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November 14, 2024

Consolidated Financial Results for the Third Quarter Ended September 30, 2024 (Under Japanese GAAP)

Company name: Renewable Japan Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9522
 URL: <https://www.rn-j.com/en/>
 Representative: Katsuhito Manabe, President and Representative director
 Inquiries: Eishin Ikeda, Director, Executive Managing Officer, and Senior General Manager of Corporate Business Management Division
 Telephone: +81-3-6670-6644
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended September 30, 2024

(from January 1, 2024, to September 30, 2024)

(1) Consolidated operating results (Cumulative)

(% indicates year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------------------|-----------------|-------|------------------|--------|-----------------|--------|---|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Nine months ended | | | | | | | | |
| September 30, 2024 | 13,366 | (7.6) | 2,467 | (12.7) | 913 | (51.5) | 608 | (43.9) |
| September 30, 2023 | 14,466 | 13.7 | 2,826 | 175.1 | 1,883 | - | 1,084 | - |

Note: Comprehensive income For the nine months ended September 30, 2024: 723 million yen (55.4%)
 For the nine months ended September 30, 2023: 1,621 million yen [-%]

| | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Nine months ended | Yen | Yen |
| September 30, 2024 | 20.37 | 20.08 |
| September 30, 2023 | 36.78 | 35.91 |

(2) Consolidated financial position

| | Total assets | Net assets | Capital adequacy ratio |
|--------------------|-----------------|-----------------|------------------------|
| As of | Millions of yen | Millions of yen | % |
| September 30, 2024 | 161,699 | 14,768 | 7.1 |
| December 31, 2023 | 159,105 | 14,129 | 6.7 |

Reference: Equity
 As of September 30, 2024: 11,503 million yen
 As of December 31, 2023: 10,732 million yen

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended December 31, 2023 | - | 0.00 | - | 0.00 | 0.00 |
| Fiscal year ending December 31, 2024 | - | 0.00 | - | | |
| Fiscal year ending December 31, 2024 (Forecast) | | | | 0.00 | 0.00 |

Note: Changes from the latest released dividend forecasts: None

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2024

(From January 1, 2024, to December 31, 2024)

(% indicates year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-----------------|--------|------------------|--------|-----------------|--------|---|------|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 17,500 | (47.9) | 2,700 | (24.8) | 500 | (75.4) | 1,500 | 37.8 | 50.18 |

Note: Changes from the latest released performance forecasts: Yes

* Notes

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

New inclusion of one company into the group, TJM Power LLC.

Exclusion of one company from the group, RJ Investment Co., Ltd.

(2) Application of specific accounting for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of shares issued (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

| | |
|--------------------------|-------------------|
| As of September 30, 2024 | 29,968,610 shares |
| As of December 31, 2023 | 29,754,092 shares |

(ii) Number of treasury shares at the end of the period

| | |
|--------------------------|-----------|
| As of September 30, 2024 | 88 shares |
| As of December 31, 2023 | 88 shares |

(iii) Average number of shares outstanding during the period

| | |
|--------------------------|-------------------|
| As of September 30, 2024 | 29,892,601 shares |
| As of September 30, 2023 | 29,482,995 shares |

*Quarterly financial results reports are exempt from review by certified public accountants or audit corporations.

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements)

Any statement on the future such as an outlook for financial results included in this material is based on information the Company presently has and certain assumptions the Company considers reasonable, and the Company does not promise these will be achieved. In addition, actual financial results may significantly differ due to various factors. For information on the conditions on which earnings forecasts are based and precautions to be taken when using earnings forecasts, please refer to Appendix P.3 "1. Overview of Operating Results (4) Future Outlook." (Japanese Version)

Quarterly Consolidated financial statements.

(1) Quarterly Consolidated balance sheet

(Millions of yen)

| | As of December 31, 2023 | As of September 30, 2024 |
|--|-------------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 13,404 | 10,315 |
| Accounts receivable-trade and contract assets | 1,457 | 2,093 |
| Investment securities | 5,012 | 5,922 |
| Power plants for sale | 27,304 | 25,822 |
| Power plants in progress of sale | - | 1,521 |
| Other | 2,816 | 4,573 |
| Total current assets | 49,996 | 50,248 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 3,634 | 3,634 |
| Machinery, equipment and vehicles | 85,104 | 87,925 |
| Land | 4,823 | 6,299 |
| Construction in progress | 11,481 | 12,616 |
| Other | 359 | 390 |
| Accumulated depreciation | (8,390) | (12,655) |
| Total tangible assets | 97,013 | 98,210 |
| Intangible non-current assets | 3,524 | 3,354 |
| Investments and other assets | | |
| Investment securities | 2,099 | 2,882 |
| Deferred tax assets | 2,123 | 2,180 |
| Long-term prepaid expenses | 3,876 | 3,755 |
| Other | 470 | 1,067 |
| Total investments and other assets | 8,570 | 9,885 |
| Total non-current assets | 109,108 | 111,451 |
| Total assets | 159,105 | 161,699 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable-trade | 392 | 104 |
| Short-term borrowings | 7,406 | 10,166 |
| Corporate bonds redeemable within one year | 1,196 | 1,196 |
| Long-term borrowings to be repaid within one year | 10,313 | 9,201 |
| Non-recourse long-term borrowings to be repaid within one year | 4,446 | 4,275 |
| Accounts payable | 1,633 | 1,168 |
| Income taxes payable | 1,208 | 606 |
| Reserve for bonuses | - | 113 |
| Other | 2,581 | 1,131 |
| Total current liabilities | 29,178 | 27,964 |
| Non-current liabilities | | |
| Bonds | 704 | 508 |
| Long-term borrowings | 40,920 | 47,790 |
| Non-recourse long-term borrowings | 66,051 | 62,337 |
| Long-term accounts payable | 32 | 376 |
| Deferred tax liabilities | 4,351 | 4,130 |
| Allowance for repairs | 134 | 152 |
| Asset retirement obligations | 2,943 | 3,045 |
| Other | 659 | 625 |
| Total non-current liabilities | 115,797 | 118,966 |
| Total liabilities | 144,975 | 146,930 |

(Millions of yen)

| | As of December 31, 2023 | As of September 30, 2024 |
|--|-------------------------|--------------------------|
| Net Assets | | |
| Shareholders' equity | | |
| Capital | 4,649 | 4,674 |
| Capital surplus | 4,473 | 4,531 |
| Retained earnings | 1,300 | 1,909 |
| Treasury stock | (0) | (0) |
| Total shareholders' equity | 10,424 | 11,114 |
| Other accumulated comprehensive income | | |
| Foreign currency translation adjustment | 307 | 388 |
| Total other accumulated comprehensive income | 307 | 388 |
| Share acquisition rights | 7 | 15 |
| Non-controlling interests | 3,389 | 3,250 |
| Total net assets | 14,129 | 14,768 |
| Total liabilities and net assets | 159,105 | 161,699 |

Note: All amounts are rounded down to the nearest million Japanese yen.

(2) Quarterly Consolidated statement of income and Quarterly Consolidated statement of comprehensive income
(Consolidated statement of income)

(Millions of yen)

| | Nine months ended September 30, 2023 | Nine months ended September 30, 2024 |
|--|---|---|
| Sales | 14,466 | 13,366 |
| Cost of sales | 8,502 | 7,675 |
| Gross profit | 5,963 | 5,691 |
| Selling, general and administrative expenses | 3,137 | 3,223 |
| Operating profit | 2,826 | 2,467 |
| Non-operating profit | | |
| Interest income | 4 | 17 |
| Insurance receipts | 549 | 80 |
| Gain on investments in silent partnership | 143 | 12 |
| Equity method income | 0 | 0 |
| Other | 94 | 94 |
| Total non-operating profit | 792 | 204 |
| Non-operating expenses | | |
| Interest expenses | 1,540 | 1,544 |
| Commission expenses | 194 | 185 |
| Other | 0 | 28 |
| Total non-operating expenses | 1,735 | 1,759 |
| Ordinary profit | 1,883 | 913 |
| Extraordinary Gains | | |
| Gain on Sale of Affiliate Stock | - | 249 |
| Other | - | 1 |
| Total Extraordinary Gains | - | 250 |
| Extraordinary losses | | |
| Impairment losses | 0 | - |
| Loss on retirement of fixed assets | 0 | 1 |
| Loss on Sale of Fixed Assets | 30 | 5 |
| Total extraordinary losses | 32 | 6 |
| Profit before income taxes | 1,850 | 1,157 |
| Income taxes – current | 2,161 | 810 |
| Income taxes – deferred | (1,583) | (296) |
| Total income taxes | 578 | 514 |
| Profit | 1,272 | 642 |
| Net profit attributable to non-controlling interests | 187 | 34 |
| Net profit attributable to owners of parent | 1,084 | 608 |

Note: All Yen amounts are rounded down to the nearest million Japanese yen.

(Consolidated statement of comprehensive income)
(For the nine months ended September 30, 2024)

(Millions of yen)

| | Nine months ended September 30, 2023 | Nine months ended September 30, 2024 |
|--|---|---|
| Net profit | 1,272 | 642 |
| Other comprehensive income | | |
| Equity in earnings of affiliated companies | - | 0 |
| Foreign currency translation adjustment | 348 | 80 |
| Total other comprehensive income | 348 | 80 |
| Comprehensive income | 1,621 | 723 |
| Comprehensive income attributable to owners of parent | 1,433 | 689 |
| Comprehensive income attributable to non-controlling interests | 187 | 34 |

Note: All Yen amounts are rounded down to the nearest million Japanese yen.