

Paris, March 1, 2023

2022 FULL-YEAR RESULTS

Neoen reports a strong increase in its 2022 results and moves closer to its year-end 2025 target of over 10 GW

- 2022 revenue rose 51% to €503.2 million, including a 63% increase in the fourth quarter
- Adjusted EBITDA¹ moved up 38% to €414.0 million, in line with the stated target²
- Adjusted net income³ rose 19% to €48.0 million
- Neoen's secured portfolio⁴ grew by more than 1.3 GW to 7.4 GW at year-end 2022, including 6.6 GW in operation or under construction.
- The total portfolio⁵ was 19.3 GW (excluding early-stage projects), up 5.4 GW compared to end-December 2021
- Neoen is proposing a dividend of €0.125 per share, representing a 25% increase versus the previous year
- Update on the 2021-2025 strategic roadmap to be presented today (see separate press release)

Neoen (ISIN: FR0011675362, Ticker: NEOEN), one of the world's leading independent producers of exclusively renewable energy, is presenting its consolidated and audited full-year results for the financial year ended December 31, 2022. The financial statements were approved by the Board of Directors on February 28, 2023.

Xavier Barbaro, Neoen's Chairman and Chief Executive Officer, commented: *"Neoen delivered a very solid operational and financial performance in 2022, with our adjusted EBITDA rising 38% to €414 million. We also continued to develop our project portfolio, the cornerstone of our future growth. We won several government tenders and signed PPAs with corporates looking to achieve a greener energy mix and to secure their electricity supply. We also launched the construction of projects representing over 1.1 GW in capacity and commissioned close to 600 MW in assets. Overall, our secured portfolio grew by more than 1.3 GW to 7.4 GW at year-end. We scaled up our positions in Australia, France, Finland and Portugal and now have assets in two new countries – Canada and Sweden. Lastly, we have further differentiated ourselves as we significantly increased our storage capacity and devised contracts which provide our*

¹ Adjusted EBITDA corresponds to current operating income, which includes the net proceeds from asset disposals from the secured portfolio as part of the farm-down activity restated for:

- current operating depreciation, amortization and provisions,
- the expense resulting from application of IFRS 2 – "Share-based payments", and
- the change in the fair value of energy derivatives.

See the "Adjustment made to Neoen's key performance indicators" section on page 4 of this document

² On February 1, 2023, Neoen announced that its 2022 adjusted EBITDA was expected to be slightly over €410 million, ahead of the guidance range of between €390 million and €410 million given in November 2022. This target was raised twice during the year, having originally been set in a €360–375 million range in March 2022.

³ Adjusted net income reflects net income restated for the change in the fair value of energy derivatives and related tax effects.

⁴ Assets in operation, under construction and projects awarded

⁵ Advanced pipeline and secured portfolio

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customers with innovative services, capitalizing on both the potential of our batteries and our expertise in energy management. I'd like to congratulate Neoen's teams on their highly impressive accomplishments during the year."

Operational highlights

	December 31, 2022	December 31, 2021	% chg.
	(1)	(1)	
Assets in operation (MW)	4,051	3,480	+571

(1) Gross capacity including projects in which Neoen is a minority shareholder: Cestas (300 MWp), Seixal (8.8 MWp) and Saint-Sauvant (21 MW), in which Neoen sold 95% of its interest in 2022.

Neoen's capacity in operation stood at 4,051 MW at December 31, 2022, up 571 MW compared to end-December 2021. During the fourth quarter of 2022 alone, Neoen commissioned 448 MW in capacity. These assets were the Mutkalampi (404 MW) wind farm in Finland, and several assets in France: two wind farms with 31 MW in total capacity, the Clecy solar farm (5 MWp) and the Pod-Tredan 1 (8 MW) storage battery. In the fourth quarter, Neoen also acquired three French wind farms already in operation with capacity totaling 14 MW.

	2022	2021	% chg.
Electricity generation (GWh)	5,957	4,908	+21%

Electricity generation totaled close to 6.0 TWh in 2022, up 21% versus 2021. During the fourth quarter alone, electricity generation totaled 1.8 TWh, up 24% versus the fourth quarter of 2021.

The average availability rate of the solar assets was 86% versus 94% in 2021. The key factor at work was technical difficulties at the El Llano power plant in Mexico. Excluding the El Llano plant, the average availability rate of the solar assets was 99%. The average availability rate of the wind energy assets was 97% in 2022, stable versus 2021.

The average load factor of the solar assets was 19.1% versus 19.6% in 2021. The commissioning during the fourth quarter of 2021 of the Altiplano power plant in Argentina, which boasts a higher load factor than the average for assets in operation, partially made up for the less favorable irradiation conditions in Australia during 2022.

The average load factor of the wind assets was 28.5% in 2022, compared to 30.5% in 2021. Unfavorable wind conditions in Europe during the last three quarters of 2022 and at a wind farm in Australia throughout the year were the main factor behind this decline.

2022 revenue up 51%

	2022	2021	% chg.
Revenue (€m)			
Solar	194.1	162.3	+20%
Wind	216.6	135.1	+60%
Storage	91.6	34.4	x2.7
Other⁽¹⁾	0.9	1.7	n/s
Consolidated revenue	503.2	333.6	+51%
<i>o/w contracted energy revenue</i>	309.2	249.3	+24%
<i>o/w energy and storage revenue derived from merchant sales</i>	171.5	74.7	x2.3
<i>o/w other revenue⁽²⁾</i>	22.5	9.6	x2.3

(1) Corresponds to the Development and Investments segment

(2) Other revenue chiefly derives from the capacity payments earned by certain batteries, the development business, and services to third parties

Neoen's 2022 consolidated revenue totaled €503.2 million, up 51% compared to 2021. At constant exchange rates⁶, revenue moved up 46%. The key factor driving this growth was the contribution from assets that entered operation in Argentina and Australia during 2021 and to a lesser extent in France during 2022. The early generation revenue earned by several power plants in 2022 also contributed to growth, in particular during the second half of the year. Against the backdrop of a very high level of spot prices, most of this revenue was generated in Finland, as well as in Australia, Ireland and France. These market conditions also had a positive impact on the revenue of power plants in operation that sell a portion of the electricity they generate at spot prices, notably in Australia and Europe. Lastly, Neoen reaped the benefit of strong performances by the Hornsdale Power Reserve in Australia and the Yllikkälä battery project in Finland, which both enjoyed supportive local market conditions.

Solar revenue grew 20% compared to 2021 mainly as a result of the contribution from the assets commissioned during the course of 2021, chiefly the Altiplano 200 facility in Argentina, plus various power plants in France during 2021 and 2022. In addition, several assets in Australia and Ireland reaped the benefit of early generation revenue before their power purchase agreement entered into force. Neoen's revenue in Australia was boosted by higher spot prices than in 2021 and by positive currency effects. These factors helped to make up to a large degree for several negative developments. The first of these was a lower contribution from the El Llano plant in Mexico. On the one hand, the first six months of 2021 provided a high base of comparison for revenue, as the plant's power purchase agreement (PPA) took effect from July 1, 2021 rather than from late June 2020 as originally anticipated, meaning that electricity sales were priced at spot levels during the intervening period. On the other hand, after experiencing technical issues during the first six months of 2022, then being halted completely for the entire third quarter, the El Llano plant operated only at a limited capacity in the fourth quarter. This situation is expected to persist until the transformer is replaced in an operation scheduled for completion by the end of the first half of 2023. Secondly, Neoen was affected by less favorable irradiation conditions in Australia and by the impact of selling four solar farms in operation in France during the second half of 2021 as part of the farm-down activity. Solar's contribution to Neoen's consolidated revenue stood at 39% in 2022, versus 49% in 2021.

⁶ Based on the 2021 average exchange rate

Wind revenue rose 60% above its 2021 level. The growth was powered primarily by the contribution made by early generation revenue earned by the Mutkalampi facility in Finland during the second half of 2022 and, to a lesser extent, by power plants in France over the year as a whole amid a very high level of spot prices, which also benefited assets in operation in France, Australia and Ireland that have a merchant exposure. What's more, the PPA covering the Bulgana wind farm in Australia started up in December 2021, and the facility reaped the benefit of an increase in its generation (it injected electricity into the grid accounting for around 70% of its capacity during the first nine months of 2021) and a higher average selling price than in 2021 when the electricity it generated was sold on the market at weak prices. Revenue growth was also powered by the contribution from assets that entered operation in France during 2021 and 2022. Wind contributed 43% of Neoen's consolidated 2022 revenue, compared to 41% in 2021.

Storage revenue grew by a factor of 2.7 to reach €91.6 million in 2022. This hefty increase was largely driven by the contribution from the Victorian Big Battery, which entered operation in December 2021. In the first quarter, it generated revenue under its power reserve agreement with the Australian regulator to provide additional back-up capacity during the southern hemisphere's summer months to the existing interconnection between the States of Victoria and New South Wales. It also generated grid services (FCAS) and arbitrage revenue amid highly volatile market conditions, especially during the last three quarters of 2022. Storage also reaped the benefit of strong performances by the Hornsdale Power Reserve in Australia and the Yliskälä battery project in Finland, which both enjoyed supportive local market conditions. Storage revenue accounted for 18% of consolidated revenue in 2022, up from 10% in 2021.

In 2022, merchant energy sales (excluding storage revenue) accounted for 24% of wind and solar revenue, up from 16% in 2021. The growth reflects the early generation revenue from the Mutkalampi facility in Finland during the second half of 2022 and, to a lesser extent, from several wind and solar power plants in Australia and France over the year as a whole against a backdrop of very high spot prices, which also benefited assets in operation with merchant exposure in France, Australia and Ireland.

Fourth-quarter revenue up 63%

During the fourth quarter of 2022, Neoen recorded revenue of €148.6 million, up 63% versus the fourth quarter of 2021. **Solar** revenue rose 19%, with the contribution from assets that have entered operation since the fourth quarter of 2021 offsetting the revenue contraction at the El Llano facility in Mexico, where generation started up again at a limited capacity during the quarter. This performance also reflects an 85% increase in **Wind** revenue, deriving mainly from the early generation revenue at the Mutkalampi facility. Lastly, **Storage** revenue more than doubled as a result of the Victorian Big Battery commissioned in late 2021, which actively supported the Australian grid, and the good performance of the Hornsdale Power Reserve in Australia amid highly volatile spot market conditions during the fourth quarter of 2022.

Full-year 2022 results

Adjustment made to Neoen's main financial performance indicators

As stated in the 2022 half-year results, Neoen's portfolio of secured projects includes medium- and long-term Corporate Power Purchase Agreements (CPPAs). Some of these provide for a financial settlement between the parties and have to be accounted for as derivatives under IFRS 9 – Financial Instruments, without qualifying as hedging instruments.

In view of the forthcoming entry into force of the CPPAs related to the Mutkalampi and Western Downs power plants, which started generating power during the year, Neoen recognized changes in fair value related to these energy derivatives in its current operating income in 2022. This change amounted to +€2.8 million plus a negative tax expense impact of €5.1 million. In 2021, no fair value was recognized in

the financial statements in respect of these agreements as the Mutkalampi and Western Downs facilities were not yet generating electricity at that time.

Since they are highly volatile and unpredictable, the Group has decided to restate the EBITDA, EBIT and consolidated net income for the changes in the fair value of these energy derivatives in line with customary market practices (these indicators are defined and their method of calculation is outlined in the appendix to this document). The half-year financial statements published in late July 2022 already reflected this adjustment.

The Group's EBITDA targets, which until July 2022 did not reflect the impact of changes in the fair value of energy derivatives, are now targets stated in terms of adjusted EBITDA.

Condensed consolidated income statement

(in millions of euros)	2022	2021	chg. (as a %)
Revenue	503.2	333.6	+51%
Adjusted EBITDA⁷	414.0	300.4	+38%
<i>Adjusted EBITDA margin</i>	82%	90%	
Adjusted EBIT⁷	259.3	189.6	+37%
Adjusted consolidated net income⁷	48.0	40.2	+19%

Adjusted EBITDA up 38%

Neoen's 2022 adjusted EBITDA totaled €414.0 million, up 38% compared to 2021. This growth was chiefly attributable to the contribution from assets that were commissioned or started injecting electricity into the grid during 2021 and 2022. The assets that earned early generation revenue in 2022 also benefited from the very high level of spot prices, as did those with a merchant exposure. The increase in adjusted EBITDA also reflects the strong performance of the Hornsdale Power Reserve in Australia and the Yllikkälä battery project in Finland. Another factor was the larger contribution from liquidated damages, recognized in current operating income, offsetting lost revenue caused by the delayed commissioning of a project in Australia, as well as a partial waiver of the penalties recognized in the past under a power purchase agreement. However, 2022 adjusted EBITDA was affected by a significantly lower contribution from the farm-down activity than in 2021, as well as by a reduced contribution from the El Llano power plant in Mexico. Overall, Neoen's adjusted EBITDA margin stood at 82% in 2022, against 90% in 2021.

Solar adjusted EBITDA came to €181.6 million, up 32% thanks to the assets that entered operation in 2021 and 2022, as well as the recognition of liquidated damages linked to construction delays affecting a project in Australia. In addition, several assets in Australia and Ireland reaped the benefit of early generation revenue at high spot prices before their power purchase agreement entered into force. The adjusted EBITDA was however impacted by the lower contribution from the El Llano power plant in Mexico and a change in scope in 2021, as four solar farms in France were divested as part of the farm-down activity. The adjusted EBITDA margin was thus 94% in 2022, versus 85% one year earlier.

Wind adjusted EBITDA came to €178.6 million, up 70% versus 2021. The key factors driving this increase were the early generation revenue from the Mutkalampi wind farm in Finland during the second half of 2022 and the partial waiver of the penalties recognized in the past under a power purchase agreement in Australia. Neoen's adjusted EBITDA margin stood at 82% versus 78% in 2021.

⁷ The details and method of calculation of these metrics are presented in the "Alternative performance measures" section of this document.

Storage adjusted EBITDA totaled €68.1 million, up from €30.2 million in 2021. This strong rise was largely driven by the contribution from the Victorian Big Battery, which entered operation in late 2021, and by the strong performances of the Hornsdale Power Reserve in Australia and the Yllikkälä project in Finland. Neoen's adjusted EBITDA margin was 74% versus 88% in 2021.

Farm-down adjusted EBITDA was far lower than in 2021. That year Neoen had recognized income of €50.0 million, chiefly comprising capital gains on the disposal of four solar farms and two wind farms. By contrast in 2022, Neoen sold merely 95% of its shareholding in a wind farm in France, recognizing a net capital gain of €16.4 million.

Group results

Neoen's adjusted EBIT totaled €259.3 million, up 37% versus 2021. Depreciation and amortization moved up 40% to €43.3 million, in tandem with the expansion in assets in operation.

Non-current operating expense went up from €18.4 million in 2021 to €31.1 million in 2022 owing chiefly to an impairment loss on the Metoro power plant in Mozambique (€19.9 million in total). Following a sudden deterioration during June 2022 in the security environment close to this solar power plant under construction, all the teams working on the ground had to be evacuated. Construction work has been halted indefinitely, with no prospect of a resumption at present.

Net financial expense rose to €152.7 million in 2022 from €117.7 million in 2021. The cost of debt totaled €135.6 million, up from €106.5 million one year earlier. The key factors behind this increase were:

- the increase in average debt over the period linked directly to the growth in the number of assets in operation;
- partially offset by the lower interest expense resulting from the gradual repayment of borrowings for power plants in operation.

The weighted average interest rate on project finance⁸ moved up to 4.0% at December 31, 2022, from 3.7% at December 31, 2021. This increase is attributable to a context of raising interest rates during 2022 affecting the unhedged portion of project finance. In accordance with the Group's interest-rate management policy, the increase was however limited as both the project finance arranged at a floating rate and floating-rate interest payments are covered by a hedge generally amounting to over 75% of the floating-rate financing. The increase in the average cost of project debt also reflects the commissioning of the Mutkalampi power plant at year-end 2022. The overall consolidated average interest rate for the Group's debt was 3.8% at December 31, 2022, versus 3.5% at December 31, 2021.

In addition, other financial income and expenses represented a €17.1 million net expense, up from net expense of €11.2 million in 2021. This increase came from higher fees, banking charges and warranty costs as a result of the growth in assets in operation. More unfavorable currency effects than in 2021 arising from the Group's exposure to Argentina not denominated in US dollars were another factor that contributed to the rise.

Adjusted tax expense totaled €27.5 million, up from €13.3 million in 2021. The adjusted effective tax rate was 36.4%, versus 24.8% in 2021. The increase reflects a smaller contribution from disposal gains on farm-down transactions in France, which mostly benefit from the special long-term capital gains tax regime. It

⁸ Weighted average interest rate on debt in respect of project finance on an all-in basis, i.e. the sum of the margins applied by the lending bank and interest-rate swaps and any other interest-rate derivatives for all the Group's consolidated projects in operation.

also reflects the impact of the non-recognition of deferred taxes on the impairment of the Metoro facility in Mozambique.

Adjusted consolidated net income⁹ amounted to €48.0 million in 2022, up 19% versus adjusted net income of €40.2 million in 2021.

Solid cash position

Net cash generated by operating activities totaled €457.0 million, up €181.0 million compared to 2021. This increase chiefly reflects an increase in adjusted EBITDA. Another factor was the temporary positive impact of €90.3 million on the change in working capital resulting from the fact that certain assets in operation in France at December 31, 2022 were awaiting details of how to repay the difference between the high spot prices they had received and the fixed CRE tariffs at which they contractually sell the electricity. This cash timing difference will disappear once the repayment has been made during 2023.

Net cash used in investing activities totaled €1,113.7 million in 2022. These investments directly reflect the construction of generating capacity, including the Kaban and Goyder South Stage 1 wind farms, the Western Downs solar farm and the Capital Battery and Victorian Big Battery storage projects in Australia, the Mutkalampi and Björklinden wind farms in Finland, the Storbrännkullen wind farm in Sweden, the Rio Maior and Torre Bela solar farms in Portugal, and several solar, wind and storage facilities in France.

Net cash generated by financing activities totaled €681.3 million in 2022. This chiefly reflects the sizable increase in project debt, due to the expansion in the portfolio of assets in operation or under construction, and the issue of a €300 million green convertible bond.

Overall, the Group held €622.7 million in cash at December 31, 2022, up from €592.5 million at December 31, 2021. This €30.2 million rise during the year includes the temporary positive impact of €90.3 million that will have to be repaid in 2023.

Rise in debt with the growth in assets under construction

Gross debt totaled €3,509.3 million at December 31, 2022, up from €2,953.4 million at December 31, 2021. This chiefly reflects the significant increase in project finance with the growth in the asset base and the issue during the third quarter of 2022 of green convertible bonds with a nominal amount of €300 million. The conversion into shares of almost all the €200 million-nominal convertible bonds issued in 2019 partly offset this effect.

In addition, the debt leverage ratio as a percentage of capital invested on an all-in basis, including the Group's entire – corporate and project financing – debt, stood at 72% at December 31, 2022 versus 73% at December 31, 2021.

Excluding the temporary positive impact of €90.3 million that improved the change in the working capital requirement in 2022 and excluding the positive fair value of interest-rate hedges (€302.7 million) arising from the sharp increase in forward interest rates during the year, net debt stood at €2,857.6 million¹⁰ at December 31, 2022, up from €2,232.2 million at December 31, 2021. This represented a net debt to adjusted EBITDA ratio of 6.9x¹¹ at December 31, 2022, versus 7.4x at December 31, 2021.

⁹ Taking into account the change in the fair value of energy derivatives and related tax effects, the reported consolidated net income was €45.7 million in 2022, up from €40.2 million in 2021

¹⁰ Including these two temporary factors, reported net debt was €2,464.6 million at December 31, 2022.

¹¹ Including these two temporary factors, the net debt to adjusted EBITDA ratio was 6.0x at December 31, 2022.

Portfolio at December 31, 2022: 19.3 GW, up 5.4 GW compared to December 31, 2021

In MW	December 31, 2022	December 31, 2021	% chg.
Assets in operation	4,051	3,480	+571
Assets under construction	2,523	1,954	+569
Sub-total, assets in operation or under construction	6,574	5,434	+1,140
Projects awarded	782	582	+200
Total MW – secured portfolio	7,356	6,016	+1,340
Tender-ready projects	2,006	1,731	+276
Advanced development projects	9,931	6,184	+3,748
Total MW – advanced pipeline	11,938	7,914	+4,023
Total portfolio	19,294	13,930	+5,364
Early-stage projects	> 10 GW	> 5 GW	

Capacity in operation or under construction stood at 6.6 GW at December 31, 2022, versus 5.4 GW at December 31, 2021. Neoen launched construction of 1,126 MW¹² in new projects in 2022. These included 14 solar farms representing 204 MWp in total capacity, plus the Largeasse (17 MW) wind farm in France, the Storbrännkullen (57.4 MW) wind farm and the Storen Power Reserve (40 MW) battery project in Sweden, the Björkliden (40.4 MW) wind farm in Finland, the Western Downs Storage (200 MW) and Blyth Battery (200 MW) battery projects in Australia, the Rio Maior (204 MWp) and Torre Bela (68 MWp) solar farms in Portugal and the Fox Coulée (93 MWp) solar farm in Canada. In December 2022, Neoen acquired the Plouguin 2, Plouguin 3 and Kerherhal 2 wind farms in France representing 14 MW in total capacity.

The secured portfolio (assets in operation, under construction and awarded projects) totaled 7.4 GW at December 31, 2022, versus 6.0 GW at December 31, 2021. During 2022, new projects awarded accounted for 1,340 MW¹³ in capacity. Aside from the projects with 643 MW in total capacity directly entered under assets in operation or under construction, mainly the Western Downs Battery, Blyth Battery, Fox Coulée, Storen Power Reserve and Storbrännkullen projects, and the newly acquired Plouguin and Kerherhal wind farms, these included:

- 215 MW in Australia with the Mount Hopeful wind farm;
- 208 MW in secured projects in France, including 197 MWp in solar projects and the Granges (11 MW) wind farm;
- 102 MW in Finland, of which 60 MW was accounted for by the Storbottet wind farm and 42 MW by a new PPA with Equinix, a world leader in digital infrastructure, covering the soon-to-be-built Lumivaara wind farm;
- 90 MWp in Sweden, reflecting the Hultsfred solar power plant;
- 80 MWp awarded during the RESS 2 government auction in Ireland.

Excluding the early stage projects, the total portfolio's capacity amounted to 19.3 GW at December 31, 2022, compared to 13.9 GW at December 31, 2021.

¹² Includes a 2 MW repowering

¹³ Includes a 3 MW repowering and the acquisition of three wind farms in France with total capacity of 14 MW

Dividend

The Board of Directors will propose payment of a 2022 dividend of €0.125 per share at the Shareholders' Meeting on May 10, 2023. This represents a 25% increase on the previous year.

Shareholders will be given the choice of receiving the dividend fully in cash or fully in shares priced at a 10% discount¹⁴. The ex-dividend and payment dates are May 17 and June 8, 2023 respectively. Impala, which owns 44.6% of Neoen's share capital, has elected to receive payment of its dividend in shares.

General Meeting

The next general shareholders' meeting of Neoen is scheduled to be held on May 10, 2023, at 2.30 p.m. at Neoen's registered office.

Double voting rights

The Board of Directors decided at its February 28, 2023, meeting on the agenda for the Shareholders' Meeting to be held on May 10, 2023. The draft resolutions on the agenda include a proposal to amend Article 11 of Neoen's by-laws to introduce a double voting right for registered shares held in the name of the same shareholder for at least two years. For the purpose of calculating this two-year period, no period of registration prior to May 10, 2023, shall be taken into account.

Outlook

Neoen's 2023 guidance and medium-term objectives will be unveiled in today's presentation of the full-year 2022 results and update on the 2021–25 strategic roadmap (see separate press release).

¹⁴ The shares to be distributed as a scrip dividend will be priced at 90% of the average share price in the 20 stock market sessions preceding May 10, 2023 less the net amount of the dividend

Key events during the fourth quarter of 2022

Neoen wins another 180 MW in solar and wind projects in France

On December 12, 2022, Neoen announced that it has been awarded 180 MW in the technology-neutral call for tenders (PPE2) held by the French government and supervised by the energy regulation commission (CRE). Neoen has been awarded the most capacity. The 180 MW is split between 11 projects ranging from 12 to 22.8 MW. In line with the company's business model, Neoen is the majority shareholder of each one of these projects. This award demonstrates Neoen's ability to develop projects throughout different regions of France in close collaboration with local and national officials, landowners, farmers, and other local stakeholders.

H&M group signs a PPA with Neoen and Alight for a new solar park in Sweden (90 MWp)

On December 13, 2022, Neoen and Alight announced the signing of a power purchase agreement (PPA) for 90 MWp of green energy in Sweden with the Swedish fashion retailer H&M Group. Under the long-term agreement, the solar park, located in Hultsfred, Sweden, will provide H&M Group with local renewable energy and guarantees of origin. This is the largest solar PPA contracted in Sweden to date. Jointly developed and owned by Neoen (majority shareholder) and Alight, the project will have a total capacity of at least 90 MWp. Construction is planned for the second half of 2023, with commissioning to follow in 2025.

Neoen's battery delivers fast reserve power to TVO during commissioning of the Olkiluoto 3 nuclear power unit in Finland

On December 14, 2022, Neoen announced it is providing fast reserve power services to Teollisuuden Voima Oyj (TVO), the Finnish nuclear operator, throughout the commissioning phase of its Olkiluoto 3 nuclear power plant unit. Olkiluoto 3 is Europe's largest nuclear power unit with a capacity of 1.6 GW. These grid services are provided by Neoen's 30 MW / 30 MWh Finnish battery, the Ylikkälä Power Reserve, which is located in Lappeenranta, in the region of South Karelia.

Neoen starts the construction of a 272 MWp solar park in Portugal, the largest to date in the country

On December 15, 2022, Neoen announced the start of construction of the largest solar park in Portugal, with a capacity of 272 MWp. The park will comprise two contiguous solar farms: Torre Bela Solar Farm (68 MWp), fully owned by Neoen, and Rio Maior Solar Farm (204 MWp), owned in partnership with Aura Power. The commissioning of the solar park is scheduled for the first half of 2024. Some 80% of the renewable energy produced will be purchased by the Portuguese State, under two 15-year power purchase agreements (PPA) awarded under the 2019 renewable capacity auction. The PPAs are expected to start in the course of 2025. The remaining energy and certificates of origin will be sold on the electricity market.

Neoen and Prokon sign a third PPA with Equinix in Finland for at least 57 MW of wind energy

On December 21, 2022, Neoen et Prokon announced the signing of a new power purchase agreement (PPA) with Equinix to provide at least 57 MW of green energy in Finland. This is the third PPA signed by Neoen and Prokon with Equinix, preceded by the Lumivaara and Björkliden wind PPAs, both signed in the past 12-months. Under the 10-year agreement, Equinix will be the offtaker for 60% of the output and guarantees of origin to be produced by the future Storbötet wind farm. Storbötet will have a total capacity of at least 95 MW. Its construction is scheduled to begin in 2023, with commissioning to follow in 2025. Neoen owns an 80% stake in the project, the remaining 20% being owned by Prokon.

TDF signs a corporate PPA with Neoen for 62 MWp of solar energy in France

On December 22, 2022, Neoen announced it has signed a corporate power purchase agreement (CPPA) for 62 MWp with TDF. This is the first corporate PPA that both Neoen and TDF have signed in France. Under the 15-year agreement, from 1 January 2026, TDF will purchase the electricity and guarantees of origin produced by the Salernes (16.8 MW, department of Var) and Boussès (45.1 MW, department of Lot-et-Garonne) solar farms. Construction of the two solar farms will begin in 2023, with commissioning of the Salernes solar farm scheduled for 2024 and Boussès to follow in 2025.

Neoen launches construction of its first plant in Canada: Fox Coulée (93 MWp)

On December 22, 2022, Neoen announced it has begun construction of its first asset in Canada, the Fox Coulée solar farm, located in Alberta, Starland County. Neoen intends to sell a significant part of the electricity generated, together with the environmental benefits, via power purchase agreements. The remainder will be sold on Alberta's electricity market. The commissioning of Fox Coulée is scheduled for the first half of 2024.

Neoen signs a 215 MW PPA with Stanwell for Mount Hopeful Wind Farm in Queensland

On December 28, 2022, Neoen announced the signing of a power purchase agreement for 215 MW of clean energy with Stanwell Corporation. Under the 15-year agreement, Stanwell will purchase 65% of the generation capacity of the 330 MW Mount Hopeful Wind Farm, which will be fully owned by Neoen. Construction of the wind farm is scheduled to commence in the second half of 2023, with first generation expected in 2026.

Neoen launches construction of its 200 MW / 400 MWh Western Downs Battery in Queensland, Australia

On December 29, 2022, Neoen announced it has provided notices to proceed to Tesla and UGL, signalling the start of construction for the 200 MW / 400 MWh Western Downs Battery located in the south-west part of Queensland. This is Neoen's fourth big battery in Australia. The asset is expected to start operating in the second half of 2024.

Neoen completes financing for the first 209 MW of its Goyder wind farm in South Australia

On January 4, 2023, Neoen announced it has completed financial close in December 2022 on the first 209 MW of its 412 MW Goyder South Stage 1 wind farm located near Burra, in the Mid North region of South Australia. Goyder South Stage 1 is currently under construction and on track to be operational in 2024. Once operational, it will be the largest wind asset in Neoen's global portfolio.

Neoen launches construction of 200 MW / 400 MWh Blyth Battery in South Australia

On January 5, 2023, Neoen announced the start of construction of its 200 MW / 400 MWh Blyth Battery in the Mid North region of South Australia. The project is expected to start operating in 2025. Blyth Battery will mainly be deployed in combination with Neoen's Goyder South Stage 1 wind farm to deliver 70 MW of renewable baseload energy to BHP.

Neoen launches construction of Storen Power Reserve (40 MW / 40 MWh), its first battery in Sweden

On January 10, 2023, Neoen announced it has provided notice to proceed to battery storage expert Nidec at the end of December 2022, signalling the start of construction of Storen Power Reserve. The battery is set to be operational in 2024. Storen Power Reserve is Neoen's second battery in the Nordics, the first being the 30 MW / 30 MWh Yllikkälä Power Reserve in Finland (in operation since 2020).

Neoen signs a 10-year PPA with Coveris for the Storbrännkullen wind farm in Sweden

On January 30, 2023, Neoen announced the signature, at the end of December 2022, of a virtual power purchase agreement (Virtual PPA) with Coveris. This is Neoen's second Corporate PPA in Sweden. Under the PPA, Coveris will purchase the equivalent of over 60% of the green energy (and associated guarantees of origin) to be produced and injected on the Swedish grid by the 57.4 MW Storbrännkullen wind farm. This 10-year agreement is partially indexed to market prices. The remaining energy and guarantees of origin will be sold by Neoen on the Nordic electricity market. Construction began in July 2022 and the farm is scheduled to be commissioned in late 2023.

Recent events

Neoen named as the lowest bidder for 216 MWp in solar power projects in the recent tender in Ecuador

Neoen is announcing that it was the lowest bidder in the competitive tender held recently by the Ecuadorian government and is among the winners recommended by the technical commission in charge of the tender. An official announcement of the tender results will be made by the ministry of energy and mining over the coming months. The three solar farms – Ambi Solar (72 MWp), Intiyana Solar (72 MWp) and Imbabura Solar (72 MWp) – will be Neoen's first projects in Ecuador.

Sale of the Cabrela solar power plant in Portugal

On October 28, 2022, the Group signed an agreement to sell to Cubico 100% of its shares in the Cabrela solar power plant in Portugal, with a capacity of 13.2 MWp, and on the basis of an enterprise value of €50.7 million. This sale was formally concluded on February 22, 2023 for net proceeds of more than €25.0 million, which will be recorded in 2023 under other current operating income in the Group's accounts.

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.

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The Management report and financial statements can be found on: <https://www.neoen.com/en/investors>

Webcast

Neoen will comment on its 2022 results and a Business Update on the execution of its 2021-2025 plan in a live webcast at 9.00am (Paris time) on Wednesday, March 1, 2023

To join the webcast live or hear a playback, please copy and paste the following URL into your browser: https://channel.royalcast.com/landingpage/neoen/20230301_1/

Next financial reports

First-quarter 2023 revenue and operational highlights: May 2, 2023

First-half 2023 results: July 27, 2023

Nine-month 2023 revenue and operational highlights: November 2, 2023

About Neoen

Founded in 2008, Neoen is one of the world's leading independent producers of exclusively renewable energy. With proven expertise in solar power, wind power and storage, the company plays an active role in the energy transition by producing competitive, green, local energy on four continents. After a six-fold increase in the last six years, its capacity in operation and under construction now stands at 6.6 GW.

Neoen's flagship operations are France's most powerful solar farm (300 MWp) in Cestas, Finland's largest wind farm (404 MW) in Mutkalampi, one of the world's most competitive solar plants in Mexico (El Llano, 375 MWp) and two of the world's most powerful large-scale storage plants, both in Australia: Hornsdale Power Reserve (150 MW/193.5 MWh storage capacity) and the Victorian Big Battery (300 MW/450 MWh).

A high-growth company, Neoen is targeting 10 GW in operation or under construction by the end of 2025. Neoen is listed in Compartment A of Euronext's regulated market in Paris (ISIN code: FR0011675362, Ticker: NEOEN) on the SBF 120 and CAC Mid 60 indexes.

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

Appendix

Quarterly revenue

	Q1 2022	Q1 2021	Var.
Revenue (€ m)			
Solar	49.6	38.0	+31%
Wind	45.2	36.7	+23%
Storage	14.0	5.3	x2.6
Other ⁽¹⁾	0.2	0.2	n/a
Consolidated revenue	109.1	80.2	+36%
<i>o/w contracted energy revenue</i>	82.7	63.8	+30%
<i>o/w energy and storage revenue derived from merchant sales</i>	19.1	14.7	+30%
<i>o/w other revenue⁽²⁾</i>	7.3	1.7	x4.2

	Q2 2022	Q2 2021	Var.
Revenue (€ m)			
Solar	49.8	46.9	+6%
Wind	39.6	29.5	+34%
Storage	25.4	8.0	x3.2
Other ⁽¹⁾	0.2	0.2	n/a
Consolidated revenue	115.0	84.7	+36%
<i>o/w contracted energy revenue</i>	76.4	56.2	+36%
<i>o/w energy and storage revenue derived from merchant sales</i>	36.8	26.8	+37%
<i>o/w other revenue⁽²⁾</i>	1.8	1.7	+5%

	Q3 2022	Q3 2021	Var.
Revenue (€ m)			
Solar	48.0	38.1	+26%
Wind	56.2	28.1	x2.0
Storage	26.0	10.5	x2.5
Other ⁽¹⁾	0.3	1.0	n/a
Consolidated revenue	130.5	77.7	+68%
<i>o/w contracted energy revenue</i>	68.0	59.1	+15%
<i>o/w energy and storage revenue derived from merchant sales</i>	60.3	15.8	x3.8
<i>o/w other revenue⁽²⁾</i>	2.3	2.8	n/a

	Q4 2022	Q4 2021	Var.
Revenue (€ m)			
Solar	46.6	39.2	+19%
Wind	75.5	40.8	+85%
Storage	26.2	10.6	x2.5
Other ⁽¹⁾	0.2	0.3	n/a
Consolidated revenue	148.6	90.9	+63%
<i>o/w contracted energy revenue</i>	82.1	70.2	+17%
<i>o/w energy and storage revenue derived from merchant sales</i>	55.4	17.3	x3.2
<i>o/w other revenue⁽²⁾</i>	11.1	3.4	x3.3

(1) Corresponds to the Development and investment segment

(2) Other revenue chiefly derives from capacity payments earned by certain batteries, the development business and services to third parties

Segment results

(in millions euros)		Revenue			Adjusted EBITDA ⁽¹⁾		
		2022	2021	Change (in %)	2022	2021	Change (in %)
Australia							
	Solar	53.1	37.6	+41%	73.9	30.7	x2.4
	Wind	84.5	67.1	+26%	71.9	53.9	+33%
	Storage	80.2	28.1	x2.9	61.9	26.4	x2.4
	Total	217.8	132.8	+64%	207.6	111.0	+87%
Europe - Africa							
	Solar	64.4	60.8	+6%	50.9	49.3	+3%
	Wind	132.1	68.1	+94%	106.9	51.1	x2.1
	Storage	11.4	6.3	+80%	6.2	3.8	+63%
	Farm-down	-	-	-	16.4	50.0	-67%
	Total	208.0	135.2	+54%	180.4	154.2	+17%
Americas							
	Solar	76.6	63.9	+20%	56.8	57.3	-1%
	Total	76.6	63.9	+20%	56.8	57.3	-1%
Development– Investments and Eliminations							
	Development and investissements ⁽²⁾	82.3	77.2	+7%	(8.4)	2.1	n/a
	Eliminations ⁽³⁾	(81.4)	(75.5)	+8%	(22.3)	(24.2)	-8%
	Total	0.9	1.7	-48%	(30.7)	(22.1)	+39%
TOTAL		503.2	333.6	+51%	414.0	300.4	+38%
	o/w solar	194.1	162.3	+20%	181.6	137.3	+32%
	o/w wind	216.6	135.1	+60%	178.6	105.0	+70%
	o/w storage	91.6	34.4	x2.7	68.1	30.2	x2.3
	o/w farm-down	-	-	n/a	16.4	50.0	-67%

(1) Adjusted EBITDA corresponds to current operating income, which includes net proceeds from the disposal of assets in the secured portfolio resulting from the farm-down activity, restated for:

- Depreciation, amortization and current operating provisions;
- The personnel expense resulting from the application of IFRS 2 "Share-based payments";
- And the change in fair value of energy derivative financial instruments.

(2) Revenue for this segment essentially comprises sales of services to other Group entities (eliminated on consolidation with the exception of amounts billed to entities not fully consolidated), but also includes sales of services to third parties.

(3) The eliminations mainly relate to services billed by Neoen S.A. to its project companies for the development, supervision and administration of power facilities, as well as development costs capitalized in accordance with IAS 38 "intangible assets".

Key performance indicators

Adjusted EBITDA

The reconciliation between current operating income and adjusted EBITDA is as follows:

(In millions of euros)	FY 2022	FY 2021	Change	Change (in %)
Current operating income	262.1	189.6	+ 72.5	+ 38%
Current operating amortisation and provisions	151.0	107.6	+ 43.3	+ 40%
IFRS 2 expense	3.8	3.2	+ 0.6	+ 20%
Change in fair value of energy derivative financial instruments	(2.8)	-	- 2.8	N/A
Adjusted EBITDA^(a)	414.0	300.4	+ 113.6	+ 38%

(a) Adjusted EBITDA corresponds to current operating income, which includes net proceeds from the disposal of assets in the secured portfolio resulting from the farm-down activity, restated for:

- depreciation, amortization and current operating provisions ;
- the expense resulting from the application of IFRS 2 "share-based payments", and ;
- the change in fair value of energy derivative financial instruments.

Adjusted EBIT

The reconciliation between current operating income and adjusted EBIT is as follows:

(In millions of euros)	FY 2022	FY 2021	Change	Change (in %)
Current operating income	262.1	189.6	+ 72.5	+ 38%
Change in fair value of energy derivative financial instruments	(2.8)	-	- 2.8	N/A
Adjusted EBIT^(a)	259.3	189.6	+ 69.7	+ 37%

(a) Adjusted EBIT corresponds to current operating income adjusted for change in the fair value of energy derivative financial instruments.

Adjusted consolidated net income

The reconciliation between the consolidated net income and the adjusted consolidated net income is as follows

(In millions of euros)	FY 2022	FY 2021	Change	Change (in %)
Consolidated net income	45.7	40.2	+ 5.4	+ 14%
Change in fair value of energy derivative financial instruments	(2.8)	-	- 2.8	N/A
Tax effect related to the change in fair value of energy derivative financial instruments	5.1	-	+ 5.1	N/A
Adjusted consolidated net income^(a)	48.0	40.2	+ 7.8	+ 19%

(a) Adjusted consolidated net income corresponds to consolidated net income adjusted for change in the fair value of energy derivative financial instruments and the related tax effect.

Consolidated income statement

<i>(In millions of euros, except for earnings per share data)</i>	FY 2022	FY 2021
Energy sales under contract	309.2	249.3
Energy and storage revenue derived from merchant sales	171.5	74.7
Other revenues	22.5	9.6
Total Revenue	503.2	333.6
Purchases net of changes in inventories	(2.2)	2.5
External expenses and payroll costs	(135.3)	(86.0)
Duties, taxes and similar payments	(10.0)	(7.5)
Other current operating income and expenses	56.8	54.4
Share of net income of associates	0.5	0.3
Current operating depreciation and amortisation	(151.0)	(107.6)
Current operating income	262.1	189.6
Other non-current operating income and expenses	(3.8)	(8.0)
Impairment of non-current assets	(27.3)	(10.4)
Operating income	231.0	171.2
Cost of debt	(135.6)	(106.5)
Other financial income and expenses	(17.1)	(11.2)
Net financial result	(152.7)	(117.7)
Profit before tax	78.3	53.5
Income tax	(32.6)	(13.3)
Net income from continuing operations	45.7	40.2
Consolidated net income	45.7	40.2
Group share of net income	45.2	41.0
Net income attributable to non-controlling interests	0.5	(0.8)
Basic earnings per share (in euros)	0.41	0.39
Diluted earnings per share (in euros)	0.37	0.35

Consolidated balance sheet

<i>In millions of euros</i>	31.12.2022	31.12.2021
Goodwill	0.7	0.7
Intangible assets	290.5	269.3
Property, plant and equipment	4,566.9	3,677.6
Investments in associates and joint ventures	24.4	16.6
Non-current derivative financial instruments	312.9	30.4
Non-current financial assets	99.9	83.0
Other non-current assets	10.7	11.1
Deferred tax assets	56.8	58.3
Total non-current assets	5,362.9	4,147.0
Inventories	10.6	8.7
Trade receivables	106.6	81.6
Other current assets	108.0	115.3
Current derivative financial instruments	35.9	-
Cash and cash equivalents	622.8	592.6
Total current assets	883.9	798.2
Assets held for sale	26.8	-
Total assets	6,273.5	4,945.1

<i>In millions of euros</i>	31.12.2022	31.12.2021
Share capital	229.3	214.1
Share premium	1,247.4	1,053.4
Reserves	375.1	59.2
Treasury shares	(3.2)	(3.1)
Group share of net income	45.2	41.0
Group share of equity	1,893.7	1,364.7
Non-controlling interests	20.5	9.2
Total equity	1,914.3	1,373.9
Non-current provisions	115.3	75.8
Non-current project finance	2,702.3	2,140.1
Non-current corporate finance	407.9	337.5
Non-current derivative financial instruments	32.2	23.3
Other non-current liabilities	17.9	31.6
Deferred tax liabilities	194.0	85.7
Total non-current liabilities	3,469.8	2,694.1
Current provisions	1.0	0.3
Current project finance	397.3	427.7
Current corporate finance	1.8	1.3
Current derivative financial instruments	12.6	23.3
Trade payables	242.4	340.4
Other current liabilities	206.2	84.1
Total current liabilities	861.2	877.1
Liabilities held for sale	28.2	-
Total equity and liabilities	6,273.5	4,945.1

Consolidated statement of cash flows

<i>In millions of euros</i>	FY 2022	FY 2021
Consolidated net income	45.7	40.2
Eliminations:		
of the share of net income of associates	(0.5)	(0.3)
of depreciation and provisions	176.9	117.5
of change in fair value of energy derivative financial instruments	(2.8)	(0.0)
of gains and losses on sale	(12.5)	(42.0)
of calculated income and expense related to share-based payments	3.8	3.2
of other income and expense without cash impact	13.8	3.9
of the tax charge	32.6	13.3
of the cost of net borrowings	135.6	106.5
Impact of changes in working capital	81.6	44.3
Taxes paid (received)	(17.2)	(10.6)
Net cash flows from operating activities	457.0	276.0
Acquisitions of subsidiaries net of treasury acquired	(15.6)	(32.2)
Sales of subsidiaries net of cash transferred	26.2	72.1
Acquisition of intangible and tangible fixed assets	(1,111.2)	(754.5)
Sale of intangible and tangible fixed assets	1.1	0.2
Change in financial assets	(15.4)	3.2
Dividends received	1.2	1.9
Net cash flows from investing activities	(1,113.7)	(709.2)
Share capital increase by the parent company	48.1	592.1
Contribution of non-controlling interests to share capital increases (reductions)	(1.5)	(2.4)
Transactions with non-controlling interests	(6.0)	-
Net sale (acquisition) of treasury shares	(2.1)	(12.1)
Issue of loans	1,192.4	419.3
Dividends paid	(2.1)	(0.2)
Repayment of loans	(439.2)	(272.0)
Interests paid	(108.3)	(81.3)
Net cash flows from financing activities	681.3	643.5
Impact of foreign exchange rate fluctuation	9.4	7.3
Effect of reclassification of cash related to assets held for sale	(3.9)	0.0
Change in cash and cash equivalents	30.2	217.6
Opening cash and cash equivalents	592.5	374.9
Closing cash and cash equivalents	622.7	592.5
Change in net cash and cash equivalents	30.2	217.6