

13, December 2019
Shizen Energy Inc.

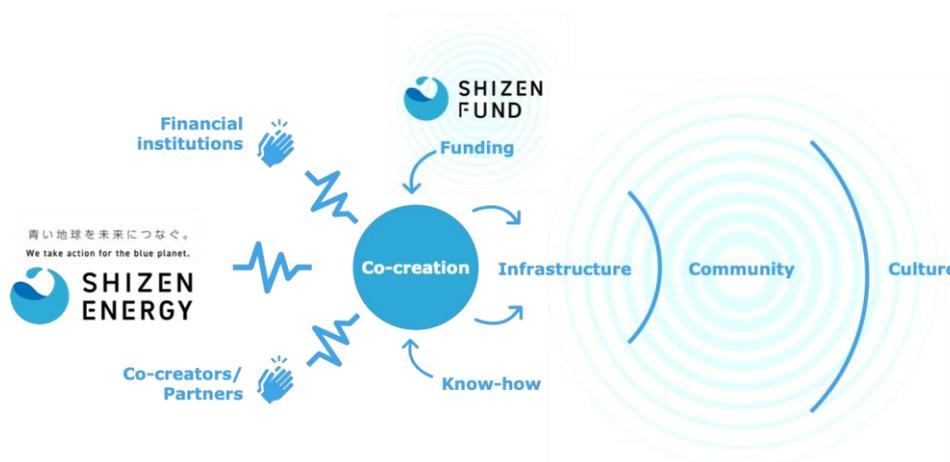
Shizen Energy establishes "SHIZEN Fund" as Investment Fund for Co-creation

Shizen Energy Inc. (Headquarters: Fukuoka-shi, Fukuoka / Representative Directors: Ken Isono, Kenji Kawado, Masaya Hasegawa, hereinafter Shizen Energy) agreed to establish the SHIZEN Fund (hereinafter the Fund) as a first step towards establishing the investment fund for Co-creation in order to fuel development, maintenance, and management and operations of renewable energy power plants throughout the world.

The management of the SHIZEN Fund will be undertaken by a subsidiary of Shizen Energy. Contributors to the project include the following investors: Sumitomo Mitsui Finance and Leasing Co., Ltd. (headquarters: Chiyoda-ku, Tokyo / President: Masaki Tachibana), MUL Energy Investment Co., Ltd. (headquarters: Chiyoda-ku, Tokyo / Representative Director: Yoshio Uchida), Uyeno Green Solutions Ltd. (headquarters: Yokohama-shi, Kanagawa / CEO: Gen Uyeno). The SHIZEN Fund targets investments for solar and wind power projects in Japan and overseas.



Shizen Energy hopes that by involving an increasing number of partners who agree with our purpose, the establishment of the fund for Co-creation will allow the company to get closer to its purpose of achieving a "100% renewable-powered world" and have an impact on the future of the Blue Planet.



Investment Fund for Co-creation and SHIZEN Fund (image)

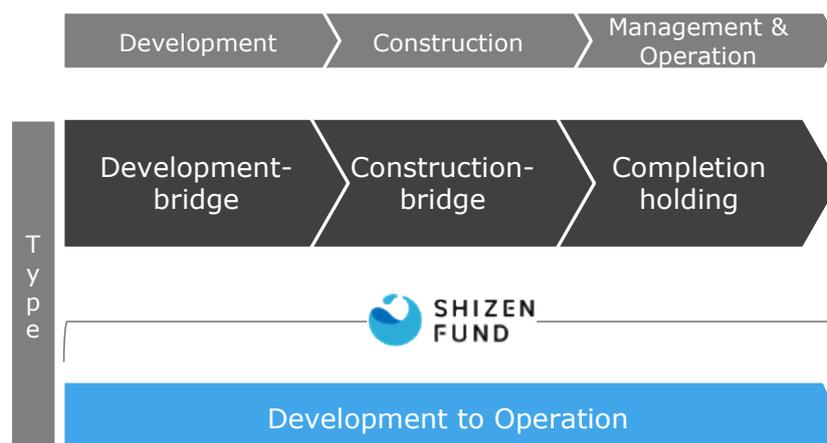
Background of the establishment of the fund

Global appeals for a switch to renewable energy are growing in urgency over time through, for example, the Sustainable Development Goals (SDGs), the UN Framework Convention on Climate Change (COP), the UN Principles for Reasonable Investment (PRI), Environment, Social and Governance (ESG) investments, and the RE100 Initiative. Even in Japan, consciousness on natural energy is growing as evidenced by private users' participation in RE100: 100% Renewable Energy Declaration (RE Action), as well as the growing number of Japanese banks who are signatories to the UN Principles for Responsible Banking (PRB). In terms of policymaking, the government is accelerating its effort to transform renewable energy into Japan's main power source by lowering the costs of power generation, stabilizing long-term power supply, overcoming grid limitations, and ensuring adaptability. The fund is also expected to support development of decentralized power distribution systems to promote captive use of electricity or local consumption, in addition to installation of large-scale mega-solar plants. Shizen Energy defines "we take action for the blue planet" as its Purpose, aiming to facilitate the use of safe and sustainable energy through the establishment of renewable energy power plants worldwide, which serves its goal to allow more people around the world to enjoy happy lives. Since its establishment in 2011, Shizen Energy Group has been involved in power generation projects worth of over 1GW of renewable energy in total. With the investment fund, Shizen Energy aims to expand its portfolio to new locations, new energy types, and larger scales, and to work towards the achievement of "co-creating a 100% renewable-powered world" with like-minded partners.

Purpose of the SHIZEN Fund

The SHIZEN Fund is the first step towards the full establishment of the investment fund for Co-creation. It will allow investments into high-quality and locally based renewable energy projects in Japan and overseas, utilizing Shizen Energy's experience in project development and operations from a global and local perspective, combined with a broad range of know-how of the investors. The Fund's qualities are highlighted as below:

- **Fund for development and management from early stages:** Invest in projects from the development stage, and capitalize on accumulated know-how throughout the entire process including operations to further develop high-quality, locally based, and sustainable projects.
- **Investment in future-oriented projects:** Through investments not only in the development of large-scale energy sources (mega-solar/wind power plants etc.), but also in "future-oriented" projects such as farming model/rooftop model (households/commercial facilities) and microgrids (multiple storage battery power plant model) that contribute to the decentralized power generation, which is crucial to achieving a 100% renewable-powered world.



SHIZEN Fund's Qualities (Image)

SHIZEN Fund: Outline

Fund name	:	Shizen Energy Renewable Energy Development Investment Limited Partnership (abbreviation: SHIZEN Fund)
Investment method	:	Capital call
Duration	:	Until 2030
Investment target	:	Projects related to the development of natural energy power plants in Japan and abroad (Japan) solar power, wind power projects (including projects for new energy types) (Overseas) solar power projects
Asset scale	:	8 billion JPY
General partners	:	Shizen Energy Group Subsidiary Sumitomo Mitsui Finance and Leasing Company, Ltd.
Limited partners	:	MUL Energy Investment Company, Ltd. Uyeno Green Solutions Company, Ltd.

【About Shizen Energy Inc.】

Founded in June 2011 with the mission of “We take action for the blue planet.”, Shizen Energy group has contributed to the development of approximately 1 gigawatt (as of the end of April 2019) worth of renewable energy across Japan. It is engaged in all services required for the installation and operation of solar, wind, small hydroelectric, and other renewable energy power plants, such as development, EPC (engineering, procurement, construction), O&M (operation and maintenance), electricity retail market, and asset management. The company intends to construct photovoltaic power plants in countries around the world, beginning with the regions of Asia and South America. More specifically, in 2018, it launched the construction of such plants in Indonesia and Brazil.

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