PRESS RELEASE

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# New 2023 growth ambitions

**Today:**

- **2020 targets**: 1 GW installed capacity secured with an EBITDA of €160-€180 million
- 0.6 GW of additional secured projects now bringing **total secured capacity to 1.6 GW**
- **Validation of the services strategy** as a source of short and long-term value creation

**Tomorrow: new 2023 targets**

- **Capacity in operation or construction above 2.6 GW** (x2.9 compared with 2018)
- **EBITDA between €275-€300 million** (x3.6 - x4 compared with 2018)

*"In an expanding market, our Group records a fast and profitable growth. We have built an original model in our industry, with teams active at all stages of a project lifecycle, from early development to operation & maintenance of our owned plants and the ones of our clients. After having secured its 1 GW objective of installed capacity by end 2020 (+91% compared with end 2018), Voltalia now targets capacity installed or under construction of more than 2.6 GW with an EBITDA between 275 and 300 million euros by 2023. We will keep focusing on renewable plants projects which produce affordable energy, to be also possibly sold directly to corporations through Corporate PPAs"*, comments Sébastien Clerc, CEO of Voltalia.

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**During a Capital Markets Presentation held today in Paris, Voltalia Euronext Paris, (ISIN code: FR0011995588), an international player in renewable energies, presents its new strategic ambitions to the financial community.**

## A fast-growing market

The renewable energy market benefits from long-term growth drivers: 1) growing needs for electricity, notably in emerging countries to which renewables provide a well-proven and fast solution; 2) geostrategic independence, as renewables are local by definition and are accessible to all countries, reducing dependence on imports and on price volatility of fossil fuels; 3) increasing efforts realised and expected to fight against climate change; and 4) competitiveness: renewables are today one of the cheapest ways to produce electricity.

## Voltalia, a distinctive profile backed by a strong track record

In this dynamic and fast-transforming environment, the Group is ideally positioned thanks to a distinctive positioning. Voltalia is present across the entire value chain through its energy sales and services businesses, reinforced by the successful integration of the service company Martifer Solar in 2016. This positioning enables, at each stage of a project lifecycle, to align the Group's interests with the interests of its stakeholders, in order to ensure a shared and sustainable value creation.

Voltalia benefits from a strong growth track record in installed capacity: the 1 GW objective is already secured by 2020 thanks to the work of Voltalia's development and construction teams. Furthermore, these teams have secured an 0.6 GW of additional capacity, bringing the total secured capacity to 1.6 GW.

## A model characterized by visibility on revenues and attractive internal rates of return

The economic model developed by Voltalia fosters electricity production at a competitive price (to date, 84% of the capacity in operation or construction is non-subsidized). Long-term power purchase agreements (with a residual term of contracts of 17.1 years as of end 2018), indexed to inflation, offer a strong visibility on the Groups' future revenues: the 1 GW secured by 2020 represents a total of €4 billion in future revenues until 2043. The Group's power plants are furthermore mostly financed by long-term debt denominated in the same currency as the currency of the power sales agreement; this project financing debt has a residual maturity of 15 years.

Thanks to its operational know-how such as a rigorous selection of sites, synergies between energy sales & services, economies of scale enabled by the development of clusters or the capacity to operate on attractive niche markets, Voltalia has exceeded its internal rates of returns[1] targets (above 10% in mature countries and above 15% in emerging countries). On the existing portfolio, theses return rates reach 14% in mature countries and 17% in emerging countries[2].

## Confirmed 2020 objectives

As stated in its Q1 2019 revenues communication[3], 2020 main objectives are confirmed:

- 1 GW+ installed capacity (including 921 MW in operation or construction to date); and
- a 2020 EBITDA between €160 and €180 million, at the upper-end of the announced range.

Following this first success, Voltalia is ready, in a fast-growing market environment, to set new ambitions for 2023, materializing the expected acceleration of its development.

## Well-identified post 2020 growth opportunities: a solid pipeline of projects as a reservoir for growth

Voltalia is well-positioned to adress growing electricity needs in its three regions of focus (Europe, Latin America, Africa). It already has a strong pipeline of projects in development of 6.2 MW as of end 2018 (among which 0.6 GW have already been secured beyond 2020). These projects satisfy four criteria related to land access, feasibility of grid connection, first authorizations and permits and profitability.

Another major opportunity: developing the direct offer to corporates, reinforced by the projected acquisition of Helexia[4], a reference player in large photovoltaic (PV) rooftops and energy efficiency. This acquisition aims to offer affordable renewable electricity to corporates (Corporate PPAs[5]). The offer will also include PV rooftops used for self-consumption or injection into the grid and energy efficiency services to adapt to the new energetic situation.

## A new 2023 roadmap

By 2023, the Groups targets:

- A total capacity in operation or construction above 2.6 GW, multiplied by 2.9 compared with 2018. Reaching this capacity should come with a larger geographic and energetic diversification of its portfolio of plants. A progressive ramp-up is expected in solar to reach above 30% of the capacity in operation or construction in 2023 (from 11% in 2018). Geographically, Brazil's contribution should decrease to less than 50% for the benefit of mature and emerging countries that should each represent around 25% of the future capacity.
- 2023 EBITDA between €275-€300 million, a x3.6 to x4 progression compared with €76 million in 2018.

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[1] Equity invested on projects Internal Rates of Return
[2] In both cases, weighted average on projects won and entered in construction since 2011
[3] Press release dated April 24, 2019
[4] Press release dated May 23, 2018
[5] Long term power purchase agreement between an energy producer and a corporation

## Financing growth

Voltalia will assess the best financing options to support its 2023 ambitions. In addition to the innovative €100 million innovative green syndicated loan implemented on May 2019[6], Voltalia will monitor the debt and equity markets with, for the latter option, the possibility of a capital increase involving all existing shareholders. Such a transaction would also aim at increasing stock liquidity while benefiting from a new investment from the reference shareholder.

## Documents availability

The 2023 strategic plan will be commented during a presentation to be held today at 8:30 am, Paris time. Presentation materials will be available on the Company's website, in the investors' section: https://www.voltalia.com/en/investors

Next on the agenda: Q2 2019 results on July 17, 2019

## About Voltalia (www.voltalia.com)

- Voltalia is an international player in the renewable energy sector. The Company produces and sells electricity generated from wind, solar, hydro, biomass and storage facilities, with a total capacity of 921 MW either in operation or construction.
- Voltalia is also a service provider, assisting its investor clients active in renewables at each project stages, from conception to operation and maintenance.
- With 550 employees in 18 countries over 4 continents, Voltalia is able to act worldwide on behalf of its clients.
- Voltalia has been listed on the Euronext regulated market in Paris since July 2014 (FR0011995588 – VLTSA) and is a component stock of the Enternext Tech 40 index and the CAC Mid&Small index. The Group is also included in the Gaïa-Index, an index for socially responsible midcaps.

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[6] Press release dated May 21, 2019

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