

Photon Taiwan Fund invests in 120MW Solar Power Plant in Taiwan, generated green energy to be purchased and used by a semiconductor manufacturer

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Photon Group [1] (Photon) has established Photon Taiwan Fund [2], in which JA Mitsui Leasing Ltd. (JAML), Toshiba Energy Systems & Solutions Corporation (Toshiba ESS), and Fuyo General Lease Co., Ltd. (Fuyo Lease) have invested. Together with local Taiwanese company, Ark Solar Energy Co., Ltd. (Ark) [3], Photon Taiwan Fund has entered a cooperation agreement with Ark to establish a SPV to construct and own a Solar Fishery Symbiosis project [4]. Photon, with cooperation with Ark, is set to own a 120 MW solar power plant in Tainan, Taiwan and supply green electricity from renewable energy sources through an off-site Corporate Power Purchase Agreement (CPPA) to a semiconductor manufacturer. The Solar Fishery Symbiosis project started construction from August this year and is scheduled to supply renewable energy at the end of 2024.

Furthermore, Photon and Ark have plans to construct and supply an additional 360 MW project bringing the total supply capacity of renewable energy to 480 MW.

Photon has been actively developing and investing in solar power projects both domestically and internationally; prioritizing harmony with the surrounding environment and ensuring long-term safety and stability. Photon intends to continue to strive to become a leading company in non-feed-in tariff (non-FIT) solar power projects, developing, owning, and operating solar power plants domestically and internationally to contribute to achieving a sustainable society.

JAML in its medium-term management plan "Real Change 2025," is focusing on addressing the challenges of a borderless society and expanding its business in the renewable energy sector. As a key initiative in sustainable management of business, the company is committed to promoting the widespread adoption of renewable energy and accelerating the transition towards decarbonization, both domestically and internationally. Under the group's management philosophy of "Real Challenge, Real Change," the aim is to achieve a "better society and future." JAML will continue its efforts to the achievement of a sustainable and prosperous society.

Toshiba ESS is engaged in the Engineering Procurement Construction (EPC) business of solar power plants and the operation of solar and wind power plants in Japan. Toshiba ESS decided to invest in Photon Taiwan Fund, L.P. in February 2021. With this investment opportunity, Toshiba ESS will actively

pursue the development of renewable energy and Virtual Power Plant (VPP) projects in Asian regions including Taiwan. With extensive knowledge, expertise, technology, and IoT, Toshiba ESS provides infrastructure services that enhance the value and efficiency of existing infrastructure systems, contributing to the realization of sustainable societies both domestically and internationally.

Under our new medium-term management plan, Fuyo Shared Value 2026, which began in fiscal 2022, the Fuyo Lease Group aims to achieve sustainable growth as a corporate group by simultaneously solving social issues and creating economic value through the practice of shared value (CSV).

In addition, we have positioned the "Energy and Environment" business field as one of the growth drivers for intensive investment of management resources, and are actively participating in renewable energy projects both in Japan and also overseas.

By leveraging the knowledge gained from their involvement in renewable energy projects both domestically and internationally, we will expand our business domain and contribute to the achievement of a decarbonized society.

References

1. Photon Group:

Photon Asset Management Ltd., <https://photontaiwan.com/>

Photon Japan LLC, <http://www.photonjapan.com/>

Photon Capital LLC, <https://photoncapital.co.jp/>

JE Capital Partners II Ltd

2. Photon Taiwan Fund:

Fund operated by Photon Group, and Limited Partner investors are JA Mitsui Leasing Ltd., Toshiba Energy Systems & Solutions Corporation, and Fuyo General Lease Co., Ltd. The fund uniquely focuses investing in solar power projects in Taiwan.

3. Ark Solar Energy Co., Ltd.:

Taiwan based development/EPC company. Main operations include development, construction, power retail, and fisheries management in Taiwan. Ark Aquaculture Co., Ltd., was established to service the future fisheries business.

4. Solar and Fishery Symbiosis:

Due to limited lands in Taiwan, promoting multiple use on a piece of land is necessary. As one of the solutions, Solar and Fishery Symbiosis was introduced. The idea is to stimulate the local economy with fish farming and provide green energy to Taiwan simultaneously. The photovoltaic system will be

installed on the rooftop of the fishery infrastructure while the fishery business will be managed by Ark Aquaculture Co., Ltd.

PHOTON TAIWAN FUND L.P. SUMMARY

NAME	Photon Taiwan Fund, L.P.
OPERATION DATE	January, 2021
INVESTMENT OBJECTIVE	PV Farms in Taiwan
FUND SIZE	USD\$ 40,000,000