NEOEN | MEDIA RELEASE

Neoen to sell two further solar power plants in France

- Neoen is to sell its entire interest in the Lugos (Gironde) and Miremont (Haute-Garonne) solar power plants, which have 21.7 MWp in total capacity in operation
- The enterprise value for the transaction stands at close to €29 million
- The deal will generate a net capital gain of around €9 million

Neoen (ISIN: FR0011675362, Ticker: NEOEN), one of the world's leading and fastest-growing independent producers of exclusively renewable energy, has entered into an agreement to sell its entire interest in the Lugos and Miremont solar power plants in France, together representing 21.7 MWp in capacity in operation. Both power plants will be sold for an enterprise value of close to €29 million, or €1.3 million per MWp. The net capital gain will be around €9 million and will be recognized in 2021 EBITDA[1].

Located in the Gironde and Haute-Garonne departments, the Lugos and Miremont power plants entered service in June 2018 and July 2019, respectively. They hold power purchase agreements running to 2038 and to 2039, respectively.

The transaction remains subject to the customary conditions precedent and is expected to close by the end of 2021.

This is the second farm-down transaction completed by Neoen following on from the sale of its entire interest in two other solar power plants in France (Grabels in the Hérault and Lagarde in the Vaucluse department) completed in early November 2021. These deals are aligned with Neoen's farm-down policy of selectively selling all of, or a majority stake, in projects or assets from its secured portfolio. By increasing the Group's financial capacity, these farm-down transactions will help to fund the construction of new assets. Neoen intends to carry out another farm-down transaction by the end of 2021 through a competitive tender currently in progress.

As previously announced, the contribution made by net gains on these farm-down transactions will not exceed 20% of 2021 EBITDA. Neoen is reiterating its 2021 EBITDA target of between €295 million and €310 million. It is also restating that the volume of projects sold as part of its farm-down policy under the plan out to 2025 will not exceed 20% of the gross annual growth of its secured portfolio.

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[1] As indicated at the Capital Markets Day in March 2021, the sale by the Group of all of, or a majority stake in, projects or assets in its secured portfolio will be carried out within the following two limits in 2021:
- the volume of projects sold will not exceed 20% of the gross annual growth of its secured portfolio,
- the contribution to consolidated full-year EBITDA will be less than 20%.

Contact

Neoen

communication@neoen.com

Press

OPRG Financial

Isabelle Laurent
+33 (0)1 53 32 61 51
Isabelle.laurent@oprgfinancial.fr

Fabrice Baron
+33 (0)1 53 32 61 27
Fabrice.baron@oprgfinancial.fr

Xavier Barbaro, Neoen's Chairman and CEO: "Just as we promised, we are carrying out a number of selective asset disposals in France. These will help fund our strong growth by unlocking the value created through the development of some of our projects. This second farm-down transaction demonstrates the strong appeal of the renewable assets developed and built by Neoen. We received a number of expressions of interest from both financial and industry investors. We expect to be able to sign a further transaction by the end of the year."

About Neoen

Neoen is one of the world's leading independent producers of exclusively renewable energy. Neoen has over 4.8 GW of solar, wind and storage capacity in operation or under construction in Australia, France, Finland, Mexico, El Salvador, Argentina, Ireland, Portugal, Jamaica, Mozambique, and Zambia. The company is also active in Croatia, Ecuador, Sweden, and the USA. Neoen's flagship assets include France's most powerful solar farm in Cestas (300 MWp), and the world's largest lithium-ion power reserve in Hornsdale, Australia (150 MW / 193.5 MWh storage capacity). Neoen is targeting more than 10 GW capacity in operation or under construction by the end of 2025. 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

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Isabelle Laurent
+33 (0)1 53 32 61 51
Isabelle.laurent@oprgfinancial.fr

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