

NEOEN



Full-year 2020 results

Disclaimer

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1. FY 2020 highlights

2. FY 2020 results

3. Outlook

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2020 highlights



4.1 GW

In operation and under construction



+1 GW

Newly awarded projects



5.2 GW

Secured⁽¹⁾



299 M€

Revenue

up 18% y-o-y



270 M€⁽²⁾

EBITDA

up 25% y-o-y



222 M€

Cash-flow from operating activities

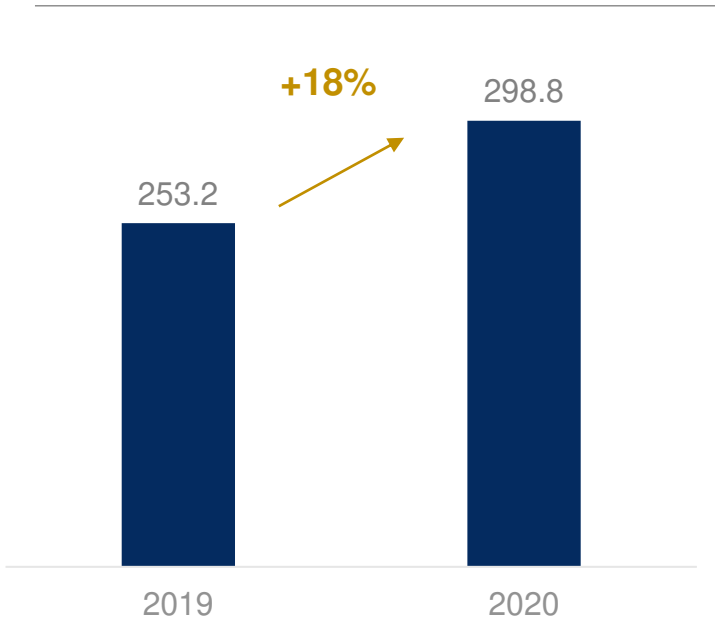
up 20% y-o-y

(1) Assets in operation, under construction and projects awarded

(2) 274.8 M€ at constant exchange rates

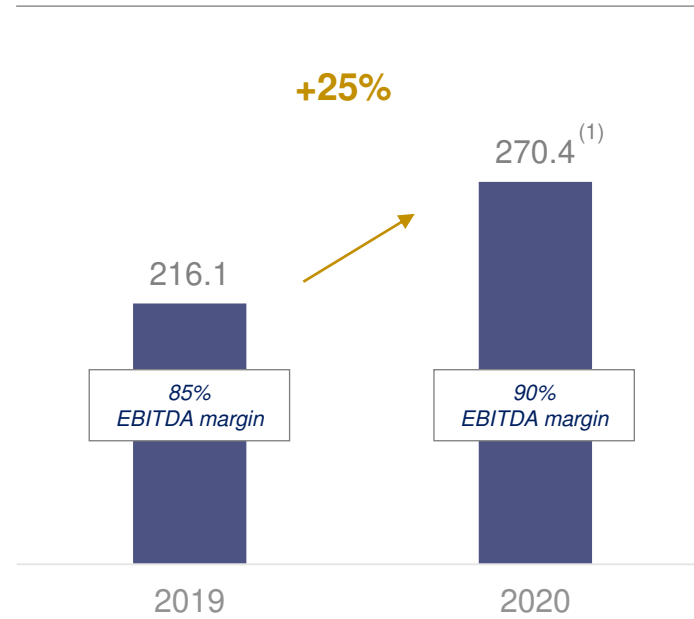
Strong performance in 2020 end EBITDA target reached

Revenue (M€)



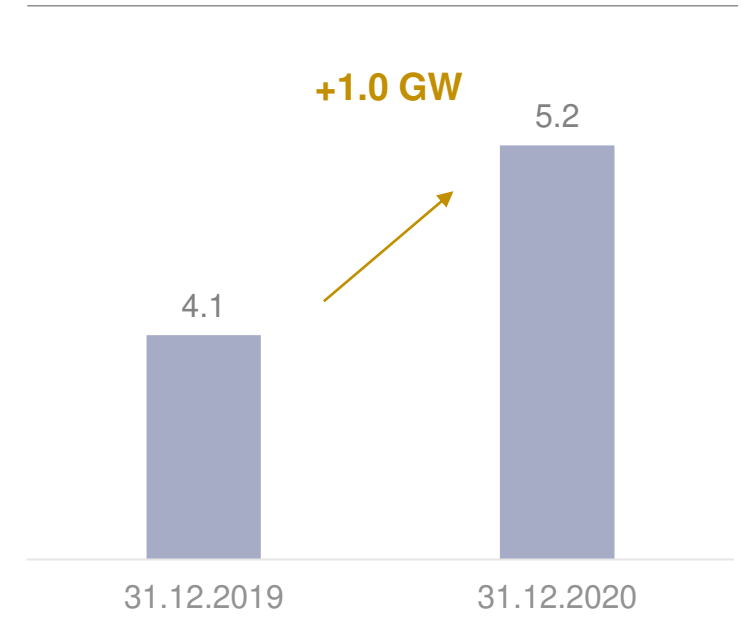
- FY 2020 revenue up 18% year-on-year

EBITDA (M€)



- 2020 EBITDA target achieved: 275 M€ at constant exchange rate
- 2020 EBITDA margin of 90%, up 5 bp y-o-y
 - Liquidated damages⁽²⁾ covering, up to a cap, the revenue losses related to the delayed commissioning of certain projects
 - One-off positive impact in storage in Q1 2020

Secured capacity⁽¹⁾ (in GW)



- More than 1 GW in newly awarded projects in 2020

(1) Liquidated damages recognized in other current operating income, partly offsetting losses of revenue, thereby automatically improving the EBITDA margin



1. FY 2020 highlights

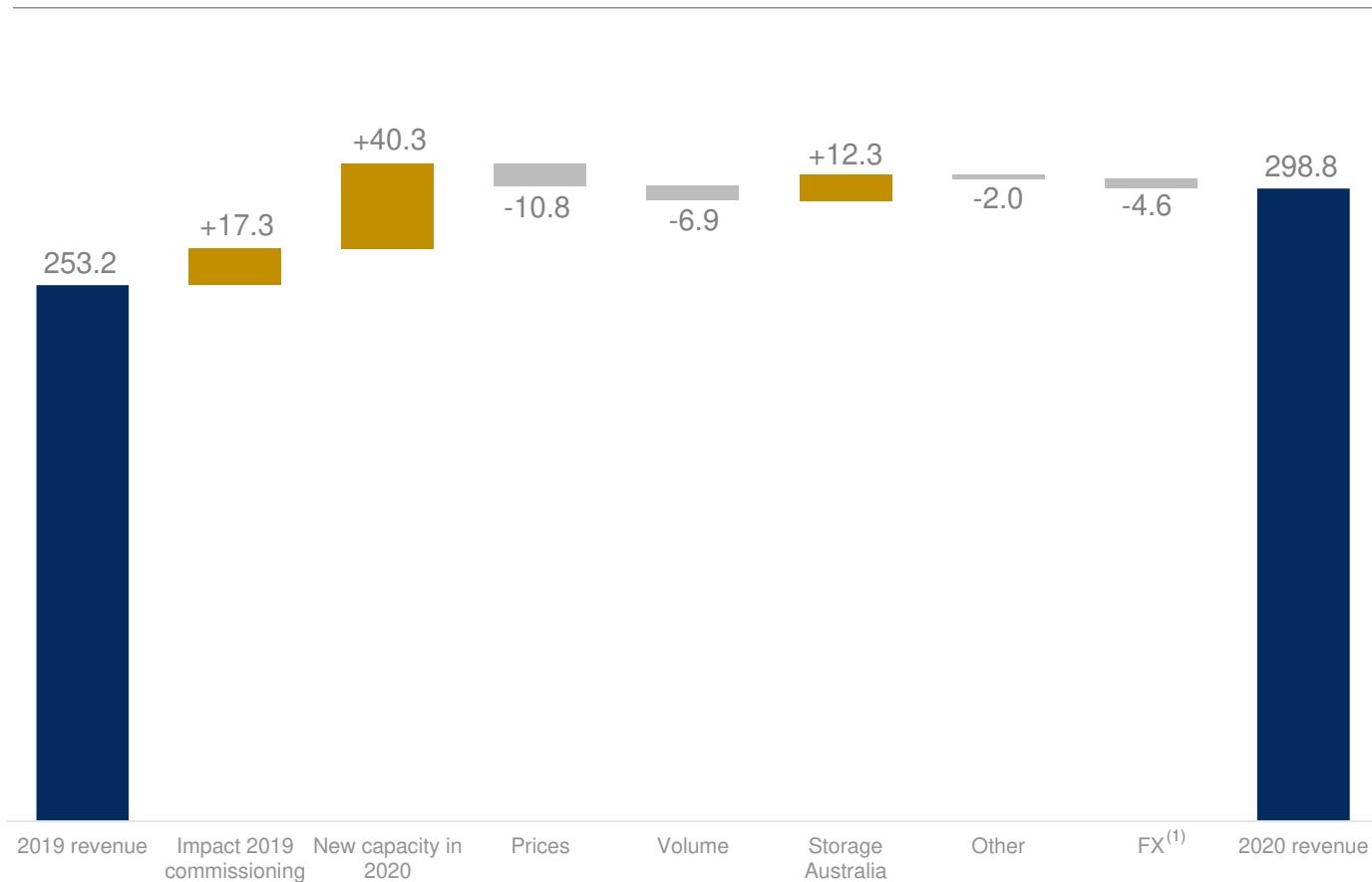
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2020 revenue up 18% year-on-year

Revenue (in M€)

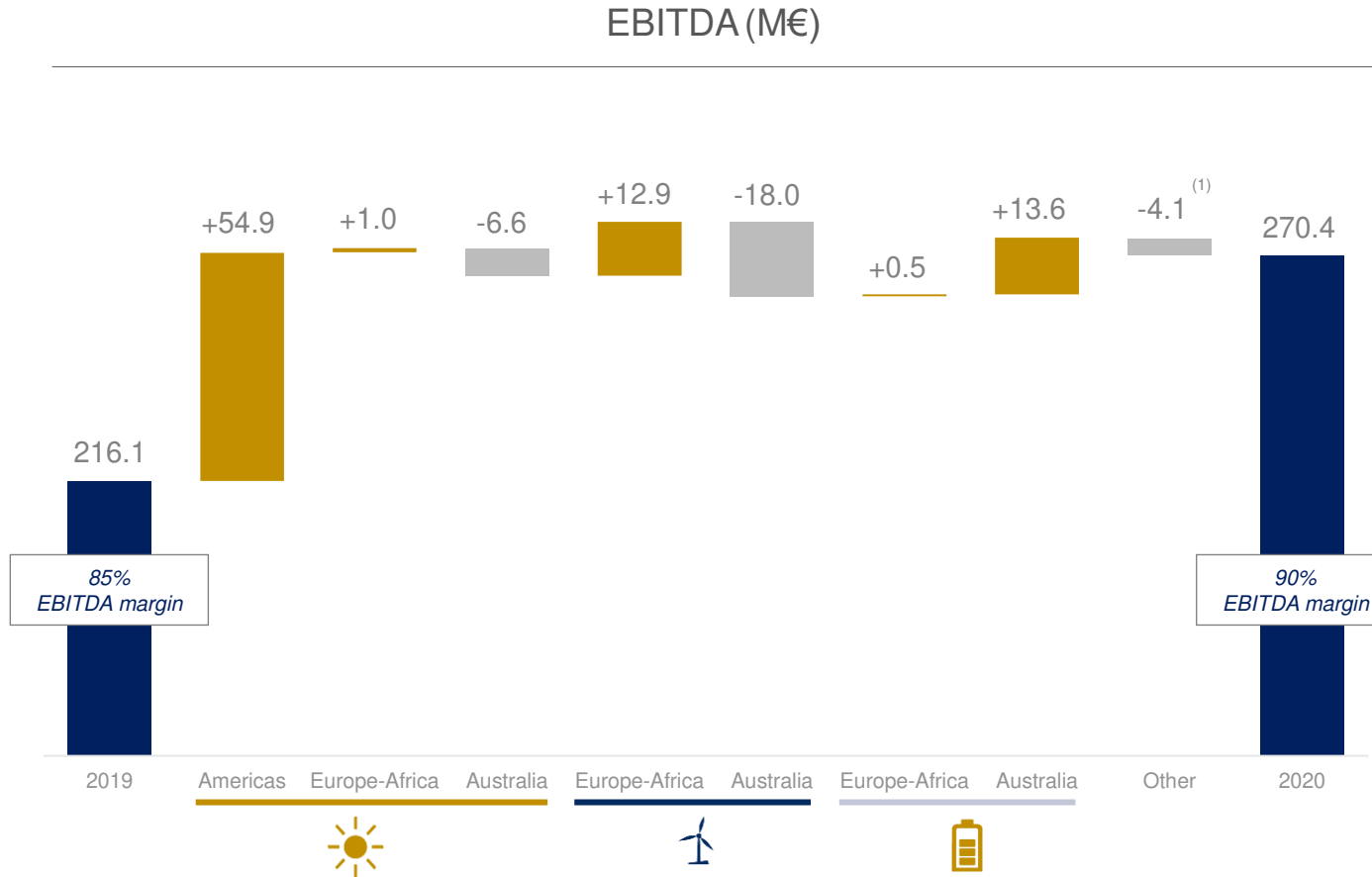


- Significant contribution from assets commissioned in 2019 and 2020 as well as early generation revenue recorded in 2020
- Lower average price at a wind farm in Australia due to the transition from early generation revenue⁽²⁾ to PPA in the first 9M 2020 and year-on-year decrease in market prices in the last three quarters of 2020, especially in Australia
- Negative volume effect due to less favorable irradiation conditions in Australia throughout 2020 and to reduced availability of certain Australian assets in H1 2020
- Strong one-off increase in HPR battery revenue in Australia in Q1 2020 partly offset by unfavorable market conditions for the sale of network services over the rest of the year
- Negative FX impact mainly due to the weakening in the average level of the Australian Dollar against the Euro; revenue up 20% at constant FX rates

(1) Based on average FX rate over 2019

(2) Short-term energy revenues prior to the start of a long-term contract

Solid growth in 2020 EBITDA



- **EBITDA up 25%** year-on-year mainly driven by the revenue growth in Solar in Americas, in Wind in Europe-Africa and in storage in Australia
- **EBITDA margin of 90%**, up 5 bp year-on-year due to liquidated damages⁽²⁾ covering, up to a cap, the revenue losses caused by delayed commissioning of certain projects and a one-off positive impact in Storage in Q1 2020

(1) Development - Investment and Eliminations

(2) Liquidated damages recognized in other current operating income, partly offsetting loss of revenue, thereby automatically improving the EBITDA margin

2020 EBITDA by segment: solar

	2020	2019	% chg.
Solar	161.2	111.8	+44%
<i>% margin</i>	<i>112%</i>	<i>94%</i>	<i>+18bp</i>
Wind	97.2	102.2	-5%
<i>% margin</i>	<i>80%</i>	<i>92%</i>	<i>-12bp</i>
Storage	31.4	17.4	+80%
<i>% margin</i>	<i>96%</i>	<i>85%</i>	<i>+11 bp</i>
Other ⁽¹⁾	(19.4)	(15.3)	-27%
Group EBITDA	270.4	216.1	+25%
<i>Group EBITDA margin</i>	<i>90%</i>	<i>85%</i>	<i>+5bp</i>

- **Solar EBITDA up 44% year-on-year**

- ⊕ Strong contribution from new capacity added in 2020, notably in El Salvador and in Mexico, and, to a lesser extent, full-year impact from assets commissioned in 2019 in Australia, Zambia, Jamaica and France
- ⊕ Significant increase in liquidated damages in 2020 compared to 2019, directly linked to delayed commissioning, especially in Americas
- ⊖ Lower irradiation conditions in Australia throughout the year and reduced availability of an Australian asset in H1 2020 due to upgrade works on the grid
- ⊖ In the last three quarters of 2020, lower market prices notably in Australia compared to 2019

2020 EBITDA by segment: wind

	2020	2019	% chg.
Solar	161.2	111.8	+44%
<i>% margin</i>	<i>112%</i>	<i>94%</i>	<i>+18bp</i>
Wind	97.2	102.2	-5%
<i>% margin</i>	<i>80%</i>	<i>92%</i>	<i>-12bp</i>
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Other ⁽¹⁾	(19.4)	(15.3)	-27%
Group EBITDA	270.4	216.1	+25%
<i>Group EBITDA margin</i>	<i>90%</i>	<i>85%</i>	<i>+5bp</i>

- **Wind EBITDA down 5% year-on-year**

- ⊕ Contribution of capacity added in Ireland and in France in 2019 as well as in Finland and France in 2020
- ⊕ Ramp-up of Bulgana in Australia, which gradually injected electricity into the grid in H2 2020
- ⊖ Lower average price earned by the Hornsdale 3 wind farm in Australia in the first 9M 2020 following the entry into force of its long term PPA in October 2019
- ⊖ Decrease in liquidated damages in 2020 compared to 2019, essentially in Australia
- ⊖ Higher network service costs at certain wind farms in South Australia in Q1 2020 due to specific market conditions

2020 EBITDA by segment: storage

	2020	2019	% chg.
Solar	161.2	111.8	+44%
<i>% margin</i>	<i>112%</i>	<i>94%</i>	<i>+18bp</i>
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Group EBITDA	270.4	216.1	+25%
<i>Group EBITDA margin</i>	<i>90%</i>	<i>85%</i>	<i>+5bp</i>

- **Storage EBITDA up 80% year-on-year**

- ⊕ Strong one-off positive impact in Q1 2020 in Australia due to specific market conditions (power interconnection line down for 18 days)
- ⊖ Storage revenue in the last three quarters of 2020 declined year-on-year as weaker demand for electricity in Australia during the period reduced strain on the grid, creating less favorable market conditions for sale of network services

Profit & Loss: from revenue to operating income

	2020	2019	Change	
Revenue	298.8	253.2	+18%	
EBITDA	270.4	216.1	+25%	
Current operating depreciation, amortization and provisions	(109.8)	(80.2)	+37%	<p>Increase in depreciation and amortization resulting from the growth in the number of assets in operation related to new commissionings in 2019 and 2020</p>
Current operating income	160.5	135.9	+18%	
Other non-current operating income and expenses	(4.0)	(5.5)	-27%	
Impairment of non-current assets	(14.1)	1.5	n/a	<p>Impairment loss related to the Altiplano project in 2020 (-15.3 MUSD)</p> <ul style="list-style-type: none"> – Slow recovery of VAT credits denominated in Argentine peso pending reimbursement in a context of declining ARS against USD – Impact of currency control measures currently in place
Operating income	142.4	131.9	+8%	

Profit & Loss: from operating income to net income

	2020	2019	Change
Operating income	142.4	131.9	+8%
Cost of debt	(101.8)	(79.0)	+29%
Other financial income and expenses	(15.9)	(8.0)	x2
Net financial result	(117.7)	(87.0)	-35%
Income tax	(21.4)	(23.7)	-10%
Net income from continuing operations	3.3	21.2	-84%
Net income from discontinued operations	-	15.8	n/a
Net income of the consolidated group	3.3	37.0	-91%
Net income Group share	3.9	36.0	-89%
<i>o/w net income attributable to non-controlling interests</i>	<i>(0.5)</i>	<i>1.0</i>	<i>n/a</i>

Cost of debt reflecting

- Growth in assets in operation (-10.7M€) and impact of hedging derivatives (-9.7M€)
- Interest expense related to the issue of two convertible bonds⁽¹⁾⁽²⁾ (-10,7 M€)
- Positive impact on interest expense of the refinancing of the Hornsdale wind farms in Australia in 2020 (+3,3 M€) and a portfolio of French projects in H2 2019 (+5.5 M€)

Other financial income and expenses

- Costs associated with the early repayment of the historical debt related to the refinancing of the Hornsdale wind farms in 2020 (-4.9 M€)
- Foreign exchange losses in 2020 reflecting the decreasing value of current assets in Argentina (-8.5 M€)
- In 2019, one-off penalties related to the refinancing of French assets and discounting effects partly mitigated by positive impact of the refinancing of a portfolio of Australian solar projects

Effective tax rate of 86.6% vs 52.8% in FY 2019

(1) The effective interest rate of the debt component of these convertible bonds stands at 4.27% and 5.80% respectively

(2) Issued respectively in October 2019 and in June 2020

Current and deferred tax expenses

	2020	2019	Change
Profit before tax	24.8	44.9	-45%
Income tax	(21.4)	(23.7)	-10%
<i>Current tax expenses</i>	(14.5)	(15.3)	-5%
<i>Deferred tax expenses</i>	(6.9)	(8.4)	-18%
Effective tax rate	86.6%	52.8%	+34 bp

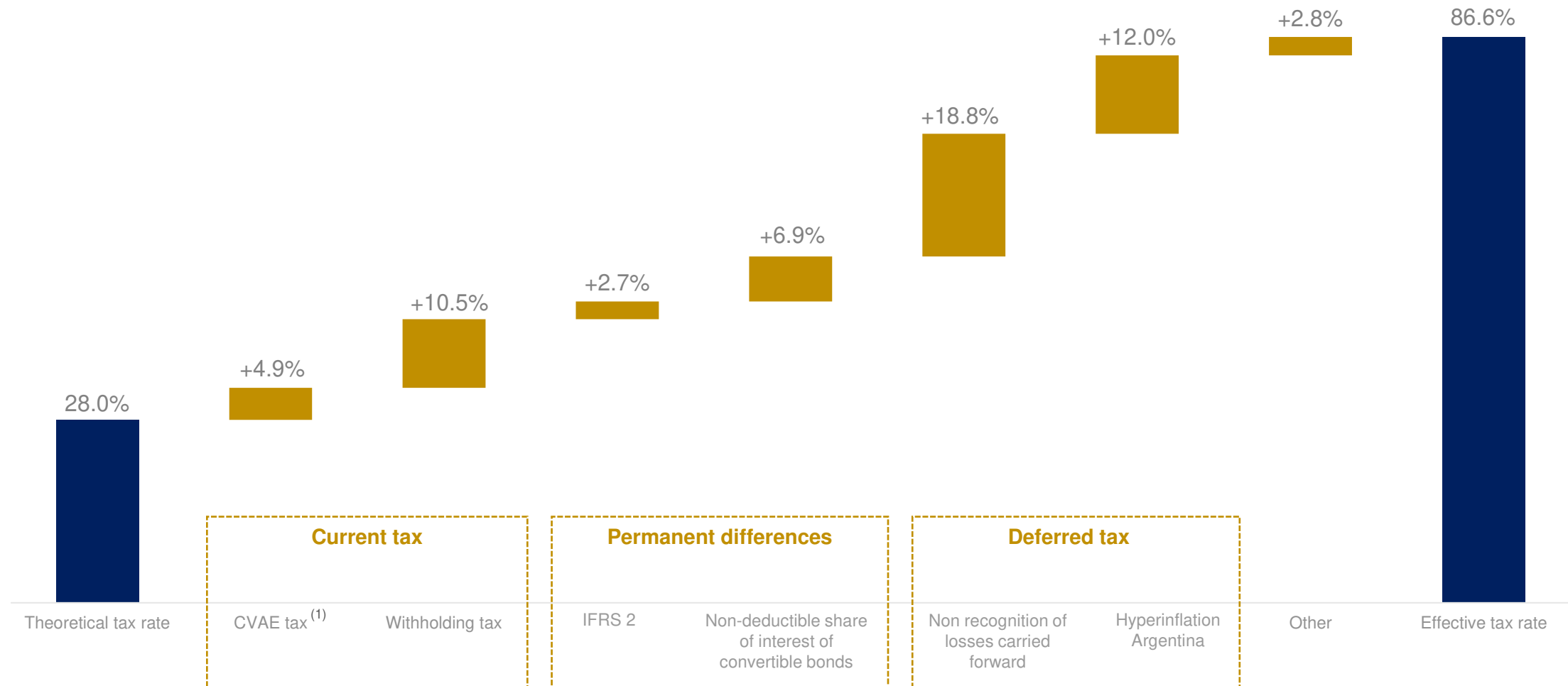
Current tax expenses, down 5% year-on-year

- Corporate tax expenses: -2.8 M€ year-on-year
- Withholding tax expenses: +1.7 M€ year-on-year
- CVAE⁽¹⁾ tax expenses: +0.4 M€ year-on-year

Deferred tax, down 18% year-on-year

(1) France's value added levy

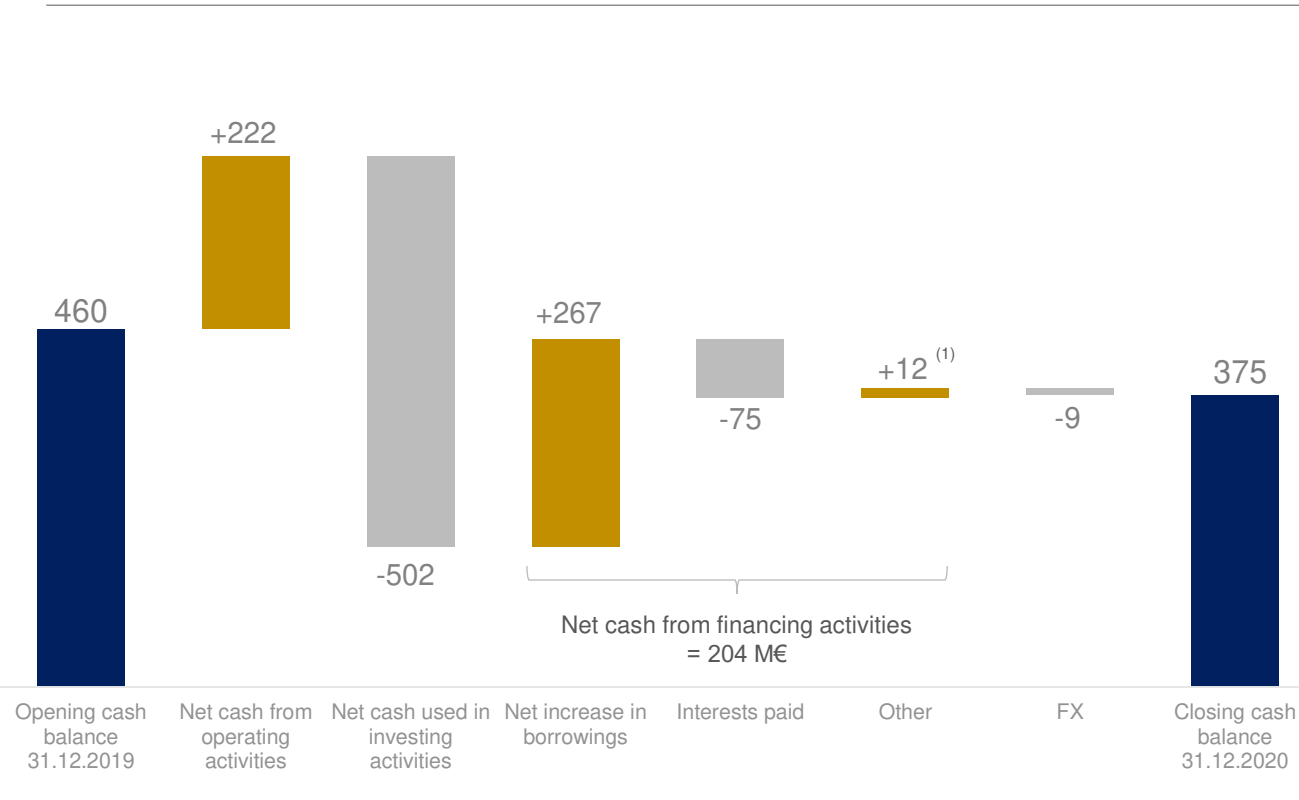
From theoretical tax rate to effective tax rate in 2020



(1) France's value added levy

Cash position at Group level at year-end 2020

Change in total cash balance (M€)



375 M€⁽²⁾ of cash available at 31 December 2020

plus a **200 M€** undrawn syndicated loan

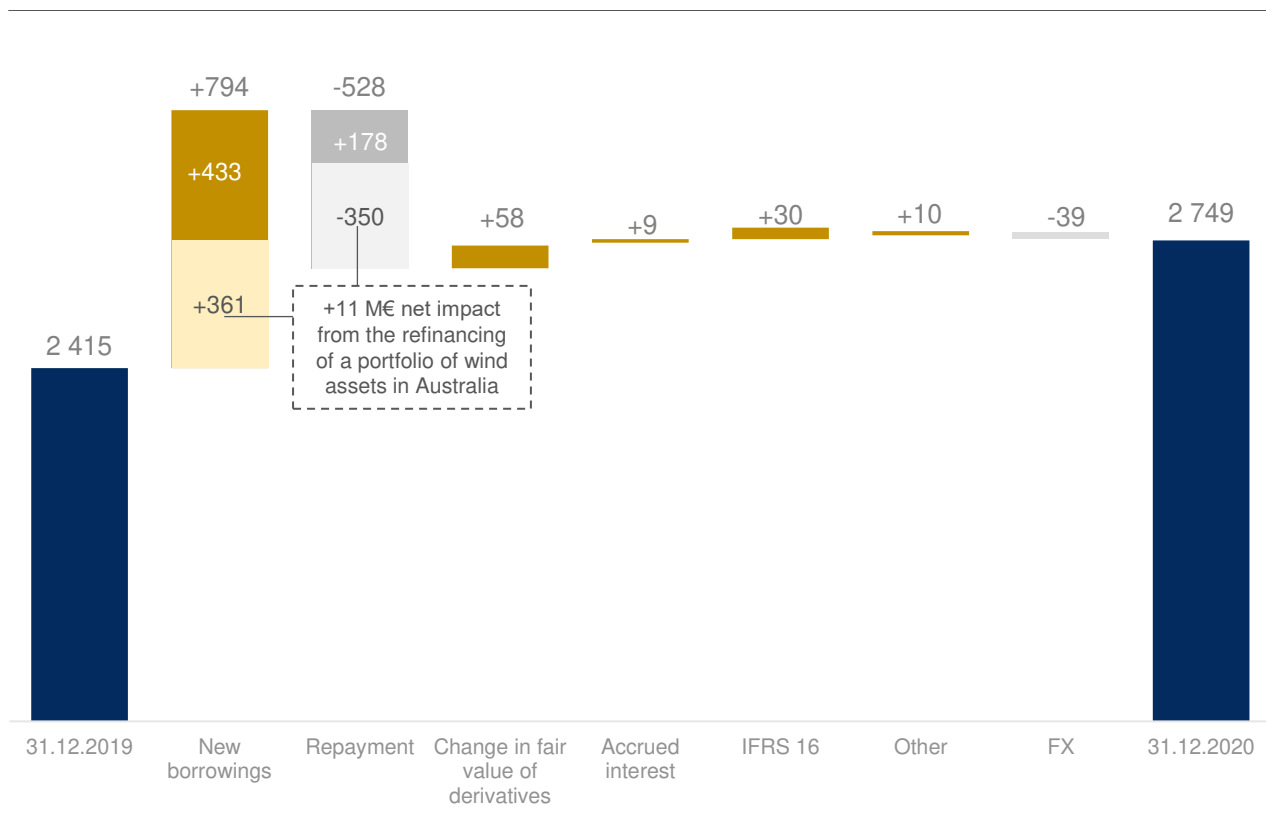
- **Net cash flows from operating activities** amounted to 222 M€ up 38M€ y-o-y reflecting notably
 - Increase in EBITDA (+54 M€ y-o-y)
 - Negative change in WCR (-11 M€ y-o-y) mainly due to receivable pending payments
 - Increase in tax paid (-8 M€ y-o-y)
- **Net cash flows from investing activities** reached -502 M€, driven by investments in new projects mainly
 - In Australia: HPRX (53 M€), Western Downs (37 M€), VBB (25 M€), Bulgana (17 M€)
 - In Americas: Altiplano (61 M€), El Llano (48 M€) and Capella (23 M€)
 - In Europe: Mutkalampi (36 M€), Ylökkäla (13 M€), Hedet (11 M€), wind farms (73 M€) & solar projects (45 M€) in France
- **Net cash flows from financing activities** reached 204 M€ mainly reflecting net increase in borrowings related to
 - Project financing raised with the construction of new assets
 - Issuance of a 170 M€ green convertible bond in June 2020 (143 M€ recognized as debt component)
 - Net impact of the refinancing of a portfolio of wind assets in Australia

(1) The other items mainly include the equity portion of the green convertible bond, net acquisition of treasury shares and dividends paid to minority shareholders

(2) Cash and cash equivalents stood at 60.4 M€ at Neoen SA (vs 185.4 M€ in 2019)

Gross debt increasing with the construction of new assets

Change in gross debt (M€)



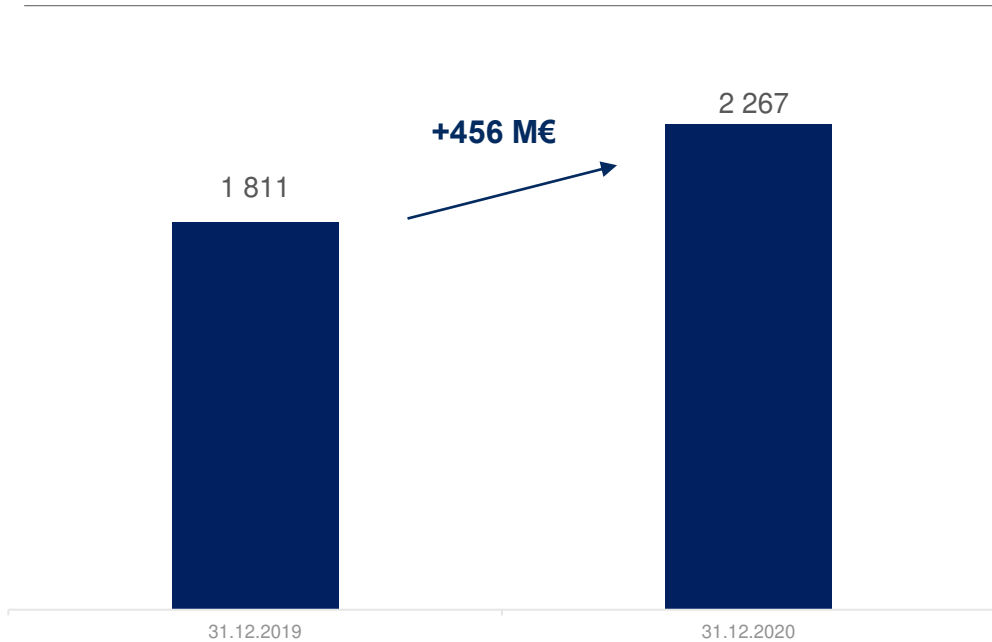
- **Net Increase in borrowings of 267 M€**
 - Additional project financing raised with the construction of new assets
 - Issuance of a 170 M€ green convertible bond in June 2020 (143 M€ recognized as debt component)
 - 11 M€ net impact of the refinancing of Hornsdale wind assets in Australia
- **Change in fair value of derivatives** derived from decrease in market interest rates in FY 2020
- **Average cost of project finance debt: 3.4%** (vs 3.7% at end-2019) due to low interest-rates environment until year end and one refinancing transaction
- **Average Group cost of debt: 3.7%** (vs 4.2% at-end 2019) due to lower cost of project finance debt and the issue of a green convertible bond in June 2020 at a nominal interest rate of 2.0%⁽¹⁾

>80% non-recourse debt, with long tenor

(1) The effective interest rate of the debt component of this convertible bond stands at 5,80%

Financial discipline maintained

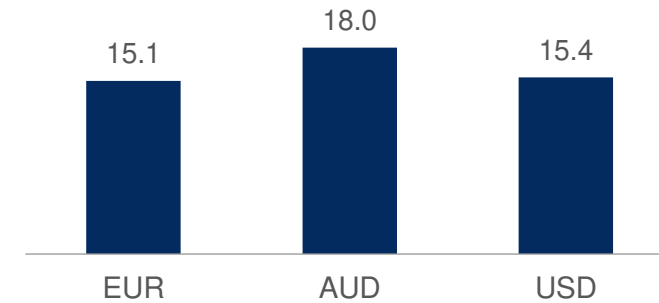
Net debt (in M€)



Stable leverage

8.4x net debt / EBITDA at 31.12.2020
(**8.4x** at 31.12.2019)

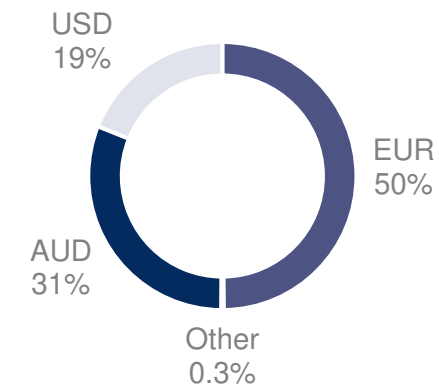
Average residual tenor of project finance debt⁽¹⁾ (in years)



16.3 years

Weighted average residual tenor⁽²⁾
(**15.8 years** at 31.12.2019)

Gross debt by currency⁽³⁾



(1) Senior debt (excluding junior debt)

(2) For all the Group's projects in operation as of December 31, 2020

(3) Excluding lease liabilities and minority interests. As of December 31, 2020



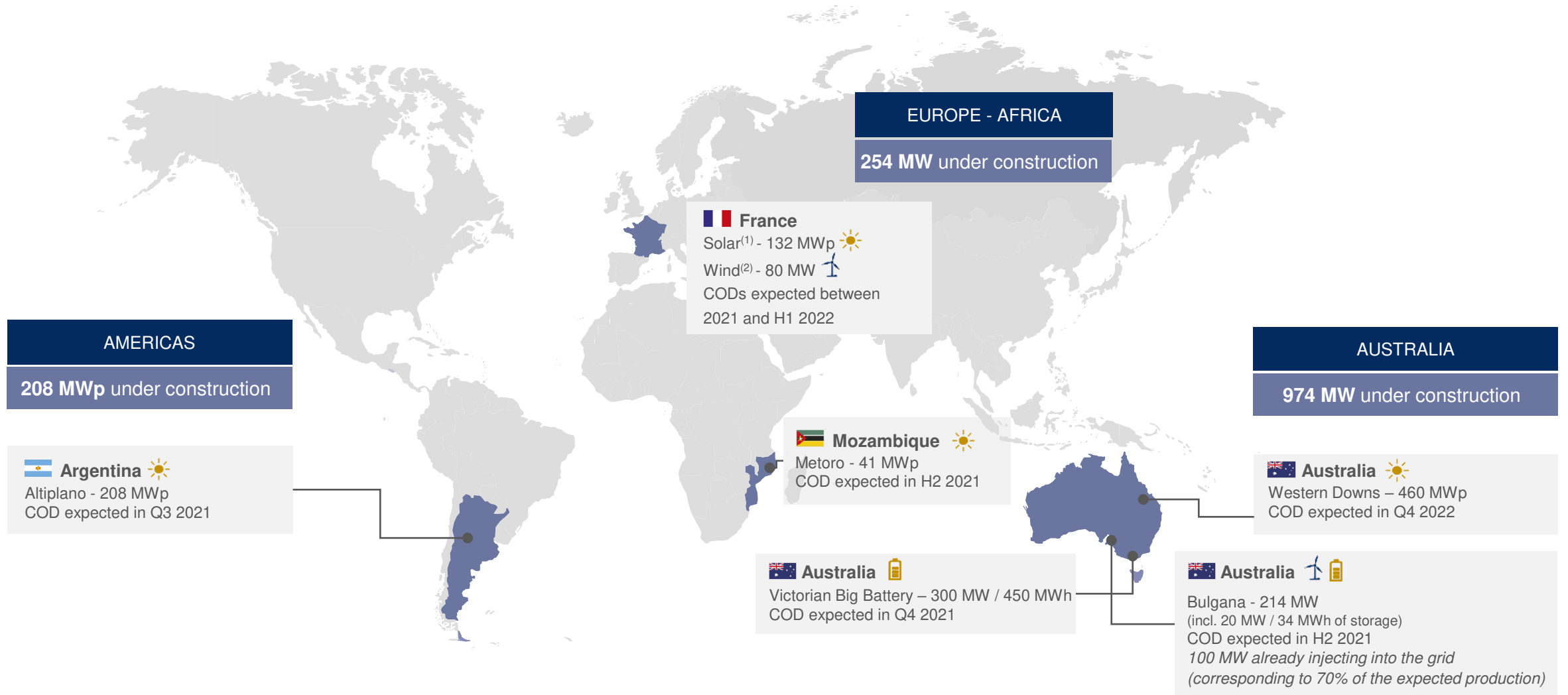
1. H1 2020 highlights

2. H1 2020 results

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1.4 GW under construction across our three geographies



Notes: Capacity under construction at December 31st, 2020. Current best estimate of the timing for commissioning of assets under construction given the Covid-19 outbreak

(1) Arue 1,2, 3 (40 MWp), Mer (15 MWp), Réaup-Lisse (15 MWp), Bioule (13 MWp), Paulmy (12 MWp), Levroux (10 MWp), Morhange (9 MWp), CapVert (5 MWp), Sernhac (5 MWp), Badonviller (4 MWp), Savernat (4 MWp)

(2) Le Mont de Malan (29 MW), Saint-Sauvant (21 MW), Courcome (15 MW), Les Avaloirs (9 MW), Chemin Vert (7 MW)

2020 confirming Group's sustainable growth profile

- **Significant progress on the delivery of projects despite some localized delays**

- **769 MW** of additional assets in operation in 2020
- Launch of construction of close to **1 GW**
- **More than 1 GW** in newly awarded projects

- **Distinctive and innovative projects**

- The **300 MW Victorian Big Battery**, one of the world's largest batteries
- A **cross-border PPA** for the Mutkalampi wind farm (126 MW)⁽¹⁾ in Finland with a consortium of four major Dutch groups

- **Solid financial performance and 2020 EBITDA target reached**

- FY 2020 revenue: **up 18 %** year-on-year
- FY 2020 EBITDA: **up 25%** year-on-year
- Cash-flow from operations: **up 20%** year-on-year

- **At the forefront of sustainable finance with two successful green issues**

- A **syndicated loan indexed to ESG criteria** - 200 M€
- The **first ever European green convertible bond** - 170 M€

(1) Total capacity of 404 MW, of which 251 MW accounted in the awarded projects at end-December 2020



1. H1 2020 highlights

2. H1 2020 results

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Profit & loss

<i>In millions of euros</i>	2020	2019
Contracted energy revenue	235.1	214.7
Uncontracted energy revenue	58.7	32.7
Other income	5.0	5.9
Revenue	298.8	253.2
Purchase of goods and change in inventories	2.9	(0.7)
External charges and payroll expenses	(73.9)	(59.1)
Duties, taxes and similar payments	(7.7)	(5.4)
Share of net income of associates	0.7	0.7
Other current operating income and expenses	49.6	27.6
EBITDA	270.4	216.1

Balance sheet

<i>In millions of euros</i>	31.12.2020	31.12.2019
Goodwill	0.7	0.7
Intangible assets	208.7	183.3
Tangible assets	2,838.7	2,387.3
Investments in associates and joint ventures	7.3	6.9
Non-current derivative financial instruments	2.2	2.0
Financial assets	92.2	125.2
Deferred tax assets	62.2	55.6
Total non-current assets	3,212.0	2,761.0
Inventories	4.7	0.7
Trade accounts receivables	73.2	52.2
Other current assets	112.3	111.2
Cash and cash equivalents	374.9	460.5
Total current assets	565.1	624.7
Total assets	3,777.1	3,385.7

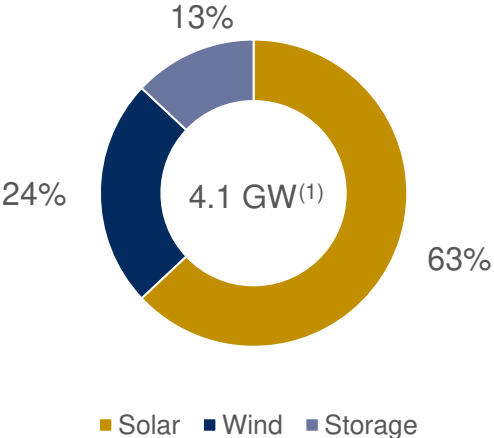
<i>In millions of euros</i>	31.12.2020	31.12.2019
Equity attributable to owners of the Company	636.8	661.0
Non-controlling interests	4.8	19.5
Total equity	641.6	680.5
Non-current provisions	57.4	13.8
Project financing - non-current	2,027.1	1,979.8
Corporate financing - non-current	325.4	190.6
Derivative financial instruments - non-current	90.2	83.8
Other liabilities – non current	22.3	34.1
Deferred tax liabilities	53.3	49.6
Total non-current liabilities	2,575.7	2,351.7
Current provisions	0.5	-
Project financing - current	273.1	144.8
Corporate financing - current	14.0	4.0
Derivative financial instruments - current	19.6	11.6
Trade accounts payables	173.9	126.3
Other current liabilities	78.7	66.8
Total current liabilities	559.7	353.5
Total equity and liabilities	3,777.1	3,385.7

Cash-flow statement

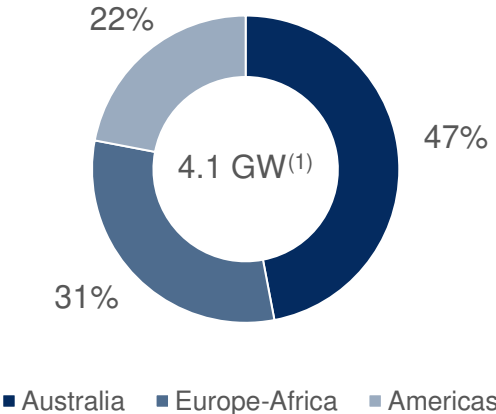
<i>In millions of euros</i>	2020	2019
Net income for the year	3.3	37.0
Eliminations	248.4	202.4
Impact of changes in working capital	(11.3)	(44.5)
Taxes paid (received)	(18.1)	(10.4)
Net cash flow from operating activities	222.3	184.5
Acquisitions / (disposals) of subsidiaries, net of cash acquired / (disposed)	(11.0)	(25.9)
Acquisitions (disposals) of tangible and intangible assets	(529.6)	(763.9)
Change in financial assets	37.3	(23.2)
Dividends and investments grants received	0.9	0.8
Net cash flows used in investment activities	(502.4)	(812.3)
Capital increase	22.9	18.6
Proceeds (repayments) from borrowings	266.5	639.1
Interest paid	(74.6)	(72.0)
Dividends paid	(10.9)	(4.1)
Net cash flows from financing activities	204.0	581.6
Impact of foreign exchange rate fluctuation	(9.5)	2.8
Change in cash	(85.6)	(43.3)
Opening cash balance	460.5	503.8
Closing cash balance	374.9	460.5
Net cash flow as shown in the balance sheet	(85.6)	(43.3)

A diverse portfolio of high-quality assets

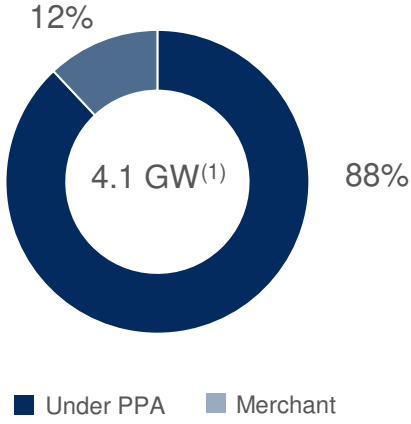
Technology breakdown



Geographic breakdown



Contracted vs merchant breakdown(2)

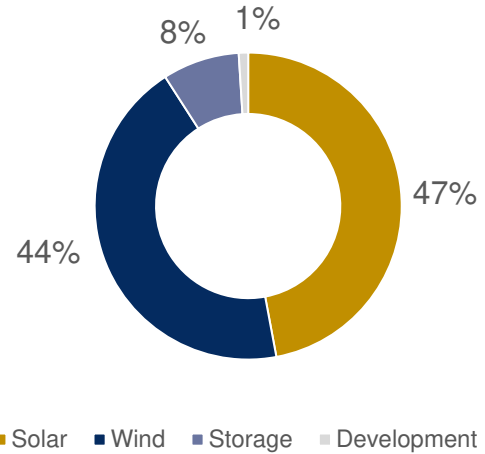


(1) Capacity in operation or under construction as of December 31, 2020
(2) Weighted average by MW for assets in operation or projects under construction as of December 31, 2020

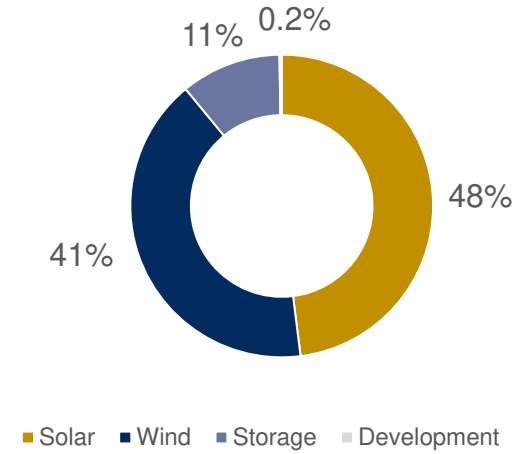
Revenue by technology and geography

Revenue by technology

2019

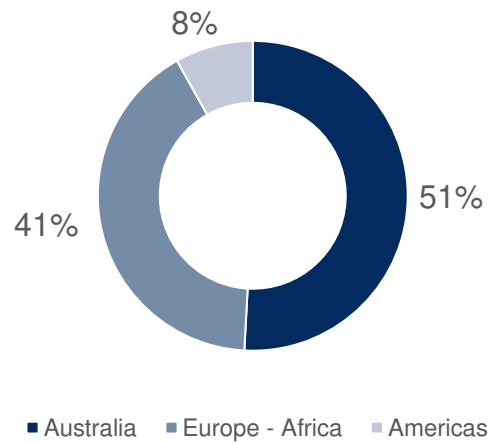


2020

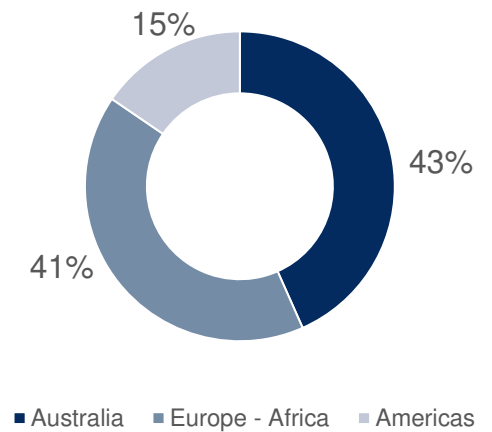


Revenue by geography

2019



2020



Capacity added in 2019

Project	Technology	Capacity (MW)	Country	COD Date
Azur Est	Solar	9	France	March 2019
Corbas 3 & 4	Solar	8	France	March 2019
Bangweulu	Solar	54	Zambia	April 2019
Azur Stockage	Storage	6	France	May 2019
Corbas 1 & 2	Solar	8	France	May 2019
Auxois Sud 2	Wind	16	France	June 2019
Numurkah	Solar	128	Australia	August 2019
Irish wind farms ⁽¹⁾	Wind	53	Ireland	August 2019
Les Hauts Chemins	Wind	14	France	August 2019
Miremont	Solar	10	France	October 2019
Saint-Avit	Solar	11	France	October 2019
Paradise Park	Solar	51	Jamaïca	November 2019
		Total capacity: 369 MW		

(1) Acquired in August 2019

Capacity added in 2020

Project	Technology	Capacity (MW)	Country	COD Date
Capella	Solar	143 ⁽¹⁾	El Salvador	March 2020
Azur Sud	Solar	5	France	April 2020
Saint-Eloy	Solar	5	France	April 2020
Fossat	Solar	5	France	April 2020
Hedet	Wind	81	Finland	June 2020
La Garenne	Wind	10	France	July 2020
Brègues d'Or	Solar	2	France	July 2020
Hornsedale Power Reserve X	Storage	50	Australia	September 2020
Antugnac	Solar	7	France	September 2020
Vermenton	Solar	14	France	October 2020
Val d'Eole ⁽²⁾	Wind	12	France	October 2020
Chapelle d'Eole ⁽²⁾	Wind	12	France	October 2020
Viersat	Wind	18	France	December 2020
Yllikala Power Reserve One	Storage	30	Finland	December 2020
El Llano	Solar	375	Mexico	December 2020
		Total capacity: 769 MW		

(1) Including 3 MW / 2 MWh of storage

(2) Acquired in October 2020

Total portfolio capacity

<i>In MW</i>	31.12.2020	31.12.2019	Change
Assets in operation	2 615	1 847	+769
Assets under construction	1 436	1 193	+242
<i>Subtotal, assets in operation or under construction</i>	4 051	3 040	+1 011
Projects awarded	1 107	1 082	+25
Total Secured capacity	5 158	4 122	+1 036
Tender ready projects	1 508	1 563	-55
Advanced development projects	5 366	4 966	+400
Total Advanced pipeline capacity	6 874	6 529	+345
Total portfolio capacity	12 033	10 652	+1 381
Early stage projects	>4 GW	>4 GW	

Financial agenda and contact information

Next events

- 11.05.2021: Q1 2021 revenue and operational data
- 30.07.2021: H1 2021 results
- 09.11.2021: 9M 2021 revenue and operational data

Investor relations

- communication@neoen.com



Thank you for listening



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