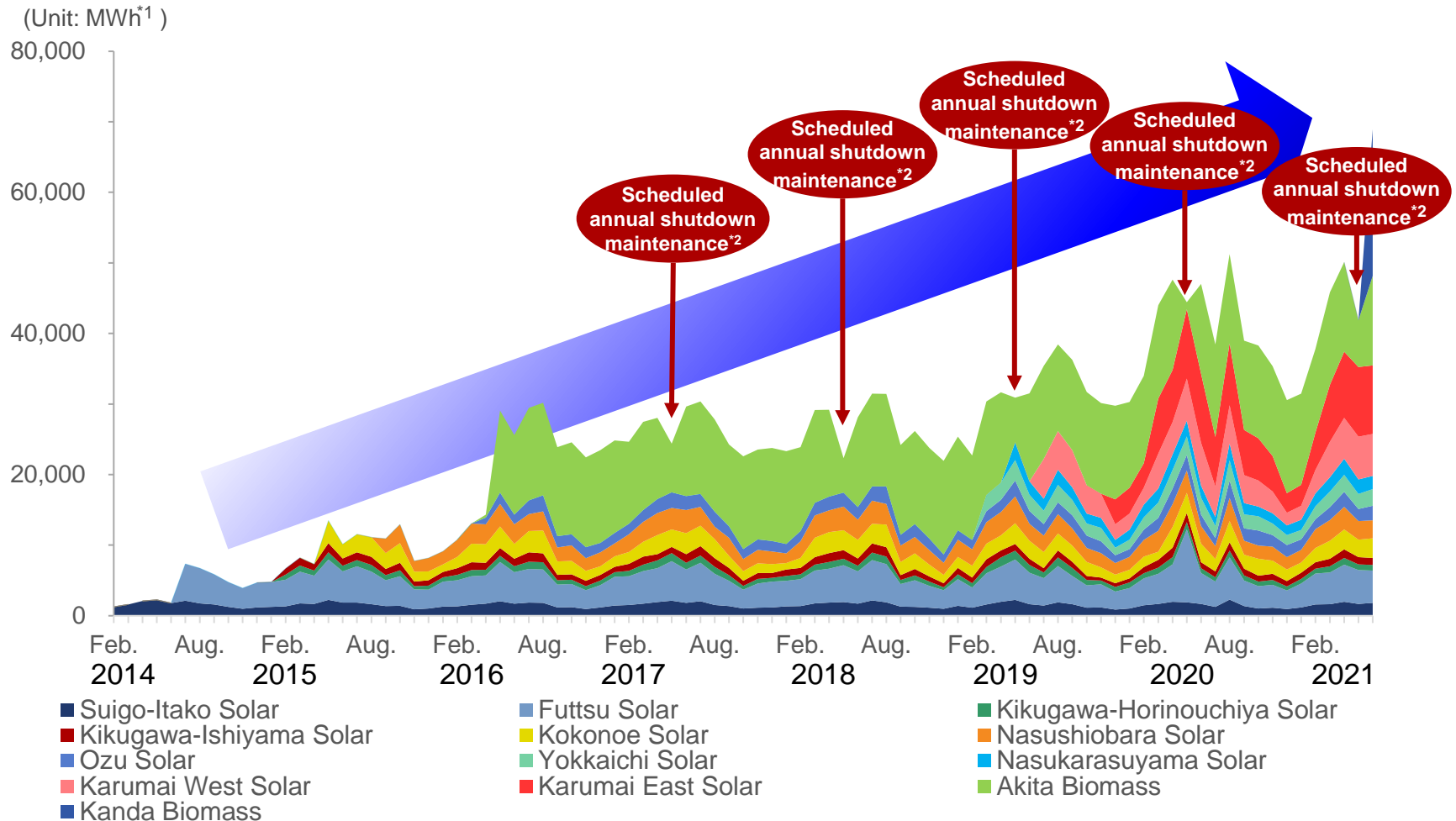
Scope of Consolidation	Specific Examples			
<p>Solar SPCs which use the TK-GK scheme are recorded as being retroactively consolidated upon FID</p>	<table border="0"> <tr> <td data-bbox="569 535 956 763"> <ul style="list-style-type: none"> <li>■ Kokonoe Solar</li> <li>■ Nasushiobara Solar</li> <li>■ Ozu Solar</li> <li>■ Karumai West Solar</li> <li>■ Karumai East Solar</li> </ul> </td> <td data-bbox="994 535 1439 721"> <ul style="list-style-type: none"> <li>■ Yokkaichi Solar</li> <li>■ Nasukarasuyama Solar</li> <li>■ <u>Karumai Sonbou Solar</u></li> <li>■ <u>Hitoyoshi Solar</u></li> </ul> </td> <td data-bbox="1458 535 1767 806"> <p><b>Retroactive consolidation from FID</b></p> <p><u>Will change from equity method affiliate to consolidated subsidiary</u></p> </td> </tr> </table>	<ul style="list-style-type: none"> <li>■ Kokonoe Solar</li> <li>■ Nasushiobara Solar</li> <li>■ Ozu Solar</li> <li>■ Karumai West Solar</li> <li>■ Karumai East Solar</li> </ul>	<ul style="list-style-type: none"> <li>■ Yokkaichi Solar</li> <li>■ Nasukarasuyama Solar</li> <li>■ <u>Karumai Sonbou Solar</u></li> <li>■ <u>Hitoyoshi Solar</u></li> </ul>	<p><b>Retroactive consolidation from FID</b></p> <p><u>Will change from equity method affiliate to consolidated subsidiary</u></p>
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<p>Three 75 MW biomass projects currently under construction are accounted for by the equity method affiliates</p>	<ul style="list-style-type: none"> <li>■ <b>Tokushima-Tsuda Biomass</b></li> <li>■ <b>Kanda Biomass</b></li> </ul>			
<p>Other</p>	<ul style="list-style-type: none"> <li>■ <u>Hakodate Esan Geothermal</u></li> </ul> <p><u>Consolidated due to materiality assessment despite status as a development stage project</u></p>			

\*1 This material summarizes information concerning the adoption of IFRS. However, the information contained here has not been reviewed by an audit firm and may be subject to change in the future.

# Trend in Monthly Electricity Sales Volume by Power Plant

## As of June 30, 2021

- Kanda Biomass (75.0 MW) commenced operation on June 21, 2021.
- Stable operation has been maintained since the start of operation of each power plant.



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

\*2 United Renewable Energy Co., Ltd.

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

	Power Generating Capacity (MW)	Purchase Price (/kWh)		Revenue	EBITDA	EBITDA margin	Profit	Ownership Interest
<b>Suigo-Itako Solar<sup>*1</sup></b>	15.3	¥40	FY3/2022 1Q	218	195	89.5%	85	68.0%
			FY3/2021 1Q	227	200	88.0%	87	68.0%
<b>Futtsu Solar<sup>*1</sup></b>	40.4	¥40	FY3/2022 1Q	589	537	91.2%	239	51.0%
			FY3/2021 1Q	597	542	90.7%	240	51.0%
<b>Kikugawa-Ishiyama Solar<sup>*1</sup></b>	9.4	¥40	FY3/2022 1Q	131	115	88.2%	42	63.0%
			FY3/2021 1Q	142	127	89.2%	50	63.0%
<b>Kikugawa- Horinouchiya Solar<sup>*1</sup></b>	7.5	¥40	FY3/2022 1Q	102	88	85.9%	31	61.0%
			FY3/2021 1Q	112	97	87.2%	37	61.0%
<b>Kokonoe Solar<sup>*2 *3</sup></b>	25.4	¥40	FY3/2022 1Q	322	279	86.8%	126	100.0%
			FY3/2021 1Q	342	306	89.5%	144	100.0%
<b>Nasushiobara Solar<sup>*2 *3</sup></b>	26.2	¥40	FY3/2022 1Q	339	288	85.2%	148	100.0%
			FY3/2021 1Q	363	304	83.6%	158	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 / Million yen)

	Power Generating Capacity (MW)	Purchase Price (/kWh)		Revenue	EBITDA	EBITDA margin	Profit	Ownership Interest
<b>Ozu Solar</b> <sup>*1 *2</sup>	19.0	¥36	FY3/2022 1Q	213	177	83.5%	64	100.0%
			FY3/2021 1Q	220	187	85.0%	66	100.0%
<b>Yokkaichi Solar</b> <sup>*1 *2</sup>	21.6	¥36	FY3/2022 1Q	250	219	87.8%	94	100.0%
			FY3/2021 1Q	274	251	91.5%	123	100.0%
<b>Nasukarasuyama Solar</b> <sup>*1 *2</sup>	19.2	¥36	FY3/2022 1Q	224	173	77.3%	58	100.0%
			FY3/2021 1Q	221	188	85.1%	71	100.0%
<b>Karumai West Solar</b> <sup>*1 *2 *3</sup>	48.0	¥36	FY3/2022 1Q	646	594	92.0%	260	100.0%
			FY3/2021 1Q	599	554	92.5%	221	51.0%
<b>Karumai East Solar</b> <sup>*1 *2 *4</sup>	80.8	¥36	FY3/2022 1Q	1,043	978	93.8%	496	100.0%
			FY3/2021 1Q	972	910	93.6%	428	69.3%
<b>Akita Biomass (URE)</b> <sup>*5</sup>	20.5	¥32/¥24	FY3/2022 1Q	963	213	22.1%	26	35.3%
			FY3/2021 1Q	891	259	29.1%	44	35.3%

\*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 July 1, 2020: As a result of the additional acquisition of equity interest, our company's equity ratio was 100%.

\*4 December 2, 2020: As a result of the additional acquisition of equity interest, our company's equity ratio was 100%.

\*5 United Renewable Energy Co., Ltd.

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## II . Outlook for the Fiscal Year Ending March 2022 (IFRS)



# Full-year outlook for FY3/2022 (IFRS)

(Million yen / %)

Forecasts for financial results  
remain unchanged

- Revenue and EBIDTA are expected to grow due to the COD of Kanda Biomass and Karumai Sonbou Solar.
- Profit attributable to owners of the parent is expected to incorporate a gain on the step acquisition of Kanda Biomass due to consolidation.

	FY3/2021 (Actual)	FY3/2022 (Outlook)	Change
Revenue	20,553	<b>30,000</b>	46.0%
EBITDA* <sup>1</sup>	10,620	<b>12,600</b>	18.6%
<i>EBITDA margin</i>	<i>51.7%</i>	<i>42.0%</i>	-
Operating Profit	4,605	<b>4,700</b>	2.1%
Profit attributable to owners of the parent	11,507	<b>5,100</b>	-55.7%
EPS(yen)* <sup>2</sup>	149.67	<b>65.31</b>	-
ROE* <sup>3</sup>	81.7%	<b>36.2%</b>	-

- **COD of Kanda Biomass and Karumai Sonbou Solar.**

- **Business development fees expected from multiple development projects.**

- The impact of the end of “Premium Electricity Purchase on FIT Price” is taken into account (-500 million yen).

- **Increased upfront investment in personnel and development costs.**

- **Gain on step acquisitions due to consolidation of Kanda Biomass.**

- The previous fiscal year had recorded a gain on the step acquisition due to consolidation of Tokushima-Tsuda Biomass and a gain on the fair value recognition of call options for Sendai-Gamo Biomass.

\*<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 neither subject to audit nor quarterly review. \*<sup>2</sup> EPS figures represents basic EPS. EPS for FY3/2022 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 FY3/2021. \*<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.

# (Republication) Major Assumptions for FY3/2022 Financial Forecast

Forecasts for financial results remain unchanged

## FY3/2021 (Actual)

## FY3/2022 (Forecast)

**Renewable Energy Power Generation Business**

<p><b>Consolidated Subsidiaries</b></p> <ul style="list-style-type: none"> <li>■ 11 Solar PV plants               <ul style="list-style-type: none"> <li>– 312.8 MW</li> <li>– 12-month contribution from all Solar PV plants</li> </ul> </li>   <li>■ 1 One Biomass power plant               <ul style="list-style-type: none"> <li>– 20.5 MW</li> </ul> </li> </ul>
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<p><b>Consolidated Subsidiaries</b></p> <ul style="list-style-type: none"> <li>■ 12 Solar PV plants (operation / planned)               <ul style="list-style-type: none"> <li>– 353.6 MW</li> <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 (operation / planned)               <ul style="list-style-type: none"> <li>– 95.5 MW</li> <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>■ One onshore wind plant expected to commence operations               <ul style="list-style-type: none"> <li>– 144.0 MW</li> <li>– Assumed 5-month contribution from Quang Tri onshore wind</li> </ul> </li> </ul>
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**Renewable Energy Development and Operation**

<p><b>Business Development Fees</b></p> <ul style="list-style-type: none"> <li>■ ¥26 bn*<sup>1</sup> <ul style="list-style-type: none"> <li>– 2 Biomass projects</li> </ul> </li> </ul>
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<p><b>Business Development Fees</b></p> <ul style="list-style-type: none"> <li>■ Appx. ¥28 bn*<sup>1</sup> <ul style="list-style-type: none"> <li>– Expected from multiple development projects</li> </ul> </li> </ul>
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\*1 Figures for business development fees are after elimination of intra-company transactions.

# (Republication) Business Outlook by Segment (IFRS)

(Million yen)

Forecasts for financial results  
remain unchanged

- The Power Generation Business is expected to grow due to the consolidation and contribution from Kanda Biomass and Karumai Sonbou Solar.
- Business development fees are expected to be recorded, while upfront investment in personnel expenses and development costs are expected to increase.

		FY3/2021 (Actual)	FY3/2022 (Outlook*1)	Change
<b>Renewable Energy Power Generation Business (A)</b>	<b>Revenue</b>	<b>17,651</b>	<b>27,000</b>	9,349
	<b>EBITDA*2</b>	<b>12,442</b>	<b>15,700</b>	3,258
	<b>Operating profit</b>	<b>6,566</b>	<b>7,800</b>	1,234
<b>Renewable Energy Development and Operation Business + Elimination (B)*1</b>	<b>Revenue</b>	<b>2,902</b>	<b>3,000</b>	98
	<b>EBITDA*2</b>	<b>-1,822</b>	<b>-3,100</b>	NM
	<b>Operating profit</b>	<b>-1,961</b>	<b>-3,100</b>	NM
<b>Total*1 (A + B)</b>	<b>Revenue</b>	<b>20,553</b>	<b>30,000</b>	9,447
	<b>EBITDA*2</b>	<b>10,620</b>	<b>12,600</b>	1,980
	<b>Operating profit</b>	<b>4,605</b>	<b>4,700</b>	95

- Consolidation of Kanda Biomass and COD of Karumai Sonbou Solar.
- The impact of the end of “Premium Electricity Purchase on FIT Price” is taken into account (-500 million yen).

- Expected to record business development fees for multiple development projects.
- Expect an increase in upfront investment costs such as personnel and development costs.

\*1 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.

\*2 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.

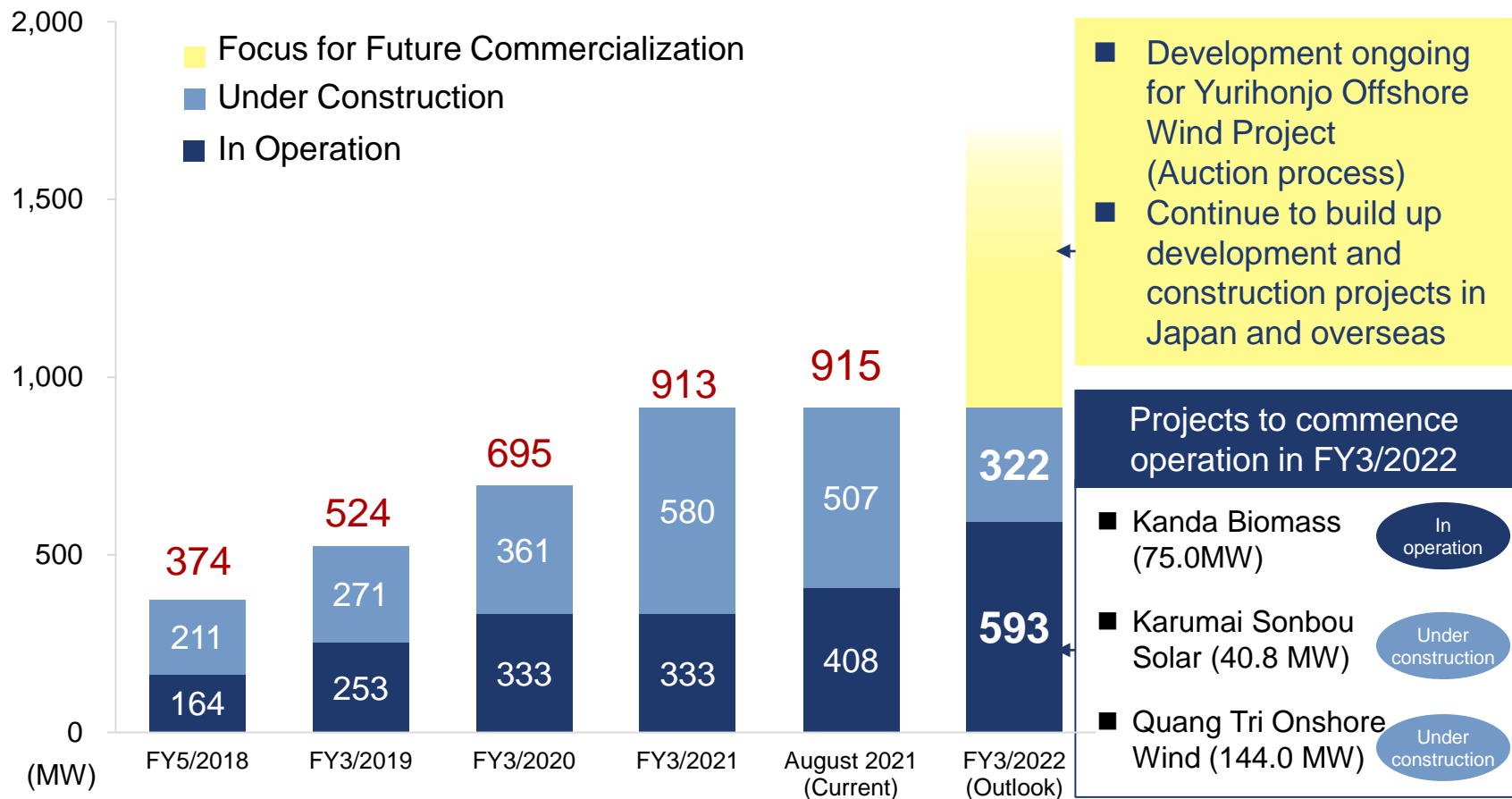
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### III. Project Development Updates

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

## As of August 2021

- Capacity in operation and under construction increased to 915MW due to the construction commencement of Minami-Aso Yunotani Geothermal in July 2021.
- Capacity in operation increased to 408MW due to commencement of operation of Kanda Biomass.

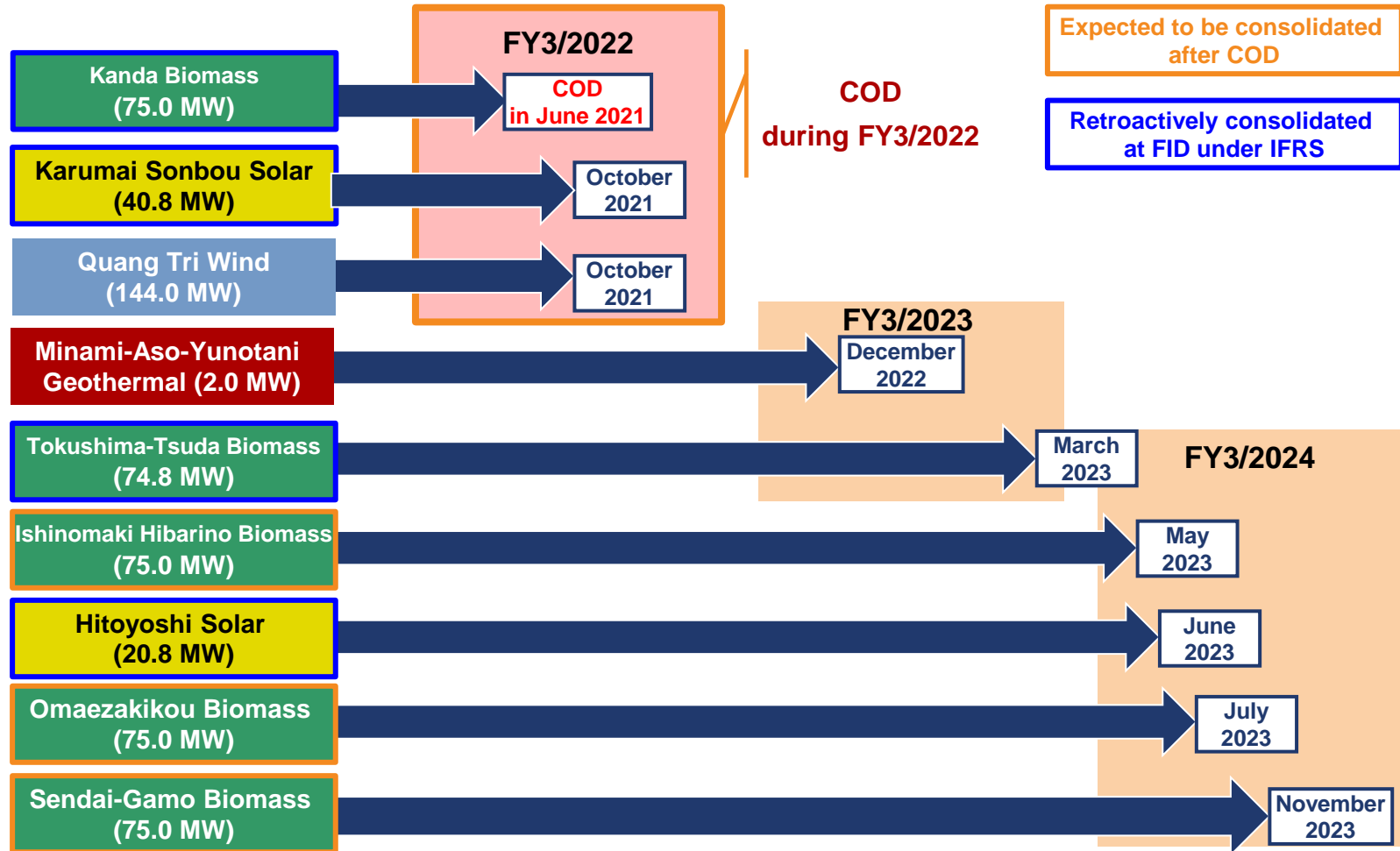


\*1 Projects under construction may be altered, delayed or cancelled. Projects for which work has commenced in accordance with the EPC contract are shown as "under construction".

# Schedules for Projects Under Construction\*1

## As of August 2021

- Kanda Biomass commenced operation in June 2021. Other 8 projects under construction are proceeding as scheduled.
- No impact of COVID-19 on supply chain or COD dates.



\*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".


# Progress of Projects under Construction\*1

## As of August 2021

- Constructions of turbine buildings and piling work are making steady progress for all of 4 biomass projects.
- Karumai Sonbou Solar (40.8 MW) is on track for COD in October. Final adjustment work is currently ongoing.

**Karumai Sonbou Solar**  
(40.8 MW, Karumai-machi, Kunohe-gun, Iwate Prefecture)

PCS connection work(July 2021)



**COD in October 2021 (Planned)\*2**

**Minami-Aso Yunotani Geothermal**  
(2.0 MW, Minamiaso-mura, Aso-gun, Kumamoto Prefecture)

Foundation work (July 2021)



**COD in December 2022 (Planned)\*2**

**Tokushima-Tsuda Biomass**  
(74.8 MW, Tokushima-shi, Tokushima Prefecture)

Construction of turbine buildings (July 2021)



**COD in March 2023 (Planned)\*2**

**Ishinomaki Hibarino Biomass**  
(75.0 MW, Ishinomaki-shi, Miyagi Prefecture)


Electrical control building construction(July 2021)



**COD in May 2023 (Planned)\*2**

**Omaezakikou Biomass**  
(75.0 MW, Omaezaki-shi, Shizuoka Prefecture)


Piling Work (July 2021)



**COD in July 2023 (Planned)\*2**

**Sendai-Gamo Biomass**  
(75.0 MW, Sendai-shi, Miyagi Prefecture)

Foundation body construction(July 2021)



**COD in November 2023(Planned)\*2**

\*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 Overseas Projects under Construction\*1

## Quang Tri Onshore Wind Projects (Vietnam, 144.0 MW) (As of August 2021)

- Nacelle and blade installation are currently underway.



Blade Installation  
(July 2021)

### Overview

Capacity	144.0 MW
FIT Price*2,3,4	8.5 cents (US\$) /kWh (Appx. ¥9.3 /kWh)
Projects	<ul style="list-style-type: none"> <li>■ Lien Lap (48.0 MW)</li> <li>■ Phong Huy (48.0 MW)</li> <li>■ Phong Nguyen (48.0 MW)</li> </ul>
COD	By the end of October 2021 (Planned)
Estimated Revenue*3,4	Appx. 45 MM(US\$)/year (Appx. ¥5.0 billion/year)
Equity Interest	PCC1*5 and others: 60.0% RENOVA: 40.0%

**COD in October 2021 (Planned)\*4**

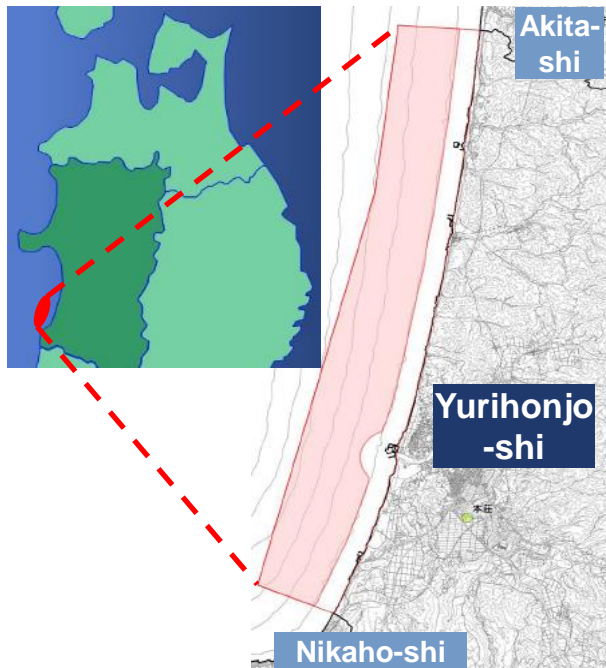
\*1 Projects for which work has commenced in accordance with the EPC contract are shown as "under construction". \*2 Electric power will be sold in accordance with Vietnam's FIT scheme. The FIT price represents the figure under the assumption that operation will commence on or before October 31, 2021. \*3 Reference value converted at \$1 = 110 yen \*4 Projects under construction may be altered, delayed or cancelled. \*5 Power Construction Joint Stock Company No.1



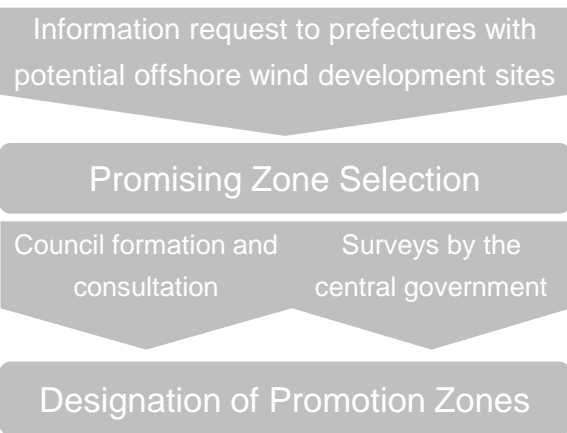
# Progress of the Yurihonjo Offshore Wind Project (Appx. [700] MW<sup>\*1</sup>)

As of August 5, 2021

- Large scale offshore wind project under development led by RENOVA in Yurihonjo-shi, Akita Prefecture.
- Auction process is now underway, and Occupancy Plan was submitted in May 2021.



**Promotion Zone Selection**



**Auction Process**



Selection of operators after review and evaluation } < 5 mo~<sup>\*2</sup>

<b>Capacity</b>	Appx. [700] MW <sup>*1</sup>
<b>Sponsors</b>	<ul style="list-style-type: none"> <li>■ RENOVA (Lead)</li> <li>■ Cosmo Eco Power</li> <li>■ JR-East Energy Development</li> <li>■ Tohoku Electric Power</li> </ul>

\*1 Based on the auction, the schedule for Yurihonjo is undecided and the scale is provisional.

\*2 Guidelines for Designating Marine Renewable Energy Power Generation Facilities Promotion Areas ([https://www.meti.go.jp/shingikai/enecho/denryoku\\_gas/saisei\\_kano/yojo\\_furyoku/pdf/006\\_01\\_00.pdf](https://www.meti.go.jp/shingikai/enecho/denryoku_gas/saisei_kano/yojo_furyoku/pdf/006_01_00.pdf) )

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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 5, 2021)

- Total generation capacity of solar PV plants in operation and under construction is over 370 MW.
- Karumai Sonbou Solar (40.8 MW) is on track for COD in October 2021 and final adjustment work is ongoing. Construction of Hitoyoshi Solar (20.8 MW) is also progressing on schedule.

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	Kumamoto	19.0	¥36	In operation	100%	2016	2036
	Yokkaichi	Mie	21.6	¥36	In operation	100%	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	Under construction	46.0%* <sup>4</sup>	(October 2021)	(Appx. 2041)
	Hitoyoshi	Kumamoto	20.8	¥36	Under construction	38.0%* <sup>5</sup>	(June 2023)	(Appx 2042)* <sup>6</sup>

\*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 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.

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

\*4 RENOVA holds the right to sequentially acquire all equity in the silent partnership currently owned by co-sponsors.

\*5 RENOVA holds the right to additionally acquire 9% equity in the silent partnership currently owned by a co-sponsor, on or after the date of completion of the power plant.

\*6 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 5, 2021)

- Development of large-scale biomass project in Kyushu (Business A, Appx.50MW) is ongoing for execution of loan agreement.
- Kanda commenced commercial operations in June 2021 and was consolidated in July 2021.
- Total generation capacity for biomass projects in operation and under construction is over 400 MW.

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%	June 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	(November 2023)	(Appx. 2043)
	Business A	Kyusyu	Appx.50	¥24/¥32	In Progress	-	(Appx. 2024)	-

\*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 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.

\*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 (economic interest: 31.0%) at COD from co-sponsors. Following the acquisition, RENOVA's investment ratio in the project will be 60.0%.

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

List of plants in operation, under construction and pipeline projects\*<sup>1</sup> (As of August 5, 2021)

- Occupancy Plan\*<sup>2</sup> has been submitted in May for offshore wind project in Yurihonjo-shi, Akita Prefecture.
- Isumi offshore wind project started wind condition and seabed surveys in 2020.

Energy Source	Project Name	Location	Power Generating Capacity (MW)	Purchase Price* <sup>3</sup> (/kWh)	Current Status	Ownership Interest	EIA Status	COD (Target)* <sup>4</sup>	FIT end Year
Offshore Wind	Yurihonjo* <sup>5</sup>	Akita	Appx. [700]	TBD	EIA ongoing (selection process)	-	Draft EIA process done	TBD	-
	Isumi* <sup>5</sup>	Chiba	Appx. [350-450]	TBD	Upfront investment	-	-	TBD	-
Onshore Wind	Abukuma* <sup>6</sup>	Fukushima	Appx. 150	¥22	In Progress	Less than 10%	Done	TBD	-
	Reihoku	Kumamoto	Appx. 50	¥21	EIA ongoing	-	EIA ongoing	(Appx. 2024)	(Appx. 2044)
	Quang Tri* <sup>6</sup>	Vietnam	144.0	\$8.5 cent* <sup>7</sup>	Under construction	40.0%	-	(By the end of October 2021)	(Appx. 2041)

\*<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> 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)).

\*<sup>3</sup> 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.

\*<sup>4</sup> Expected COD of projects under development may be subject to change.

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

\*<sup>6</sup> RENOVA is participating in the project as a minority investor.

\*<sup>7</sup> The FIT price represents the figure on the assumption that operation will commence on or before October 31, 2021. (Approximately 9.3 yen/kWh) (Reference value converted at \$1 = 110.00 yen)

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

List of plants in operation, under construction and pipeline projects\*1 (As of August 5, 2021)

- Minami-Aso Yunotani Geothermal (2.0MW) began construction towards COD in December 2022.

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	Appx. 2 MW	¥40	Under construction	-	-	(December 2022)	-
	Hakodate Esan	Hokkaido	TBD	TBD	Upfront investment	-	-	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 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.

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

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

# (Reference) FIT Purchase Price Overview\*1

As of June 30, 2021

- 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.
  - The Minami-Aso Yunotani Geothermal Project received FIT certification for 40 yen/kWh.
  - Price of electricity for the Yurihonjo Offshore Wind Project will be decided through an auction process, as per the Offshore Wind Act\*2

Current FIT price as of FY 2021

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) ¥27 (July -)	¥24	bidding system						-	20 years
	Timber from forest thinning*5 2,000 kW or more	¥32											-	20 years
Biomass	General wood, etc.*5 10,000 kW or more*6	¥24				¥24 (End of Sep.) ¥21 (Oct. -)	bidding system						-	20 years
	Onshore 20 kW or more	¥22				¥22 (End of Sep.) ¥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 April 28, 2021), 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.

# (Reference) Corporate Overview

## As of June 30, 2021

### Corporate Information

Name:	RENOVA, Inc.
Location of Head Office	2-2-1 Kyobashi Chuo-ku, Tokyo
Representatives	Sachio Semmoto, Executive Chairman & Director Yosuke Kiminami, Founding CEO
Established	May 2000
Capital Stock	2,279 million yen
Stock Exchange	First section of Tokyo Stock Exchange
Securities code	9519
Business	Renewable energy business
Employees (consolidated)	267

### 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, 2021)

Total Number of Authorized Shares	280,800,000
Total Number of Shares Issued	78,090,400
Number of Shareholders	17,842

### Key History

May 2000	Established Recycle One, Inc. (currently RENOVA, Inc.)
October 2012	Entered renewable energy business
December 2013	Company renamed RENOVA, Inc.
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
May 2020	Participation in Quang Tri Onshore Wind Projects in Vietnam
June 2021	COD for Kanda Biomass Energy Co., Ltd.