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Paris, 7 March 2023

Neoen announces the launch of a c. €750 million rights issue to increase its installed capacity¹ by 50% while intensifying its investments in storage facilities

In a market that has seen a sharp rise in electricity prices, Neoen is accelerating the pace of its investments to seize rapidly growing opportunities to sell renewable electricity contracts and innovative and differentiating storage solutions.

Context of the transaction

- The electricity market has experienced unprecedented changes in recent quarters reflected in high prices and an even faster deployment of renewable energy
- In this context and as anticipated, Neoen will accelerate its construction launch pace for new solar and wind power plants in order to meet the growing demand for electricity sales contracts, the prices of which have risen sharply
- Neoen will also intensify its investments in storage capacities, particularly in batteries with a longer storage duration, enabling it to provide high value-added solutions that meet the needs of a wide spectrum of customers.
- The additional equity needed to finance these investments amounts to €750 million
- The funds raised through this capital increase will be used for the construction of new capacities, that will generate additional revenue progressively as they are put in operation
- On an indicative basis, Neoen estimates that its first 10 GW, once fully in operation, will generate annual adjusted EBITDA of around €750 million, not including contributions from early generation revenues or from farm-down transactions

Key terms of the transaction

- Subscription price: 20.45 euros per share
- Subscription ratio: 8 new shares for 25 existing shares
- Trading period for preferential subscription rights: from 8 March 2023 to 20 March 2023 inclusive
- Subscription period: from 10 March 2023 to 22 March 2023 inclusive
- Subscription undertakings by Neoen's main shareholders representing approximately 43.9% of the Capital Increase (approximately €329 million)

Neoen (the "Company") announces the launch today of a capital increase with preferential subscription rights in an amount of approximately €750 million (the "Capital Increase").

The net proceeds of the Capital Increase correspond to the equity portion required to finance the Company's overall investment plan for the 2023-2025 period. The net proceeds will be applied to the construction of

¹ Objective to reach a capacity in operation or under construction of more than 10 GW by the end of 2025, as compared to 6.6 GW at the end of 2022.

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solar power plants, wind farms and batteries. They will enable the Company both to reach a capacity in operation or under construction of more than 10 GW by the end of 2025, as announced in 2021, and also to expand its storage capacities, in particular by investing in batteries with a longer storage duration per installed MW than initially planned, significantly increasing the associated revenue potential.

The very sharp price increase in the electricity market, particularly since the beginning of 2022, is already reflected in the pricing of the long-term electricity sales contracts recently signed by the Company. The additional renewable energy production capacities covered by these contracts will therefore, as they are put in operation, generate higher revenues than anticipated in 2021. These additional revenues will be generated progressively, with the full effect felt after 2025. On an indicative basis, Neoen estimates that its first 10 GW, once fully in operation, will generate annual adjusted EBITDA of around €750 million, not including contributions from early generation revenues or from farm-down transactions.

The Company has also decided to increase its investments in storage to seize the multiple opportunities available in this market, in which it is a leading player. Neoen already has storage capacity in operation or under construction of 1.1GW. Combined with its expertise in energy management, the increased storage capacity will enable the Company to offer services that are both competitive and innovative. Over the past few years, Neoen has demonstrated its ability to meet the growing need to compensate for renewable energy intermittency, mitigate peaks in electricity demand, improve network reliability, regulate network frequency and discharge stored electricity as a backup in the event of power failure or power outage. The addition of batteries with a longer storage duration (on average 2 hours as compared to 1 to 1.5 hours previously) will further increase revenues from storage, with a particularly attractive profitability profile.

Xavier Barbaro, Neoen's Chairman and CEO, commented: *"Neoen has demonstrated its ability to successfully implement its strategic roadmap, as evidenced by its financial performance, the strong growth of its installed capacity and of its project portfolio. In an electricity market that has experienced a complete paradigm shift in recent quarters, we are already taking advantage of a high price environment while benefiting from a strong acceleration in the deployment of renewable energies. In this environment, which we see as lastingly favorable, we are going to further increase our energy production capacities and above all intensify our investments in storage, an area in which we have already demonstrated our operational leadership and our ability to generate new sources of profit. We are pleased today to offer all of our shareholders the opportunity to participate in this transaction and are very proud to see our main shareholders invest again in our company. This fundraising will allow Neoen to increase by more than 50% the size of its portfolio of assets, in particular in storage capacities, by the end of 2025. These investments will significantly boost our revenues as soon as these new capacities are put in operation."*

Transaction Rationale and Use of Proceeds

The net proceeds from the issuance of the New Shares, estimated at approximately €740 million, will be used to finance the Company's growth, in implementation of its strategic roadmap presented on 11 March 2021 and confirmed on 1 March 2023, as well as storage capacity objectives announced on 1 March 2023.

The Company evaluates at approximately €600 million and at €150 million, respectively, the equity financing portion of the investment necessary to (a) reach a capacity in operation or under construction of more than 10 GW by the end of 2025 and (b) increase its investments in storage facilities to enable construction of batteries with a longer storage duration than anticipated in its initial assumptions (on average 2 hours as compared to 1 to 1.5 hours previously).

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The Company considers that the funds raised as part of the Capital Increase will suffice to finance all of its anticipated investments over the 2023-2025 period.

Main terms of the Capital Increase

The Capital Increase will be carried out with preservation of the shareholders' preferential subscription rights ("PSR"), pursuant to the 16th resolution of the combined general meeting of 25 May 2022, and will result in the issue of 36,694,552 new shares (the "New Shares"), at a subscription price of 20.45 euros (i.e. 2 euros in nominal value and 18.45 euros in issue premium), to be fully paid upon subscription by payment in cash, representing gross proceeds, including the issue premium, of 750,403,588.40 euros (which may be increased to a gross amount, including the issue premium, of 750,571,278.40 euros, by issuance of 36,702,752 New Shares in the event of exercise of all currently exercisable share subscription options of the Company²).

On 8 March 2023, each of the Company's shareholders will receive one (1) PSR per share, recorded in his or her securities account at the end of the accounting day on 7 March 2023. Twenty-five (25) PSRs will entitle their holders to subscribe for eight (8) New Shares on an irreducible basis (*à titre irréductible*).

Subscriptions on a reducible basis (*à titre réductible*) will be accepted. Any New Shares not covered by subscriptions on an irreducible basis (*à titre irréductible*) will be divided up and allocated to subscribers having submitted additional subscription orders on a reducible basis (*à titre réductible*) but are subject to reduction in the event of oversubscription.

On the basis of the closing price of the Neoen share on the regulated market of Euronext in Paris ("Euronext Paris") on 3 March 2023, i.e., 29.93 euros, the theoretical value of one (1) PSR is 2.30 euros and the theoretical value of the share ex-rights is 27.63 euros.

The issue price represents a discount of 25.99% to the theoretical value of the Neoen share ex-rights and a 31.67 % discount to the share price at the close of trading as of 3 March 2023, and a discount of 25.73% to the theoretical value of the Neoen share ex-rights calculated on the basis of du Volume-Weighted Average Price on 3 March 2023.

These values do not necessarily reflect the value of the PSRs during their trading period, the value of the Neoen share ex-rights or the discounts, as determined in the market.

The Capital Increase with shareholders' preferential subscription rights will be open to the public in France only.

Indicative timetable for the Capital Increase

The subscription period for the New Shares will be open from 10 March 2023 until the close of trading on 22 March 2023. The PSRs will be detached and tradeable from 8 March 2023 until 20 March 2023 on Euronext Paris under the ISIN code FR001400GA06. Unexercised PSRs will automatically lapse at the end of the subscription period, i.e. 22 March 2023 at the close of trading.

² The right to exercise currently exercisable share subscription options will be suspended as of 15 March 2023 at 5:00 pm (Paris time) for up to three months.

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The issue, settlement-delivery and admission of the New Shares to trading on Euronext Paris are expected to take place on 29 March 2023. New Shares will immediately entitle their holders to receive dividends declared by Neoen as from the date of issuance. They will be immediately fungible with existing shares of the Company and will be traded on the same line under the ISIN code FR0011675362.

Subscription and other undertakings of Neoen's key shareholders

As of the date of the prospectus related to the Capital Increase, Neoen has received subscription and other undertakings from the following shareholders:

Impala

Impala has committed to subscribe for shares on an irreducible basis through the exercise of at least 75% of its Preferential Subscription Rights (representing a minimum subscription amount of approximately €251 million).

In addition, Impala reserves the right to place additional subscription orders (on an irreducible and/or reducible basis) and may trade more generally in the Company's securities depending on market conditions.

Impala also intends to sell PSRs (by any means, including through block trades or accelerated bookbuilt transactions).

FSP and **Bpifrance** have each committed to the Company to participate in the Capital Increase pro rata to their current shareholding by exercising all their PSRs (representing subscription amounts of c. €46 million and c. €33 million, respectively).

In addition, FSR reserves the right to place additional subscription orders on a reducible basis and/or to purchase Preferential Subscription Rights.

Xavier Barbaro

Cartusia (the long-term investment vehicle controlled by Xavier Barbaro and his family members), together with Xavier Barbaro and his family members, have informed the Company of their intention to participate, directly or indirectly, in the Capital Increase and to exercise all or part, as the case may be, of their PSRs. They also reserve the right to place additional subscription orders (on an irreducible basis and/or on a reducible basis). The transactions contemplated by Cartusia, on the one hand, and Mr. Xavier Barbaro and his family (directly or indirectly), on the other hand, in the context of the Capital Increase, would imply an aggregate net investment of €2 million.

Lock-up commitment of the Company

From the date of approval by the *Autorité des marchés financiers* ("AMF") of the prospectus relating to the Capital Increase and for a period expiring 120 calendar days following the settlement-delivery date of the New Shares, subject to certain customary exceptions.

Lock-up commitments of Impala, FSP and Bpifrance

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From the date of approval by the AMF of the prospectus relating to the Capital Increase and for a period expiring 90 calendar days following the settlement-delivery date of the New Shares, subject to certain customary exceptions.

Dilution

For illustrative purposes only, a shareholder holding 1% of the Company's share capital as of 6 March 2023, and who does not participate in the Capital Increase, would hold 0.76% following the issue of the New Shares.

Underwriting

The issue of the New Shares (others than the shares that are subject to the subscription commitments of Impala, FSP and Bpifrance) is being underwritten pursuant to an underwriting agreement entered into on 6 March 2023 between the Company and J.P. Morgan SE, Natixis and Société Générale acting as Joint Global Coordinators, Lead Managers and Joint Bookrunners, and Barclays Bank Ireland PLC, BNP Paribas, Crédit Agricole Corporate and Investment Bank and HSBC Continental Europe acting as Joint Bookrunners. This underwriting agreement does not constitute an irrevocable guarantee (*garantie de bonne fin*) within the meaning of Article L. 225-145 of the French Commercial Code.

Availability of the Prospectus

The prospectus (the "Prospectus") including (i) the universal registration document (*document d'enregistrement universel*) of Neoen filed with the AMF on 31 March 2022 under number D.22-0224, (ii) the amendment to the universal registration document filed with the AMF on 6 March 2023 under number D.22-0224-A01 and (iii) a securities note (*note d'opération*) (including the summary of the Prospectus) which was approved by the AMF under number 23-062 on 6 March 2023 is available on the website of the AMF (www.amf-france.org) and the company (www.neoen.com). Copies of the Prospectus are available free of charge at the Company's registered office (22 rue Bayard, 75008, Paris, France).

Risk factors

Investors are encouraged to read the risk factors included in chapter 3 "Risk Factors" of the universal registration document, in section 3 "*Facteurs et gestion des risques*" of the amendment to the universal registration document and in chapter 2 "*Facteurs de risques*" of the securities note.

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. After a six-fold increase in the last six years, its capacity in operation and under construction stands at 6.6 GW as of 31 December 2022. Operating on four continents, 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

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(300 MW/450 MWh storage capacity).

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

For more information: www.neoen.com

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IMPORTANT INFORMATION

This press release includes "forward-looking statements". All statements other than statements of historical facts included in this press release, including, without limitation, those regarding Neoen's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of Neoen, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Neoen's present and future business strategies and the environment in which Neoen will operate in the future. Additional factors could cause actual results, performance or achievements to differ materially.

The contents of this press release have been prepared by and are the sole responsibility of Neoen.

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This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, as amended the ("Prospectus Regulation"). Potential investors are advised to read the prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the securities. The approval of the prospectus by the AMF should not be understood as an endorsement of the securities offered or admitted to trading on a regulated market.

With respect to the member states of the European Economic Area (other than France) (each a "Relevant State"), no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to herein requiring a publication of a prospectus in any Relevant State. As a result, the securities may not and will not be offered in any Relevant State except in accordance with the exemptions set forth in Article 1 (4) of the Prospectus Regulation or under any other circumstances which do not require the publication by Neoen of a prospectus pursuant to Article 3 of the Prospectus Regulation and/or to applicable regulations of that Relevant State.

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The Underwriters are acting exclusively for Neoen and no one else in connection with the offer of new shares and will not regard any other person as their respective clients and will not be responsible to anyone other than Neoen for providing the protections afforded to their respective clients in connection with any offer of new shares of Neoen or otherwise, nor for providing any advice in relation to the offer of new shares, the content of this press release or any transaction, arrangement or other matter referred to herein.

In connection with the offering of ordinary shares of Neoen, the Underwriters and any of their affiliates may take up a portion of the ordinary shares as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of the Neoen or related investments in connection with the offer of ordinary shares of Neoen or otherwise. Accordingly, references in the Prospectus to the new ordinary shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by the Underwriters and any of their affiliates acting in such capacity. In addition, each of the Underwriters and any of their affiliates may perform services for, or solicit business from, the Company or members of the Company's group, enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which they may from time to time acquire, hold or dispose of shares. The Underwriters do not intend to disclose the extent of any such services, investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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