NOTICE: For the convenience of capital market participants, RENOVA, Inc. makes efforts to provide English translations of the information disclosed in Japanese. However, in the event that any discrepancy is found between the documents, the Japanese original shall prevail over its English translation.

Consolidated Financial Results For the Nine Months Ended December 31, 2024 (International Financial Reporting Standards (IFRS)) (Non-audited)

February 7, 2025

Company name: RENOVA, Inc.
Securities code: 9519
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Scheduled date of quarterly securities report filing: February 7, 2025
Scheduled date of commencement of dividend payment: –
Supplementary documents for quarterly financial results: Yes
Quarterly financial results briefing: None

(Amounts of less than one million yen are rounded)

1. Consolidated financial results for nine months ended December 31, 2024 (April 1, 2024 – December 31, 2024)

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

	Revenue		EBITDA(*)		Operating profit		Profit before income taxes		Profit for the period attributable to owners of the Parent	
Nine months	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
ended Dec. 31 2024	48,631	63.0	16,624	18.4	2,529	(60.3)	(64)	–	(912)	–
ended Dec. 31 2023	29,827	20.3	14,042	(8.3)	6,375	(23.4)	8,925	32.8	5,984	39.3

(Note)
Total Comprehensive income: Nine months ended December31, 2024: 20,039 million yen, (3.3)% Nine months ended December 31, 2023: 20,734 million yen, (11.4%)

	Basic earnings per share	Diluted earnings per share
Nine months	Yen	Yen
ended Dec. 31 2024	(10.14)	(10.14)
ended Dec. 31 2023	75.91	75.65

(Note)
For the diluted earnings per share for the nine months ended Dec. 31 2024, the exercise of stock options has reduced the basic loss per share, resulting in an anti-dilutive. Therefore, it is the same amount as the basic loss per share

* 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
EBITDA is a Non–GAAP financial measure
Fuel expenses in the calculation of EBITDA is adjusted from the amount represented in Consolidated financial statements to deduct the amount of the impact caused by elimination of accumulated other comprehensive income derived from forward exchange contracts in business combination of SPC for the biomass power generation business. The adjusted amount for six months ended December 31, 2024 is (1,846) million yen.

(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
Dec. 31 2024	494,098	143,262	99,827	20.2	1,104.05
Mar. 31 2024	465,399	105,698	68,005	14.6	861.06

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. 2024	–	0.00	–	0.00	0.00
ending Mar. 2025	–	0.00			
ending Mar. 2025 (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, 2025 (April 1, 2024 – March 31, 2025)

(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. 2025	71,800	60.5	20,800	24.5	1,000	(80.1)	5,900	(33.4)	65.31

(Note) Revisions to the dividends 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): None
Newly included: None
Excluded: None

(2) Changes in accounting policies and changes in accounting estimates
(i) Changes in accounting policies required by IFRS: None
(ii) Changes in accounting policies other than (i): None
(iii) Changes in accounting estimates: None

(3) Number of issued shares (common shares):
(i) Number of issued shares at end of period (including treasury shares)
As of December 31, 2024: 91,194,300 shares As of March 31, 2024: 79,275,400 shares
(ii) Number of treasury shares at end of period
As of December 31, 2024: 775,100 shares As of March 31, 2024: 297,300 shares
(iii) Average number of shares outstanding during the period
For the nine months ended December 31, 2024: 89,883,693 shares
For the nine months ended December 31, 2023: 78,820,861 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, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	17,327	26,213
Restricted bank deposits	49,165	58,144
Trade and other receivables	17,169	6,951
Inventories	3,018	3,319
Other financial assets	1,655	2,505
Other current assets	2,781	4,709
Total current assets	91,114	101,840
Non-current assets		
Property, plant and equipment	220,332	213,724
Right-of-use assets	8,681	8,166
Goodwill	237	237
Intangible assets	34,547	33,879
Investments accounted for using the equity method	21,731	26,443
Deferred tax assets	1,453	2,222
Other financial assets	80,734	99,544
Other non-current assets	6,570	8,044
Total non-current assets	374,285	392,258
Total assets	465,399	494,098

(Million yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Trade and other payables	9,633	9,844
Borrowings	33,455	23,324
Lease liabilities	788	825
Other financial liabilities	72	159
Income tax payables	2,725	1,012
Other current liabilities	633	1,280
Total current liabilities	47,307	36,443
Non-current liabilities		
Bonds and borrowings	263,879	259,147
Lease liabilities	8,743	8,115
Other financial liabilities	1,031	561
Provisions	12,473	12,536
Deferred tax liabilities	25,697	33,346
Other non-current liabilities	571	687
Total non-current liabilities	312,395	314,392
Total liabilities	359,701	350,836
Equity		
Share capital	2,405	11,327
Share premium	1,447	10,516
Retained earnings	33,838	32,926
Treasury shares	(548)	(1,024)
Other components of equity	30,862	46,082
Equity attributable to owners of the parent	68,005	99,827
Non-controlling interests	37,693	43,435
Total equity	105,698	143,262
Total liabilities and equity	465,399	494,098

(2) Condensed quarterly consolidated statements of income and comprehensive income

Condensed quarterly consolidated statements of income (Non-audited)

(Million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Revenue	29,827	48,631
Other income	2,814	239
Fuel expenses	(10,242)	(22,151)
Outsourcing expenses	(1,977)	(3,061)
Payroll and related personnel expenses	(2,565)	(3,330)
Share of profit (loss) of investments accounted for using the equity method	(149)	709
Other expenses	(3,782)	(6,258)
Depreciation and amortization	(7,551)	(12,249)
Operating profit	6,375	2,529
Gain on remeasurement to fair value of pre-existing interest in business combination	3,364	—
Gain on remeasurement to fair value of option	—	48
Loss on remeasurement to fair value of option	(31)	—
Finance income	1,461	1,657
Finance costs	(2,243)	(4,299)
Profit before income taxes	8,925	(64)
Income tax expense	(1,322)	(212)
Profit for the period	7,604	(277)
Profit for the period attributable to:		
Owners of the parent	5,984	(912)
Non-controlling interests	1,620	635
Earnings per share		
Basic earnings per share (yen)	75.91	(10.14)
Diluted earnings per share (yen)	75.65	(10.14)

(Million yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024
Revenue	11,276	14,942
Other income	214	53
Fuel expenses	(4,743)	(6,808)
Outsourcing expenses	(720)	(1,117)
Payroll and related personnel expenses	(860)	(1,155)
Share of profit (loss) of investments accounted for using the equity method	(244)	264
Other expenses	(1,955)	(1,700)
Depreciation and amortization	(2,826)	(4,101)
Operating profit	143	377
Gain on remeasurement to fair value of pre-existing interest in business combination	3,364	—
Gain on remeasurement to fair value of option	—	16
Loss on remeasurement to fair value of option	(204)	—
Finance income	1,101	607
Finance costs	(823)	(1,335)
Profit before income taxes	3,580	(335)
Income tax expense	38	(175)
Profit for the period	3,618	(510)
Profit for the period attributable to:		
Owners of the parent	3,166	(783)
Non-controlling interests	452	273
Earnings per share		
Basic earnings per share (yen)	40.13	(8.66)
Diluted earnings per share (yen)	40.00	(8.66)

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

(Million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit for the period	7,604	(277)
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	5,140	16,266
Exchange differences on translating foreign operations	(1)	10
Share of other comprehensive income (loss) of investments accounted for using the equity method	7,991	4,040
Total	13,130	20,317
Total other comprehensive income, net of tax	13,130	20,317
Total comprehensive income for the period	20,734	20,040
Comprehensive income for the period attributable to:		
Owners of the Parent	17,846	14,308
Non-controlling interests	2,887	5,732

(Million yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024
Profit for the period	3,618	(510)
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	(1,671)	18,619
Exchange differences on translating foreign operations	(7)	15
Share of other comprehensive income (loss) of investments accounted for using the equity method	(2,658)	4,440
Total	(4,336)	23,073
Total other comprehensive income, net of tax	(4,336)	23,073
Total comprehensive income for the period	(718)	22,563
Comprehensive income for the period attributable to:		
Owners of the Parent	(666)	15,956
Non-controlling interests	(53)	6,607

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

Nine months ended December 31, 2023

(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, 2023	2,356	1,644	24,981	(719)	14,692	42,954	21,778	64,731
Profit for the period	—	—	5,984	—	—	5,984	1,620	7,604
Other comprehensive income, net of tax	—	—	—	—	11,863	11,863	1,267	13,130
Total comprehensive income for the period	—	—	5,984	—	11,863	17,846	2,887	20,734
Issuance of new shares	31	(23)	—	—	—	8	—	38
Share-based payment	—	(137)	—	—	—	(137)	—	(137)
Changes in scope of consolidation	—	—	—	—	—	—	5,865	5,865
Purchase of treasury shares	—	—	—	—	—	—	—	—
Disposal of treasury shares	—	21	—	171	—	193	—	193
Dividends	—	—	—	—	—	—	(808)	(808)
Other increase (decrease)	—	(4)	—	—	—	(4)	—	(4)
Total transactions with owners and others	31	(143)	—	171	—	59	5,085	5,117
Balance as of December 31, 2023	2,387	1,501	30,964	(548)	26,555	60,859	29,723	90,582

Nine months ended December 31, 2024

(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, 2024	2,405	1,447	33,838	(548)	30,862	68,005	37,693	105,698
Profit for the period	—	—	(912)	—	—	(912)	635	(277)
Other comprehensive income, net of tax	—	—	—	—	15,220	15,220	5,097	20,317
Total comprehensive income for the period	—	—	(912)	—	15,220	14,308	5,732	20,040
Issuance of new shares	8,921	8,899	—	—	—	17,820	—	17,820
Share-based payment	—	171	—	—	—	171	—	171
Changes in scope of consolidation	—	—	—	—	—	—	224	224
Purchase of treasury shares	—	—	—	(487)	—	(487)	—	(487)
Disposal of treasury shares	—	(1)	—	11	—	10	—	10
Dividends	—	—	—	—	—	—	(214)	(214)
Total transactions with owners and others	8,921	9,069	—	(476)	—	17,514	10	17,524
Balance as of December 31, 2024	11,327	10,516	32,926	(1,024)	46,082	99,827	43,435	143,262

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

(Million yen)

	Nine months ended December 31,, 2023	Nine months ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	8,925	(64)
Depreciation and amortization	7,551	12,249
Finance income	(329)	(459)
Finance costs	2,243	4,299
Other income	(2,644)	(166)
Share of (profit) loss of investments accounted for using the equity method	149	(709)
Gain on remeasurement to fair value of pre-existing interest in business combination	(3,364)	―
(Gain) loss on remeasurement to fair value of option	31	(48)
Decrease (increase) in trade and other receivables	(2,164)	10,217
Decrease (increase) in inventories	27	3,304
Increase (decrease) in trade and other payables	2,455	1,825
Other, net	131	(752)
Subtotal	13,012	29,695
Interest and dividend income received	312	397
Interest expenses paid	(1,786)	(3,313)
Income taxes paid	(607)	(2,517)
Compensation income received	2,612	―
Other, net	12	59
Net cash from operating activities	13,554	24,322
Cash flows from investing activities		
Payments for construction in advance	(215)	(525)
Proceeds from advanced payments for construction	539	―
Increase in loan receivables	(528)	(110)
Collection of loans receivable	553	―
Acquisition of property, plant and equipment	(7,469)	(5,087)
Acquisition of intangible assets	(77)	(108)
Purchase of investments accounted for using the equity method	(1,807)	(210)
Purchase of investment securities	(2,797)	(82)
Payments for acquisition of subsidiaries	(1,671)	(522)
Proceeds from contribution refund	33	19
Payments for acquisition of contract fulfillment costs	(412)	(1,438)
Other, net	188	24
Net cash provided by (used in) investing activities	(13,665)	(8,039)
Cash flows from financing activities		
Proceeds from long-term borrowings	2,827	11,861
Repayments of long-term borrowings	(11,074)	(26,773)
Repayments of lease liabilities	(589)	(614)
Proceeds from issuance of shares	8	17,820
Dividends paid to non-controlling interests	(808)	(214)
Purchase of treasury shares	―	(487)
Net decrease (increase) in restricted bank deposits	1,818	(8,978)
Other, net	(360)	4
Net cash provided by (used in) financing activities	(8,178)	(7,381)
Effect of exchange rate change on cash and cash equivalents	144	(16)
Net increase (decrease) in cash and cash equivalents	(8,145)	8,886
Cash and cash equivalents at beginning of period	21,370	17,327
Cash and cash equivalents at end of period	13,226	26,213

(5) Notes to condensed quarterly consolidated financial statements

Notes relating to going concern assumptions

Not applicable.

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, biomass and onshore wind 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 (Non–GAAP financial measure) 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

Fuel expenses in the calculation of EBITDA is adjusted from the amount represented in Condensed quarterly consolidated financial statements to deduct the amount of the impact caused by elimination of accumulated other comprehensive income derived from forward exchange contracts in business combination of SPC for the biomass power generation business. Additionally, Dividends income, which was classified as Financial income for the nine months ended December 31, 2023, has been classified as Other income from the nine months ended December 31, 2024.The segment information for the nine months ended December 31, 2023 below reflects this change. As a result, the segment income of the Renewable energy development and operation business increased by 1,189 million yen for the nine months ended December 31, 2023 and by 179 million yen for the nine months ended December 31, 2024. Conversely, the segment income of Reconciling items decreased by the same amounts, respectively.

Nine months ended December 31, 2023 (April 1, 2023 – December 31, 2023)

(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	29,508	319	29,827	—	29,827
Intersegment (Note 2)	—	2,496	2,496	(2,496)	—
Total	29,508	2,815	32,323	(2,496)	29,827
Segment profit	18,369	(1,011)	17,358	(3,315)	14,042
Fuel expenses					(116)
Depreciation and amortization					(7,551)
Gain on remeasurement to fair value of pre-existing interest in business combination					3,364
Gain on remeasurement to fair value of option					(31)
Finance income					1,461
Finance costs					(2,243)
Profit before income taxes					8,925

(Notes) 1. The reconciliation of (3,315) 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.

Nine months ended December 31, 2024 (April 1, 2024 – December 31, 2024)

(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	48,408	222	48,631	—	48,631
Intersegment (Note 2)	—	2,710	2,710	(2,710)	—
Total	48,408	2,932	51,341	(2,710)	48,631
Segment profit	20,414	(1,519)	18,895	(2,271)	16,624
Fuel expenses					(1,846)
Depreciation and amortization					(12,249)
Gain on remeasurement to fair value of option					48
Finance income					1,657
Finance costs					(4,299)
Profit before income taxes					(64)

(Notes) 1. The reconciliation of (2,271) 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.