



« Positioned as an integrated player in the renewable energy sector, our model offers high long-term visibility. »

Message from Sébastien Clerc

Dear Shareholder,

I am delighted to introduce Voltalia's Shareholder Letter that we are launching today. This Letter which will be issued twice a year aims at being informative and educational by shedding light on Voltalia's activities and financial results as well as its challenges and prospects. It also highlights our desire to **build a close relationship with our individual shareholders based on trust**.

Since its inception in 2005, Voltalia has been positioned as an **integrated player** in the renewable energy sector in Europe, South America and Africa. An **independent power producer** from its own wind, solar, hydroelectric, biomass and storage plants, and a **service provider** for external clients, Voltalia also provides energy efficiency solutions through its subsidiary Helexia. We developed unique experience and know-how across the value chain of a renewable power project from the design phase and financing to EPC and operation & maintenance. Our model offers **high long-term visibility**: the construction of our plants are all backed by long-term power purchase agreements.

A number of states are committing to reducing their CO2 emissions and developing clean energies to reach the targets they have set themselves and Voltalia offers solutions that contribute to fight global warming. In line with its corporate purpose "improve global environment and foster local development", the company intends to **produce locally accessible electricity independently of public subsidies** and create local jobs in developed and emerging countries. Voltalia's sustainable approach is recognized by Sustainalytics, an international and independent extra-financial rating agency. Voltalia now ranks 7th out of 482 sector companies, improving compared to 2019 (ranked 14th).

In 2050, 50% of the global electricity production should come from renewable sources. **Voltalia's growth continues to accelerate** as highlighted by the **record high level of 922 megawatts (MW) of new contracts won since the beginning of 2020** despite a difficult economic and sanitary environment. The pipeline of projects reached 8.5 gigawatts (GW) at the end of June 2020. Our installed capacity ambitions of 1 GW at the end of 2020, doubling since that of end 2018, and 2.6 GW at the end of 2023 are confirmed and well on track. 95% of the 2023 ambition is secured by signed power purchase agreements.

You will find in this letter a presentation of the half-year 2020 financial results, an article on our activities in Brazil and a page with answers to the questions you may have as an individual shareholder. I wish you a pleasant reading.

Yours Sincerely,

Sébastien Clerc
Chief Executive Officer

Half-year 2020 financial results

H1 2020 total consolidated revenues stand at €88.4 million, up by 73%¹ and H1 2020 total consolidated EBITDA stands at €23.8 million, up by 111%. The contribution of new power plants, our expansion in Europe and Africa, the rebalancing towards solar and our strategy to develop Services to third-party clients supported this achievement.

The EBITDA margin, at 27%, improves by 5.3 points, notably thanks to a better mix of activity in Services which is more than offsetting poor wind conditions in Brazil. Net profit (Group share), which is, as in the past, negative due to the seasonal nature of the wind resources of the power plants owned by Voltalia, registers a net loss (Group share) increasing by 77%.

On June 30, 2020, the Company's assets, mainly made of the power plants in operation, reach €1.4 billion.

Growth trajectory confirmed despite short-term covid-19-related challenges

In the first half of 2020, the combined effects of the low levels of wind in Brazil, the depreciation of the Brazilian Real against the Euro and Covid-19 related delays affecting Construction and Services led Voltalia to rebase the 2020-2023 EBITDA sequence accordingly:

- Voltalia now anticipates its 2020 EBITDA to reach around €100 million², a 50%+ growth compared with 2019 and 90%+ growth at constant currency, but below its €160-180 million initial ambition range.
- In 2021, thanks to the contribution of the 1 GW portfolio of operating plants and normalizing Services, Voltalia's EBITDA is expected to reach around €170 million³.
- In 2023, thanks to further capacity growth, EBITDA is expected to reach €275-300 million⁴.

All capacity ambitions confirmed

Short and long-term capacity ambitions are confirmed, despite construction delays:

- 1 GW in operation expected by end 2020
- 2.6 GW in operation and construction by end 2023.

Recent wins strongly support the rebalancing of Voltalia's portfolio towards more solar and more Europe / Africa and diversify Voltalia's client base of with over 400 MW signed with corporate clients.

Voltalia, the leader in Corporate PPAs in France

What is a Corporate Power Purchase Agreement (PPA)?

A Corporate PPA is a long-term contract directly connecting the power consumer, a company, to the producer who builds a new renewable plant to supply his customer.

What are the advantages for a company?

By committing on the long-term, the company has access to electricity at a competitive and fixed tariff and is protected from the price volatility of energy markets. The company also encourages the construction of new renewable energy infrastructure with a real, direct and sustainable effect on energy transition.

Who are Voltalia's clients in this market?

SNCF, Crédit Mutuel, LCL (Crédit Agricole Group), Auchan, Décathlon and Boulanger are among Voltalia's clients. Voltalia is exceptionally well positioned to capture the growth potential of this new market which it also develops in other countries such as Brazil.

KEY FIGURES

H1 2020¹

Revenues

€88.4 M

+73 %

EBITDA

€23.8 M

+111 %

Net loss

€-15.8 M

+77 %

KEY FIGURE

Q3 2020¹

Revenues

€61.6 M

+33 %

496 MW

of contracts
signed with
corporate clients
since 2018

¹ Changes in this section are calculated at constant exchange rates.

² Assuming average wind/solar/hydro resource from September 24, 2020.

³ Assuming average wind/solar/hydro resource and a EUR/BRL rate of 6.3

⁴ Assuming a EUR/BRL rate of 6.3.

In Brazil, Voltalia develops and operates the world's largest wind and solar cluster

Voltalia, one of the leaders in renewable power production in Brazil, develops and operates Serra Branca, the world's largest wind and solar cluster with a capacity of 2.4 gigawatts.

With Serra Branca which is located in the State of Rio Grande do Norte and benefits from regular, dry trade winds and excellent sunshine, Voltalia supplies carbon-free electricity via long-term contracts to its customers, Brazilian electricity companies and industrial groups. **Voltalia, which has been operating in Brazil since 2006, has become one of the leading companies in the renewable energy sector thanks to wind power and is now taking advantage of lower photovoltaic costs to develop its solar farm.** Combining wind and solar power is a major asset for optimising land use. Within the site, the areas dedicated to solar energy are located north of the wind turbines (the complex being located in the Southern Hemisphere) so that the solar panels are not shaded.

In September 2019, Voltalia took a **major step forward in Serra Branca's development** with the commissioning of new **electricity transmission facilities** which connect the cluster to the grid. 52-kilometer long and sustained by 112 towers, the lines are designed for a very high voltage of 500 kV. In December 2019, the 163 MW capacity VSM 1 wind farm produced its first megawatt hours before becoming fully operational in June 2020.

Serra Branca covers an area of approximately 40,000 hectares over 50 by 15 kilometres. It includes 809 MW of wind projects in operation or under construction, 530 MW of solar projects secured by long-term power purchase agreements, 574 MW of wind projects sold to clients or partners and close to 500 MW of projects currently in development that may be retained by Voltalia or sold.

Development is the cornerstone of Voltalia's strategy

The **attractiveness of the Serra Branca cluster and the quality of the assets developed by Voltalia** have been confirmed a number of times since 2018 with the sale of a total of 574 MW of ready-to-build wind projects to Actis, Total Eren and the Japanese group Toda. Voltalia also opened up Ventos Serra do Mel III-VSM 3's capital, one of its wind plants, to a top-tier French investment player specialized in infrastructure projects.

These transactions are an illustration of Voltalia's **value creation strategy** which **places development at the core of its activities**: significant amounts are invested in prospection and development to strengthen its pipeline of projects. **By developing more projects at a lower marginal cost, Voltalia is able to make a selection**, retaining those that best fit its strategy and selling the others to third-party clients, in association with Equipment Supply, Construction and Operation-Maintenance contracts.

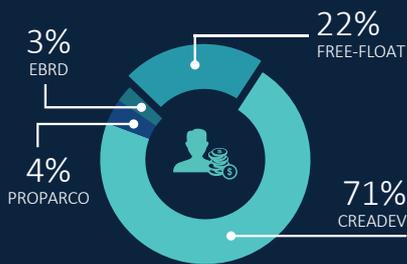


In short : Voltalia in Brazil

- Operating since **2006**
- **5 sites**: Serra Branca, SMG, Canudos, Oiapoque and Cabui
- **178 employees**
- LATAM project Pipeline: **5.1 GW**



Shareholding structure as of December 31, 2019



Investment company of the Mulliez family founded in 2002



Market capitalisation
€1.8 billion

on September 30, 2020
(after market close)

Calendar

Full year 2020 revenues

January 20, 2021

Full year 2020 results

March 25, 2021

Register to receive the next issues of the Shareholder Letter at:

invest@votalia.com

Votalia is listed on the regulated market of Euronext Paris and is part of the Euronext Tech 40 and CAC Mid & Small indices. The Group is also included in the Gaïa-Index, an index for socially responsible midcaps.
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Shareholder corner

Votalia's CSR performance recognized

In September 2020, Votalia ranked 7th out of 482 companies of its sector as part of the corporate, social and environmental (CSR) performance analysis conducted by Sustainalytics, an international leader of extra financial analysis. Votalia's rating improves compared to 2019 (14th out of 450).



Votalia's extra financial performance is also rated by Gaïa Rating (50/230 in 2019 and 80/230 in 2018), Ethifinance's CSR rating agency specialising on listed Mid&Small European capitalisations. The next rating will be available in December 2020.

To become a Votalia shareholder

To become a Votalia shareholder, you have two options:

- **Buy Votalia shares from a bank or from the depositary financial intermediary of your securities account or equity savings plan** (plan d'épargne en actions or PEA). It is possible to hold shares as bearer shares or to keep them in a managed registered account.
- **Buy Votalia shares from BNP Paribas Securities Services** which manages Votalia's shareholding services (it is possible to hold shares in fully registered form).

Register your Votalia shares

If you own Votalia shares in bearer form and wish to convert them to the registered form, you must contact your depositary financial intermediary of your securities account. The latter will transfer the shares to BNP Paribas Securities Services which is in charge of managing Votalia fully registered shares.

Focus on Votalia's share price since the July 2019 capital increase

From July 15, 2019 to October 14, 2020 (after market close)

