

# NEOEN | MEDIA RELEASE

Paris, October 2<sup>nd</sup>, 2019

## Neoen announces the success of its offering of Bonds Convertible into New Shares and/or Exchangeable for Existing Shares (OCEANE) due 2024 for a nominal amount of approximately €200 million

Neoen (ISIN Code: FR0011675362, Ticker: NEOEN) (the “**Company**”) announces today the success of its offering of senior unsecured bonds convertible into new shares and/or exchangeable for existing shares of the Company (“**OCEANE**”) due October 7<sup>th</sup> 2024 (the “**Bonds**”), by way of a placement to qualified investors only in accordance with Article L. 411-2 II of the French monetary and financial code (*Code monétaire et financier*), for a nominal amount of approximately €200 million (the “**Offering**”).

The net proceeds of the Offering will be used by the Company for general corporate purposes with a view to finance growth towards the 2021 capacity target (more than 5.0 GW of capacity under construction or in operation), while optimizing balance sheet within the guidelines given by the Company regarding an average leverage ratio of approximately 80-85% of invested capital on an all-in basis including all Group debt, whether corporate, junior or senior project debt.

Xavier Barbaro, Chairman and CEO of Neoen, comments: “The success of this inaugural convertible bond issuance highlights Neoen’s attractiveness to investors. The terms obtained illustrate their confidence in our capacity to develop and operate our portfolio of assets and to keep growing it in a balanced and diversified way, while ensuring the strong economic competitiveness of each project. This issuance, fully subscribed by French and international institutional investors, enables us to both diversify our sources of financing and continue the optimization of our average cost of debt.”

### Main terms of the Bonds

The Bonds will be issued at par and will bear an interest of 1.875% from the Issue Date, payable semi-annually in arrears on April 7<sup>th</sup> and October 7<sup>th</sup> of each year (or on the following business day if this date is not a business day), and for the first time on April 7<sup>th</sup> 2020.

The nominal unit value of the Bonds has been set at €30.17, corresponding to a premium of 35% above Neoen’s reference share price<sup>1</sup> on the regulated market of Euronext in Paris (“**Euronext Paris**”).

Settlement-delivery of the Bonds is expected to take place on October 7<sup>th</sup>, 2019 (the “**Issue Date**”).

Unless previously converted, exchanged, redeemed or purchased and cancelled, the Bonds will be redeemed at par on October 7<sup>th</sup>, 2024 (or on the following business day if this date is not a business day) (the “**Maturity Date**”).

The Bonds may be redeemed prior to maturity at the option of the Company and at the option of the bondholders under certain conditions.

In particular, the Bonds may be fully redeemed earlier at par plus accrued interest, at the Company’s option at any time from October 28<sup>th</sup>, 2022 until the Maturity Date, subject to a minimum of 30 (but not more than 90) calendar days prior notice, if the arithmetic average, calculated over a period of 20 consecutive trading days chosen by the Company from among the 40 consecutive trading days preceding the publication of the early redemption notice, of the products of the Company’s volume weighted average price on Euronext Paris on each trading day of the considered period and the applicable conversion/exchange ratio on each such trading day exceeds 130% of the nominal value of the Bonds.

<sup>1</sup> The reference share price is equal to the volume-weighted average price of Neoen’s shares recorded on Euronext Paris from the start of trading on October 2<sup>nd</sup>, 2019 until the determination of the final terms of the Bonds on the same day.

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Upon a Change of Control of the Company or upon a Free Float Event (as these terms are defined in the terms and conditions of the Bonds), all bondholders will have an option to request the redemption before the Maturity Date of the Bonds at their nominal amount plus accrued but unpaid interests.

Bondholders will be granted a conversion/exchange right of the Bonds into new and/or existing shares of the Company (the "**Conversion/Exchange Right**") which they may exercise at any time from the Issue Date and until the 7<sup>th</sup> trading day (inclusive) preceding the Maturity Date or the relevant early redemption date.

The conversion/exchange ratio is set at one share per Bond subject to standard adjustments as described in the terms and conditions of the Bonds. Upon exercise of their Conversion/Exchange Right, bondholders will receive at the option of the Company new and/or existing Company's shares carrying in all cases all rights attached to existing shares as from the date of delivery.

Application will be made for the listing of the Bonds on Euronext Access™ of Euronext in Paris to occur within 30 calendar days from the Issue Date.

## Lock-up undertakings

In the context of the Offering, the Company and Impala SAS have respectively agreed to a lock-up undertaking on the issuance or sale of shares or of securities giving access to the share capital for a period starting from the announcement of the transaction and ending 90 calendar days after the Issue Date, subject to certain customary exceptions or waiver from the financial intermediaries.

## Dilution

For illustrative purposes, as a result of the Offering and the final conditions, the issue of 6,629,101 Bonds would lead to a maximum dilution of approximately 7.8% of the outstanding share capital, should the Company decide to exclusively deliver new shares upon exercise of the Conversion/Exchange right.

## Legal framework of the Offering and placement

The Offering of the Bonds has been conducted by way of an accelerated bookbuilt placement in France and outside of France (excluding in particular the United States of America, Canada, Australia and Japan), to qualified investors only in accordance with Article L. 411-2 II of the French monetary and financial code (*Code monétaire et financier*), as per the 11<sup>th</sup> and 7<sup>th</sup> resolutions approved by the Company's extraordinary general meetings held respectively on June 28<sup>th</sup>, 2019 and October 2<sup>nd</sup>, 2018.

Existing shareholders of the Company shall have no preferential subscription rights (nor priority subscription period) in connection with the issuance of the Bonds or the underlying new shares of the Company issued upon conversion.

## Available information

The Offering of the Bonds is not subject to a prospectus approved by the French Financial Market Authority (*Autorité des marchés financiers*) (the "**AMF**"). Detailed information on Neoen, including its business, results, prospects and related risk factors are described in the Company's registration document (*Document de Référence*) registered with the AMF on June 5<sup>th</sup>, 2019 under number R.19-021 which is available, together with the H1 2019 financial report and the H1 2019 press release, all the press releases and other regulated information about the Company, on Neoen's website ([www.neoen.com](http://www.neoen.com)).

## Important information

This press release does not constitute or form part of any offer or solicitation to purchase or subscribe for or to sell securities to any person in the United States, Australia, Canada or Japan or in any jurisdiction to whom or in which such offer is unlawful, and the Offering of the Bonds is not an offer to the public in any jurisdiction, including France, other than to qualified investors.

About Neoen

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Neoen is one of the world's most dynamic independent producers of renewable energy. With a capacity close to 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, Ireland, Zambia, Jamaica and Portugal. In particular, Neoen operates Europe's most powerful solar PV farm (300 MWp) in Cestas, France, and the world's largest lithium-ion power reserve (100 MW/129 MWh storage capacity) in Hornsdale, Australia. Neoen is targeting more than 5 GW capacity in operation or under construction by 2021. Neoen (ISIN Code: FR0011675362, ticker: NEOEN) is listed on the Compartment A of the regulated market of Euronext Paris.

For more information: [www.neoen.com](http://www.neoen.com)

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*No communication or information relating to the offering of the Bonds may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such registration or approval would be required. The issuance or the subscription of the Bonds may be subject to legal and regulatory restrictions in certain jurisdictions; none of Neoen and the financial intermediaries assumes any liability in connection with the breach by any person of such restrictions.*

*This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 (the "Prospectus Regulation"). This press release is not an offer to the public other than to qualified investors, an offer to subscribe or designed to solicit interest for purposes of an offer to the public other than to qualified investors in any jurisdiction, including France.*

*The Bonds have been offered by way of a placement in France and outside France (excluding the United States of America, Australia, Canada and Japan), solely to qualified investors as defined in article 2 point (e) of the Prospectus Regulation and pursuant to articles L. 411-1 and L. 411-2 of the French monetary and financial code (Code monétaire et financier). There will be no public offering in any country (including France) in connection with the Bonds, other than to qualified investors. This press release does not constitute a recommendation concerning the issue of the Bonds. The value of the Bonds and the shares of Neoen can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the Bonds for the person concerned.*

### Prohibition of sales to European Economic Area retail investors

*No action has been undertaken or will be undertaken to make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:*

- (a) *the expression "retail investor" means a person who is one (or more) of the following:*
- (i) *a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or*
  - (ii) *a customer within the meaning of Directive 2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or*
  - (iii) *not a "qualified investor" as defined in the Prospectus Regulation; and*

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- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds.

Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRiIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

MiFID II product governance / Retail investors, professional investors and ECPs only target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is retail investors, eligible counterparties and professional clients, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to retail investors, eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, even if the target market includes retail investors, the manufacturers have decided that the Bonds will be offered, as part of the initial offering, only to eligible counterparties and professional clients.

### France

The Bonds have not been and will not be offered or sold or cause to be offered or sold, directly or indirectly, to the public in France other than to qualified investors. Any offer or sale of the Bonds and distribution of any offering material relating to the Bonds have been and will be made in France only to qualified investors (*investisseurs qualifiés*), as defined in article 2 point (e) of the Prospectus Regulation, and in accordance with, Articles L.411-1 and L.411-2 of the French monetary and financial code (*Code monétaire et financier*).

### United Kingdom

This press release is addressed and directed only (i) to persons located outside the United Kingdom, (ii) to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (iii) to high net worth companies, and other persons to whom it may lawfully be communicated, falling within by Article 49(2) (a) to (d) of the Order (the persons mentioned in paragraphs (i), (ii) and (iii) all deemed relevant persons (the “**Relevant Persons**”). The Bonds and, as the case may be, the shares to be delivered upon exercise of the conversion rights (the “**Financial Instruments**”), are intended only for Relevant Persons and any invitation, offer or agreement related to the subscription, tender, or acquisition of the Financial Instruments may be addressed and/or concluded only with Relevant Persons. All persons other than Relevant Persons must abstain from using or relying on this document and all information contained therein.

This press release is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the Financial Services and Markets Act 2000.

### United States of America

This press release may not be released, published or distributed in or into the United States. The Bonds and the shares deliverable upon conversion or exchange of the Bonds described in this press release have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any State of the United States, and such securities may not be offered, sold, pledged or otherwise transferred in the United States absent registration under the Securities Act or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements thereof and applicable state or local securities laws. The securities of Neoen have not been and will not be registered under the Securities Act and Neoen does not intend to make a public offer of its securities in the United States. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

### Australia, Canada and Japan

The Bonds may not and will not be offered, sold or purchased in Australia, Canada or Japan. The information contained in this press release does not constitute an offer of securities for sale in Australia, Canada or Japan.

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