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 Tokyo Stock Exchange 1st)
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**RENOVA Acquires Equity Interest in a Silent Partnership
 (Change in Subsidiary Company prescribed in Article 166, Paragraph 5 of the Financial
 Instruments and Exchange Act)**

RENOVA, Inc. (hereinafter “RENOVA”) announces that it has acquired from a co-investor an additional equity interest in Karumai Sonbou Solar T.K. (hereinafter “Karumai Sonbou Solar”), which owns Karumai Sonbou Solar Power Plant (Karumai-machi, Kunohe-gun, Iwate Prefecture; generation capacity of 40.8 MW) in operation since October 1, 2021. RENOVA’s equity ownership in Karumai Sonbou Solar will increase to 55.0% following the equity interest acquisition.

As announced in the Notice Concerning Change of Subsidiaries (Specified Subsidiaries) dated June 14, 2021, Karumai Sonbou Solar is already a consolidated subsidiary of RENOVA under International Financial Reporting Standards (IFRS) which has been voluntarily applied.

Under J-GAAP, Karumai Sonbo Solar became classified as a consolidated subsidiary as a result of ownership increase to majority through this additional equity interest acquisition .

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.

RENOVA has had the right to acquire equity interest held by some of the co-investors after the operation start date of Karumai Sonbou Solar under the “Memorandum on the transfer of equity interests, etc. in the silent partnership regarding Karumai Sonbou Solar G.K.” concluded between the co-investors and RENOVA. Based on the right, RENOVA acquired equity interest held by a co-investor.

RENOVA continues its development with the stakeholders of the local community of Karumai-machi.

2. Overview of Karumai Sonbou Solar (as of September 30, 2021)

(1) Title	Karumai Sonbou Solar T.K.
(2) Location	8-99 Karumai, Karumai-machi, Kunohe-gun, Iwate Prefecture
(3) Title and name of operator	Operator: Karumai Sonbou Solar G.K. Masakazu Hongo, Executor Silent partner: RENOVA, Inc. Yosuke Kiminami, Founding CEO
(4) Business	Solar PV business
(5) Total capital contribution	1,177 million yen

(6) Date of establishment	November 15, 2017			
(7) Investment ratios	RENOVA, Inc. 46.0% The Dai-ichi Life Insurance Company, Limited 45.0% NEC Capital Solutions Limited 9.0%			
(8) Relationships between the listed company and the silent partnership business	Capital relationship	RENOVA has a 46.0% ownership interest in the silent partnership.		
	Personal relationship	There is no personal relationship that is required to be stated between RENOVA and the silent partnership business.		
	Business relationship	There is no business relationship that is required to be stated between RENOVA and the silent partnership business. RENOVA Asset Management, Inc., a consolidated subsidiary of RENOVA, and Karumai Sonbou Solar G.K., the operator of the silent partnership business, have signed an agreement for operational support and outsourcing.		
(9) Business results and financial position of silent partnership business over the last three years				
	Fiscal Year	FY Ended March 2019	FY Ended March 2020	FY Ended March 2021
	Net assets	1,177 million yen	1,177 million yen	1,177 million yen
	Total assets	7,027 million yen	7,028 million yen	11,012 million yen
	Net sales	-	-	-
	Operating profit	-0 million yen	-0 million yen	-0 million yen
	Ordinary profit	0 million yen	-0 million yen	-0 million yen
	Profit	0 million yen	-0 million yen	-0 million yen

3. Outline of party from which equity interest is acquired (as of March 31, 2021)

NEC Capital Solutions Limited

(1) Title	NEC Capital Solutions Limited		
(2) Location	Shinagawa Intercity C building, 15-3 Konan 2-chome, Minato-ku, Tokyo, Japan		
(3) Title and name of representative	Tomoo Imazeki, President		
(4) Business	Leasing, etc. for telecommunications equipment, office equipment, industrial mechanical equipment, other equipment and facilities		
(5) Capital stock	3,776 million yen		
(6) Date of establishment	November 30, 1978		
(7) Net assets	113,885 million yen		
(8) Total assets	1,057,653 million yen		
(9) Large shareholders and their shareholding ratios	NEC Corporation 37.66% Sumitomo Mitsui Finance and Leasing Company, Limited 24.98%		
(10) Relationships between the listed company and the company	Capital relationship	There is no capital relationship that is required to be stated between RENOVA and the company. In addition, no related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of the company.	
	Personal relationship	There is no personal relationship that is required to be stated between RENOVA and the company. In addition, no related parties or affiliates of RENOVA have any significant relationships with any related parties or affiliates of the company.	
	Business relationship	RENOVA had set up and operated Karumai Sonbou Solar jointly with the company, which transferred its equity interest to RENOVA on this occasion. In addition, United Renewable Energy Co., Ltd., a consolidated RENOVA subsidiary, obtained funds from the company in the form of senior loans.	
	Status as related party	The company does not constitute a related party of RENOVA. In addition, no related parties or affiliates of the company are considered to be related parties of RENOVA.	

4. Status of equity interests before and after the transfer

(1) Ownership interest before transfer: 46.0%

(2) Equity interest to be acquired: 9.0%

(3) Ownership interest after transfer: 55.0%

(Note) The acquisition value is 125 million yen.

5. Schedule

October 1, 2021 Karumai Sonbo Solar commenced operation.

October 8, 2021 Exercise of the right to acquire additional equity interest based on the "Memorandum on the transfer of equity interests, etc. in the silent partnership regarding Karumai Sonbou Solar G.K."

October 8, 2021 Transfer of equity interest

6. Future outlook

The impact of the share acquisition on results for the current fiscal year (year ending March 31, 2022) has been factored in the consolidated financial results forecast announced on May 10, 2021. We will promptly disclose any matters that should be disclosed.

[For inquiries about this release]

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