



NEWS RELEASE

Stem Completes Business Combination with Star Peak Energy Transition Corp.

4/28/2021

Creates first publicly traded pure-play smart energy storage company

Results in over \$600 million of gross cash proceeds to Stem

Stem's common stock to begin trading on the NYSE under symbol "STEM" on April 29, 2021

MILLBRAE, Calif., April 28, 2021 (GLOBE NEWSWIRE) -- **Stem, Inc.**, a global leader in artificial intelligence (AI)-driven clean energy storage services, announced today that it has completed its **previously announced business combination** with Star Peak Energy Transition Corp. ("Star Peak").

The transaction was unanimously approved by Star Peak's Board of Directors and was approved at a special meeting of Star Peak stockholders on April 27, 2021. In connection with the closing, Star Peak changed its name to Stem, Inc. ("Stem" or the "Company"). The ticker symbols for the common stock and warrants of Stem will change from "STPK" and "STPK.WS" to "STEM" and "STEM.WS" and will begin trading as such on the New York Stock Exchange on April 29, 2021.

John Carrington, Chief Executive Officer of Stem, commented, "We are excited to complete this business combination, which will accelerate the next phase of Stem's growth and further extend our leadership position in AI-driven clean energy storage systems. We continue to benefit from strong, sustainable macro tailwinds as the world deepens its commitment to de-carbonization. Our experience, robust service offerings and industry-leading software, Athena™, continue to differentiate Stem in this rapidly growing market, providing our customers enhanced savings, reliability, and sustainability. We appreciate the invaluable collaboration from Star Peak to make this transaction a success, and look forward to their ongoing support as we deliver value to Stem stakeholders."

Michael Morgan, Chairman of Star Peak and Director of Stem, commented, "We are proud to complete the combination of Star Peak and Stem, establishing Stem as the first pure-play smart energy storage company to go

public in the U.S. We are more confident than ever in Stem's significant value, offering investors a unique ESG opportunity to invest in a pure play clean energy company that's helping to revolutionize the electric grid. I look forward to continued partnership with John and the world-class Stem team as we drive further growth and success over the long-term."

Bill Bush, Chief Financial Officer of Stem, commented, "With over \$500 million of cash on the balance sheet, zero debt and a new public platform, we are now armed with the capital that will help propel Stem's product, capabilities and market reach to the next level. We remain well positioned for significant visible growth, including a more than four-fold expected annual increase in our 2021 revenue, 100% of which is covered by our contracted backlog."

Transaction Overview

The transaction is primarily comprised of \$383 million of cash from Star Peak's former trust account and \$225 million of cash from a private investment in public equity (PIPE), not including transaction fees. The PIPE is anchored by investors including funds and accounts managed by BlackRock, Van Eck Associates Corporation, Adage Capital Management, L.P., Electron Capital Partners, and Senator Investment Group. Stem will use the proceeds to fund the company's planned growth, advance its Athena™ software platform, and repay all outstanding debts. All Stem shareholders have rolled 100% of their equity holdings into the new public company.

Stem's legacy senior management team will continue to lead the now combined company, including John Carrington (Chief Executive Officer), Bill Bush (Chief Financial Officer), Larsh Johnson (Chief Technology Officer), Prakesh Patel (Chief Strategy Officer), Mark Triplett (Chief Operating Officer), Alan Russo (Chief Revenue Officer) and Sylvia Lan (Vice President, Human Resources).

Stem's Board of Directors will be comprised of eight (8) members, seven (7) of whom are "independent directors" as defined in the NYSE listing standards and applicable U.S. Securities and Exchange Commission ("SEC") rules. The Board of Directors will be led by Chairman, Mr. David Buzby and will also include John Carrington, CEO of Stem.

A more detailed description of the transaction can be found in the definitive proxy statement filed by Star Peak with the SEC on March 30, 2021.

Advisors

Goldman Sachs & Co. LLC served as exclusive financial advisor to Star Peak. Goldman Sachs & Co. LLC and Credit Suisse Securities (USA) LLC served as joint capital markets advisors to Star Peak and as co-placement agents on the PIPE offering. Kirkland & Ellis LLP served as legal advisor to Star Peak. Morgan Stanley & Co. LLC served as lead financial advisor to Stem. Nomura Greentech served as a financial advisor to Stem, and Gibson, Dunn & Crutcher LLP as well as Wilson, Sonsini, Goodrich & Rosati served as legal advisors to Stem.

About Stem, Inc.

Stem (NYSE: STEM) provides solutions that address the challenges of today's dynamic energy market. By combining advanced energy storage solutions with Athena™, a world-class AI-powered analytics platform, Stem enables customers and partners to optimize energy use by automatically switching between battery power, onsite generation and grid power. Stem's solutions help enterprise customers benefit from a clean, adaptive energy infrastructure and achieve a wide variety of goals, including expense reduction, resilience, sustainability, environmental and corporate responsibility and innovation. Stem also offers full support for solar partners interested in adding storage to standalone, community or commercial solar projects – both behind and in front of the meter. For more information, visit www.stem.com.

About Star Peak Energy Transition Corp.

Star Peak is a blank check company incorporated in Delaware for the purpose of effecting a merger, capital stock exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses. Star Peak is led by a management team with extensive experience investing in the energy, energy infrastructure and renewables sectors, including Chairman, Michael Morgan and Chief Executive Officer, Eric Scheyer. Michael Morgan is Chairman and Chief Executive Officer at Triangle Peak Partners LP and currently serves as a director of Sunnova Energy International (NYSE: NOVA) and lead director of Kinder Morgan, Inc. (NYSE: KMI), one of the largest energy infrastructure companies in North America, a company he joined at its founding in 1997. Eric Scheyer is a Partner at Magnetar and has served as the Head of the Magnetar Energy and Infrastructure Group since its inception in 2005.

Forward-Looking Statements

Certain statements in this communication may be considered “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. For example, projections of future revenue and other metrics are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “expect,” “intend,” “will,” “estimate,” “anticipate,” “believe,” “predict,” “or” or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Stem and its management, depend upon inherently uncertain factors that may cause actual results to differ materially from current expectations, including, but not limited to: Stem's ability to recognize the anticipated benefits of the business combination, which may be affected by, among other things, competition, the ability of Stem to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; risks relating to the development and performance of Stem's energy storage systems and software-enabled services; the possibility that Stem may be adversely affected by other economic, business and/or competitive factors; the ability to maintain the listing of Stem's securities on the New York Stock Exchange following

the consummation of the business combination; the risk that the business combination disrupts current plans and operations of Stem; changes in applicable laws or regulations; Stem's estimates of its financial performance; the outcome of any legal proceedings that may be instituted against Stem or others following the consummation of the business combination; the impact of the COVID-19 pandemic and its effect on Stem's business, financial condition and results of operations; and other risks and uncertainties set forth in the section entitled "Risk Factors" in the definitive proxy statement relating to the business combination filed by Star Peak on March 30, 2021 and other documents Stem files with the SEC in the future. Nothing in this communication should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward looking statements will be achieved. We caution you that the foregoing list of factors is not exhaustive, and readers should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Stem does not undertake any duty to update these forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

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A photo accompanying this announcement is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/876b2467-61f5-41f5-8af4-fb0fba53bf53>

STEM-Listed NYSE

Today, Stem became the first public pure play smart energy storage company, listed as "STEM" on the New York Stock Exchange.

Source: Stem, Inc.