



Feb. 5, 2025

Company name: Kanadevia Corporation
 Representative: Michi Kuwahara, President & COO
 (Securities code: 7004; Prime Market, Tokyo Stock Exchange)
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Notice Regarding Waiver of Claim Against Consolidated Subsidiary

Kanadevia Corporation (hereinafter “Kanadevia”) hereby announces that its board of directors held on February 5, 2025, has resolved to waive its claim against its consolidated subsidiary, Natural Energy Japan Corporation (hereinafter "NEJ") as follows.

1. Background of the Claim Waiver

NEJ operates an intermediate processing biogas power generation facility using food waste (general waste and industrial waste) as a raw material. Due to factors such as the failure to achieve the initially planned waste collection amount, its business performance has deteriorated. As a result, NEJ's financial position has fallen into insolvency as of the end of the third quarter of this fiscal year.

Kanadevia determined that it is unlikely to collect its claim against NEJ and decided to waive its claim to promptly resolve NEJ's excessive debt position.

2. Overview of the consolidated subsidiary

(1) Trade name	Natural Energy Japan Corporation	
(2) Head office	1-3-7 Mukaihama, Akita, Akita 010-1601, Japan	
(3) Representative	Yoshitomo Amano, President	
(4) Business description	Renewable Energy Generation and Sales, and Waste Management	
(5) Share capital	100 million yen	
(6) Date of establishment	February 20, 2008	
(7) Net assets	- 3,056 million yen (as of the end of March 2024)	
(8) Total assets	52 million yen (as of the end of March 2024)	
(9) Major shareholders and shareholding ratios	Kanadevia Corporation 100%	
(10) Relationship between Kanadevia and NEJ	Capital relationship	Wholly-owned subsidiary
	Personnel relationship	Four of Kanadevia's employees serve as directors of NEJ
	Transactional relationship	There are transactions involving maintenance for NEJ's biomass power generation facility.
	Related party relationship	NEJ is a consolidated subsidiary and qualifies as a related party.

(Note) Kanadevia plans to transfer all shares of NEJ within fiscal year 2024, thereby terminating all capital, personnel, and transactional relationships with NEJ.

3. Type and amount of claims against the consolidated subsidiary

(1) Type of claims	Long-term loans receivable
(2) Amount of claims (The ratio to consolidated net assets as of the end of March 2024)	3,202 million yen (1.9%)
(3) Implementation date	February 5, 2025

4. Impact on Financial results

Kanadevia has already recorded 3,072 million yen out of 3,202 million yen of allowance for doubtful accounts in the non-consolidated financial statements up to the fiscal year ended March 2024. Therefore, the impact on the current fiscal year's non-consolidated result is minor.

Additionally, since the amount will be offset and eliminated in the consolidated financial statements, there will be no impact on consolidated performance.

End