



December 8, 2023

Corporate Name: RENOVA, Inc.
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 Representative Director
 President & CEO, Founder
 (Stock code: 9519 The Prime Market
 of the Tokyo Stock Exchange)
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RENOVA Additionally acquires Equity Interest in a G.K. to Make It a Consolidated Subsidiary (Change in Subsidiary)

RENOVA, Inc. (hereinafter “RENOVA”) announces today that it has decided to additionally acquire shares in Morinomiya Biomass Energy G.K. (Sendai City, Miyagi Prefecture; installed capacity of 74.95 MW; hereinafter “Sendai Gamo Biomass”) which operates a biomass electric power generation business and is an equity method affiliate of RENOVA. RENOVA’s equity interest in Sendai Gamo Biomass became 60.0%, making it a consolidated subsidiary.

1. Reason for the acquisition of equity interest

With a mission of creating green and sustainable energy systems for a better world, RENOVA operates its power generation business based on locally entrenched renewable energy resources such as solar, biomass, wind, and geothermal power.

Pursuant to the Memorandum on Transfer of Equity Interest concluded between RENOVA and some of its equity partners, RENOVA has the right to take over the equity interests owned by the equity partners on and after the completion of the power plant held by Sendai Gamo Biomass and its delivery from EPC, and has executed the right.

2. Overview of new subsidiary

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| (1) Title | Morinomiya Biomass Energy G.K. | |
| (2) Location | 4-1-1 Gamo, Miyagino-ku, Sendai-shi, Miyagi Prefecture | |
| (3) Title and name of representative | (Representative employee) RENOVA, Inc. (Executor) Mitsuru Doi | |
| (4) Business | Power generation project using woody biomass fuels only | |
| (5) Capital | 1 million yen (as of March 31, 2023) | |
| (6) Date of establishment | November 13, 2017 | |
| (7) Ownership Interest | RENOVA, Inc. 29.0%, United Purpose Management, Inc. 25.0%, Sumitomo Forestry Co., Ltd. 15.0%, others | |
| (8) Commercial Operation Date | November 18, 2023 | |
| (9) Relationships with the listed company | Capital relationship | RENOVA’s equity interest in the company is 29.0%. |
| | Personal relationship | RENOVA dispatches 7 employees. |
| | Business relationship | RENOVA and the company have concluded a management support services agreement. |
| (10) Business results and financial position of the company over the last three years | | |

| Fiscal Year | FY ended March 2021 | FY ended March 2022 | FY ended March 2023 |
|------------------|---------------------|---------------------|---------------------|
| Net assets | -3,416 million yen | 4,379 million yen | 7,139 million yen |
| Total assets | 32,728 million yen | 38,001 million yen | 46,812 million yen |
| Net sales | - | - | - |
| Operating profit | -0 million yen | -9 million yen | -9 million yen |
| Ordinary profit | -0 million yen | -7 million yen | -9 million yen |
| Profit | -1 million yen | -8 million yen | -5 million yen |

3. Outline of party from which equity interest is acquired

Mizuho Leasing Co., Ltd.

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|--|--|---|
| (1) Title | Mizuho Leasing Company, Limited | |
| (2) Location | 2-6, Toranomom 1-chome, Minato-ku, Tokyo | |
| (3) Title and name of representative | Akira Nakamura, President & CEO | |
| (4) Business | Leasing and installment sales transactions of information-related equipment, real estate, industrial and machine tools, environment and energy related facilities and various financial transactions | |
| (5) Capital | 26,088 million yen | |
| (6) Date of establishment | December1, 1969 | |
| (7) Net assets | 148,483 million yen | |
| (8) Total assets | 2,468,870 million yen | |
| (9) Major shareholders and shareholding ratios | Mizuho Financial Group, Inc. 23.03%, The Master Trust Bank of Japan, Ltd. (Trust account) 6.08%, others | |
| (10) Relationships with the listed company | Capital relationship | There is no capital relationship that is required to be stated between RENOVA and the company. |
| | Personal relationship | There is no personal relationship that is required to be stated between RENOVA and the company. |
| | Business relationship | RENOVA and the company jointly formed and operate Ishinomaki Hibarino Biomass Energy G.K. |
| | Status as related party | The company does not constitute a related party of RENOVA. |

RenoDa Partners G.K.

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| (1) Title | RenoDa Partners G.K. | |
| (2) Location | Tokyo Kyodo Accounting Office, 3-1-1 Marunouchi, Chiyoda-ku, Tokyo | |
| (3) Title and name of representative | (Representative employee) Energy Infrastructure LLC Holdings, Inc. (Executor) Masakazu Hongo | |
| (4) Business | Development, generation and supply of renewable energy | |
| (5) Capital | 2 million yen | |
| (6) Date of establishment | August 14, 2020 | |
| (7) Net assets | 2 million yen | |
| (8) Total assets | 607 million yen | |
| (9) Major shareholders and shareholding ratios | Energy Infrastructure LLC Holdings 100% | |
| (10) Relationships with the listed company | Capital relationship | There is no capital relationship that is required to be stated between RENOVA and the company. |
| | Personal relationship | There is no personal relationship that is required to be stated between RENOVA and the company. |
| | Business relationship | There is no business relationship that is required to be stated between RENOVA and the company. |
| | Status as related party | The company does not constitute a related party of RENOVA. |

4. Status of equity interests before and after the transfer

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|-------------------------------------|-------------------|
| (1) Equity interest before transfer | 29.0% |
| (2) Equity interest to be acquired | 31.0% |
| (3) Equity interest after transfer | 60.0% |
| (4) Acquisition price | 1,627 million yen |

5. Schedule

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| December 8, 2023 | Decision of acquisition |
| December 8, 2023 | Conclusion of an agreement for the purchase and sale of equity interests |
| December 8, 2023 | Transfer of equity interest |

6. Future outlook

The impact of the acquisition of the equity interest on the financial results for the current fiscal year (fiscal year ending March 31, 2024) is already reflected in the consolidated business results forecast released on November 7, 2023. RENOVA will promptly disclose any other matters that should be announced, as and when they arise.

In addition, we will file an extraordinary report to the director-general of the Kanto Local Finance Bureau pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 3 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc.

[For inquiries about this release]

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