

April 30, 2024

Notice concerning Recording of Extraordinary Loss

Kyuden Group has decided to record the following extraordinary loss for the fourth quarter of the fiscal year ending March 2024 (from April 1, 2023 to March 31, 2024).

1 Details of Extraordinary Loss

Our company, through our consolidated subsidiaries, is investing in a geothermal IPP project in Indonesia. Due to a greater-than-expected decrease in power generation output, our electricity sales revenue has declined.

We are currently implementing various measures to restore output. However, due to the large deviation between the planned output at the time of development and the current output, we have revised our future output assumptions. As a result, we have decided to record an extraordinary loss of 13,487 million yen (Loss on Valuation of Financial Assets*).

* As the ownership of the power generation assets of this project belong to the Indonesian government, they are not recognized as company assets in accordance with international accounting standards. Instead, the value of the planned electricity sales revenue obtained through the construction and start of operations & maintenance of the power plant is recorded as a financial asset.

2 Impact on Performance

The aforementioned extraordinary loss is reflected in ‘The Fiscal Year Ended March 31, 2024 Financial Results Overview [Japan Gaap] (Consolidated)’, which was announced today.