NEOEN | MEDIA RELEASE

Paris, February 28, 2024

2023 FULL-YEAR RESULTS

Neoen reports record 2023 results and accelerates towards its 10 GW milestone in 2025

- Revenue totaled €524.4 million, up 4% at current exchange rates and up 8% at constant exchange rates
- Adjusted EBITDA[1] moved up 15% to €474.8 million at current exchange rates in line with the stated target[2]. At constant exchange rates[3], adjusted EBITDA would have risen 18% to €488.6 million
- Adjusted net income[4] rose 67% to €80.4 million
- The secured portfolio[5] grew by more than 1.6 GW to 9.0 GW, with 8.0 GW already in operation or under construction, representing 80% of the 2025 target
- Group's liquidity position exceeds €1 billion at December 31, 2023, with close to €800 million in available cash and €250 million in undrawn credit facilities
- Neoen is proposing a dividend of €0.15 per share, representing a 20% increase versus the previous year
- 2024 adjusted EBITDA[1] is expected between €530 million and €560 million, with an adjusted EBITDA margin[1] above 85%
- Lastly, the Group is restating its adjusted EBITDA[1] target of over €700 million in 2025 and its target of reaching 10 GW in capacity in operation or under construction in the course of 2025

Neoen (ISIN: FR0011675362, Ticker: NEOEN), one of the world's leading independent producers of exclusively renewable energy, is presenting its audited consolidated full-year results for the financial year ended December 31, 2023. These financial statements were approved by the Board of Directors on February 28, 2024.

Xavier Barbaro, Neoen's Chairman and Chief Executive Officer, commented:" We *are very proud to report record results for Neoen. The determination shown by all our employees have kept execution of our roadmap firmly on track and we are on pace to meet the targets we set. With 5 GW in capacity now in operation, we generated over 7.5 TW in competitively priced green energy. What's more, our storage facilities are accelerating the development of renewable energies and enhancing grid reliability. Development of our project portfolio continues to make strong progress. Over the past few months, we have launched the construction of our second-largest solar farm and our first long-duration battery in Australia,*

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[1] Adjusted EBITDA corresponds to current operating income, which includes the net proceeds from the disposal of portfolio's projects and assets resulting from the farm-down transactions, adjusted for current operating depreciation, amortization and provisions, the expense resulting from application of IFRS 2 – Share-based Payment and the change in the fair value of energy derivatives.

[2] On November 2, 2023, Neoen announced that its 2023 adjusted EBITDA was expected to be around the mid-point of the initial €460–490 million range announced in February 2023

[3] Based on 2022 average exchange rates

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

[5] Assets in operation, under construction and projects awarded

Sweden's largest solar farm and storage plant, our first assets in Italy and other projects in Finland, France and Portugal. From a financial standpoint, Neoen has demonstrated its ability to secure financing, both by raising funds on the market and debt at Group and at project level. We are fully confident in our ability to reach our target of 10 GW in installed capacity in the course of 2025. Further ahead, we will be able to leverage our cash flow generation to self-finance a growing share of our future growth and to keep creating value for all our stakeholders."

Operational highlights

	December 31, 2023	December 31, 2022	chg.
Assets in operation (MW) (1)	4,983	4,051	+932

(1) Gross capacity including projects in which Neoen is a minority shareholder: Cestas (300.0 MWp, 36% owned by Neoen), Seixal (8.8 MWp, 50%-owned by Neoen), as well as Les Beaux Monts (24.2 MW, entered operation in 2023), Le Berger (22.6 MW, entered operation in 2023) and Saint-Sauvant (20.6 MW), three wind farm assets in which Neoen sold 95% of its shareholding in 2022.

Neoen's **capacity in operation** stood at 4,983 MW at December 31, 2023, up 932 MW from its December 31, 2022 level. During 2023, the Group brought into operation two major projects in Australia – the 460 MWp Western Downs solar farm and the 157 MW Kaban wind farm. In France, 12 solar farms with capacity totaling 194 MWp, three wind farms with capacity totaling 64 MW and the Antugnac battery (8 MW/8 MWh) entered service in 2023. In addition, the 40 MW Björkliden wind farm in Finland and three solar power plants with 58 MWp in total capacity in Ireland entered service in the fourth quarter of 2023. Alongside, the Group sold in 2023 the 13 MWp Cabrela solar power plant in Portugal and four solar farms in France with a combined capacity of 19 MWp. It also ended operation of the 17 MW Degrussa power plant in Australia, which dismantling already started.

	2023	2022	% chg.
Electricity generation (TWh)	7.5	6.0	+27%

Electricity generation totaled over 7.5 TWh in 2023, up 27% compared to 2022. During the fourth quarter alone, electricity generation totaled 2.0 TWh, up 13% versus the fourth quarter of 2022.

The **average availability rate of the wind energy assets** stood at 94.6% in 2023, versus 97.3% in 2022 mainly due to the temporary unavailability in the first quarter of 2023 of the southern part of the Mutkalampi facility following a cable failure. Restated for this temporary phenomenon, the average availability rate of the wind energy assets was 97.1%.

The **average load factor of the wind assets** was 27.7% in 2023, compared to 28.5% in 2022. This reflects the lower availability rate of the Mutkalampi power plant and the less favorable wind conditions in Australia, especially during the third quarter of 2023, partially offset by better wind conditions in France.

The **average availability rate of the solar assets** stood at 92.2% in 2023, versus 86.4% in 2022. This figure was affected in 2022 by the temporary shutdown of the El Llano power plant in Mexico in the third quarter of 2022 as a result of technical issues related to its transformer. Its replacement was completed late 2023. Excluding the El Llano plant's contribution, the availability rate was 98.3% in 2023.

The **average load factor of the solar assets** was 19.1% in 2023, in line with its 2022 level. The El Llano power plant's improved availability and the ramp-up in generation at the Western Downs solar farm in Australia were offset by temporary technical grid-related issues at the Altiplano 200 power plant in Argentina in the second quarter of 2023 and less favorable irradiation conditions in France and Argentina.

2023 revenue up 4% at current exchange rates and up 8% at constant exchange rates

	2023	2022	% chg.
Revenue (€ m)			
Wind	251.2	216.6	+16%
Solar	213.7	194.1	+10%
Storage	57.1	91.6	-38%
Other(1)	2.3	0.9	x2.6
Consolidated revenue	**524.4**	**503.2**	**+4%**
o/w contracted energy revenue	*382.7*	*309.2*	*+24%*
o/w storage energy and revenue derived from merchant sales	*119.4*	*171.5*	*-30%*
o/w other revenue(2)	*22.3*	*22.5*	*-1%*

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

Neoen's 2023 **consolidated revenue** totaled €524.4 million, up 4% compared to 2022. At constant exchange rates[6], revenue rose 8%. The key factor driving this growth was the contribution from assets that were brought into operation and commissioned during 2022 and 2023, chiefly in Australia, France and, to a lesser extent, Ireland and Finland. The Kaban wind farm in Australia generated substantial early generation revenue throughout 2023. The Western Downs solar power plant benefitted from high spot prices during the first quarter of 2023, ahead of the entry into force of its long-term PPA price at the beginning of the second quarter of 2023. However, revenue growth was held back by a lower contribution from the assets already in service at January 1, 2022 and particularly the storage assets in Australia, which enjoyed highly supportive market conditions in the last nine months of 2022. In addition, revenue was impacted by the disposal of assets completed in 2022 and 2023 as part of the farm-down activity.

Wind revenue, the largest contributor to the Group's consolidated revenue (48% in 2023 versus 43% in 2022), moved 16% above its 2022 level. This increase was largely attributable to the contribution from assets that started generating electricity in 2022 and 2023. Chief among these was the Kaban power plant in Australia, which started injecting electricity into the grid from November 2022 and recorded substantial early generation revenue throughout 2023 before its long-term capacity contract entered force early 2024. Another factor was the contribution from the power plants commissioned in France in 2022 and 2023, and,

[6] Based on 2022 average exchange rates

to a lesser extent, the Mutkalampi wind farm in Finland, which recorded early generation revenue, notably during the first quarter of 2023 ahead of the entry into force of its various PPAs in the second and third quarters of 2023. Revenue growth was also supported by price index adjustments and better wind conditions in France. Conversely, growth was held back by lower spot prices and reduced resources in Australia, especially in the second half of 2023.

Solar revenue was 10% higher than in 2022, contributing 41% of consolidated revenue compared to 39% in 2022. This growth was primarily driven by the contribution from assets that entered operation during 2022 and 2023, chiefly the Western Downs power plant in Australia, which earned significant early generation revenue before its long-term PPA price came into effect in the second quarter of 2023. To a lesser extent, assets that entered operation in France and Ireland were also a contributing factor. Solar revenue was also supported by a positive volume effect at the El Llano power plant in Mexico following on from its temporary shutdown in the third quarter of 2022 and a positive price effect in France. These factors more than offset the i) the revenue decline at the solar power plants in Australia during the fourth quarter of 2023 as a result of less favorable irradiation conditions and lower spot prices, ii) the smaller contribution from the Altiplano 200 power plant in Argentina, which was hit by grid-related technical issues during the second quarter of 2023 and by less favorable irradiation conditions than in 2023, and iii) the impact of the disposal of the Cabrela power plant in Portugal during 2023.

Storage revenue fell 38% below its 2022 level. Storage revenue accounted for 11% of consolidated revenue, down from 18% in 2022. This contraction derived from a high base of comparison in Australia, since the Hornsdale Power Reserve and, to a lesser extent, the Victorian Big Battery had capitalized from the second to the fourth quarter of 2022 on highly volatile market conditions which boosted arbitrage revenue and, to a lesser degree, grid services (FCAS). In Finland, revenue from the Yllikkälä Power Reserve moved above the level it achieved in 2022 thanks to favorable market conditions. While storage revenue is down 38% compared to the exceptionally high level of 2022, it is still up 66% compared to 2021.

In 2023, **merchant solar and wind energy sales** were 22% lower than in 2022, with a substantial reduction (down 58%) in the second half. As expected, this decline reflects the mechanical effect linked to the entry into force of the long-term PPAs at the Mutkalampi wind farm in Finland in April and August 2023 and the entry into force of the long-term PPA price at the Western Downs power plant in Australia from April 2023. Both assets had earned early generation revenue in the second half of 2022. The decline was also driven by lower spot prices in Australia, Finland and France, notably during the second half of 2023 compared to the record levels of the second half of 2022. Overall, the share of solar and wind merchant sales on total revenue slid from 24% in 2022 to 17% in 2023, and from 33% in the second half of 2022 to 14% in the second half of 2023. Neoen is pleased to have been able to benefit from early generation revenue, in particular at high price levels, ahead of the entry into force of the long-term PPAs prices. However, securing future revenue from its assets by contracting more than 80% of its installed capacity still remains at the heart of its strategy.

Fourth-quarter revenue down 15%

During the fourth quarter of 2023, **Neoen recorded revenue** of €126.9 million, down 15% compared to the fourth quarter of 2022. This fall reflects both i) the mechanical effect of the entry into force of the long-term PPA prices, below the spot prices earned in the same period of the previous year, at the Mutkalampi wind farm in Finland in April and August 2023, and at the Western Downs power plants in Australia at the beginning of the second quarter of 2023 and ii) the high base of comparison provided by the storage revenue recorded in the fourth quarter of 2022, particularly in Australia, in a more volatile market environment.

Solar revenue fell back 11% from its level in the fourth quarter of 2022, owing to notably the mechanical effect of the entry into force of the Western Downs PPA and the impact of lower prices on revenue earned by the power plants in Australia from merchant sales. **Wind revenue** slipped 7% below its level in the fourth quarter of 2022, predominantly as a result of the mechanical effect of lower revenue at the Mutkalampi power plant in Finland after its PPAs applied. Lastly, **storage revenue** was 50% below its level in the fourth quarter of 2022. Like the second and third quarters of 2022, this period provides a high base of comparison because the Hornsdale Power Reserve actively supported the Australian grid at that time amid a highly volatile market environment.

Full-year 2023 results

Condensed consolidated income statement

(in millions of euros)	**2023**	**2022**	**Chg.** (as a %)
Revenue	524.4	503.2	+4%
Adjusted EBITDA[7]	474.8	414.0	+15%
Adjusted EBITDA margin	*91%*	*82%*	
Adjusted EBIT[6]	294.7	259.3	+14%
Adjusted consolidated net income[6]	80.4	48.0	+67%

Adjusted EBITDA up 15% at current exchange rates and up 18% at constant exchange rates

Neoen's 2023 adjusted EBITDA totaled €474.8 million, up 15% compared to 2022. At constant exchange rates, i.e. after applying the average 2022 exchange rates, adjusted EBITDA would have risen 18% to €488.6 million. The key factor driving this growth was the contribution from assets that entered production and were commissioned in 2022 and 2023. It also reflects a higher contribution from i) the French power plants in operation by the end of 2021, which reaped the benefit of a positive price effect and of improved wind conditions and ii) the EL Llano power plant. The farm-down transactions completed in 2023, namely the sale of the Cabrela solar power plant in Portugal, four solar power plants in France and a solar project in Australia[8], also had a positive impact. These factors more than offset the impact, in Australia, of less favorable market conditions for the storage activity and lower spot prices and resources for the solar and wind farms that were in operation at December 31, 2021. The Group's adjusted EBITDA margin moved up to 91% from 82% in 2022.

Wind adjusted EBITDA totaled €198.4 million, 11% above its 2022 level, chiefly as a result of early generation revenue at i) the Kaban power plant in 2023 amid positive spot price conditions, especially in the first half, and ii) the Mutkalampi power plant, ahead of the entry into force of its long-term PPAs. In addition, it was boosted by the positive effect in France of the assets that entered service in 2022 and 2023 and by favorable wind conditions and a positive price effect for the assets already in operation at year-end 2021. Conversely, Wind adjusted EBITDA was held back by a negative base of comparison effect that arose from the partial waiver in 2022 of penalties previously recognized under a PPA in Australia. The adjusted EBITDA margin came to 79% in 2023, down from 82% in 2022.

Solar adjusted EBITDA totaled €208.8 million, up 15% compared to 2022. This growth is driven by the larger contribution from the El Llano power plant in Mexico, combined with the contribution from power

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

[8] 313 MWp Goorambat solar project classified in the tender-ready phase within the Group's project portfolio when it was sold

plants which entered production and were commissioned in 2022 and 2023. These factors more than offset i) the less favorable irradiation conditions in France, Australia and Argentina, ii) the temporary grid issues at the Altiplano power plant in the second quarter and iii) the lower merchant revenue earned by the Australian solar power plants in the fourth quarter amid less favorable spot prices. The adjusted EBITDA margin moved up to 98% in 2023 from 94% in 2022.

Storage adjusted EBITDA came to €53.7 million, 21% below its 2022 level. This decrease chiefly reflected the revenue contraction (down –38% from its 2022 level), which was only partially offset, notably by the lower purchasing cost of the electricity injected. The adjusted EBITDA margin was 94% in 2023, up from 74% in 2022.

Group results

Adjusted EBIT totaled €294.7 million, up 14% versus 2022. Depreciation and amortization rose €25.0 million or 17%, alongside the expansion in assets in operation.

Non-current operating income went from a net expense of €31.1 million in 2022 to a net expense of €19.0 million in 2023. This figure includes the impairment losses recognized in the second half of 2023 of €8.2 million on the El Llano power plant in Mexico and of €3.9 million on the Degrussa power plant in Australia, dismantling of which already started. As a reminder, Neoen recognized an impairment loss of €19.9 million in 2022 on the Metoro power plant in Mozambique. Construction work on the plant had to be halted in June 2022 following a sudden deterioration in the local security situation.

Net financial expense was €152.7 million in 2023, stable compared to 2022. The cost of debt totaled €155.9 million, up €20.3 million from €135.6 million one year earlier. The key factors behind this change were:

- the increase in average outstanding project finance debt over the period linked directly to the growth in the number of assets in operation;
- the rise in short-term interest rates, which had an impact on the unhedged portion of project finance debts across all the regions where the Group finances itself at floating rates;
- the full year interest expense arising from the €300 million 2022 green convertible bonds[9] issued in September 2022;
- partially offset by the lower interest expense resulting principally from the gradual repayment of borrowings for power plants in operation and the early conversion in October 2022 of the vast majority of the 2019 convertible bonds (the remainder were redeemed) for around €200 million[10].

The weighted average interest rate on project finance for facilities in operation[11] was 4.2% as of December 31, 2023, up from 4.0% as of December 31, 2022. The main factor contributing to this rise was the further rise in short-term interest rates in 2023 on the unhedged portion of project finance liabilities. That said, over 75% of the floating-rate project finance debt are usually hedged. The increase in the average cost of project debt also reflects the commissioning of the Björkliden power plant in Finland late 2023.

The overall average interest rate for the Group's debt rose to 4.2%, compared to 3.8% at December 31, 2022, as a result of the increase in the weighted average interest rate on project finance for facilities in

[9] The effective interest rate on the debt component of the 2022 convertible bonds due was 7.0%, while their nominal rate was 2.875%.
[10] The effective interest rate on the debt component of the 2019 convertible bonds was 4.3%, while their nominal rate was 1.875%.
[11] 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.

operation[11], as well as the new project finance arranged for assets under construction at interest rates above the historical average.

Furthermore, other financial income and expenses represented a net gain of €3.1 million, compared to a net expense of €17.1 million in 2022, as a result of the large increase in other financial income linked to returns on cash balances following the March 29, 2023 rights issue and those held by project finance entities.

Adjusted tax expense totaled €42.6 million, up from €27.5 million in 2022. The adjusted effective tax rate was 34.7%, down from 36.4% in 2022 when the effective tax rate was inflated by the fact that no deferred tax assets were recognized in respect of the impairment loss on the Metoro power plant in Mozambique. The adjusted effective tax rate in 2023 benefitted from the application of the long-term capital gains regime for the asset disposals completed in Portugal and France in accordance with the applicable tax rules. Conversely, it was increased by the impact of not recognizing deferred tax assets, notably in Mexico, and by the impact of foreign exchange effects, inflation and hyperinflation in Latin America.

Adjusted consolidated net income[12] surged 67% to €80.4 million in 2023 from €48.0 million in 2022.

Very solid cash position

Net cash generated by operating activities totaled €324.7 million, down €132.3 million from €457.0 million in 2022 despite the growth in adjusted EBITDA. This decline chiefly reflected the negative change of €91.0 million in the working capital requirement, after a €81.6 million positive change in 2022. This fall derived directly from the net €70.6 million repayment in 2023 to EDF OA of the bulk of accumulated difference between the spot price received by certain French power plants, principally in 2022, and their PPA price. As a reminder, this timing difference had led to a temporarily cash positive impact of €90.3 million on the change in the working capital requirement in 2022. Restated for these effects, net cash generated by operating activities totaled €395.3 million in 2023, compared to €366.7 million in 2022.

Net cash used in investing activities totaled €1,078.0 million in 2023. These investments directly reflect the construction of generation assets, including the Goyder wind farm, Collie Battery, Capital Battery, Western Downs and Blyth storage facilities in Australia, the Fox Coulée solar power plant in Canada, the Rio Maior and Torre Bela solar power plants in Portugal, the Björkliden wind farm in Finland, the Storbrännkullen wind farm in Sweden and several solar and wind assets in France.

Net cash generated by financing activities totaled €912.8 million in 2023, mainly as a result of the €741.9 million in proceeds from the March rights issue net of issuing costs and, to a lesser extent, the net increase in project finance.

Overall, the Group had a very solid cash position, amounting to €778.0 million[13] at December 31, 2023, up from €622.7 million at December 31, 2022. This amount includes the outstanding amounts to be repaid to EDF OA, which stood at €19.7 million at December 31, 2023, down from €90.3 million at December 31, 2022.

In addition, Neoen recently strengthened its cash position through the refinancing completed in February 2024 of the syndicated credit facility signed in March 2020. The size of the credit facility was

[12] Taking into account the change in the fair value of energy derivatives and related tax effects, the reported consolidated net income was €147.4 million in 2023, up from €45.7 million in 2022

[13] This amount includes cash and cash equivalent classified as assets held for sale (€4.3 million as of December 31, 2023 compared to a nil as of December 31, 2022) and bank overdrafts (€(0.1) million at December 31, 2023 compared to €(0.2) at December 31, 2022).

increased from €250 million to €500 million and its maturity date extended from 2026 to 2029. It consists of a €300 million term loan and a €200 million revolving credit facility. The original syndicated loan remained unused at December 31, 2023, as well as the new credit facility as of today.

Net debt almost stable following the successful rights issue

Gross debt totaled €3,804.1 million at December 31, 2023, up from €3,509.3 million at December 31, 2022. This increase chiefly reflects the arrangement of new project finance alongside the growth in the asset portfolio, net of redemptions.

In addition, the gearing ratio as a percentage of capital invested on an all-in basis, including the Group's entire – corporate and project financing – debt, stood at 65% at December 31, 2023. This level temporarily dropped below 70%[14] owing to the temporary delay in the arrangement of certain project finance, chiefly in Australia, and ahead of the refinancing of the syndicated credit facility in February 2024. As a reminder, this ratio stood at 72% as of December 31, 2022.

Excluding the positive impact on the Group's cash position of the outstanding amounts due to EDF OA, which totaled €19.7 million at December 31, 2023 (€90.3 million at December 31, 2022) and excluding the positive fair value of the interest-rate hedges arising from the current level of forward interest rates, which stood at €214.9 million at December 31, 2023 (€302.7 million at December 31, 2022), net debt was €2,914.5 million[15] at December 31, 2023, up from €2,857.6 million at December 31, 2022. The net debt to adjusted EBITDA ratio was 6.1x[16] at December 31, 2023 compared to 6.9x at December 31, 2022.

Portfolio at December 31, 2023: 27.6 GW, up 8.3 GW compared to December 31, 2022

In MW	December 31, 2023	December 31, 2022	chg.
Assets in operation	4,983	4,051	+932
Assets under construction	3,000	2,523	+477
Sub-total, assets in operation or under construction	***7,983***	***6,574***	***+1,409***
Projects awarded	1,000	782	+218
Total MW – secured portfolio	**8,983**	**7,356**	**+1,627**
Tender-ready projects	2,978	2,006	+972
Advanced development projects	15,666	9,931	+5,735
Total MW – advanced pipeline	**18,644**	**11,938**	**+6,706**
Total MW – secured portfolio and advanced pipeline	**27,627**	**19,294**	**+8,333**
Early-stage projects	**> 10 GW**	**> 10 GW**	

Capacity in operation or under construction stood at 8.0 GW at December 31, 2023, versus 6.6 GW at December 31, 2022. Neoen launched construction of 1.4 GW in new projects in 2023. These include the Culcairn solar farm (440 MWp), the Collie Battery (219 MW/877 MWh) and the Western Downs Storage

[14] The Group continues to target a gearing ratio as a percentage of the capital invested above 70% on an all-in basis, including the Group's entire debt, whether corporate or arranged on project entities, in the form of senior or mezzanine debt.

[15] Including these two temporary effects, reported net debt totaled €2,680.0 million at December 31, 2023, compared to €2,464.6 million at December 31, 2022.

[16] Including these two temporary effects, reported net debt to adjusted EBITDA ratio stood at 5.6x at December 31, 2023, down from 6.0x at December 31, 2022.

battery extension (58 MW/116 MWh) in Australia, the Storbötet (105 MW) and Lumivaara (56 MW) wind farms and the Yllikkälä Power Reserve 2 (56 MW/113 MWh) in Finland, the Hultsfred solar farm (100 MWp) and the Isbillen Power Reserve (94 MW/94 MW) in Sweden, nine solar farms with 161 MWp in combined capacity and the Ailes de Foulzy wind farm (21 MW) in France, the Foral solar farm (43 MWp) in Portugal and, lastly, three solar farms with 25 MWp in combined capacity in Italy.

With new projects awarded adding 1.6 GW[17] in capacity in 2023 (of which 774 MW in the fourth quarter alone), the secured portfolio (assets in operation, under construction and awarded projects) totaled 9.0 GW at December 31, 2023, versus 7.4 GW at December 31, 2022. The new projects awarded in 2023 included:

- 717 MW awarded in Australia with Culcairn (440 MWp), Collie Battery (219 MW/877 MWh) and Western Downs Storage X (58 MW/116 MWh) projects, now under construction;
- 381 MWp awarded in France under the latest government calls for tenders for solar power plants across 22 projects;
- 216 MWp awarded in Ecuador following a government call for tenders for three solar projects with the same capacity (Imbabura, Ambi and Intyana);
- 116 MW awarded in Finland with the uncontracted portion of Storbötet (45 MW) and Lumivaara (14 MW) wind projects, plus the Yllikkälä Power Reserve 2 (56 MW/113 MWh), which construction already started;
- 104 MW awarded in Sweden with the Isbillen Power Reserve (94 MW/94 MWh) and the uncontracted portion of Hultsfred (10 MWp), now under construction;
- 68 MW awarded in France across four wind farms;
- 43 MWp awarded in Portugal related to the Foral solar project;
- 25 MWp awarded in Italy with three solar projects now under construction.

The **portfolio's total capacity (excluding early-stage projects)** rose by 8.3 GW or 43% to 27.6 GW at December 31, 2023, versus 19.3 GW at December 31, 2022.

Dividend

The Board of Directors will propose payment of a 2023 dividend of €0.15 per share at the Shareholders' Meeting on May 14, 2024. This represents a 20% 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% discount[18]. The ex-dividend and payment dates are May 20 and June 11, 2024 respectively. Impala, which owns 42.2% of Neoen's share capital, has announced its intention to opt for payment of its dividend in shares.

Annual General Meeting

Neoen's next general shareholders' meeting is scheduled to be held on May 14, 2024, at 2:30 p.m.

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[17] Includes a +5 MW net adjustment of capacity and the reclassification as tender-ready of six projects in France with 78 MW in total capacity

[18] 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 13, 2024, less the net amount of the dividend.

Outlook

For 2024, Neoen expects an adjusted EBITDA of between €530 million and €560 million[19], or a double-digit annual growth as stated in its strategic plan, and an adjusted EBITDA margin above 85%.

The Group is reiterating its adjusted EBITDA target of over €700 million in 2025 and its target of reaching 10 GW in capacity in operation or under construction in the course of 2025.

All the Group's targets include the best estimate to date of the likely completion dates of its projects and its current view of likely spot prices.

[19] The adjusted EBITDA forecast takes into account net proceeds from the disposal of portfolio's projects and assets that the Group anticipates completing as part of the farm-down business, with a contribution of no more than 20% of annual adjusted EBITDA and 20% of the annual increase in the secured portfolio.

Fourth-quarter 2023 highlights

Neoen and Alight launch the construction of Hultsfred solar farm (100 MWp), the largest in Sweden
On October 25, 2023, Neoen and Alight announced the construction start of Hultsfred, Sweden's largest solar farm. The 100 MWp project located in south-east Sweden is scheduled to be commissioned in 2025. Under a PPA signed end of 2022, 95% of the renewable energy and guarantees of origin will be sold to the H&M fashion group.

Neoen wins 104.4 MWp of new solar power projects in France

On December 19, 2023, Neoen was awarded 104.4 MWp in solar projects in the most recent call for tenders run by the French government. Neoen was the first winner in the late 2023 CRE5 tender held by the French energy regulator. This 104.4 MWp in capacity breaks down into four solar projects, fully owned by Neoen, with capacity ranging from 14.4 MWp to 30 MWp.

Neoen launches construction of the 440 MWp Culcairn solar farm in Australia

On December 21, 2023, the Group announced it had launched construction of the Culcairn solar farm (440 MWp) in New South Wales, Australia. Expected to be operational in 2026, it will be backed by an agreement with the Australian Energy Market Operator (AEMO), under which energy producers have the option to sell their electricity at an agreed minimum fixed price and is complementary to future PPAs. . The project also has the option of adding a 100 MW battery subsequently.

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

On December 27, 2023, Neoen started construction of Yllikkälä Power Reserve Two (56.4 MW/112.9 MWh), the largest battery in the Nordics. The battery, which is due to be commissioned in the first half of 2025, will provide significant support to the Finnish grid, enhancing its stability and reliability.. This is Neoen's second battery in Finland, bringing its total storage capacity in the country to 86.4 MW/142.9 MWh.

Construction launch of the first three Italian solar power plants

In December 2023, the Group launched construction of its first three solar power plants in Italy, with a combined capacity of 24.7 MWp and a commissioning planned early 2025. Neoen has the ambition to rapidly grow its portfolio in Italy not only in solar but also in storage.

Construction launch of the Isbillen Power Reserve

In December 2023, the Group launched construction of the Isbillen Power Reserve battery (93.9 MW/93.9 MWh), ahead of an official announcement on January 31, 2024 during French President Emmanuel Macron's visit to Sweden. The battery, which is expected to be commissioned in the first half of 2025, will provide significant support to the Swedish electricity system, enhancing its security and reliability. It is Neoen's second battery and fourth asset under construction in Sweden.

Recent events

Neoen completes joint financing of the 2nd tranche of Goyder South wind farm and Blyth Battery in Australia

On February 5, 2024, Neoen reached financial close on the 203 MW second tranche of its Goyder South Stage 1 wind farm and its 238.5 MW / 477 MWh Blyth Battery. Both assets are entirely owned by Neoen with debt financing provided by a group of five lenders. Construction of the second tranche of Goyder South Stage 1 and Blyth Battery are underway, and both are expected to be operational by mid-2025.

Refinancing of Neoen SA's syndicated credit facility

On February 8, 2024, Neoen completed the refinancing of the syndicated credit facility arranged in March 2020. Its size was increased from €250 million to €500 million and its maturity extended from 2026 to 2029. This new credit facility includes a €300 million term loan and a €200 million revolving credit facility. Financial conditions are indexed to Environmental, Social and Governance (ESG) criteria. The original syndicated loan remained unused at December 31, 2023, as well as the new credit facility as of today. This refinancing significantly enhances the liquidity position of the Group, which is fully focus on achieving its target of 10 GW in capacity in operation or under construction in the course of 2025.

Neoen reaches 1 GW of renewable energy capacity in the Nordics and signs two more PPAs

On February 20, 2024, Neoen passed the milestone of 1 GW of renewable energy in operation or under construction in the Nordics, five years after launching the construction of its first wind farm in Finland. The Group currently operates Finland's largest wind farm (Mutkalampi, 404 MW), launched the construction of the Swedish largest solar plant (Hultsfred, 100 MWp) and is also a leader in storage, with 232 MW/289 MWh of batteries in operation or under construction in the Nordics. In addition, the Group signed two corporate power purchase agreements of c.14 MW each, with Equinix for Storbrännkullen wind farm in Sweden and with Mölnlycke Health Care for Mutkalampi wind farm in Finland.

Neoen completes a landmark renewable energy portfolio financing in Australia

On February 23, 2024, Neoen completed the debt financing of a portfolio which includes 7 wind and solar operating assets in Australia, as well as Collie Battery (219 MW/877 MWh), currently under construction. Neoen raised over AUD1.1 billion of debt with maturity of 5 years and 7 years, refinancing approximately AUD700 million of single asset-level debt. This new financing is being provided by a group of 11 major Australian and international lenders.

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

Webcast

Neoen will comment on its 2023 results in a live webcast at 6:00 p.m. CET on Wednesday, February 28, 2024.

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/20240228_1/

Next financial reports

First-quarter 2024 revenue and operational highlights: May 2, 2024
First-half 2024 results: July 25, 2024
Nine-month 2024 revenue and operational highlights: November 5, 2024

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 and supplying competitive, green, local energy on four continents. After a six-fold increase in the last six years, its capacity in operation and under construction stands at 8 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 in the course of 2025. Neoen is listed in Compartment A of Euronext's market in Paris (ISIN code: FR0011675362, Ticker: NEOEN) on the SBF 120 and CAC Mid 60 indexes.

For more information: neoen.com

Appendix

Quarterly revenue

	Q1 2023	Q1 2022	% chg
Revenue (€ m)			
Solar	74.1	45.2	+64%
Wind	63.6	49.6	+28%
Storage	16.4	14.0	+18%
Other(1)	0.3	0.2	n/s
Consolidated revenue	**154.4**	**109.1**	**+42%**
o/w contracted energy revenue	*112.9*	*82.7*	*+37%*
o/w energy and storage revenue derived from merchant sales	*34.6*	*19.1*	*+81%*
o/w other revenue(2)	*6.9*	*7.3*	*-6%*

	Q2 2023	Q2 2022	% chg
Revenue (€ m)			
Solar	56.2	39.6	+42%
Wind	52.5	49.8	+5%
Storage	13.7	25.4	-46%
Other(1)	0.2	0.2	n/s
Consolidated revenue	**122.6**	**115.0**	**+7%**
o/w contracted energy revenue	*86.0*	*76.4*	*+13%*
o/w energy and storage revenue derived from merchant sales	*33.7*	*36.8*	*-8%*
o/w other revenue(2)	*2.9*	*1.8*	*+62%*

	Q3 2023	Q3 2022	% chg
Revenue (€ m)			
Solar	50.3	56.2	-11%
Wind	56.0	48.0	+17%
Storage	13.9	26.0	-47 %
Other(1)	0.3	0.3	+10%
Consolidated revenue	**120.5**	**130.5**	**-8%**
o/w contracted energy revenue	89.9	*68.0*	+32%
o/w energy and storage revenue derived from merchant sales	27.5	*60.3*	-54%
o/w other revenue(2)	3.1	*2.3*	+37%

Revenue (€ m)	Q4 2023	Q4 2022	% chg.
Solar	70.6	75.6	-7%
Wind	41.6	46.6	-11%
Storage	13.1	26.2	-50%
Other(1)	1.6	0.3	x4.9
Consolidated revenue	**126.9**	**148.6**	**-15%**
o/w contracted energy revenue	*94.8*	*82.1*	**+16%**
o/w energy and storage revenue derived from merchant sales	*22.8*	*55.4*	*-59%*
o/w other revenue(2)	*9.3*	*11.1*	*-16%*

(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 2023	Revenue 2022	Revenue Change (in %)	Adjusted EBITDA[1] 2023	Adjusted EBITDA[1] 2022	Adjusted EBITDA[1] Change (in %)
Europe - Africa						
Wind	153.1	132.1	+16%	119.6	106.9	+12%
Solar	72.2	64.4	+12%	66.8	50.9	+31%
Storage	10.9	11.4	– 4%	8.0	6.2	+29%
Farm-down	-	-	N/A	44.2	16.4	x3
Total	**236.2**	**208.0**	+14%	**238.6**	**180.4**	+32%
Australia						
Wind	98.1	84.5	+16%	78.8	71.9	+10%
Solar	63.0	53.1	+19%	67.4	73.9	– 9%
Storage	46.2	80.2	– 42%	45.7	61.9	– 26%
Farm-down	-	-	N/A	4.4	-	N/A
Total	**207.3**	**217.8**	– 5%	**196.3**	**207.6**	– 5%
Americas						
Solar	78.6	76.6	+3%	74.6	56.8	+32%
Total	**78.6**	**76.6**	+3%	**74.6**	**56.8**	+32%
Others						
Development and investments[2]	123.6	82.3	+50%	(3.2)	(8.4)	+62%
Eliminations [3]	(121.3)	(81.4)	– 49%	(31.4)	(22.3)	– 41%
Total	**2.3**	**0.9**	x3	**(34.6)**	**(30.7)**	– 13%
TOTAL	**524.4**	**503.2**	**+4%**	**474.8**	**414.0**	**+15%**
o/w wind	251.2	216.6	+16%	198.4	178.6	+11%
o/w solar	213.7	194.1	+10%	208.8	181.6	+15%
o/w storage	57.1	91.6	– 38%	53.7	68.1	– 21%
o/w farm-downs	-	-	N/A	48.6	16.4	x3

(1) Adjusted EBITDA corresponds to current operating income, which includes net proceeds from the disposal of portfolio's projects and assets 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 2023	FY 2022	Change	Change (in %)
Current operating income	**383.3**	**262.1**	**+ 121.2**	**+ 46%**
Current operating amortisation	176.0	151.0	+ 25.0	+ 17%
IFRS 2 expense	4.2	3.8	+ 0.4	+ 10%
Change in fair value of energy derivative financial instruments	(88.6)	(2.8)	– 85.8	x32
Adjusted EBITDA [a]	**474.8**	**414.0**	**+ 60.8**	**+ 15%**

(a) *Adjusted EBITDA corresponds to current operating income, which includes net proceeds from the disposal of* portfolio's *projects and assets 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 2023	FY 2022	Change	Change (in %)
Current operating income	**383.3**	**262.1**	**+ 121.2**	**+ 46%**
Change in fair value of energy derivative financial instruments	(88.6)	(2.8)	– 85.8	x32
Adjusted EBIT[a]	**294.7**	**259.3**	**+ 35.4**	**+ 14%**

(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 2023	FY 2022	Change	Change (in %)
Consolidated net income	**147.4**	**45.7**	**+ 101.7**	**x3**
Change in fair value of energy derivative financial instruments	(88.6)	(2.8)	– 85.8	x32
Tax effect related to the change in fair value of energy derivative financial instruments	21.5	5.1	+ 16.4	x4
Adjusted consolidated net income[a]	**80.4**	**48.0**	**+ 32.4**	**+ 67%**

(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

(in millions euros)	FY 2023	FY 2022
Energy sales under contract	382.7	**309.2**
Energy and storage revenue derived from merchant sales	119.4	171.5
Other revenues	22.3	22.5
Total Revenue	**524.4**	**503.2**
Purchases net of changes in inventories	(4.9)	(2.2)
External expenses and payroll costs	(147.4)	(135.3)
Duties. taxes and similar payments	(13.7)	(10.0)
Other current operating income and expenses	0.0	0.5
Share of net income of associates	200.8	56.8
Current operating depreciation and amortisation	(176.0)	(151.0)
Current operating income	**383.3**	**262.1**
Other non-current operating income and expenses	(8.5)	(3.8)
Impairment of non-current assets	(10.5)	(27.3)
Non-current operating income	**(19.0)**	**(31.1)**
Operating income	**364.3**	**231.0**
Cost of debt	(155.9)	(135.6)
Other financial income and expenses	3.1	(17.1)
Net financial result	**(152.7)**	**(152.7)**
Profit before tax	**211.6**	**78.3**
Income tax	(64.2)	(32.6)
Net income from continuing operations	**147.4**	**45.7**
Consolidated net income	**147.4**	**45.7**
Group share of net income	150.2	45.2
Net income attributable to non-controlling interest	(2.8)	0.5

Consolidated balance sheet

(in millions euros)	**FY 2023**	**FY 2022**
Goodwill	0.7	0.7
Intangible assets	347.3	290.5
Property. plant and equipment	5,423.5	4,566.9
Investments in associates and joint ventures	15.6	24.4
Non-current derivative financial instruments	252.5	312.9
Non-current financial assets	175.0	99.9
Other non-current assets	6.1	10.7
Deferred tax assets	77.9	56.8
Total non-courent assets	**6,298.5**	**5,362.9**
Inventories	9.8	10.6
Trade receivables	115.2	106.6
Other current assets	115.9	108.0
Current derivative financial instruments	54.3	35.9
Cash and cash equivalents	773.7	622.8
Total current assets	**1,068.9**	**883.9**
Assets held for sale	34.9	26.8
Total assets	**7,402.3**	**6,273.5**

(in millions euros)	**FY 2023**	**FY 2022**
Share capital	304.2	229.3
Share premium	1,933.0	1,247.4
Reserves	267.4	375.1
Treasury share	(3.2)	(3.2)
Group share of net income	150.2	45.2
Group share of equity	2,651.7	1,893.7
Non-controlling interests	13.0	20.5
Total equity	**2,664.7**	**1,914.3**
Non-current provisions	144.1	115.3
Non-current project finance	3,049.2	2,702.3
Non-current corporate finance	421.5	407.9
Non-current derivative financial instruments	16.1	32.2
Other non-current liabilities	3.2	17.9
Deferred tax liabilities	226.0	194.0
Total non-current liabilities	**3,860.0**	**3,469.8**
Current provisions	4.8	1.0
Current project finance	315.8	397.3
Current corporate finance	2.6	1.8
Current derivative financial instruments	3.7	12.6
Trade payables	386.6	242.4
Other current liabilities	125.9	206.2
Total current liabilities	**839.5**	861.2
Liabilities held for sale	38.0	28.2
Total equity and liabilities	**7,402.3**	**6,273.5**

Consolidated cash flow statement

In millions euros	FY 2023	FY 2022
Consolidated net income	**147.4**	**45.7**
Eliminations :		
of the share of net income of associates	(0.0)	(0.5)
of depreciation and provisions	185.1	176.9
of change in fair value of energy derivative financial instruments	(88.8)	(2.8)
des plus ou moins-values de cession	(40.1)	(12.5)
of calculated income and expense related to share-based payments	4.2	3.8
of other income and expense without cash impact	7.8	13.8
of the tax charge	64.2	32.6
of the cost of net borrowings	155.9	135.6
Impact of changes in working capital	(91.0)	81.6
Tax paid (received)	(19.8)	(17.2)
Net cash flows from operating activities	**324.7**	**457.0**
Acquisitions of subsidiaries net of treasury acquired	(28.5)	(15.6)
Sales of subsidiaries net of cash transferred	77.9	26.2
Acquisition of intangible and tangible fixed assets	(1,046.0)	(1,111.2)
Sale of intangible and tangible fixed assets	1.8	1.1
Change in financial assets	(83.9)	(15.4)
Dividends received	0.7	1.2
Net cash flows from investing activities	**(1,078.0)**	**(1,113.7)**
Share capital increase by the parent company	742.5	48.1
Contribution of non-controlling interests to share capital increases (reductions)	(1.9)	(1.5)
Transactions with non-controlling interests	(1.0)	(6.0)
Net sale (acquisition) of treasury shares	(6.9)	(2.1)
Issue of loans	515.9	1,192.4
Dividends paid	(3.1)	(2.1)
Repayment of loan	(207.1)	(439.2)
Interest paid	(127.1)	(108.3)
Investment subsidies received	1.5	-
Net cash flows from financing activities	**912.8**	**681.3**
Impact of foreign exchange rate fluctuation	(4.2)	9.4
Effect of reclassification of cash related to assets held for sale	0.0	(3.9)
Change in cash and cash equivalents	**155.3**	**30.2**
Opening cash and cash equivalents	622.7	592.5
Closing cash and cash equivalents	778.0	622.7
Change in net cash and cash equivalents	**155.3**	**30.2**