

Paris, May 11, 2021

First-quarter 2021 revenue

- Revenue totaled €80.2 million, down 16% compared to the first quarter of 2020, when performance was notably boosted by the exceptionally strong level of revenue recorded by the storage activity in Australia
- Electricity generation came to 1,256 GWh, up 13% year-on-year
- The secured portfolio¹ stood at over 5.2 GW at March 31, 2021
- The total portfolio expanded to 12.7 GW versus 12 GW at end-2020
- The Group is confirming its targets for 2021:
 - EBITDA² of between €295 million and €325 million with an EBITDA margin³ of around 80%
 - capacity in operation or under construction of over 5 GW by year-end

Neoen (ISIN: FR0011675362, Ticker: NEOEN), one of the world's leading and fastest-growing independent producers of exclusively renewable energy, is reporting unaudited revenue of €80.2 million in the first quarter of 2021, down 16% compared to the first quarter of 2020. At constant exchange rates, revenue dropped 17%.

Xavier Barbaro, Neoen's Chairman and Chief Executive Officer, commented: *"As expected, our first-quarter revenue declined given the exceptionally strong level of revenue recorded by our storage activity in Australia during the first quarter of 2020. Electricity generation increased by 13% reflecting the steady expansion in our capacity in operation. In the first quarter, Neoen unveiled its new roadmap for 2025 and our target of over 10 GW of capacity in operation or under construction by the end of 2025. We are also very proud of our successful €600 million rights issue, marked both by the support of our historical shareholders and by the arrival of new shareholders in our share capital. The capital raised as part of this transaction will enable us to fund the first cycle of our 2021-2025 investment plan. Today we are reiterating all our targets for 2021 and the medium term."*

¹ Assets in operation, under construction or project awarded

² EBITDA corresponds to current operating income adjusted for current operating depreciation, amortization and provisions. It thus excludes discontinued operations. As announced at the Capital Markets Day on March 11, 2021, from 2021, EBITDA:

- excludes the expense resulting from the application of IFRS 2, whose impact for 2020 and 2019 was respectively €(1.8) million and €(1.4) million
- includes the net proceeds from the disposal of assets, carried out as part of the Farm-Down activity

Consequently, EBITDA as newly defined would have amounted to €272.2 million in 2020 and €217.5 million in 2019.

³ The EBITDA margin is calculated as the ratio of EBITDA to revenue.

Operational highlights

	March 31 2021	December 31, 2020	Chg.
	(1)	(1)	
Assets in operation (MW)	2,625	2,615	+10

(1) Gross capacity including projects in which Neoen is a minority shareholder: Cestas (228 MWp) and Seixal (8.8 MWp)

After commissioning the 9.7 MWp Levroux solar plant in France during the first quarter of 2021, Neoen now has 2,625 MW in operation at March 31, 2021, compared to 2,615 MW at December 31, 2020.

	Q1 2021	Q1 2020	% chg.
Electricity generation (GWh)	1,256	1,110	+13%

Electricity generation totaled 1,256 GWh in the first quarter of 2021, up 13% on the first-quarter 2020 level thanks to the contribution of assets that entered operation since the first quarter of 2020, including the El Llano solar farm in Mexico, the Capella solar plant in El Salvador and several wind and solar farms in France. In addition, the Bulgana wind farm in Australia (214 MW, including 20 MW / 34 MWh in storage), which gradually began injecting electricity into the grid from the end of the first half of 2020, continued to operate at a limited capacity in the first quarter of 2021.

The average availability rate of the solar assets was 94.0% vs. 98.4% in the first quarter of 2020. This drop was chiefly attributable to the audit and inverter reset that affected the availability of the El Llano plant in Mexico during the first three months of the year and that we aim at completing in the second quarter of 2021. Excluding this power plant, the average availability rate of the Group's solar assets was 98.6% in the first quarter of 2021.

The average availability rate of the wind assets edged down to 97.3% vs. 99.2% in the first quarter of 2020.

The average load factor of the solar assets was 21.7% compared to 17.5% in the first quarter of 2020. In that earlier period, the average load factor was depressed by unfavorable irradiation conditions in Australia, and by the temporarily reduced availability of a solar asset in Australia.

The average load factor of the wind assets was 34.9% in the first quarter of 2021, compared to 41.0% in the first quarter of 2020. This trend reflects mainly a return to normal wind conditions in Europe from excellent levels in the first quarter of 2020.

First-quarter 2021 revenue

	Q1 2021	Q1 2020	% chg.
Revenue (€ m)⁽¹⁾			
Solar	38.0	38.2	0%
Wind	36.7	35.8	+3%
Storage	5.3	21.6	-75%
Other⁽²⁾	0.2	0.2	+17%
Consolidated revenue	80.2	95.8	-16%
<i>o/w contracted energy revenue</i>	63.8	60.4	+6%
<i>o/w merchant energy revenue</i>	14.7	34.4	-57%
<i>o/w other revenue⁽³⁾</i>	1.7	0.9	n/a

(1) Unaudited financial data

(2) Corresponds to the Development and investment segment

(3) Other revenue chiefly derives from the development business and services to third parties

Neoen is reporting first-quarter 2021 consolidated revenue of €80.2 million, a decrease of 16% compared to the first quarter of 2020. At constant exchange rates⁴, revenue fell 17%. The main factor accounting for this decline was the high base of comparison in the first quarter of 2020 related to the storage activity in Australia, which had benefited from specific non-recurring conditions, and the wind activity in Europe, which had enjoyed excellent wind resources.

Solar revenue was stable compared to the first-quarter of 2020. The contribution from power plants commissioned during 2020, chiefly El Llano in Mexico, offset the decrease in market prices compared to the first quarter of 2020, especially in Australia, and the lower average price earned by the Capella solar farm in El Salvador in the first quarter 2021 relative to the first quarter of 2020. Indeed, this asset had temporarily benefited from early generation revenue prior to the entry into force of its long-term power purchase agreement at end-March 2020. Solar's contribution to Neoen's consolidated revenue stood at 47% in the first quarter of 2021, versus 40% in the first quarter of 2020.

Wind revenue rose 3% above its first-quarter 2020 level. This growth was powered by the contribution from the capacity commissioned in Finland and France during 2020 and by early-generation revenue from the Bulgana facility in Australia. Conversely, revenue was held back by an unfavorably high base of comparison, since wind resources in Europe sank back to a normal level whereas they were excellent in the first quarter of 2020. Wind contributed 46% of Neoen's consolidated first-quarter 2021 revenue, compared to 37% in the first quarter of 2020.

Lastly, **Storage** revenue came from €21.6 million in the first quarter of 2020 to €5.3 million in the same period of 2021. This very substantial contraction mainly reflected the high level of non-recurring revenue generated in the first quarter of 2020 by the HPR battery after the power interconnexion line between South Australia and Victoria went down in a tornado. Storage revenue was also depressed in the first quarter of 2021 by the less favorable market conditions for network services (FCAS) in Australia, as weaker demand for electricity during the period placed reduced strain on the grid. Storage revenue accounted for 7% of consolidated revenue in the first quarter of 2021, compared to 23% in the first quarter of 2020.

⁴ Based on the average exchange rate in the first quarter of 2020

During the first quarter of 2021, merchant energy revenue accounted for 18% of consolidated revenue, compared to 37% in the first quarter of 2020 which was a temporary high level reflecting the non-recurring portion of the revenue generated by the storage business in Australia and early-generation revenue from the Capella and El Llano solar farms in El Salvador and Mexico respectively as well as the Hedet wind farm in Finland.

Portfolio at March 31, 2021: 12.7 GW

In MW	March 31 2021	December 31, 2020	% chg.
Assets in operation	2,625	2,615	+10
Assets under construction	1,520	1,436	+84
Sub-total, assets in operation or under construction	4,145	4,051	+94
Projects awarded	1,087	1,107	-20
Total MW – secured portfolio	5,232	5,158	+74
Tender-ready projects	2,024	1,508	+516
Advanced development projects	5,404	5,366	+39
Total MW – advanced pipeline	7,428	6,874	+554
Total portfolio	12,660	12,033	+628
Early-stage projects	> 4 GW	> 4 GW	

Capacity in operation or under construction totaled 4,145 MW at March 31, 2021, compared to 4,051 MW at December 31, 2020. During the first quarter of 2021, Neoen launched construction of projects with 94 MW in capacity in France: a 40 MW wind farm and four solar plants representing 54 MWp in total capacity.

The secured portfolio stood at over 5.2 GW at March 31, 2021. During the first quarter of 2021, Neoen won 73.6 MWp in solar projects in the French energy regulator's (CRE) 4.9 competitive tender. The future Loirecopark (39 MWp, Sarthe department) ground-based solar farm, located in the Sarthe department, is one of the five projects won during this tender. This solar farm is set to be one of Neoen's largest facilities in France and is due to be commissioned in late 2022. The four other projects are located in the Haute-Vienne, Ain and Calvados departments. They will be commissioned over the period between late 2022 and early 2023.

The portfolio's total capacity came to 12.7 GW at March 31, 2021, compared to 12.0 GW at December 31, 2020, showing Neoen's continuing ability to grow its advanced projects pipeline.

First-quarter 2021 events

Neoen completes financing for 300 MW / 450 MWh Victorian Big Battery in Australia

On 25 February 2021, Neoen announced it has reached financial close on its Victorian Big Battery, which will be one of the world's largest battery storage projects with a capacity of 300 MW / 450 MWh. Financing was completed just three months after Neoen secured a 250 MW grid services contract with AEMO. The project will be funded by a combination of equity provided by Neoen and AUD160 million senior debt facility provided by the Clean Energy Finance Corporation (CEFC), on behalf of the Australian Government. The battery, currently under construction, is on track to be operational before the next Australian summer.

Neoen unveils its strategic roadmap out to 2025

At its Capital Markets Day on March 11, 2021, Neoen announced its target of having over 10 GW of capacity in operation or under construction by year-end 2025 and to progressively accelerate the pace at which it wins new projects to at least 2 GW per year as from 2025. To attain this objective, Neoen will leverage in particular its strengths in countries where it is already established and is a leader, and which continue to present very attractive growth opportunities. Neoen will also leverage its ability to propose competitive, high value-added projects for both government and corporate customers, harnessing its expertise in storage and energy management. Neoen estimates the investments necessary to meet its 10 GW target at around €5.3 billion over the 2021-25 period.

Recent events

Neoen successfully raises €600 million through a capital increase

On April 7, 2021, Neoen announced it had successfully completed a €600 million rights issue with shareholders' preferential subscription rights. Neoen's principal shareholders (Impala, FSP and Bpifrance) largely participated to the capital increase, which was broadly oversubscribed. The net proceeds of the rights issue will allow Neoen to finance the first investment cycle of its development plan, as part of its strategic roadmap, due to last at least until end of 2022.

Neoen has secured financing for Finland's largest wind farm (404 MW) with MEAG

On 8 April 2021, the Group announced it had finalised the financing of Mutkalampi, a 404 MW wind farm which will be Finland's biggest wind farm. Most of the electricity produced by this wind farm will supply Google, Heineken, Nobian (previously Nouryon), Philips and Signify through five 10-year corporate Power Purchase Agreements, for a combined total of 251 MW. The project, fully owned by Neoen, will be financed by the Group's own capital and a 290 million euros non-recourse senior debt facility provided by German institutional asset manager MEAG, a Munich Re company. Neoen has also secured 38 million euros in VAT funding from Swedish bank SEB. Total investment in the wind farm is projected at 478 million euros, aside from financing costs.

Neoen ranks among the top 2% of companies in V.E. ESG rating

On 28 April 2021, Neoen announced it had been awarded a 64/100 rating by agency V.E (formerly Vigeo Eiris) for its environmental, social and governance (ESG) performance. The rating places the company in the top 2% of some 5,000 international companies audited. Neoen first turned to the rating agency V.E, a Moody's affiliate that assesses corporate integration of social, environmental and governance factors, to measure its policies and performance in 2018. The assessment examines 21 criteria divided into 6 fields: Environment, Human Resources, Human Rights, Community Involvement, Business Behaviour and Governance.

Outlook

Neoen is confirming its 2021 EBITDA target of between €295 million and €325 million with an EBITDA margin of around 80%. EBITDA² will include net proceeds from the disposal of assets in the secured portfolio, carried out as part of the farm-down activity. The Group reminds that the 2021 EBITDA contribution from these farm-down transactions will be less than 20%. Note also that this EBITDA guidance also reflects the best estimate to date of the timetable for the commissioning of power plants currently under construction.

Neoen is also reiterating its target of having more than 5 GW of capacity in operation or under construction⁵ by the end of 2021, fully operational by year-end 2022, and at least 10 GW of capacity in operation or under construction⁵ by year-end 2025.

The Group's target is to generate EBITDA² growth of more than 20% in 2022 compared to 2021, followed by double-digit annual percentage growth between 2022 and 2025. These objectives also include the best estimate to date of the likely completion dates of its projects.

This presentation contains forward-looking statements regarding the prospects and growth strategies of Neoen and its subsidiaries (the "Group"). These statements include statements relating to the Group's intentions, strategies, growth prospects, and trends in its results of operations, financial situation and liquidity. Although such statements are based on data, assumptions and estimates that the Company considers reasonable, they are subject to numerous risks and uncertainties and actual results could differ from those anticipated in such statements due to a variety of factors, including those discussed in the Group's filings with the French Autorité des marchés financiers (AMF) which are available on the website of Neoen (www.neoen.com). Prospective information contained in this presentation is given only as of the date hereof. Other than as required by law, the Group expressly disclaims any obligation to update its forward looking statements in light of new information or future developments.

⁵ Consolidated capacity on a post-farm-down basis

Next financial reports

First-half 2021 revenue, operational data and results: July 30, 2021

Nine-month 2021 revenue and operational data: November 9, 2021

Annual general meeting will be held on 25 May 2021.

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 4.1 GW in operation or under construction, Neoen is a high-growth company. Neoen is notably active in Argentina, Australia, El Salvador, Finland, France, Ireland, Jamaica, Mexico, Mozambique, Portugal, Sweden and Zambia. In particular, Neoen operates France's most powerful solar farm (300 MWp) in Cestas, and the world's first big battery (150 MW / 193.5 MWh storage capacity) in Hornsdale, Australia. Neoen is targeting at least 10 GW capacity in operation or under construction by end of 2025. Neoen (ISIN Code: FR0011675362, ticker: NEOEN) is listed in Compartment A of the regulated market of Euronext Paris.

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