

Paris, May 7, 2020

CENACE suspends pre-operational testing at all Mexican solar and wind energy facilities, including Neoen's El Llano solar farm

- CENACE, the government body overseeing Mexico's electricity grid, has decided to suspend pre-operational testing during the Covid-19 emergency at all solar and wind energy facilities not yet in commercial operation
- Neoen's El Llano photovoltaic power plant, which had begun injecting power to the Mexican grid in February, is affected by these measures

On April 29, CENACE, the government body overseeing Mexico's electricity grid, decided to suspend pre-operational testing at all solar and wind energy facilities not yet in commercial operation from May 3 and during the Covid-19 emergency. This decision is one of the measures announced by CENACE amid Covid-19 pandemic and the contraction in demand for electricity.

The decision applies to the El Llano solar plant owned and operated by Neoen, as well as several dozen other power plants, accounting for several gigawatts of green electricity capacity. As a result, El Llano had to halt its production on May 3. Construction of the 375 MWp photovoltaic facility was completed at the beginning of the year. It was in the process of pre-operational testing with CENACE ahead of the scheduled entry into force of a long-term power purchase agreement early July 2020. The El Llano power plant had started to inject power to Mexico's electricity grid in February, with this energy being sold in the spot market. Neoen's El Llano solar power plant generates some of the world's most price-competitive electricity (less than \$19 per MWh).

The EBITDA shortfall caused by the temporary shutdown of its El Llano facility is estimated at up to \$2 million per month. Neoen stands ready to put the El Llano power plant back into service to recommence injecting power to the grid and resume pre-operational testing as soon as CENACE lifts its suspension. Neoen, which first moved into Mexico in 2013, remains firmly committed to supplying the country with green, reliable, and cost-competitive energy.

About Neoen

Neoen is one of the world's leading and fastest growing independent producers of exclusively renewable energy. With a capacity of more than 3 GW in operation or under construction, Neoen is a high-growth company. Neoen is notably active in France, Australia, Mexico, El Salvador, Argentina, Finland, Portugal, Ireland, Zambia, Jamaica and Mozambique. In particular, Neoen operates France's most powerful solar PV farm (300 MWp) in Cestas, and the world's largest lithium-ion power reserve (150 MW/193.5 MWh storage capacity) in Hornsdale, Australia. Neoen is targeting at least 5 GW capacity in operation or under construction by end of 2021. Neoen (ISIN Code: FR0011675362, ticker: NEOEN) is listed in Compartment A of the regulated market of Euronext Paris.

For more information: www.neoen.com

Contact

Neoen

communication@neoen.com

Media

OPRG Financial

Isabelle Laurent
+33 1 53 32 61 51
isabelle.laurent@oprgrfinancial.fr

Fabrice Baron
+33 1 53 32 61 27
fabrice.baron@oprgrfinancial.fr