voltalia

The Essential 2020

Voltalia, an international player in the renewable energy market

Voltalia is both an independent energy producer that relies on its own wind farms and solar, hydro, biomass and storage plants, and a provider of services across the value chain.

IT HAS EXPERTISE IN FIVE TECHNOLOGIES

WIND

Wind force is used to generate electricity in wind turbines.
This energy has higher capacity factors than solar, but it generally requires longer development time and greater investment.

SOLAR

Energy is produced through sunlight captured by solar panels.
A sharp decline in costs is making solar power increasingly competitive wherever the sun shines.

HYDRO

Hydropower has historically been the largest source of renewable energy. It is also conducive to storage.
Voltalia specialises in small run-of-the-river hydropower stations, without dams.

BIOMASS

Harnessing the heat released by the combustion of plant matter, especially wood, biomass enables continuous electricity production.
Priority is placed on sustainably managing the resources used to power Voltalia's plants.

STORAGE

Energy storage helps to counterbalance the intermittent nature of renewable energy.
These days, battery storage is the most common solution.

ROBUST GROWTH IN 2020

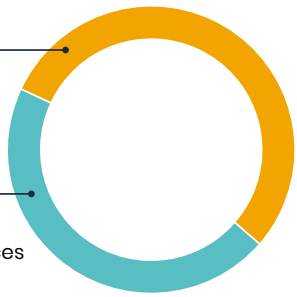
Total revenues

€233.5 million

+ 33%
at current exchange rates

€163.1 million
Energy sales

€136.5 million
Services
(before eliminations of services provided internally)



EBITDA

€97.5 million

+ 50%
at current exchange rates

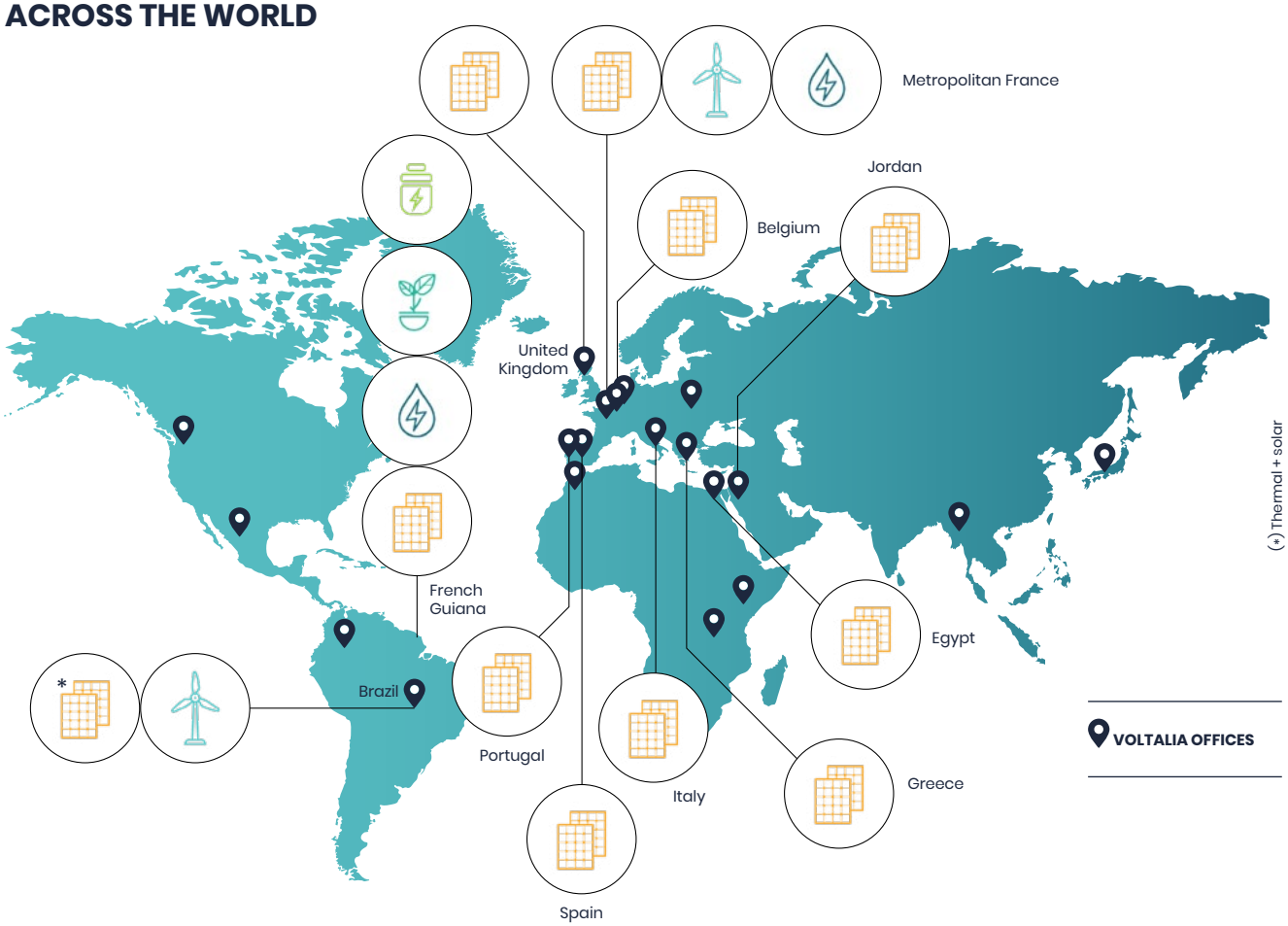
MAJOR MILESTONES ACHIEVED IN 2020

1.4 GW
in operation and under construction

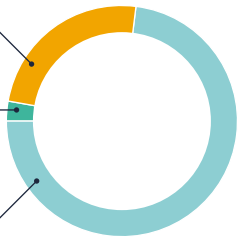
2.4 GW
of assets under management for third parties

9.7 GW
Pipeline of projects

ACROSS THE WORLD

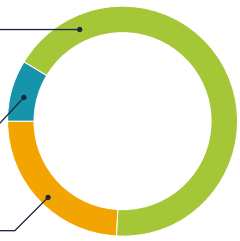


INSTALLED CAPACITY BY TECHNOLOGY (IN MW)



- **24.4%** Solar
- **2.7%** Biomass, Hydro and Storage
- **72.9%** Wind

INSTALLED CAPACITY BY REGION (IN MW)



- **67.1%** Latin America
- **8.8%** Africa and rest of the world
- **24.1%** Europe

Voltalia, a success story since 2005

1,130+
employees

20
countries

Voltalia's story began in French Guiana, when two French engineer-entrepreneurs decided to develop a hydropower plant project for EDF. Building on the success of this project, Robert Dardanne founded Voltalia in 2005 with a single ambition: to produce carbon-free electricity from all renewable technologies, specifically in French Guiana. He gathered a group of people around him – many of whom are still with the Company – and they launched Voltalia.

The Voltalia teams made a discovery in neighbouring Brazil that changed the Company's profile: the enormous wind potential of Nordeste, the northeastern region of the country. The teams set to work tenaciously developing projects in the region, and their **ingenuity** was rewarded: beginning in 2011, the Company won contracts for several hundred megawatts of wind projects. These successes catapulted Voltalia, a start-up, into a new realm.

Meanwhile, the Mulliez family's acquisition of a stake in 2009 provided the Company with resources to help it grow. After Sébastien Clerc took the helm in 2011, Voltalia was able to speed up its strategic developments, especially in terms of growth in solar, which

was becoming competitive, and Services. The acquisition of Martifer Solar in 2016 tripled Voltalia's size and opened Voltalia up to ten new countries.

Collaborating with a growing number of stakeholders (local communities, partners and customers), Voltalia places **integrity** at the centre of its course of action, reflecting the strict ethical standards of its shareholders, managers and employees.

Inspired by its teams, Voltalia shaped the mission that drives all Voltalians to promote the energy transition and deepen the Company's local engagement: "*improve the global environment, foster local development.*" This mission, which is now written into the Company's Articles of Association, has become the Group's corporate purpose.

Voltalia turned 15 in 2020, and now has 1,130 employees in 20 countries. The French start-up has become a leading international player in the renewable energy sector. While Voltalia continues to expand quickly, it is committed to preserving its corporate culture and its culture of **entrepreneurship**, ingenuity, **team spirit** and integrity, the four founding values that have played a vital role in the Company's success.

OUR VALUES

INTERVIEW

Our continued growth is guaranteed

With an integrated model that sets it apart, robust operating and financial performances in 2020 and a 9.7 GW project portfolio, Voltalia is reasserting its medium-term growth ambitions.

Sébastien Clerc
Chief Executive Officer

Laurence Mulliez
Chairman of the Board of Directors

In 2020, Voltalia achieved major growth milestones and accumulated a record volume of commercial successes. What drove this performance?

L.M. : Voltalia's installed capacity reached 1,015 megawatts at the end of 2020, surpassing the goal of 1 gigawatt that we had committed to achieving by then. We achieved our target while diversifying the Voltalia portfolio in favour of solar and the Europe/Africa region.

S.C. : In 2020, we won 1,025 MW of new contracts – that's more than 2.6 times the secured power in 2019. The decisive factors were our ability to utilise our presence in Services to grow as an independent power producer in target countries, and the synergies with Helexia to accelerate our growth, particularly in Corporate PPAs[1].

How was this manifested in Voltalia's 2020 financial performance?

S.C. : In 2020, our revenues were €233.5 million, up 33%[2] from 2019, and our EBITDA was €97.5 million, a 50% increase. Voltalia pragmatically responded to and managed the health and economic crisis, never losing sight of the priority to protect the health and safety of its employees and stakeholders. Our 2020 performance enables us to confirm the acceleration of our profitability in 2021, with anticipated EBITDA at around €170 million[3].

> **"Voltalia is positioned on a very promising market that offers great visibility."**

Under these circumstances, where do things stand regarding your 2023 ambitions?

L.M. : Our 2023 ambitions are confirmed. Thanks to record commercial activity in 2020, our goal to reach 2.6 GW of installed capacity or capacity under construction by the end of 2023 has been secured. Over the longer term, Voltalia is positioned on a very promising, fast-growing market. Voltalia is also fortunate to have a strategy and shareholding structure that allow it to expand without constraints.

How does your business align with a responsible, sustainable approach?

L.M. : Our model allows us to reconcile economic growth, social development and climate protection. In 2020, we produced 2.8 TWh of renewable electricity, the equivalent of supplying 3.8 million people with electricity. As a result, we avoided 1,546 kilotonnes of CO_2 equivalent – that's more than 1.5 million round-trip flights between Paris and New York. Our CSR performance has been recognised by international rating agencies, including Sustainalytics. In 2020, Voltalia reinforced its commitments by writing its corporate purpose into its Articles of Association.

OUR PROGRESS IN 2020

1,025 MW
new contracts won in 2020
2.6 times more than in 2019

OUR 2023 AMBITIONS

2.6 GW
in operation or under construction

€275–€300 million
normalised EBITDA[4]

[1] Corporate PPA: Corporate Power Purchase Agreement. A Corporate PPA is a long-term contract that directly connects the electricity consumer, a company, to the producer, which builds a new renewable energy power plant to supply its customer.
[2] The changes indicated in this section are calculated at current exchange rates.
[3] For an average wind/solar/hydro resource and a EUR/BRL exchange rate of 6.3.
[4] "Normalised" means calculated with an average annual EUR/BRL exchange rate of 6.3 and an average wind, solar and hydropower resource over the long term.

An integrated model

The compatibility of the two business lines – renewable electricity producer and service provider on its own behalf and on behalf of third parties – has enabled Voltalia to develop recognised expertise across the value chain of renewable energy projects. This asset sets Voltalia apart in today's competitive landscape.

2.8 TWh
of renewable electricity produced in 2020

1,546 kt
of CO_2 eq. avoided

Business model

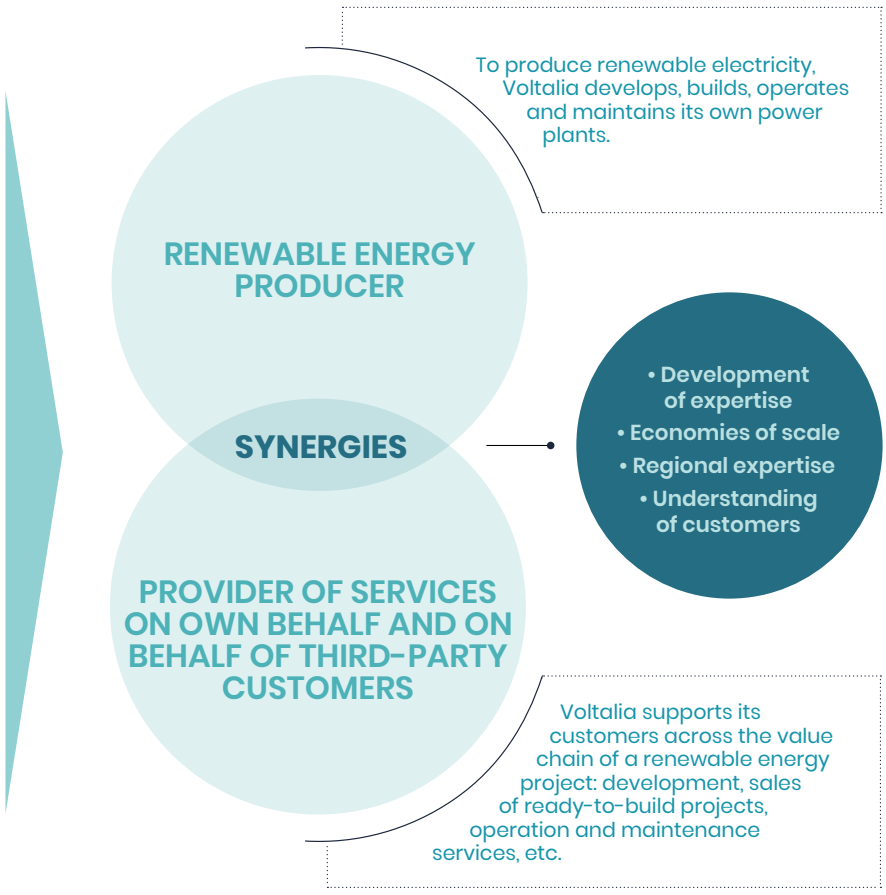
A COMPREHENSIVE VALUE CHAIN

DEVELOPMENT
(from 2 to 8 years)
- Land negotiation, power plant design, permit procurement
- Negotiation of PPA or participation in auctions
- Project financing

ENGINEERING, EQUIPMENT SUPPLY AND CONSTRUCTION
(from 1 to 2 years)
- Engineering
- Procurement
- Construction

OPERATION AND MAINTENANCE
(from 15 to 40 years)
- Equipment maintenance
- Operation of electric power plants
- Asset management (administrative, financial and contractual services)

TWO BUSINESS LINES



Voltalia's corporate purpose is to "improve the global environment by promoting local development". By developing, building and maintaining renewable power plants, Voltalia is doing its part to help fight global warming. The Group targets regions where renewable energy does not need subsidies to locally produce affordable electricity. Voltalia also makes every effort to create local jobs in both the most developed countries and emerging countries.

OUR ESG PERFORMANCE

SUSTAINALYTICS

Voltalia was ranked 7th out of 482 companies in the utilities sector in 2020 (14th out of 403 in 2019)

Gaïa RATING

Voltalia was ranked 44th out of 230 companies in 2020 (50th out of 230 in 2019)

Our contribution to the UN Sustainable Development Goals

A socially responsible company

SOCIAL AND ENVIRONMENTAL IMPACT

DEVELOPMENT (from 2 to 8 years)

- Socio-environmental studies and implementation of solutions to reduce the projects' environmental impact
- Forging of long-term partnerships with local stakeholders
- Development of projects with the surrounding communities

CONSTRUCTION (from 1 to 2 years)

- Use of a sound environmental practise management system to reduce environmental impact
- Guarantee that subcontractors' HSE performance meets the Voltalia Group's standards
- Strive to ensure that local communities and businesses benefit from the Voltalia Group's projects

OPERATION (from 15 to 40 years)

- Optimisation of use of natural resources
- Monitoring and prevention of environmental issues
- Support for projects initiated with local communities

RECENT SUCCESSES IN THE BALKANS

The Services business, which is not capital intensive, also provides Voltalia with **an opportunity to survey and explore new regions before setting up as an electricity producer over the long term.** This strategy reduces risk considerably.
With nearly 100 MW of assets under management, Voltalia is an established player in the operation and maintenance of power plants for third-party customers in Greece, where the Company has been investing in new-project development for the last few years. Voltalia capitalised on this experience to win a 12 MW call for tenders in summer 2020, marking the start of a new expansion phase in Greece.
In 2018, and thanks to the support of the Group's hub in Greece, Voltalia achieved its first success in Albania when it became the provider of turnkey construction services for third-party customers on three photovoltaic power plants (7.5 MW). Voltalia spent two years assessing the growth potential of this new market, and in May 2020 won a 30-year concession for a 140 MW photovoltaic power plant, the largest in the Western Balkans.

Development: the focal point of Voltalia's strategy

The development of renewable energy projects is central to Voltalia's value-creating strategy, to which it allocates a large share of its resources, including some 300 dedicated employees. Voltalia's main site, Serra Branca in Brazil, is the largest wind and solar complex in the world.

The development of the Serra Branca site grew out of a specific desire: to recover the region's extraordinary wind resources,which are characterised by regular, unidirectional trade winds. Voltalia's land prospecting teams helped to secure numerous contiguous plots through the signature of very long-term leases, and Voltalia undertook in-depth technical and environmental studies, including three mandatory years of wind measurement. After completing these key development steps, Voltalia was able to present its projects on the national multi-energy auctions.

Expertise in electricity transmission infrastructure

A key stage in the development of the complex occurred in 2019, when new electricity transmission infrastructure was commissioned. These very high voltage lines, which are 52 kilometres long and supported by 112 towers, can transmit up to 500 kV and connect an additional 2 GW to the grid. These lines are a boon for the development of new projects, whether for Voltalia or for projects intended to be sold to Voltalia's customers.

Developing solar in Serra Branca

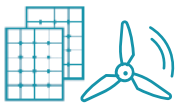
In 2020, Voltalia took advantage of falling photovoltaic costs to develop solar farms on certain land, taking care to place the panels north of the wind turbines to avoid shadow effects (the complex being located in the Southern Hemisphere). In addition to optimising the use of certain land, the wind-solar mix is beneficial when it comes to production since wind farms produce more overnight.

Project sales at all development stages

The industrial scale of the complex allows Voltalia to develop more projects at low marginal cost, select some for itself and sell others to third-party customers. These sales occur at different development stages, and are combined with operation-maintenance contracts. Demonstrating the drawing power of the Serra Branca complex and the quality of the developed assets, since 2018 Voltalia has sold ready-to-build projects totalling 574 MW to Actis, Total Eren and the Japanese group Toda. Voltalia also opened up the capital of Ventos Serra do Mel III (VSM 3), one of its wind farms, to a French investor that specialises in infrastructure projects.

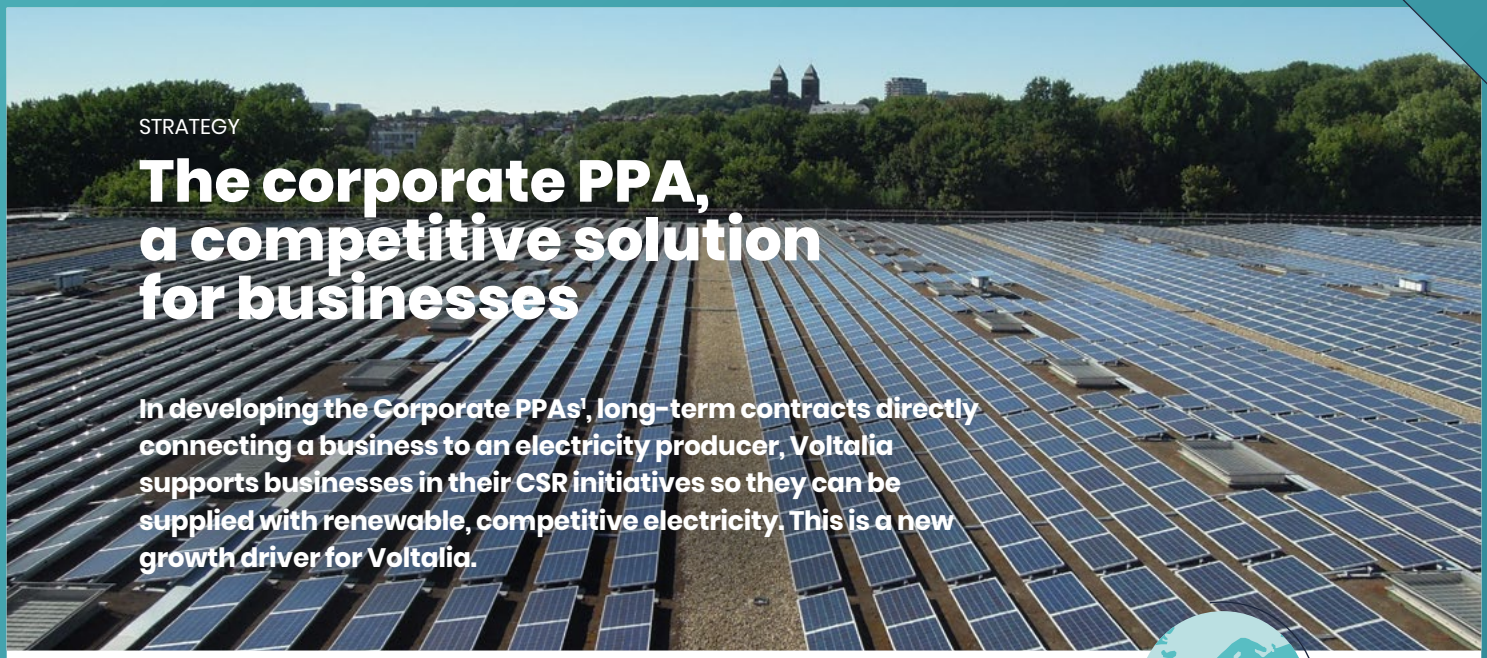
WITH CAPACITY OF 2.4 GW, SERRA BRANCA IS THE LARGEST WIND AND SOLAR SITE IN THE WORLD

The Serra Branca site covers around 40,000 hectares in a 50-by-15 kilometre area. It includes 811 MW of wind projects in operation and under construction, 530 MW of solar projects secured by long-term electricity sales contracts, 574 MW of wind projects sold to customers or partners, and nearly 500 MW of projects under development that may be held by Voltalia or sold. **This complex has propelled Voltalia to the head of the pack of renewable energy companies**, allowing Voltalia to supply carbon-free electricity through long-term contracts to multiple customers, Brazilian electricity companies and industrial groups.



1 GW
Wind and solar projects in operation and under construction in Brazil

574 MW
Projects sold to third-party customers in Brazil since 2018



STRATEGY

The corporate PPA, a competitive solution for businesses

In developing the Corporate PPAs[1], long-term contracts directly connecting a business to an electricity producer, Voltalia supports businesses in their CSR initiatives so they can be supplied with renewable, competitive electricity. This is a new growth driver for Voltalia.

Nowadays there are many businesses that wish to join the energy transition. There are different steps businesses may take to do this, such as altering their behaviour, building a dedicated electric power plant, and installing and operating efficient equipment to fulfil the main uses (heating, cooling, lighting, etc.). Voltalia and its Helexia subsidiary, a specialist in large rooftop solar panels and energy efficiency, support customers in this approach by offering a comprehensive line of innovative solutions and the ability to increase investment on the customer's behalf.

One of the most effective tools is the signature of a green Corporate PPA[1], a direct renewable electricity purchase contract. It is established between Voltalia and a client company, and **the long-term contractual commitment of both parties – an average of 19 years – enables the construction of a new renewable power plant**. The company is thus participating in the energy transition. It can then legitimately promote its actions in its communications with customers, employees and investors. The Corporate PPA also benefits the client company, offering it advantageous price terms thanks to the decline in renewable energy production costs, and providing price stability over the long term. In addition to the Corporate PPA, Voltalia – through its Helexia subsidiary – offers companies energy efficiency solutions for buildings: analysis, consumption optimisation and management, continuous improvement, CSR reporting, etc.

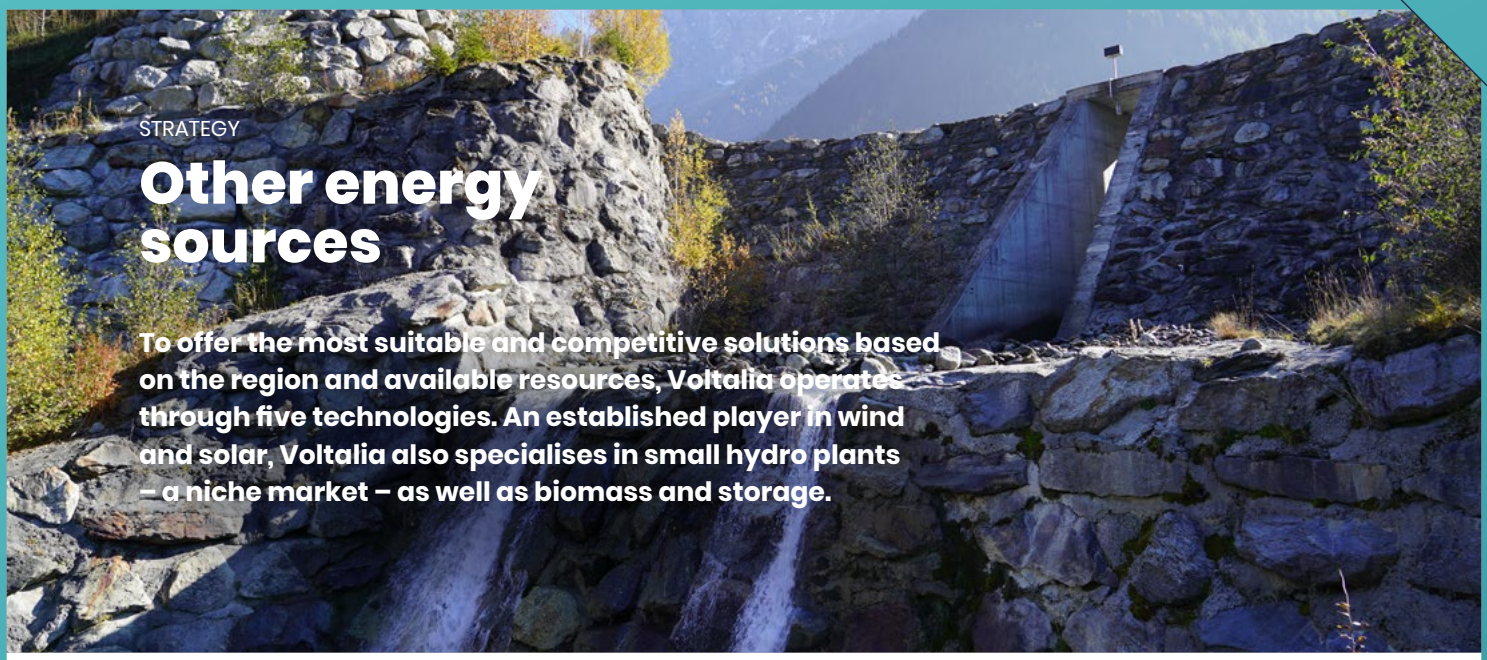
VOLTALIA, THE LEADER OF CORPORATE PPAS IN FRANCE

Corporate PPAs, which are already highly developed in the United States, United Kingdom, Australia and the Nordic countries with large multi-nationals that are already very involved, have become widespread in France thanks to Voltalia, the signatory to the first such agreement (Boulanger, 5 MW) and the largest one of this type (SNCF, 143 MW) in 2019. **In 2020, Voltalia, the market leader in France, signed more than 250 MW of contracts or partnerships with businesses in both France and abroad,** such as LCL (Crédit Agricole Group), Auchan Retail, Décathlon, the City of London and Telefonica in Brazil.

143 MW
Contract with SNCF signed in 2019

250+ MW
Contracts signed with companies in 2020

[1] Corporate PPA: Corporate Power Purchase Agreement. A Corporate PPA is a long-term contract that directly connects the electricity consumer, a company, to the producer, which builds a new renewable energy power plant to supply its customer.



STRATEGY

Other energy sources

To offer the most suitable and competitive solutions based on the region and available resources, Voltalia operates through five technologies. An established player in wind and solar, Voltalia also specialises in small hydro plants – a niche market – as well as biomass and storage.

HYDROPOWER

Voltalia operates two small hydro plants that it designed as run-of-river – that is, without using a dam. Hydropower represents 10 MW of the Group's installed capacity. The first plant, Centrale Hydroélectrique de Saut Maman Valentin (CHSMV), helps to make electricity production more reliable in French Guiana. This plant was developed entirely by Voltalia with the support of Caisse des Dépôts and commissioned in early 2011. It continually injects power into the grid; this is especially welcome in western Guiana.

Saut-Maman Valentin

Installed capacity **5.4 MW**

Annual production **19.5 GWh**

The second plant, the Taconnaz hydropower plant located at an altitude of 1,471 metres in Haute-Savoie, meets the electricity needs (excluding heat) of the 4,000 households in the Chamonix Valley while supporting the energy transition. It was commissioned in 2019.

Taconnaz

Installed capacity **4.5 MW**

Annual production **12.5 GWh**

BIOMASS

The abundance of wood makes biomass an especially valuable resource in French Guiana. By reusing residue from agricultural clearing and forest land without touching the primal forest, Voltalia produces electricity continually, thus strengthening the stability of the electric grid and contributing to Guiana's energy independence. **Cacao, the new 5.5 MW biomass power plant** in French Guiana, produced its first kilowatt hours in late 2020.

Cacao

Installed capacity **5.5 MW**

Annual production **39 GWh**

STORAGE: A HIGH-POTENTIAL MARKET

Storing power for several hours and counter-balancing the intermittent nature of renewable energy: power storage systems play a role in the safety of the electric grid and are increasingly being used in the design and operation of renewable energy power plants. They are particularly well suited to the needs of areas remote off-grid or connected to a fragile network. Their applications cover industries as well as islands or, increasingly, villages and small towns in the form of mini-grids.
Active on the market since 2017, **Voltalia operates the largest battery storage system in France, in the Toco complex in French Guiana.** Developed entirely by Voltalia, Toco has 13.1 MW of installed capacity in operation.

2020

Finances

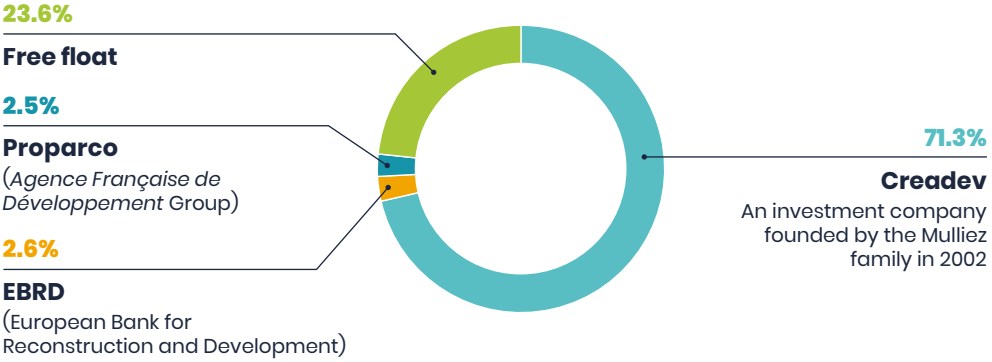
KEY FIGURES

In € millions	2018	2019	2020
Revenues	180.7	175.5	**233.5**
EBITDA	76.2	65.1	**97.5**
EBITDA margin	*42.2%*	*37.1%*	***41.7%***
Operating result	47.2	35.6	**43.7**
Net profit (Group share)	8.5	4.6	**7.9**
Total Assets	986.6	1,577.8	**1,778.9**
Shareholders' equity - Group share	317.6	783.2	**696.2**
Gross debt	505.9	656.2	**839.3**

In MW	2018	2019	2020
Installed capacity	523.8	677.8	**1,015.5**

In GWh	2018	2019	2020
Electricity production	2,081.4	2,117.4	**2,756.4**

STRUCTURE OF THE CAPITAL
as of 31 December 2020



VOLTALIA SHARES

Voltalia shares are in Compartment A of the Euronext regulated market in Paris (ISIN code: FR0011995588). They are admitted to the Deferred Settlement Service (SRD) and eligible for the PEA.

Voltalia is listed on the Enternext Tech 40 and CAC Mid&Small indices, and is included on the Gaia Index for socially responsible mid-caps.

€2.5 billion
market capitalisation as of 31/12/2020

voltalia

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