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## Consolidated Financial Results For the Six Months Ended September 30, 2021 (International Financial Reporting Standards (IFRS)) (Non-audited)

November 4, 2021

Company name:	RENOVA, Inc.	Stock exchange listing:	Tokyo
Securities code:	9519	URL:	<a href="https://www.renovainc.com/">https://www.renovainc.com/</a>
Representative:	Yosuke Kiminami, Founding CEO		
Contact:	Kazushi Yamaguchi, CFO		Tel. +81-3-3516-6263
Scheduled date of quarterly securities report filing:	November 4, 2021		
Scheduled date of commencement of dividend payment:	–		
Supplementary documents for quarterly financial results:	Yes		
Quarterly financial results briefing:	Yes (for institutional investors and analysts)		

(Amounts of less than one million yen are rounded)

### 1. Consolidated financial results for six months ended September 30, 2021 (April 1, 2021 – September 30, 2021)

#### (1) Consolidated results of operations (cumulative) (Percentages show year-on-year changes)

	Revenue		EBITDA(*)		Operating profit		Profit before income taxes		Profit for the period attributable to owners of the Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Sep. 30 2021	13,368	24.2	7,472	19.9	4,016	24.2	9,059	290.9	7,237	455.8
ended Sep. 30 2020	10,759	–	6,233	–	3,233	–	2,318	–	1,302	–

(Note)

Total Comprehensive income: Six months ended September 30, 2021: 15,789 million yen, –% Six months ended September 30, 2020: (88) million yen, –%

	Basic earnings per share	Diluted earnings per share
Six months ended Sep. 30 2021	Yen 92.90	Yen 91.40
ended Sep. 30 2020	17.01	16.55

(Note)

\* 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 - Other expenses

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the Parent	Ratio of equity attributable to owners of the Parent to Total assets	Equity attributable to owners of the Parent per share
As of	Million yen	Million yen	Million yen	%	Yen
Sep. 30 2021	290,394	48,436	29,326	10.1	375.33
Mar. 31 2021	220,546	24,864	15,252	6.9	196.27

### 2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
Fiscal year	Yen	Yen	Yen	Yen	Yen
ended Mar. 2021	–	0.00	–	0.00	0.00
ending Mar. 2022	–	0.00	–	–	–
ending Mar. 2022 (forecast)	–	–	–	0.00	0.00

(Note) Revisions to the dividends forecast since the latest announcement: None

### 3. Forecast of consolidated results of operation for the fiscal year ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(Percentages show year-on-year changes)

	Revenue		EBITDA		Operating profit		Profit for the period attributable to owners of the Parent		Basic earnings per share
Fiscal year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
ending Mar. 2022	30,000	46.0	12,600	18.6	4,700	2.1	5,100	(55.7)	65.31

(Note) Revisions to the consolidated forecast since the latest announcement: None

\* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly included: Kanda Biomass Energy, K.K.

Excluded: None

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS\*: Yes

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

\* For details, please refer to "New accounting standards and interpretation adopted" in "(5) Notes to condensed quarterly consolidated financial statements" at page 10.

(3) Number of issued shares (common shares):

(i) Number of issued shares at end of period (including treasury shares)

As of September 30, 2021: 78,549,200 shares As of March 31, 2021: 78,090,400 shares

(ii) Number of treasury shares at end of period

As of September 30, 2021: 416,700 shares As of March 31, 2021: 381,500 shares

(iii) Average number of shares outstanding during the period

For the six months ended September 30, 2021: 77,900,598 shares

For the six months ended September 30, 2020: 76,532,143 shares

\* This report is not subject to the quarterly review by independent auditors.

\* Explanations and other special notes concerning the appropriate use of forecasts

(Cautionary statement with respect to forward-looking statements and other information)

The forward-looking statements discussed in this material, including financial forecasts, are based on the information currently available to RENOVA, Inc. and certain assumptions that are judged to be rational at the current time. These statements do not constitute a promise by RENOVA, Inc. to achieve such results. Please note that the actual results may differ significantly from forecast figures.

Condensed quarterly consolidated financial statements and notes

(1) Condensed quarterly consolidated statements of financial position (Non-audited)

(Million yen)

	As of March 31, 2021	As of September 30, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	19,406	16,763
Restricted bank deposits	20,950	28,253
Trade and other receivables	4,928	5,971
Inventories	40	556
Other financial assets	240	1,011
Other current assets	1,135	1,401
<b>Total current assets</b>	<b>46,699</b>	<b>53,956</b>
<b>Non-current assets</b>		
Property, plant and equipment	104,148	141,403
Right-of-use assets	9,108	8,817
Goodwill	237	237
Intangible assets	19,730	38,109
Investments accounted for using the equity method	14,527	15,119
Deferred tax assets	3,523	3,202
Other financial assets	17,840	23,536
Other non-current assets	4,733	6,014
<b>Total non-current assets</b>	<b>173,847</b>	<b>236,438</b>
<b>Total assets</b>	<b>220,546</b>	<b>290,394</b>

(Million yen)

	As of March 31, 2021	As of September 30, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	2,580	2,309
Borrowings	7,954	12,323
Lease liabilities	864	874
Other financial liabilities	1,066	387
Income tax payables	510	969
Other current liabilities	401	496
<b>Total current liabilities</b>	<b>13,375</b>	<b>17,358</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	142,506	182,140
Lease liabilities	9,081	8,575
Other financial liabilities	9,625	10,908
Provisions	7,462	7,474
Deferred tax liabilities	6,587	12,665
Other non-current liabilities	7,045	2,837
<b>Total non-current liabilities</b>	<b>182,306</b>	<b>224,600</b>
<b>Total liabilities</b>	<b>195,682</b>	<b>241,958</b>
<b>Equity</b>		
Share capital	2,269	2,301
Share premium	1,479	1,560
Retained earnings	20,722	27,958
Treasury shares	(489)	(673)
Other components of equity	(8,729)	(1,821)
<b>Equity attributable to owners of the Parent</b>	<b>15,252</b>	<b>29,326</b>
<b>Non-controlling interests</b>	<b>9,612</b>	<b>19,110</b>
<b>Total equity</b>	<b>24,864</b>	<b>48,436</b>
<b>Total liabilities and equity</b>	<b>220,546</b>	<b>290,394</b>

(2) Condensed quarterly consolidated statements of income and comprehensive income  
Condensed quarterly consolidated statements of income (Non-audited)

(Million yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Revenue	10,759	13,368
Other income	34	61
Fuel expenses	(975)	(2,238)
Outsourcing expenses	(993)	(851)
Payroll and related personnel expenses	(1,430)	(1,774)
Share of profit (loss) of investments accounted for using the equity method	(94)	130
Other expenses	(1,068)	(1,223)
Depreciation and amortization	(3,000)	(3,457)
Operating profit	3,233	4,016
Gain on remeasurement to fair value of pre-existing interest in business combination	–	5,301
Gain on remeasurement to fair value of option	214	872
Finance income	23	130
Finance costs	(1,152)	(1,260)
Profit before income taxes	2,318	9,059
Income tax expense	(819)	(1,182)
Profit for the period	1,499	7,877
Profit for the period attributable to:		
Owners of the Parent	1,302	7,237
Non-controlling interests	197	641
Earnings per share		
Basic earnings per share (yen)	17.01	92.90
Diluted earnings per share (yen)	16.55	91.40

(Million yen)

	Three months ended September 30, 2020	Three months ended September 30, 2021
Revenue	4,782	7,252
Other income	10	35
Fuel expenses	(595)	(1,730)
Outsourcing expenses	(434)	(576)
Payroll and related personnel expenses	(707)	(935)
Share of profit (loss) of investments accounted for using the equity method	(64)	10
Other expenses	(489)	(576)
Depreciation and amortization	(1,501)	(1,947)
Operating profit	1,001	1,533
Gain on remeasurement to fair value of pre-existing interest in business combination	–	5,301
Gain on remeasurement to fair value of option	107	691
Finance income	12	80
Finance costs	(594)	(686)
Profit before income taxes	526	6,918
Income tax expense	(143)	(545)
Profit for the period	383	6,373
Profit for the period attributable to:		
Owners of the Parent	211	5,926
Non-controlling interests	172	447
Earnings per share		
Basic earnings per share (yen)	2.75	75.97
Diluted earnings per share (yen)	2.68	74.85

Condensed quarterly consolidated statements of comprehensive income (Non-audited)

(Million yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit for the period	1,499	7,877
Other comprehensive income, net of tax:		
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges - effective portion of changes in fair value	(1)	3,062
Exchange differences on translating foreign operations	(1)	0
Share of other comprehensive income (loss) of investments accounted for using the equity method	(1,586)	4,850
Total	(1,587)	7,911
Total other comprehensive income, net of tax	(1,587)	7,911
Total comprehensive income for the period	(88)	15,789
Comprehensive income for the period attributable to:		
Owners of the Parent	(301)	14,145
Non-controlling interests	213	1,644

(Million yen)

	Three months ended September 30, 2020	Three months ended September 30, 2021
Profit for the period	383	6,373
Other comprehensive income, net of tax:		
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges - effective portion of changes in fair value	(318)	1,828
Exchange differences on translating foreign operations	(1)	(0)
Share of other comprehensive income (loss) of investments accounted for using the equity method	(2,963)	1,716
Total	(3,283)	3,545
Total other comprehensive income, net of tax	(3,283)	3,545
Total comprehensive income for the period	(2,900)	9,917
Comprehensive income for the period attributable to:		
Owners of the Parent	(3,060)	8,977
Non-controlling interests	160	940

## (3) Condensed quarterly consolidated statements of changes in equity (Non-audited)

Six months ended September 30, 2020

(Million yen)

	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
Balance as of April 1, 2020	2,175	1,398	9,217	(496)	624	12,918	3,991	16,909
Profit for the period	–	–	1,302	–	–	1,302	197	1,499
Other comprehensive income, net of tax	–	–	–	–	(1,603)	(1,603)	16	(1,587)
Total comprehensive income for the period	–	–	1,302	–	(1,603)	(301)	213	(88)
Issuance of new shares	23	18	–	–	–	41	–	41
Share-based payment	–	71	–	–	–	71	–	71
Changes in scope of consolidation	–	–	(2)	–	–	(2)	–	(2)
Disposal of treasury shares	–	–	–	8	–	8	–	8
Dividends	–	–	–	–	–	–	(226)	(226)
Other increase (decrease)	–	(131)	–	–	–	(131)	320	189
Total transactions with owners and others	23	(43)	(2)	8	–	(14)	94	80
Balance as of September 30, 2020	2,198	1,355	10,517	(489)	(979)	12,603	4,298	16,900

Six months ended September 30, 2021

(Million yen)

	Share capital	Share premium	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
Balance as of April 1, 2021	2,269	1,479	20,722	(489)	(8,729)	15,252	9,612	24,864
Profit for the period	–	–	7,237	–	–	7,237	641	7,877
Other comprehensive income, net of tax	–	–	–	–	6,908	6,908	1,003	7,911
Total comprehensive income for the period	–	–	7,237	–	6,908	14,145	1,644	15,789
Issuance of new shares	32	22	–	–	–	54	–	54
Share-based payment	–	69	–	–	–	69	–	69
Changes in scope of consolidation	–	–	–	–	–	–	7,858	7,858
Purchase of treasury shares	–	–	–	(195)	–	(195)	–	(195)
Disposal of treasury shares	–	7	–	10	–	17	–	17
Dividends	–	–	–	–	–	–	(237)	(237)
Other increase (decrease)	–	(16)	–	–	–	(16)	234	218
Total transactions with owners and others	32	81	–	(184)	–	(71)	7,855	7,783
Balance as of September 30, 2021	2,301	1,560	27,958	(673)	(1,821)	29,326	19,110	48,436



## (4) Condensed quarterly consolidated statements of cash flows (Non-audited)

(Million yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	2,318	9,059
Depreciation and amortization	3,000	3,457
Finance income	(23)	(167)
Finance costs	1,151	1,260
Share of (profit) loss of investments accounted for using the equity method	94	(130)
(Gain) loss on remeasurement to fair value of pre-existing interest in business combination	–	(5,301)
(Gain) loss on remeasurement to fair value of option	(214)	(872)
Decrease (increase) in trade and other receivables	6,661	2,650
Decrease (increase) in inventories	(131)	200
Increase (decrease) in trade and other payables	(423)	(762)
Other, net	587	121
Subtotal	13,020	9,514
Interest and dividend income received	1	41
Interest expenses paid	(1,269)	(1,393)
Income taxes paid	(2,212)	–
Income taxes refund	–	156
Other, net	21	0
Net cash from operating activities	9,561	8,318
Cash flows from investing activities		
Payments for construction in advance	(891)	(386)
Proceeds from advanced payments for construction	1,559	385
Net decrease (increase) in short-term loans receivable	–	(13)
Increase in loan receivables	(99)	(422)
Collection of loans receivable	20	111
Acquisition of property, plant and equipment	(4,724)	(6,362)
Acquisition of intangible assets	(976)	(6)
Purchase of investments accounted for using the equity method	(4,100)	(1,926)
Acquisition of subsidiaries	–	(1,655)
Other, net	(9)	(1,020)
Net cash provided by (used in) investing activities	(9,220)	(11,294)
Cash flows from financing activities		
Proceeds from long-term borrowings	9,727	11,445
Repayments of long-term borrowings	(8,521)	(8,692)
Proceeds from issuance of bonds	13,922	–
Repayments of lease liabilities	(573)	(539)
Proceeds from issuance of shares	65	56
Dividends paid to non-controlling interests	(226)	(237)
Contribution from non-controlling interests	320	234
Purchase of treasury shares	–	(195)
Net decrease (increase) in restricted bank deposits	(660)	(1,107)
Other, net	(1,415)	(697)
Net cash provided by (used in) financing activities	12,640	268
Effect of exchange rate change on cash and cash equivalents	(1)	65
Net increase (decrease) in cash and cash equivalents	12,980	(2,642)
Cash and cash equivalents at beginning of period	10,625	19,406
Increase (decrease) in cash and cash equivalents resulting from changes in scope of consolidation	3	–
Cash and cash equivalents at end of period	23,608	16,763

(5) Notes to condensed quarterly consolidated financial statements

**Notes relating to going concern assumptions**

Not applicable.

**New accounting standards and interpretation adopted**

During six months ended September 30, 2021, RENOVA, Inc. and its subsidiaries (collectively, "Renova") have adopted the following amended standards:

Standards	Overview of amended standards
IFRS 7 : Financial Instruments: Disclosures IFRS 9 : Financial Instruments IAS 39 : Financial Instruments: Recognition and Measurement	Interest Rate Benchmark Reform - Phase 2 (Amendments regarding the impact on financial reporting as a result of the replacement of an existing benchmark rate with an alternative benchmark rate)
IAS16 : Property, Plant and Equipment	The amendments to prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while a company is preparing the asset for its intended use

Renova early adopted the amended IAS16 on and after April 1, 2021. Renova recognizes in profit or loss sales proceeds from selling items produced and related cost while Renova is preparing its property, plant and equipment for its intended use. Upon the adoption of the amended IAS16, Renova additionally recognized 219 million yen of profit for the period in the condensed consolidated statement of income for six months ended September 30, 2021.

Renova assesses that the adoption of the other amendments above is not expected to have a significant impact on Renova's condensed quarterly consolidated financial statements.

**Segment information**

1. Overview of reportable segments

Renova's reportable segments are based on its operating segments for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker (the "CODM") to make decisions about resources to be allocated to the segment and assess its performance.

Renova's reportable segments are composed of the Renewable energy power generation business that Renova sells electricity generated from renewable energy power plants of solar and biomass energy which owned and operated by Renova and the Renewable energy development and operation business that is involved in the development of and assists in the operation of Renova's renewable energy power plants.

2. Revenue, profit and others in the reportable segments

Revenue, profit and others in the reportable segments are recognized, measured and presented in accordance with the accounting policy applied to prepare the condensed consolidated financial statements in Renova.

Segment profit in the reportable segments shows EBITDA resulting from following calculation.

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 - Other expenses

Six months ended September 30, 2020 (April 1, 2020 – September 30, 2020)

(Million yen)

	Reportable segments			Reconciling items (Note 1)	Consolidated
	Renewable energy power generation business	Renewable energy development and operation business	Segment total		
Revenue					
External customers	9,688	1,071	10,759	–	10,759
Intersegment (Note 2)	–	1,663	1,663	(1,663)	–
Total	9,688	2,734	12,422	(1,663)	10,759
Segment profit	7,539	168	7,707	(1,474)	6,233
Depreciation and amortization					(3,000)
Gain on remeasurement to fair value of option					214
Finance income					23
Finance costs					(1,152)
Profit before income taxes					2,318

(Notes) 1. The reconciliation of (1,474) million yen to the segment profit includes elimination of intersegment transactions.

2. Intersegment revenues are generally made at values that approximate arm's-length prices.

Six months ended September 30, 2021 (April 1, 2021 – September 30, 2021)

(Million yen)

	Reportable segments			Reconciling items (Note 1)	Consolidated
	Renewable energy power generation business	Renewable energy development and operation business	Segment total		
Revenue					
External customers	12,213	1,155	13,368	–	13,368
Intersegment (Note 2)	–	2,144	2,144	(2,144)	–
Total	12,213	3,300	15,513	(2,144)	13,368
Segment profit	8,691	557	9,248	(1,775)	7,472
Depreciation and amortization					(3,457)
Gain on remeasurement to fair value of pre-existing interest in business combination					5,301
Gain on remeasurement to fair value of option					872
Finance income					130
Finance costs					(1,260)
Profit before income taxes					9,059

(Notes) 1. The reconciliation of (1,755) million yen to the segment profit includes elimination of intersegment transactions.

2. Intersegment revenue are generally made at values that approximate arm's-length prices.

### Significant subsequent events

Not applicable.