Press Release

Contact
Mina Takahashi
Direct: +1-212-756-5593
mina_takahashi@smbcgroup.com

SMBC Closes $75 Million Green Loan for Eurus Energy America

New York – May 27, 2021: SMBC, a member of SMBC Group, announced today that it has closed on a $75 million green loan, in addition to an associated $5.5 million letter of credit facility, for Eurus Energy America, a San Diego, CA-based energy development company wholly owned by Eurus Energy Holdings Corporation, a renewable energy IPP based in Tokyo, Japan. SMBC served as the Green Loan Coordinator, Structuring Bank, Bookrunner and Swap Coordinator for this transaction.

The green loan will be used to fund the ongoing acquisition and construction of a portfolio of approximately 80MW in greenfield solar plants in Chile. The portfolio will consist of several solar photovoltaic (PV) projects that generate electricity and will sell their generation under the Chilean "PMGD" system, which is designed for smaller distributed-generation projects. Eurus currently owns two operational solar PV plants in Chile and, with this new portfolio, will own and operate approximately 100MW of solar PV plants.

The PMG/PMGD is a framework in Chile that allows small generators (~9MWac maximum) to have the right to connect to the grid infrastructure of distribution companies. In addition, the electricity generated by such small generators can be dispatched and sold at a price that is based on the average price of all power purchasing agreements outstanding in the system (the "Stabilized Price"). The PMGD portfolio will contribute to Chile's renewable generation and decarbonization goals.

The acquisition of PMG/PMGD portfolios, either operating, greenfield, or a mix of both, is growing and strengthening in activity.

"This transaction is yet another tangible example of the growth, and scale, of SMBC's sustainable finance business. We're excited to grow our work with Eurus Energy America and help expand its business and presence in Chile. SMBC works very closely with its partners to provide green-finance solutions that help achieve their nearer- and longer-term sustainability goals," said David Gonzalez, Managing Director and Group Head for Latin America Project Finance, SMBC.

"The deal with Eurus Energy America is our second one, after the 28MW Waianae solar plant financing in 2016, also provided by SMBC as a sole lender. We are proud to work with partners like Eurus Energy America, who play an important role in developing innovative technologies and products that lessen the impact of climate change," said Dorian Calderón, Head for Power & Renewables within Latin America Project Finance, SMBC.

###

About SMBC Group

SMBC Group is a top-tier global financial group. Headquartered in Tokyo and with a 400-year history, SMBC Group offers a diverse range of financial services, including banking, leasing, securities, credit cards, and consumer finance. The Group has more than 130 offices and 85,000 employees worldwide in nearly 40 countries. Sumitomo Mitsui Financial Group, Inc. (SMFG) is the holding company of SMBC Group, which is one of the three largest banking groups in Japan. SMFG's shares trade on the Tokyo, Nagoya, and New York (NYSE: SMFG) stock exchanges. As of December 31, 2020, its total assets were $2.25 trillion.

In the Americas, SMBC Group has a presence in the U.S., Canada, Mexico, Brazil, Chile, Colombia, and Peru. Backed by the capital strength of SMBC Group and the value of its relationships in Asia, the Group offers a range of commercial and investment banking services to its corporate, institutional, and municipal clients. It connects a diverse client base to local markets and the organization's extensive global network. The Group's operating companies in the Americas include Sumitomo Mitsui Banking Corporation (SMBC), SMBC Nikko Securities America, Inc., SMBC Capital Markets, Inc., SMBC Rail Services LLC, Manufacturers Bank, JRI America, Inc., SMBC Leasing and Finance, Inc., Banco Sumitomo Mitsui Brasileiro S.A., and Sumitomo Mitsui Finance and Leasing Co., Ltd.

202110