

Financial Highlights

for Fiscal Year Ended December 31, 2021



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FY 2021 Financial Highlights

- for Fiscal Year Ended December 31, 2021 -



- ◆ Achieved a significant YoY increase in profit
- ◆ Recorded new highs in Power Production etc., and O&M business

1. EBITDA : JPY4,667mn, Up 50% YoY

2. Power Production etc : Gross profit JPY1,861mn, Up 70% YoY

3. O&M Business : Gross profit JPY637mn, Up 62% YoY

*EBITDA = Ordinary profit + Interest expense + Commission paid + Depreciation + Amortization of goodwill + Other depreciation

(EBITDA is exempt from audit or a quarterly review).

Consolidated PL : Summary



(JPY mn) (rounded down to mm)	2020 Actual	2021 Actual	YoY	2021 Plan	2021 Actual	Vs. the Plan
Sales	22,276	15,950	(28%)	15,394	15,950	+4%
Gross profit	4,768	6,004	+26%	5,664	6,004	+6%
SG&A	3,094	3,774	+22%	3,591	3,774	+5%
Operating profit	1,673	2,229	+33%	2,072	2,229	+8%
Ordinary profit	731	990	+35%	906	990	+9%
EBITDA	3,103	4,667	+50%	4,325	4,667	+8%
Profit attributable to owners of parent	462	529	+15%	506	529	+5%

*EBITDA = Ordinary profit + Interest expense + Commission paid + Depreciation + Amortization of goodwill + Other depreciation

(EBITDA is exempt from audit or a quarterly review).

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Consolidated PL: By Business Segment



(JPY mn) (rounded down to mm)		2020 Actual	2021 Actual	YoY
Flow (One Time Sales Business)	Sales	13,834	3,723	(73%)
	Gross profit	2,859	2,972	+4%
Power Production etc.,	Sales	7,100	10,510	+48%
	Gross profit	1,095	1,887	+72%
O&M Business	Sales	921	1,210	+31%
	Gross profit	394	637	+62%
AM Business	Sales	419	506	+21%
	Gross profit	419	506	+21%
Stock (Recurring Revenue Business)	Sales	8,441	12,226	+45%
	Gross profit	1,908	3,031	+59%
Total	Sales	22,276	15,950	(28%)
	Gross profit	4,768	6,004	+26%

Consolidated BS : Summary



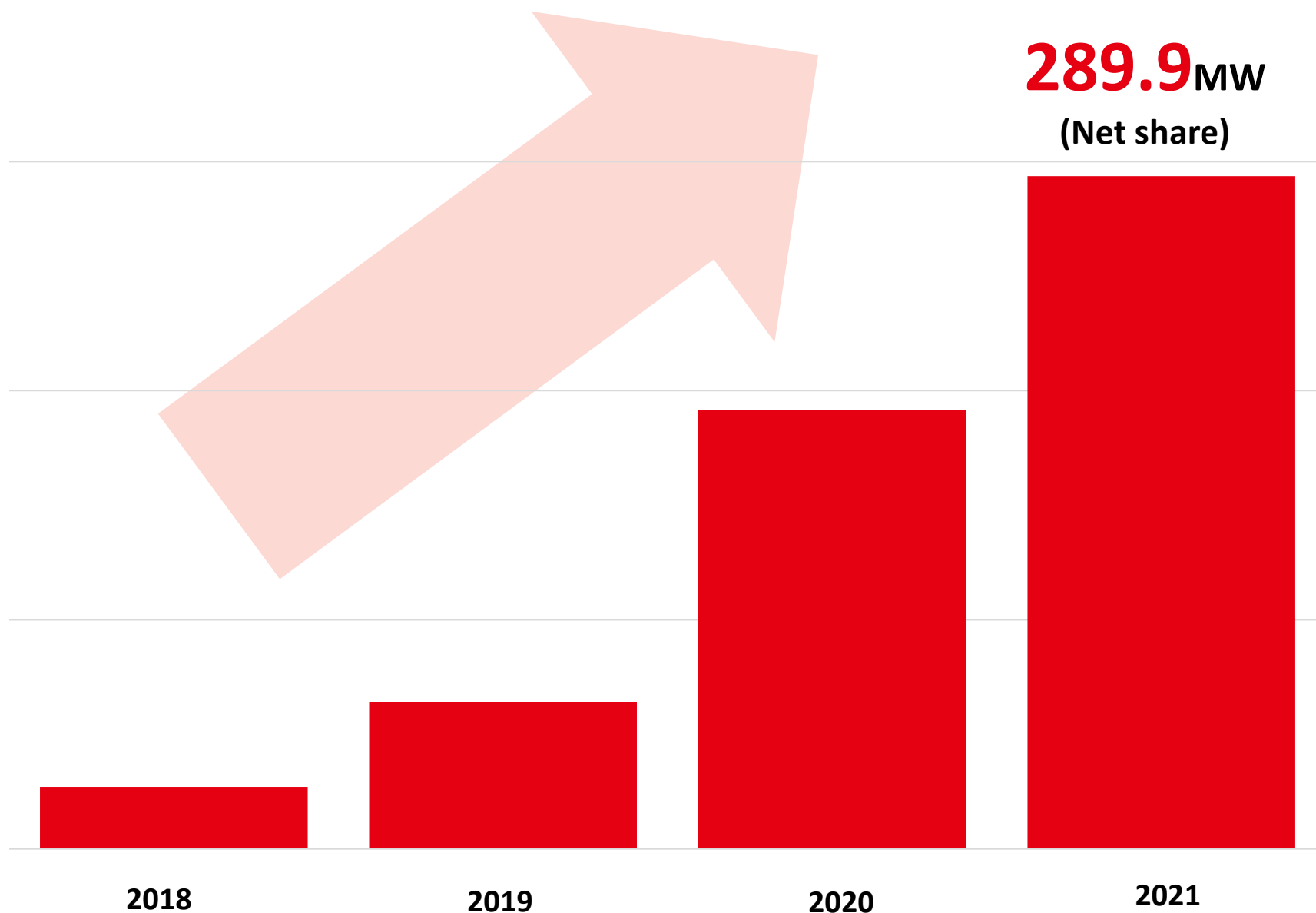
(JPY mn) (rounded down to mm)	2020 Actual	2021 Actual	YoY
Cash deposit	12,060	18,162	+51%
Inventory* ₁	42,866	78,686	+84%
Other assets	8,466	22,917	+171%
Total assets	63,392	119,766	+89%
Interest-bearing debt (recourse)	27,422	46,310	+69%
Interest-bearing debt (non-recourse)	26,407	53,094	+101%
Other liabilities	3,246	6,263	+93%
Total liabilities	57,076	105,668	+85%
Own capital	5,876	10,630	+81%
Non-controlling interest	439	3,467	+688%
Total net assets	6,315	14,097	+123%
Total liabilities and net assets	63,392	119,766	+89%
Equity-to-asset ratio*₂	9.3%	8.9%	(0.4%)
Equity-to-asset ratio excl. non-recourse*₃	16.1%	16.8%	+0.7%

*1 : Inventory = Operational investment securities+Power plant for sale+Power plant for sale in process+Costs on construction contracts in progress

*2 : Equity-to-asset ratio = Own capital / Total assets

*3 : Equity-to-asset ratio excl. non-recourse = Own capital / (Total assets - Non-controlling interests - Interest-bearing debt (non-recourse))

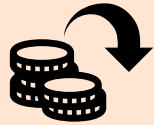
Increase in Capacity of IPP (Under development · In Operation)





1

Promotion of in-house production



- Mowing
- Annual inspection



Enhance competitiveness

Cost reduction

2

Technology conducting all processes in one stop



- Engineering /Procurement /Construction
- Maintenance

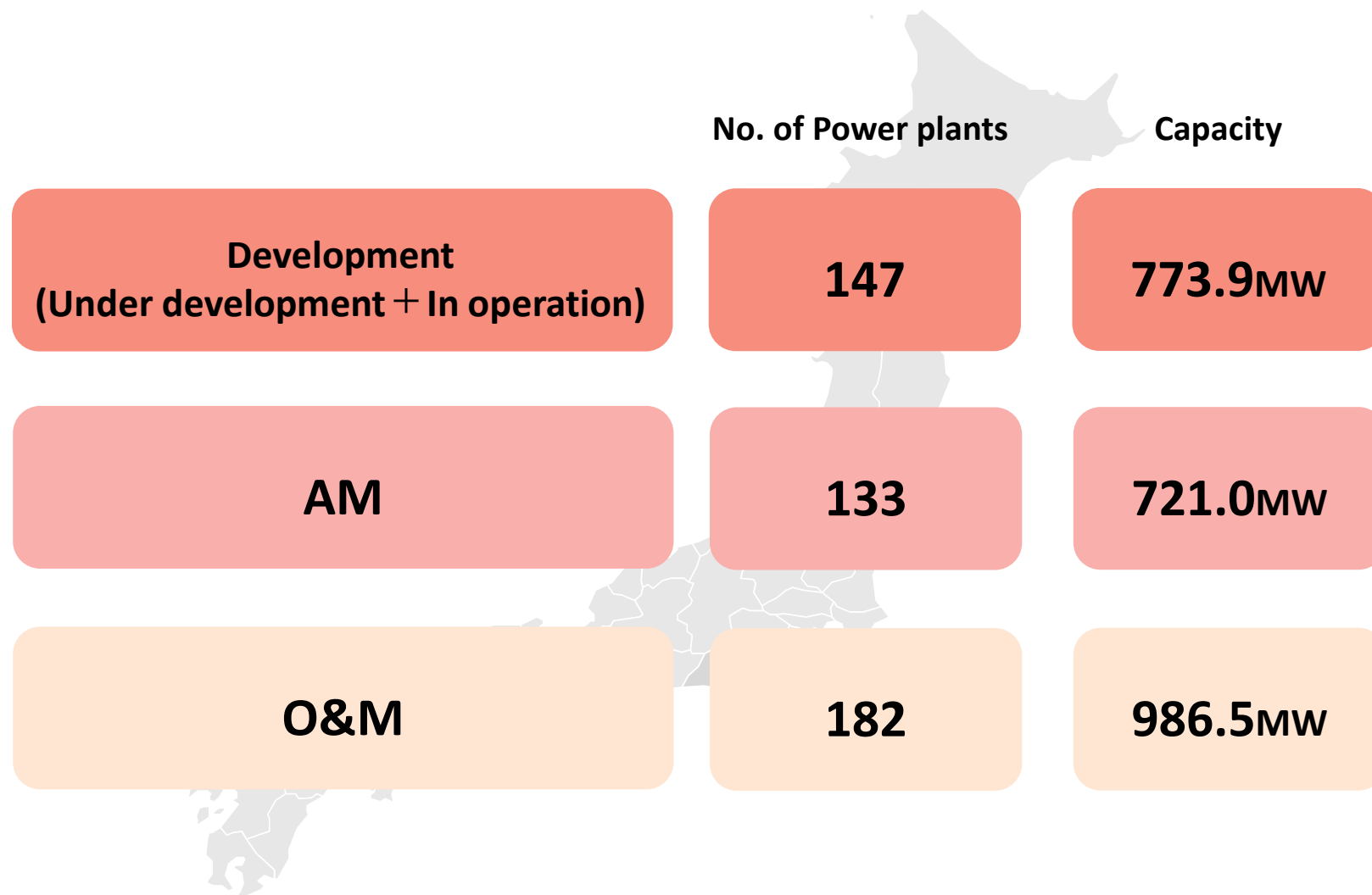


Enhance credibility

One-stop support

Achieved 986.5MW in 2021

Track Record of Development, AM, O&M (Total)



*1 : Track Record of Development is the total of projects developed or acquired.

*2 : Track Record of AM, O&M are totals of projects entrusted by own and other companies.

As of December 31, 2021

2

FYE 2022 Plans

FYE2022 Plan: PL Summary



(JPY mn) (rounded down to mm)	2021	2022	YoY
	Actual	Plan	
Sales	15,950	18,800	+18%
Gross profit	6,004	6,800	+13%
SG&A	3,774	3,900	+3%
Operating profit	2,229	2,900	+30%
Ordinary profit	990	1,400	+41%
EBITDA	4,667	7,603	+63%
Profit attributable to owners of parent	529	600	+13%

*EBITDA = Ordinary profit + Interest expense + Commission paid + Depreciation + Amortization of goodwill + Other depreciation

(EBITDA is exempt from audit or a quarterly review).

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FYE2022 Plan: PL Summary by Business Segment



(JPY mn) (rounded down to mm)		2021	2022	YoY
		Actual	Plan	
Flow (One Time Sales Business)	Sales	3,723	2,338	(37%)
	Gross profit	2,972	2,338	(21%)
	Power Production etc.,			
	Sales	10,510	14,459	+38%
	Gross profit	1,887	3,077	+63%
	O&M Business			
	Sales	1,210	1,450	+20%
	Gross profit	637	831	+30%
	AM Business			
	Sales	506	552	+9%
	Gross profit	506	552	+9%
Stock (Recurring Revenue Business)	Sales	12,226	16,461	+35%
	Gross profit	3,031	4,461	+47%
Total	Sales	15,950	18,800	+18%
	Gross profit	6,004	6,800	+13%

FYE2022 Plan: PL Summary



(JPY mn) (rounded down to mm)	2021 Actual	2022 Plan	YoY
Cash deposit	18,162	18,382	+1%
Inventory* ₁	78,686	97,932	+24%
Other assets	22,917	12,750	(44%)
Total assets	119,766	129,066	+8%
Interest-bearing debt (recourse)	46,310	45,103	(3%)
Interest-bearing debt (non-recourse)	53,094	68,174	+28%
Other liabilities	6,263	4,146	(34%)
Total liabilities	105,668	117,424	+11%
Own capital	10,630	11,187	+5%
Non-controlling interest	3,467	454	(87%)
Total net assets	14,097	11,641	(17%)
Total liabilities and net assets	119,766	129,066	+8%
Equity-to-asset ratio*₂	8.9%	8.7%	(0.2%)
Equity-to-asset ratio excl. non-recourse*₃	16.8%	18.5%	+1.7%

* 1 : Inventory = Operational investment securities+Power plant for sale+Power plant for sale in process+Costs on construction contracts in progress

* 2 : Equity-to-asset ratio =Own capital/Total assets

* 3 : Equity-to-asset ratio excl. non-recourse = Own capital / (Total assets - Non-controlling interests - Interest-bearing debt (non-recourse))

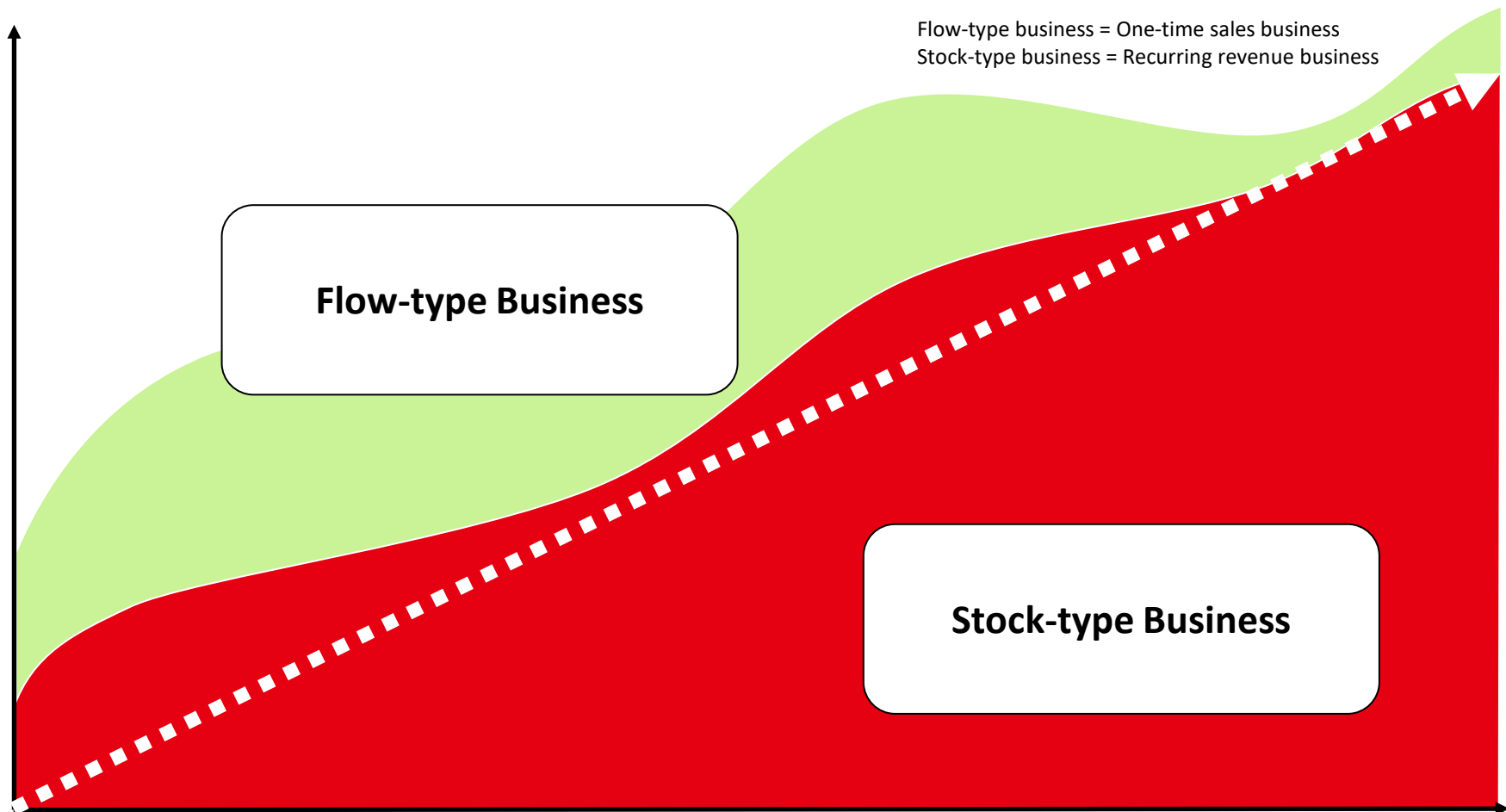
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Target for growth

Expansion of Stock-type Business



RJ aims to achieve stable growth by focusing on stock-type business such as Power Production and O&M business moving forward.



Mid-term Target 1. O&M Business: Further Expansion of Contract Scale



2025 Target
2GW

Technical Improvement
× In-house production
Expand orders from third party

2021 Actual
987MW

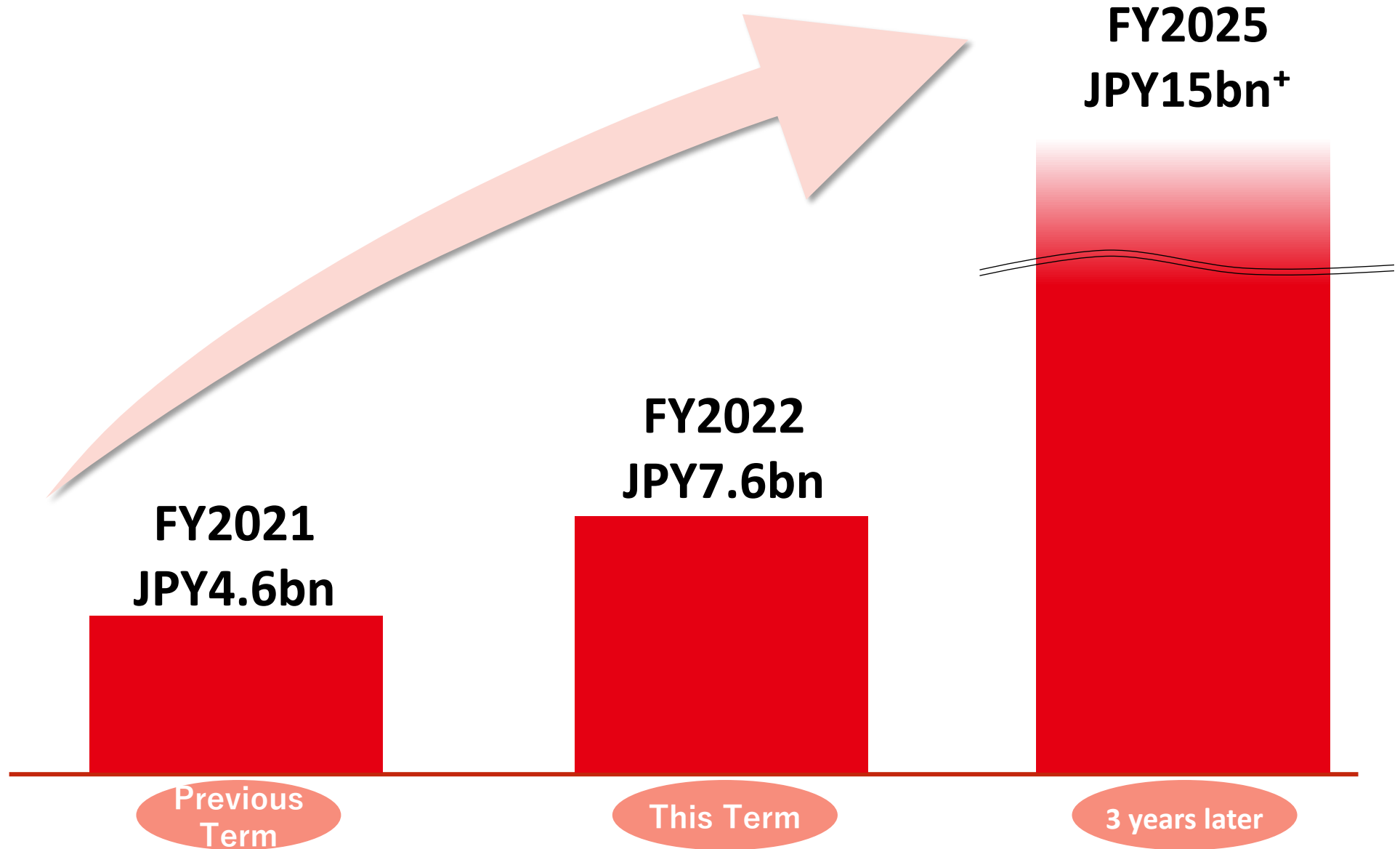
2022

2023

2024

RJ aims to achieve the goal ahead of schedule

Mid-term Target 2. EBITDA



*EBITDA = Ordinary profit + Interest expense + Commission paid + Depreciation + Amortization of goodwill + Other depreciation

(EBITDA is exempt from audit or a quarterly review).

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Long-term Target : IPP Capacity Targeted within 10 Years



Domestic Solar Power



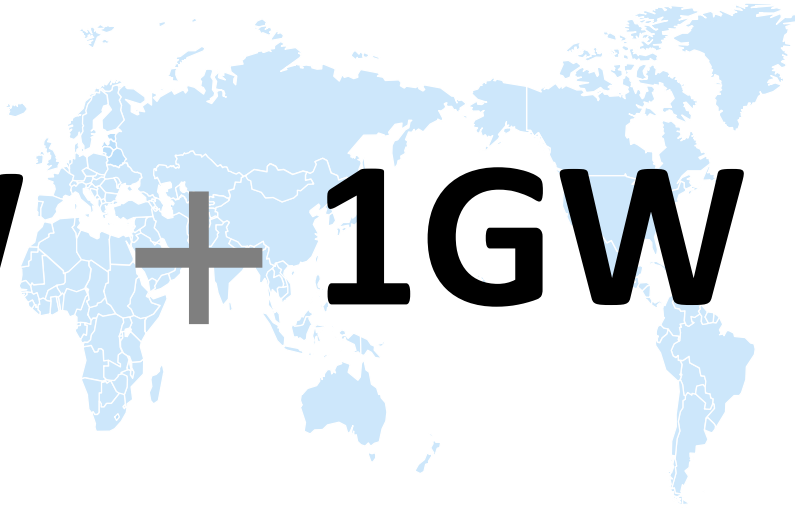
**1GW
+α**

Domestic Wind Power



+ 1GW

Overseas



+ 1GW

4

Appendix

Fluctuations in Sales due to Differences in Sales Methods



- ◆ Depending on the difference in selling method of 1. Power plants 2. TK's equity shares, **sales figures change materially**, although the gross profit stays the same.

Case 1. Sales of a Power Plant

⇒ Power plant(Book Value) =90, Profit=10

Power plant:90	} Sales:100
Profit:10	

Sales	Selling Price	100
COGS	Power Plant (Book Value)	90
Gross profit	Profit	10

Case 2. Sales of TK's Equity shares

⇒ Profit(Gain on Sale)=10

Profit:10	} Sales:10
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Sales	Gain on Sale	10
COGS	-	-
Gross profit	Profit	10

Assumptions for Business Performance Plan



Revenue by segment	Assumptions
Flow Business	Fees are formulated by pipeline project based on the conditions of contracts and track records. 1. Project development fees 2. EPC fees 3.Sale of Power plant
Power Production (Stock business)	Formulated based on applicable unit price, third party reporting and track records of sales of electricity.
O&M (Stock business)	Profit from fixed-term contract is estimated based on contracts and spot sales figures are estimated based on track records.
AM (Stock business)	Created based on individual plan. (Incl. RJ Investment Co., Ltd. , an affiliated company)

Flow-type business = One-time sales business
Stock-type business = Recurring revenue business

Consolidated PL: Reasons of the Difference



(JPY mn) (rounded down to mm)	2020 Actual	2021 Actual	Difference
Sales	22,276	15,950	(6,325)
Gross profit	4,768	6,004	1,235
SG&A	3,094	3,774	679
Operating profit	1,673	2,229	556
Non-operating Profit or Loss	(941)	(1,239)	(297)
Ordinary profit	731	990	259
Profit attributable to owners of parent	462	529	67

【Sales】

- ◆ **Power Production, etc.:** +JPY3,409mn due to increase in 84MW (net share) of IPP in operation.
- ◆ **EPC:** +JPY344mn due to repair work contract ,etc.,
- ◆ **O&M business:** +JPY288mn due to increase in contracted business (256MW)
- ◆ **AM business:** +JPY87mn due to acquisition fees, etc., from infrastructure fund public offering
- ◆ **Sales of power plant:** JPY (10,112mn) due to the difference of sales methods
- ◆ **Development fees:** JPY (343mn) due to decreased number of power plants which are ready to start operation

【Gross profit】

- ◆ **Power Production, etc.:** +JPY766mn due to increased number of IPPs in operation (84MW)
- ◆ **Sales of power plant:** +JPY386mn due to an increase in sales and profit
- ◆ **O&M business:** +JPY243mn due to an increase in contracted business (256MW)
- ◆ **EPC:** +JPY37mn increase due to repair work contract
- ◆ **AM business:** +JPY87mn due to acquisition fees, etc., from infrastructure fund public offering
- ◆ **Development fees:** JPY (285mn) due to decreased number of power plants which are ready to start operation

【SG&A】

- ◆ **Personnel expenses:** +JPY405mn due to an increase in the number of personnel
- ◆ **Taxes and dues:** +JPY103mn due to expansion of scope of business
- ◆ **Depreciation, etc.:** +JPY67mn due to an increase of depreciation acquisition of Akashiba hydro power plant
- ◆ **Other expanses :**+JPY102mn

【Non-operating Profit or Loss】

- ◆ **Non-operating Profit:** +JPY129mn due to the receipt of cancellation fee by purchase contract counterparty
- ◆ **Non-operating Loss:** JPY (426mn) due to interest expenses, etc., accounting for acquisition of new power plant/development

Consolidated PL: Summary by Business Segment



(JPY mn) (rounded down to mm)		2019	2020	2021
		Actual	Actual	Actual
Flow (One Time Sales Business)	Sales	15,884	13,834	3,723
	Gross profit	3,117	2,859	2,972
	Power Production etc.,	Sales	3,789	7,100
		Gross profit	161	1,887
	O&M Business	Sales	553	921
		Gross profit	171	394
	AM Business	Sales	372	419
		Gross profit	372	419
Stock (Recurring Revenue Business)	Sales	4,716	8,441	12,226
	Gross profit	706	1,908	3,031
Total	Sales	20,600	22,276	15,950
	Gross profit	3,824	4,768	6,004

Power Plants In Operation 1/2



No	Category	Location	Net capacity (MW)	Capacity (MW)	Unit Price (JPY/kWh)	Commercial Operation	RJ Share Ratio
1	Solar	Niigata	22.9	44.9	36	2021/12	51%
2	Solar	Gifu	22.7	22.7	40	2021/04	100%
3	Solar	Hokkaido	22.0	22.0	40	2019/11	100%
4	Solar	Aomori	14.7	14.7	36	2021/09	100%
5	Solar	Mie	10.4	10.4	36	2020/12	100%
6	Hydro	Yamagata	5.7	6.0	-*1	1990/06	95%
7	Hydro	Yamagata	4.9	5.2	-*1	1954/09	95%
8	Solar	Miyagi	3.8	31.7	32	2020/10	12%
9	Solar	Fukushima	3.0	25.1	36	2021/06	12%
10	Solar	Mie	2.7	2.7	36	2014/02	100%
11	Solar	Miyagi	2.5	21.1	32	2020/10	12%
12	Solar	Miyagi	2.4	2.4	36	2018/10	100%
13	Solar	Iwate	2.2	2.2	36	2016/10	100%
14	Solar	Hokkaido	2.0	2.0	36	2020/03	100%
15	Solar	Mie	1.9	16.5	32	2018/12	12%
16	Solar	Shizuoka	1.8	1.8	40	2018/10	100%
17	Solar	Mie	1.8	13.2	27	2019/12	14%
18	Solar	Ibaraki	1.8	1.8	36	2017/03	100%
19	Solar	Saitama	1.8	1.8	18	2021/09	100%
20	Solar	Iwate	1.6	2.6	36	2018/06	62%

* Capacity and net capacity regarding solar are DC (panel) capacity. Figure is rounded down to the second decimal place.

* Net capacity=capacity X RJ share ratio.

*1 Non-FIT contract

As of December 31, 2021

Power Plants In Operation 2/2



No	Category	Location	Net capacity (MW)	Capacity (MW)	Unit Price (JPY/kWh)	Commercial operation	RJ Share Ratio
21	Solar	Iwate	1.6	2.6	36	2018/10	62%
22	Solar	Hiroshima	1.5	1.5	40	2013/12	100%
23	Solar	Kagoshima	1.4	1.4	40	2014/05	100%
24	Solar	Fukushima	1.4	1.4	32	2020/01	100%
25	Solar	Okayama	1.4	1.4	12.88	2021/05	100%
26	Solar	Shizuoka	1.3	11.3	36	2017/09	12%
27	Solar	Ibaraki	1.3	1.3	40	2013/09	100%
28	Solar	Fukushima	1.2	1.2	36	2017/09	100%
29	Solar	Mie	1.2	1.2	36	2014/09	100%
30	Solar	Ibaraki	1.2	1.2	32	2017/03	100%
31	Solar	Hiroshima	1.1	1.1	18	2021/12	100%
32	Solar	Kagoshima	1.1	1.1	40	2015/06	100%
33	Solar	Saitama	1.0	1.0	18	2021/08	100%
34	Solar	Kagoshima	1.0	1.0	40	2013/12	100%
35	Solar	Miyagi	0.9	7.5	32	2020/02	12%
36	Solar	Kyoto	0.7	14.5	32	2019/11	5%
37	Solar	Chiba	0.5	0.5	32	2016/05	100%
38	Solar	Kagoshima	0.5	25.7	36	2020/07	2%
39	Small Wind	Hokkaido	0.3	0.3	55	-	100%
Total			154.8	329.6			

* Capacity and net capacity regarding solar are DC (panel) capacity. Figure is rounded down to the second decimal place.

* Net capacity=capacity X RJ share ratio.

As of December 31, 2021

Power Plants Under Development



No	Category	Location	Net capacity (MW)	Capacity (MW)	Unit Price (JPY/kWh)	Commercial operation (Plan)	RJ Share Ratio
1	Solar	Iwate	42.3	42.3	32	2022/8	100%
2	Solar	Iwate	15.0	15.0	36	2022/8	100%
3	Solar	Chiba	1.6	1.6	36	2023/2	100%
4	Solar	Chiba	1.1	1.1	32	2023/2	100%
5	Solar	Tochigi	1.2	1.2	40	2023/5	100%
6	Solar	Miyagi	14.9	14.9	36	2023/7	100%
7	Solar	Saitama	2.6	2.6	21	2023/11	100%
8	Solar	Hyogo	5.4	5.4	11.88	2023/12	100%
9	Solar	Fukushima	25.4	25.4	24	2025/1	100%
10	Wind	Mie	25.2	25.2	22	2026/2	100%
		Total	135.1	135.1			

As of December 31, 2021

【Other projects under development】

In addition to the projects listed in the table above, there are other projects under development that have received project approval and are in process of receiving other permits and approvals (37MW solar power plant (DC (panel) capacity) and 67MW onshore wind power plant).

* Capacity and net capacity regarding solar are DC (panel) capacity. Figure is rounded down to the second decimal place.

* Net capacity=capacity X RJ share ratio.

* The capacity of the projects under development may be changed in the future. In addition, there is a possibility that the development itself will be cancelled for some reason.

* Commercial operation(plan) is a target schedule, and there is no guarantee that the projects will progress on schedule. The actual commercial operation may be delayed or may not be realized due to various factors.

Company Overview



Business name	Renewable Japan Co., Ltd.
Established in	January 25, 2012
Representative	President and representative director Katsuhito Manabe
Capital	JPY 4,273.310 million
Number of employees	265*
Head office location	Toranomon Kotohira Tower 6th Fl., 1-2-8 Toranomon Minato-ku, Tokyo, 105-0001, JAPAN
Licenses	Type II Financial Instruments Business Investment Advisory and Agency Business (Kanto Local Finance Bureau, No.2697) Special Construction (Governor of Tokyo, No.140815) Real Estate Transactions and Registers Business (Governor of Tokyo(2), No.96870)
Major Businesses	Development, management and operation of renewable power plants, Renewable energy generation and retail
Related Companies	RJ Investment Co., Ltd., Mirai Electric Power Co.,Ltd.
Website	https://www.rn-j.com

*as of December 31,2021

Excl. directors, auditors, temporarily transferred workers or temporary workers

January 2012	Renewable Japan Co., Ltd. was established in Akasaka, Minato-ku, Tokyo
February 2016	Established a wholly owned subsidiary, RJ Investment Co. for infrastructure fund operation business
March 2017	Renewable Japan Energy Infrastructure Fund, Inc., received approval from the Tokyo Stock Exchange for listing on the Infrastructure Fund Market
August 2017	Concluded a capital and business alliance agreement with Tokyu Land Corporation in the renewable energy business domain
November 2018	Acquired shares of Kansai Electric Power Company, Inc., an electricity retailers
December 2019	Concluded a capital and business alliance agreement with JXTG Nippon Oil & Energy Corporation (Current ENEOS Corporation)
March 2020	Transferred a portion of shares of RJ Investment Co., Ltd. (33.4%) that holds 100% shares issued to Tokyu Land Corporation
July 2020	Concluded a capital and business alliance agreement with the Kansai Electric Power Company, Inc. in the renewable energy business domain
December 2021	Listed on the Mothers market of the Tokyo Stock Exchange



Making everyone an energy player





Renewable Japan