

Paris, November 9, 2021

NINE-MONTH 2021 REVENUE

Neoen's revenue up 8%, with capacity in operation or under construction to reach more than 5 GW by year-end 2021

- Revenue totaled €242.7 million, up 8% compared to the first nine months of 2020, with an increase of 16% in the third quarter
- The Group has launched the construction of 759 MW in capacity, lifting assets in operation or under construction to 4.8 GW at September 30, 2021
- Neoen is confirming its 2021 EBITDA¹ target of between €295 million and €310 million, with an EBITDA margin of around 80%
- Neoen is also reiterating its target of having more than 5 GW in capacity in operation or under construction by the end of 2021
- Neoen now aims to reach 5 GW in operation during 2023, rather than by year-end 2022 as originally planned owing to current difficulties in the component supply chains
- Lastly, the Group is reiterating its EBITDA growth targets out to 2025 and its target of having more than 10 GW in capacity in operation or under construction by year-end 2025

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 €242.7 million in the first nine months of 2021, up 8% compared to the first nine months of 2020. At constant exchange rates, revenue rose 7%.

Xavier Barbaro, Neoen's Chairman and Chief Executive Officer, commented: "Neoen's revenue continued to grow over the first nine months of the year and climbed 16% higher in the third quarter alone. This performance was supported by our geographical and our technological diversification, a key pillar of our business model. Since the beginning of the year, we have launched construction of over 750 MW in projects in Australia, Finland, France, Ireland and El Salvador, lifting capacity in operation or under construction to 4.8 GW by end-September 2021 in line with our target to reach over 5 GW by the end of the year. Leveraging our healthy pipeline, we are taking further active steps to secure new projects so we can accelerate our growth. While the pandemic has naturally led to a slowdown in the pace of new project wins, we can count on our existing large pipeline of projects and our teams' know-how and expertise to revitalize these trends rapidly. We were awarded nine photovoltaic projects with a combined capacity of over 130 MWp in the recent call for tenders launched by the French government. That's a testament to our ability to embark on a sustainable growth cycle taking us to 10 GW in operation or under construction by end-2025."

¹ EBITDA corresponds to current operating income adjusted for current operating depreciation, amortization and provisions and, as announced at the Capital Markets Day on March 11, 2021, from January 1st, 2021, the expense resulting from the application of IFRS 2 "share-based payment". It also includes the net proceeds from disposals of secured portfolio assets through farm-down transactions

Operational highlights

	September 30, 2021 (1)	December 31, 2020 (1)	Chg.
Assets in operation (MW)	2,735	2,615	+119

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

Neoen's capacity in operation stood at 2,735 MW at September 30, 2021, up 119 MW from its December 31, 2020 level. During the first nine months of 2021, the Group brought into operation in France the Mont de Malan (29 MW) and Courcôme (15 MW) wind farms, together with eight solar power plants with capacity totaling 75 MWp.

In October 2021, Neoen also commissioned 226 MW: Altiplano 200, a 208 MWp solar power plant in Argentina as well as a solar power plant (11.7 MWp) and a wind farm in France (6.6 MW).

In addition to the new assets brought into operation, the Bulgana wind farm in Australia, which began injecting electricity into the grid from the end of the first half of 2020, gradually increased its generating output over the first nine months of 2021. The facility has been generating at full capacity (214 MW, including 20 MW / 34 MWh in storage capacity) since October 2021 and is due to enter operation before the end of the year.

	9m 2021	9m 2020	% chg.
Electricity generation (GWh)	3,491	3,130	+12%

Neoen generated a total of 3,491 GWh in electricity during the first nine months of 2021, up 12% compared to the first nine months of 2020.

The average availability rate of the solar assets was 94% versus 98% in the first nine months of 2020. This drop was chiefly attributable to the audit and inverter reset that affected the availability of the El Llano plant in Mexico throughout the first nine months of the year, but are now complete. Excluding that plant, the average availability rate of the Group's solar assets was 99% in the first nine months of 2021.

The average availability rate of the wind assets edged down to 98% vs. 99% in the first nine months of 2020.

The average load factor of the solar assets was 19.3%, compared to 17.9% in 2020 in the first nine months of 2020. The increase reflects a favorable base of comparison as in the first six months of 2020 the average load factor was depressed by unfavorable irradiation conditions in Australia and by the temporarily reduced availability of a solar asset in Australia. Conversely, the Group experienced low irradiation levels in Europe, Australia and Mexico during the third quarter of 2021.

The average load factor of wind energy assets was 27.6% vs. 33.3% in the first nine months of 2020. This downturn chiefly reflects the poor wind conditions in Europe and Australia during the third quarter of 2021, plus an unfavorable base of comparison, as wind conditions in Europe had been excellent in the first quarter of 2020.

Nine-month 2021 revenue up 8%

	9m 2021	9m 2020	% chg.
Revenue (€ m)⁽¹⁾			
Solar	123.0	112.7	+9%
Wind	94.3	83.7	+13%
Storage	23.8	27.2	-12%
Other⁽²⁾	1.5	0.5	n/s
Consolidated revenue	242.7	224.1	+8%
<i>o/w contracted energy revenue</i>	179.1	173.0	+4%
<i>o/w merchant energy revenue</i>	57.3	47.7	+20%
<i>o/w other revenue⁽³⁾</i>	6.2	3.5	x1.8

(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's consolidated revenue totaled €242.7 million in the first nine months of 2021, up 8% compared to the first nine months of 2020. At constant exchange rates², revenue rose 7%. The key factor driving this growth was the contribution from assets commissioned in 2020 and the first nine months of 2021. Conversely, Neoen's Storage revenue, which had been boosted by specific non-recurring conditions in the first quarter of 2020, recorded a decline.

Solar revenue rose 9% compared to the first nine months of 2020. The stronger contribution from the El Llano plant in Mexico was a key factor in this, as the electricity it generated in the first six months of the year was sold at market prices since the PPA entered into force on July 1, 2021, rather than in late June 2020 as originally planned. Revenue was also boosted by the contribution from solar power plants that entered operation in France since the beginning of the year. Conversely, it was held back by unfavorable irradiation conditions in Europe and Australia in the third quarter of 2021, as well as the lower level of market prices in Australia during the first quarter of 2021 than in the first quarter of 2020. Solar's contribution to Neoen's consolidated revenue stood at 51% over the first nine months of 2021, versus 50% in the first nine months of 2020.

Wind revenue rose 13% above its nine-month 2020 level. Driving this growth was the contribution from assets commissioned in Finland during 2020 and in France during 2020 and in the first nine months of 2021. The revenue recorded by the Bulgana facility in Australia also contributed. However, revenue growth was held back by poor wind conditions in the third quarter in Europe and Australia and by an unfavorably high base of comparison since wind resources in Europe had been excellent in the first quarter of 2020. Wind contributed 39% of Neoen's consolidated revenue over the first nine months of 2021, versus 37% in the same period of 2020.

Storage revenue fell 12% to €23.8 million from €27.2 million in the first nine months of 2020. This contraction mainly reflects the high level of non-recurring revenue generated in the first quarter of 2020 by the HPR battery after the power line connecting South Australia with Victoria went down in a tornado. This unfavorable base of comparison was offset partially by the contribution made by the Hornsdale Power

² Based on the average exchange rate in the first nine months of 2020

Reserve (HPR) extension in Australia and the Yllykkäla battery in Finland, which entered operation in September and December 2020 respectively. Storage revenue accounted for 10% of consolidated revenue in the first nine months of 2021, versus 12% in the first nine months of 2020.

Merchant energy revenue held up at a high level of 24% of consolidated revenue, the same level as in the first nine months of 2020. In 2021, this trend was chiefly attributable to the start-up of the El Llano PPA on July 1, 2021 rather than in late June 2020 as originally anticipated and to the Bulgana facility's contribution.

Third-quarter 2021 revenue up 16%

During the third quarter of 2021, Neoen recorded consolidated revenue of €77.7 million, up 16% compared to the third quarter of 2020.

Solar revenue was 3% lower than in the third quarter of 2020, chiefly as a result of unfavorable irradiation conditions in Europe and in Australia. Despite reduced wind conditions in Europe, **Wind** revenue grew 13% compared to the third quarter of 2020 as a result of the contribution from new projects commissioned since the fourth quarter of 2020 in France and from the Bulgana facility in Australia. Lastly, **Storage** revenue was boosted by the entry into service of the HPR extension in Australia and of the Yllykkäla battery in Finland during the second half of 2020. It totaled €10.5 million versus €2.6 million in the third quarter of 2020. Revenue in that earlier period had been impacted by less favorable market conditions in Australia for the sale of grid services (FCAS).

Portfolio at September 30, 2021: 12.8 GW compared to 12.0 GW at December 31, 2020

In MW	September 30, 2021	December 31, 2020	% chg.
Assets in operation	2,735	2,615	+119
Assets under construction	2,076	1,436	+640
Sub-total, assets in operation or under construction	4,810	4,051	+759
Projects awarded	647	1,107	-460
Total MW – secured portfolio	5,457	5,158	+299
Tender-ready projects	2,212	1,508	+704
Advanced development projects	5,087	5,366	-279
Total MW – advanced pipeline	7,299	6,874	+425
Total portfolio	12,756	12,033	+724
Early-stage projects	> 4 GW	> 4 GW	

Capacity in operation or under construction stood at 4.8 GW at September 30, 2021, compared to 4.1 GW at December 31, 2020. Neoen launched construction of 759 MW in capacity in the first nine months of 2021, including the 404 MW Mutkalampi wind farm in Finland, the 157 MW Kaban wind farm in Australia, three solar power plants in Ireland with 58 MWp in capacity, and 129 MW in France consisting of three wind farms with 70 MW in combined capacity and six solar power plants with 59 MWp in combined capacity.

The secured portfolio (assets in operation, under construction and awarded projects) totaled 5.5 GW at September 30, 2021, versus 5.2 GW at December 31, 2020. Neoen was awarded close to 300 MW in new projects during the first nine months of the year:

- 153 MW in additional capacity at the Mutkalampi wind farm, on top of the 251 MW in capacity already awarded under five corporate PPAs with Google and a consortium of four Dutch businesses

- 47 MW in additional capacity at the Kaban (Australia) wind farm, for which the PPA was increased from 110 MW to 157 MW
- 11 MW corresponding to the Antares Power Reserve and the Albireo Power Reserve in El Salvador,
- and in France, a 9 MW wind farm, an 8 MW storage battery, plus 74 MWp in solar projects awarded in the first quarter of 2021 under the CRE 4.9 government call for tenders.

On November 2021, Neoen has also been awarded 130.3 MWp in the recent call for tenders for ground-based solar farms held by the French government (“CRE 4.10”). The 130.3 MWp is split between 9 projects from 4.0 to 42.8 MWp. These projects are located in the southwest (Nouvelle Aquitaine) and east (Grand Est) regions of France with also projects in Indre-et-Loire, the North and in Sarthe.

Key events during the third quarter of 2021

Neoen closes the financing for two 11 MW / 8 MWh capacity batteries for its solar power plants in El Salvador

On July 22, 2021, Neoen announced it had closed the financing for two new batteries with a combined 11 MW / 8 MWh capacity. They will provide primary and secondary reserve services for its Capella (140 MWp) and Providencia (101 MWp) solar plants located in the Usulután and La Paz departments respectively. These batteries will be financed through non-recourse debt granted by BID Invest with a contribution from the Canadian Climate Fund for the Americas – Phase II (C2F2).

Neoen closes the financing for three solar facilities (58 MWp) in the Republic of Ireland

On August 12, 2021, Neoen has completed financial close for the Hilltown, Hortland and Millvale solar farms in the counties of Meath, Kildare and Wicklow in the Republic of Ireland. With a combined capacity of 58 MWp, the solar plants are among the first to complete financial close in the Republic of Ireland. The project will be funded by a combination of equity and a non-recourse senior debt facility provided by Société Générale. Total project costs will amount to approximately €39 million, excluding financing costs.

Neoen closes the financing for the 157 MW Kaban Green Power Hub in Australia

On September 20, 2021, Neoen announced it has completed financial close on the Kaban Green Power Hub, a project designed to generate clean, affordable energy and strengthen the electricity network in Far North Queensland. The project consists of a 157 MW wind farm located near the town of Ravenshoe in the Atherton Tablelands and a 320 km transmission line upgrade of the North Queensland coastal circuit. Total project costs will amount to approximately A\$370million, with debt provided by a syndicate of five lenders, BNP Paribas, HSBC, MUFG, NAB and NORD/LB.

Neoen completes its first farm-down transaction in France

On September 23, 2021, Neoen announced it had entered into an agreement to sell its entire interest in the Grabels and Lagarde solar power plants in France, together representing 11 MWp in capacity. Both power plants comprise two-thirds crystalline photovoltaic panels and one-third concentrator photovoltaic modules. They were sold to Amarenco, a leading independent producer in Europe of exclusively solar photovoltaic power, for an enterprise value of close to €31 million, or €2.8 million per MWp. The net capital gain is around €10 million and will be recognized in 2021 EBITDA. The deal was finalized on November 4, 2021.

Post-close events

Neoen announces the commissioning of Altiplano 200, a 208 MWp solar power plant in Argentina

On October 5, 2021, Neoen announced the commissioning of its Altiplano 200 solar power plant. The 208 MWp solar park located in the Salta province of Argentina stands 4,000 metres above sea level. Neoen fully owns the plant. Benefitting from some of the world's best sun exposure, Altiplano will be producing at full capacity 650,000 MWh of green electricity per year, equivalent to the annual electricity consumption of 215,000 people. The power plant is Argentina's second largest solar farm. The electricity produced will be sold to national operator CAMMESA under a 20-year purchase agreement.

Neoen wins 130.3 MWp in solar projects in France

On November 8, 2021, Neoen announced it had been awarded 130.3 MWp in the recent call for tenders for ground-based solar farms held by the French government ("CRE 4.10"). The 130.3 MWp is split between 9 projects from 4.0 to 42.8 MWp. All nine projects submitted by the Group won their tenders, which illustrates Neoen's leadership in France. Six out of nine plants are to be built on rehabilitated land such as former quarries, landfill sites or former aerodromes, illustrating Neoen's ability to develop projects on degraded sites. The 130.3 MWp allocation is the largest Neoen has been awarded to date in a French government solar energy tender, making a total of 500 MWp over the course of the CRE 4. As the government recently stated, France has enormous potential for solar energy, which will play a pivotal part in the country's energy transition. Neoen is in an ideal position to play a leading role in the transition and will step up its development in France.

Outlook

Neoen is reiterating its 2021 EBITDA target of between €295 million and €310 million with an EBITDA margin of around 80%. The EBITDA forecast takes into account net capital gains from asset disposals from the secured portfolio that the Group expects as part of the farm-down activity, which will not exceed 20% of full-year EBITDA.

Neoen is also reiterating its target of having more than 5 GW in capacity in operation or under construction³ by the end of 2021. It now aims to reach 5 GW in operation during 2023, rather than by year-end 2022. This adjustment reflects the difficulties currently affecting the supply chains, especially in the solar segment, prompting expectations of longer start-up and construction periods for certain projects. Nonetheless, the Group is confirming its target of having more than 10 GW of capacity in operation or under construction³ by year-end 2025.

The Group's target is to generate EBITDA 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.

³ Consolidated capacity on a post-farm-down basis

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.

Next financial reports

Full year 2021 revenue and operational data: February 15, 2022

Full year 2021 results: March 14, 2022

First-quarter 2022 revenue and operational data: May 3, 2022

First-half 2022 revenue, operational data and results: July 28, 2022

Nine-month 2022 revenue and operational data: November 3, 2022

About Neoen

Neoen is one of the world's leading and fastest growing independent producers of exclusively renewable energy. Neoen has more than 4.8 GW of solar, wind and storage capacity in operation or under construction in Australia, France, Finland, Mexico, El Salvador, Argentina, Ireland, Jamaica, Mozambique, Portugal, and Zambia. The company is also present 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.

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Appendix

9M 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	n/a
Consolidated revenue	80.2	95.8	-16%
<i>o/w contracted energy revenue</i>	63.8	59.2	+6%
<i>o/w merchant energy revenue</i>	14.7	35.7	-57%
<i>o/w other revenue⁽³⁾</i>	1.7	0.9	n/a

	Q2 2021	Q2 2020	% chg.
Revenue (€ m)⁽¹⁾			
Solar	46.9	35.3	+33%
Wind	29.5	23.0	+28%
Storage	8.0	3.0	x2.7
Other⁽²⁾	0.3	0.2	n/a
Consolidated revenue	84.7	61.5	+38%
<i>o/w contracted energy revenue</i>	56.2	54.5	+3%
<i>o/w merchant energy revenue</i>	26.8	5.9	x4.6
<i>o/w other revenue⁽³⁾</i>	1.7	1.1	n/a

	Q3 2021	Q3 2020	% chg.
Revenue (€ m)⁽¹⁾			
Solar	38.1	39.2	-3%
Wind	28.1	24.9	+13%
Storage	10.5	2.6	x4.1
Other⁽²⁾	1.0	0.2	n/a
Consolidated revenue	77.7	66.9	+16%
<i>o/w contracted energy revenue</i>	59.1	59.3	-0%
<i>o/w merchant energy revenue</i>	15.8	6.1	x2.6
<i>o/w other revenue⁽³⁾</i>	2.8	1.5	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