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Neoen launches construction of Yllikkälä Power Reserve Two in Finland, the largest battery in the Nordics

- Neoen has started construction of Yllikkälä Power Reserve Two, in Lappeenranta, Finland
- With an installed capacity of 56.4 MW / 112.9 MWh, it is the largest battery in the Nordics
- Yllikkälä Power Reserve Two will provide significant support to the Finnish grid, enhancing its stability and reliability
- The battery will be fully operational in the first half of 2025
- This is Neoen's second battery in Finland, bringing Neoen's total storage capacity in the country to 86.4 MW / 142.9 MWh

Neoen (ISIN: FR0011675362, Ticker: NEOEN), one of the world's leading producers of exclusively renewable energy, has provided notice to proceed to battery storage expert Nidec, signalling the start of construction of Yllikkälä Power Reserve Two (YPR2). Nidec will have the overall responsibility of the construction project and will supply the battery containers, battery cells and inverters.

The 56.4 MW / 112.9 MWh lithium-ion 2-hour battery will be the largest in the Nordics. It will be located in Yllikkälä, near Lappeenranta city centre and approximately 100 meters from Neoen's first big battery in Finland, Yllikkälä Power Reserve (30 MW / 30 MWh). YPR2 will be connected to Fingrid's Yllikkälä substation via an underground cable. The battery is set to be operational in the first half of 2025. In line with the company's develop-to-own model, Neoen owns 100% of Yllikkälä Power Reserve Two and will be the long-term operator of the asset.

The battery will operate in Fingrid's reserve markets. It will provide Fingrid with fast-response ancillary services to help maintain the balance between production and consumption, efficiently improving the power system's frequency and security as well as facilitating the integration of renewable energy assets.

After Mutkalampi (404 MW), Hedet (81 MW), Björkliden (40.4 MW), Lumivaara (55.8 MW) and Storbötet (105.4 MW) wind farms and Yllikkälä Power Reserve (30 MW / 30 MWh), Yllikkälä Power Reserve Two reinforces Neoen's status as one of the country's leading and fastest growing renewable energy producers, with over 770 MW in operation or under construction, notably supported by nine corporate PPAs. Based in Helsinki since 2018 and in Lappeenranta since 2023, Neoen's Finnish team is developing multiple wind, solar and storage projects across the country.

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Yllikkälä Power Reserve Two is Neoen's third battery in the Nordics. The firm is a leading owner and operator of batteries globally, with a battery storage portfolio of 1,489 MW / 3,032 MWh in operation or under construction. In particular, Neoen owns and operates some of the world's largest batteries, including: Victorian Big Battery (300 MW / 450 MWh), Western Downs Battery (270 MW / 540 MWh) and the world's first big battery Hornsdale Power Reserve (150 MW / 193.5 MWh), all located in Australia.

Jerri Loikkanen, Country Director for Finland, said: *"I would like to thank Fingrid and the municipality of Lappeenranta for their continuous support. As a pioneer and global leader in the storage field, we are delighted and very proud to be launching the construction of the largest battery in the Nordics. With now over 770 MW of capacity in operation or under construction in Finland, we are more determined than ever to further increase our contribution to our country's energy independence and objective of reaching carbon neutrality by 2035."*

Jukka Ruusunen, President and Chief Executive Officer of Fingrid, said: *"Electrification is one of the key measures by which Finland will achieve its climate goals. The electricity system is expanding and requires more flexibility in order to balance supply and demand. Batteries are excellent sources of rapid flexibility. It is great that pioneers such as Neoen are moving quickly and will significantly increase the supply in Fingrid's reserve markets where we are balancing production and consumption in real time."*

Tuomo Sallinen, Acting Mayor of the City of Lappeenranta, continues: *"Neoen's investment decision is extremely important to Lappeenranta and will support Lappeenranta's goal to act as a European trailblazer in renewable energy, electricity storage solutions and innovative green electrification business."*

Xavier Barbaro, Neoen's Chairman and Chief Executive Officer concluded: *"I congratulate our team for the hard work that has enabled us to launch the construction of our second large battery in Finland. Storage is crucial in the energy transition, as it allows for a higher share of renewable energy in the power mix. In Finland, as in the rest of the world, we will accelerate the deployment of large-scale and long-duration batteries to foster a clean energy future."*

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 fivefold increase in the last five years, its capacity in operation and under construction stands at 7.7 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: www.neoen.com and in Finland: <https://finland.neoen.com/fi/>

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