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DRAFT DOCUMENT PREPARED BY

NEOEN

IN RESPONSE TO THE DRAFT OFFER DOCUMENT RELATING TO THE SIMPLIFIED TENDER OFFER

for the Neoen shares and bonds convertible into and/or exchangeable for new and/or existing Neoen shares

INITIATED BY

BROOKFIELD RENEWABLE HOLDINGS SAS

AUTORITE DES MARCHES FINANCIERS
AMF

This draft response document (the "**Draft Response Document**") was filed with the French stock market authority (*Autorité des Marchés Financiers*) (the "**AMF**") on 2 January 2025, pursuant to Article 231-26 of its general regulation (the "**AMF General Regulation**"). It has been prepared in accordance with the provisions of Article 231-19 of the AMF General Regulation.

IMPORTANT NOTICE

Pursuant to Articles 231-19 and 261-1 et seq. of the AMF General Regulation, the report prepared by Finexsi - Expert & Conseil Financier, represented by Mr. Olivier Peronnet and Mr. Maxime Rogeon, acting as independent expert, is presented in Section 9 (*Report of the independent expert pursuant to Article 261-1 of the AMF General Regulation*) of this Draft Response Document.

The Offer, the Draft Offer Document and the Draft Response Document remain subject to review by the AMF.

This Draft Response Document is available on the websites of Neoen (www.neoen.com) and of the AMF (www.amf-france.org) and may be obtained free of charge at the registered office of Neoen, 22 rue Bayard, 75008 Paris, France.

In accordance with Article 231-28 of the AMF General Regulation, the information relating, in particular, to the legal, financial and accounting characteristics of Neoen will be filed with the AMF and made available to the public at the latest on the day preceding the opening of the Offer.

A press release will be published not later than the day preceding the opening of the Offer to inform the public about how this document may be obtained.

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1. OVERVIEW OF THE OFFER

Pursuant to Title III of Book II and more specifically Articles 233-1, 2° and 234-2 et seq. of the AMF General Regulation, Brookfield Renewable Holdings SAS, a French *société par actions simplifiée* with a share capital of 1,000 euros, having its registered office at 39 rue de Courcelles, 75008 Paris, France registered with the Paris Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 928 680 024 ("**Brookfield Renewable Holdings**" or the "**Offeror**") irrevocably offers to all shareholders of Neoen S.A., a public limited company (*société anonyme*) with a board of directors and a share capital of 305,697,548 euros, having its registered office at 22 rue Bayard, 75008 Paris, registered with the Paris Trade and Companies Registry under number 508 320 017 ("**Neoen**" or the "**Company**", and together with its directly- or indirectly-owned subsidiaries, the "**Group**"), and to all holders of Neoen bonds convertible into new ordinary shares and/or exchangeable for existing ordinary shares of the Company issued by the Company on 2 June 2020 (the "**2020 OCEANEs**") and of Neoen bonds convertible into new ordinary shares and/or exchangeable for existing ordinary shares of the Company issued by the Company on 14 September 2022 (the "**2022 OCEANEs**" and, together with the 2020 OCEANEs, the "**OCEANEs**"), to acquire, in cash:

- all of the shares of the Company which are traded on the compartment A of the Euronext Paris regulated market under ISIN Code FR0011675362, ticker symbol "NEOEN" (the "**Shares**"),
- all of the 2020 OCEANEs of the Company which are traded on the multilateral trading facility Euronext Access ("**Euronext Access**") under ISIN Code FR0013515707, and
- all the 2022 OCEANEs of the Company which are traded on Euronext Access under ISIN Code FR001400CMS2,

that the Offeror does not hold (subject to the exceptions set out below), directly or indirectly, at the price of:

- EUR 39.85 per Share (the "**Offer Price per Share**"),
- EUR 48.14 per 2020 OCEANE (the "**Offer Price per 2020 OCEANE**"), and
- EUR 101,382,00 per 2022 OCEANE (the "**Offer Price per 2022 OCEANE**"),

as part of a simplified mandatory tender offer, the terms and conditions of which are described hereafter (the "**Offer**") and which may be followed, if all conditions are met, by a squeeze-out procedure for the Shares and/or OCEANEs pursuant to the provisions of Articles 237-1 to 237-10 of the AMF General Regulation (the "**Squeeze-Out**").

The Offer results from the completion of the Block Trade Acquisition (which is described in Section 2.1).

As of the date of this Draft Response Document[1], Brookfield Renewable Holdings holds:

- directly 81,197,100 Shares (i.e. 53.12% of the share capital and 53.19% of the voting rights of the Company), and

- by way of assimilation pursuant to Article L. 233-9 of the French Commercial Code:

    - the (i) 545,672 Unavailable Holding Shares (as defined below) (i.e. 0.36% of the share capital and theoretical voting rights of the Company) with respect to which Brookfield Renewable Holdings benefits from a Call Option (as defined below) at the Offer Price per Share for each Unavailable Holding Share exercisable as from 16 April 2025, pursuant to the Liquidity Agreement entered into by Mr. Xavier Barbaro (which is described in Section 7.3), (ii) 39,943 Managers Unavailable Shares (as defined in Section 2.8 and also covered by the Liquidity Agreement entered into by Mr. Xavier Barbaro) held by Mr. Xavier Barbaro, and (iii) 1,600 PEE Shares (as defined below) held by Mr. Xavier Barbaro, and (iv) 180,832 2024 Free Shares[2] (as defined below and also covered by the Liquidity Agreement entered into by Mr. Xavier Barbaro) held by Mr. Xavier Barbaro,

    - the (i) 442,895 Shares, (ii) 9,445 Managers Unavailable Shares (as defined in Section 2.8), and (iii) 120,555 2024 Free Shares[3] (as defined below) held by Mr. Romain Desrousseaux, and

    - 14,330 Shares (i.e. 0.009% of the share capital and theoretical voting rights of the Company) through the intermediary of Aranda Investments Pte. Ltd., a Singapore private company limited by shares, having its registered office at 60B, Orchard Road, #06-18, The Atrium @Orchard, Singapore 238891 and whose Unique Entity Number is 200312481K ("**Aranda Investments**"), an indirect wholly-owned subsidiary of Temasek Holdings (Private) Limited., a Singapore Exempt Private Limited company, having its registered office at 60B, Orchard Road, #06-18, The Atrium @Orchard, Singapore 238891 and whose Unique Entity Number is 197401143C ("**Temasek**").

In total, the Offeror holds, directly and indirectly, alone and in concert, and by assimilation, 82,250,985 Shares (i.e. 53.81% of the share capital and theoretical voting rights of the Company)[4].

1 On the basis of share capital of the Company as of 30 November 2024, composed of 152,848,774 Shares representing as many theoretical voting rights, in accordance with the provisions of Article 223-11 of the AMF's General Regulation.

2 It should be noted that these 2024 Free Shares are still under vesting and are not taken into account in the total of 82,250,985 Shares held directly and indirectly, alone and in concert, by the Offeror.

3 It should be noted that these 2024 Free Shares are still under vesting and are not taken into account in the total of 82,250,985 Shares held directly and indirectly, alone and in concert, by the Offeror.

4 See footnote 1.

The Offeror does not hold, directly and indirectly, alone and in concert, or by assimilation, any OCEANEs.

To the extent that, because of the Block Trade Acquisition, the Offeror has crossed the threshold of 30% of the Company's share capital and voting rights, the Offer is mandatory pursuant to the provisions of Article L. 433-3, I of the French Monetary and Financial Code and Article 234-2 of the AMF General Regulation.

In accordance with the provisions of article 231-6 of the AMF General Regulation, the Offer targets:

(i) all Shares, whether outstanding or to be issued, that are not held directly by the Offeror, i.e., the Shares:

- which are already issued other than the Excluded Shares (as defined below), i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum of 70,713,338 Shares,

- which may be issued before the closing of the Offer (as per the indicative timetable provided in Section 2.14), other than the Excluded Shares (as defined below), as a result of the vesting of Free Shares granted by the Company under the Free Shares Plans (as defined in Section 2.8), i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum of 161,971[5] Shares corresponding to all 2022 Free Shares and to all 2023 Accelerated Free Shares,

- which may be issued before the closing of the Offer (as per the indicative timetable provided in Section 2.14) in connection with the conversion of the 2020 OCEANEs, i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum number of 4,445,020 new Shares[6],

- which may be issued before the closing of the Offer (as per the indicative timetable provided in Section 2.14) in connection with the conversion of the 2022 OCEANEs, i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum number of 7,519,824 new Shares[7],

i.e., to the knowledge of the Company at the date of the Draft Response Document, a maximum number of Shares targeted by the Offer equal to 82,840,153; and

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[5] The vesting period of the 2023 Accelerated Free Shares will end on 28 February 2025. Such 2023 Accelerated Free Shares will thus become available on 3 March 2025. As at the date of the Draft Offer Document, the closing date of the Offer has been set on 27 February 2025. In the event such closing date is postponed on or after 3 March 2025, the 2023 Accelerated Free Shares will no longer be considered as Unavailable Free Shares and will be able to be tendered in the Offer. It is further specified that, if the conditions are met, the 2023 Accelerated Free Shares available on 3 March 2025 will be targeted by the Squeeze-Out.

[6] Based on the following adjusted conversion ratio (NCER): 1.208.

[7] Based on the following adjusted conversion ratio (NCER): 2,506.608.

(ii) all outstanding OCEANEs that are not held by the Offeror, i.e. to the knowledge of the Company at the date of the Draft Response Document, 3,679,653 2020 OCEANEs and 3,000 2022 OCEANEs.

Among the Shares covered by the Offer, the 283.581[8] Unavailable PEE Shares (as defined below) cannot be tendered into the Offer (except in the case of an early release in accordance with applicable laws and regulation). However, Unavailable PEE Shares will be targeted by the Squeeze-Out, if applicable.

It is specified that the Offer does not target:

- the Shares held in treasury by the Company, the board of directors of the Company having decided not to tender them to the Offer, i.e., to the knowledge of the Company and as the date of the Draft Response Document, 188,338 Shares (representing 0.12% of the share capital and theoretical voting rights of the Company)[9],

- the Unavailable Free Shares (as defined below), i.e. to the knowledge of the Company and as of the date hereof, a maximum of 932,761 [10] Free Shares (these Shares being legally and technically unavailable and not being able to be tendered in the Offer). The situation of the beneficiaries of Free Shares in the context of the Offer is described in Sections 2.8 and 7.3 of the Draft Response Document. The Unavailable Free Shares (as defined in Section 7.3) will be covered under the Liquidity Agreements (as defined below),

- the Managers Unavailable Shares (as defined below), i.e. to the knowledge of the Company and as of the date hereof, a maximum of 49,388 Free Shares (these Shares being legally and technically unavailable and not being able to be tendered in the Offer). The situation of the beneficiaries of Managers Unavailable Shares in the context of the Offer is described in Sections 2.8 and 7.3 of the Draft Response Document. The Managers Unavailable Shares (as defined below) will be covered under the Liquidity Agreements (as defined below), and

- the Shares held by (i) Cartusia[11] subject to a holding period (i.e. to the knowledge of the Company at the date of the Draft Response Document 403,928 Shares), and (ii)

8 Number of Unavailable PEE Shares as at 30 December 2024.

9 It is specified that part of the treasury shares will be allocated to the beneficiaries of the 2023 Accelerated Free Shares.

10 The vesting period of the 2023 Accelerated Free Shares will end on 28 February 2025. Such 2023 Accelerated Free Shares will thus become available on 3 March 2025. As at the date of the Draft Offer Document, the closing date of the Offer has been set on 27 February 2025. In the event such closing date is postponed on or after 3 March 2025, the 2023 Accelerated Free Shares will no longer be considered as Unavailable Free Shares and will be able to be tendered in the Offer. It is further specified that, if the conditions are met, the 2023 Accelerated Free Shares available on 3 March 2025 will be targeted by the Squeeze-Out.

11 Cartusia SAS, a French *société par actions simplifiée* having its registered office at 59, boulevard d'Inkermann, 92200 Neuilly-sur-Seine, France, registered with the Nanterre Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 878 585 884.

Equinox[12], Kampen[13], Hilaris[14] and Palancia[15], such entities being family-owned entities indirectly represented by Mr. Xavier Barbaro, subject to a holding period (i.e. 141,744 Shares), collectively the "**Unavailable Holding Shares**". The Unavailable Holding Shares are covered under the Liquidity Agreement entered into by Mr. Xavier Barbaro (as defined in Section 7.3) and are subject to a Call Option exercisable by Brookfield Renewable Holdings at the Offer Price per Share as from 16 April 2025, and

- the 154,938 Shares held by Mr. Romain Desrousseaux that could be subject, in whole or in part, of a contribution in kind in the event of the exercise of his reinvestment option, as described in Section 7.2 (the **"RD Shares That May Be Contributed"**)[16],

(together, the "**Excluded Shares**").

As a result of the indicative timetable of the Offer provided in Section 2.14, the 105,416 2023 Accelerated Free Shares (as defined below) being vested on 28 February 2025, they cannot be tendered into the Offer[17]. Such 2023 Accelerated Free Shares will however be covered by the Squeeze-Out, if applicable.

As at the date of the Draft Response Document, there are no other equity securities or other financial instruments issued by the Company or rights conferred by the Company that may give access, immediately or in the future, to the share capital or voting rights of the Company, other

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12 Equinox SAS, a French *société par actions simplifiée* having its registered office at 59, boulevard d'Inkermann, 92200 Neuilly-sur-Seine, France, registered with the Nanterre Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 902 145 036.

13 Kampen SAS, a French *société par actions simplifiée* having its registered office at 59, boulevard d'Inkermann, 92200 Neuilly-sur-Seine, France, registered with the Nanterre Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 902 144 930.

14 Hilaris SAS, a French *société par actions simplifiée* having its registered office at 59, boulevard d'Inkermann, 92200 Neuilly-sur-Seine, France, registered with the Nanterre Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 902 144 807.

15 Palancia SAS, a French *société par actions simplifiée* having its registered office at 59, boulevard d'Inkermann, 92200 Neuilly-sur-Seine, France, registered with the Nanterre Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 902 144 658.

16 The RD Shares That May Be Tendered for which Mr. Romain Desrousseaux has decided to make a contribution in kind before the closing of the Offer will not be subject to the Squeeze-Out, it being specified that (i) in the absence of such a decision before the closing of the Offer, all the RD Shares That May Be Tendered will be included in the Squeeze-Out, (ii) in the event that the decision to make the contribution in kind relates to only a portion of the RD Shares That May Be Tendered, the balance of these will be subject to the Squeeze-Out. In any event, it is specified that the available Shares held by Mr. Romain Desrousseaux (other than the RD Shares That May Be Tendered, representing 286.355 Shares on the date of the Draft Offer Document) are subject to the Offer and will be tendered by Mr. Romain Desrousseaux to the Offer.

17 The vesting period of the 2023 Accelerated Free Shares will end on 28 February 2025. Such 2023 Accelerated Free Shares will thus become available on 3 March 2025. As at the date of the Draft Offer Document, the closing date of the Offer has been set on 27 February 2025. In the event such closing date is postponed on or after 3 March 2025, the 2023 Accelerated Free Shares will no longer be considered as Unavailable Free Shares and will be able to be tendered in the Offer. It is further specified that, if the conditions are met, the 2023 Accelerated Free Shares available on 3 March 2025 will be targeted by the Squeeze-Out.

than the existing Shares and the OCEANEs described in Section 2.10 and the Free Shares described in Section 2.8.

The Draft Offer Document indicates that the Offeror intends to conduct the Offer, which will be followed, if conditions are met, by a Squeeze-Out procedure pursuant to Articles L. 433-4 II and L. 433-4 III of the French Monetary and Financial Code and 237-1 et seq. of the AMF General Regulation, following the simplified procedure in accordance with the provisions of Article 233-1 et seq. of the AMF General Regulation.

The duration of the Offer will be 21 Trading Days[18].

In accordance with the provisions of Article 231-13 of the AMF General Regulation, BNP Paribas and Société Générale (together, the "**Presenting Banks**"), as presenting banks of the Offer, have filed on behalf of the Offeror, the draft Offer and the Draft Offer Document with the AMF on 2 January 2025, it being specified that only Société Générale guarantees the content and the irrevocable nature of the commitments made by the Offeror in connection with the Offer.

2. BACKGROUND OF THE OFFER

2.1 Reasons for the Offer

Neoen was founded in 2008 and inaugurated its first solar power plant in France in 2009. Since then, Neoen has established itself as a renowned independent player in the global renewable energy sector with 10.36 GW of secured capacity and 20.3 GW of advanced pipeline. Neoen has a presence in 15 countries, including strong positions in France and Australia.

On 17 October 2018, Neoen's shares were admitted to trading on the regulated market of Euronext Paris. After having successfully grown its development business and portfolio of renewables projects over the preceding 10 years, Neoen’s listing allowed the Group to pursue its successful growth and supported the capital-intensive nature of a scaling renewables development business.

At the end of 2023, Neoen was present in 15 countries and had approximately 8 GW of assets in operation or under construction across solar, wind and storage technologies.

Brookfield closely followed the development of Neoen. After a period of negotiation and due diligence, the Offeror made an offer to the main Company's shareholders (including Impala[19]), following which the envisaged majority stake acquisition by Brookfield was announced on 30 May 2024 as further indicated below.

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18 "**Trading Day**" for the purposes hereof being a trading day on Euronext Paris. It is being specified that the Offer will be opened in the United States of America and must thus last at least 20 US business days, 17 February 2025 being a bank holiday in the United States of America.

19 Impala SAS, a French *société par actions simplifiée* having its registered office at 4, rue Euler 75008 Paris, France, registered with the Paris Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 562 004 614, is wholly owned, controlled and managed by Mr. Jacques Veyrat and his family.

The Offeror regards Neoen as a high-quality global developer and operator, and believes that the Group would represent a complementary addition to Brookfield's existing renewable power and transition portfolio. The Offeror believes it is uniquely positioned to assist the Company in the next stage of its growth, from a commercial and financial perspective.

Neoen's growth is based on a strategy of geographic and technological diversification of its project portfolio, allowing it to create leading development capabilities across multiple core clean energy technologies. This has led to the Company strategically building global leadership positions in key markets while maintaining a balanced portfolio of contracted energy assets with complementary revenue profile characteristics.

As France's leading independent producer of exclusively renewable electricity, and Australia's overall leading renewable electricity producer, Neoen develops its own projects in-house, and arranges their contracting and financing as part of the project management process. After site commissioning, the Company operates, monitors and manages projects through their useful life.

Impala, controlled and managed by Mr. Jacques Veyrat, has been a cornerstone founder and investor of Neoen since 2008, supporting the Company's growth over the same period.

Since 2018, Neoen has grown from 2 GW to 8 GW of assets in operation or under construction, reaching a very significant scale of operations and development. Today, the Company has the opportunity to more than double this capacity by the end of the decade, potentially reaching between 15-20 GW of assets in operation or under construction over the same time period. To execute on this opportunity set, the Company would need to deploy substantial capital at pace. In this context, the Offeror has appeared to the Selling Shareholders (as such term is defined below) as a suitable majority shareholder, already among the world leaders in renewable energy, with the global operating capability and access to scale capital necessary to provide support for this next phase of growth of the Group.

The Offeror has stated its support for the Company's management team and ambition to continue deploying renewables projects at scale, and looks forward to partnering in growing the business to meet the increasing demand for clean power globally.

On 30 May 2024 (the "**Announcement Date**"), the Offeror entered into a put option agreement with Impala, the Fonds Stratégique de Participation ("**FSP**")[20], Cartusia and Mr. Xavier Barbaro (and his family members), Céleste Management SA [21] ("**Céleste**") and Mosca Animation Participations et Conseil[22] ("**Mosca**", together with Impala, the FSP, Cartusia and Mr. Xavier

[20] FSP, a French *société d'investissement à capital variable*, having its registered office at 14 boulevard de la Madeleine, 75008 Paris, France, registered with the Paris Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 753 519 891.

[21] Céleste Management SA, a Swiss *société anonyme* having its registered office at Boulevard du Théâtre 12, 1204 Genève, Switzerland, registered with the Commercial Registry of Geneva under IDE number CHE-492.054.856.

[22] MOSCA Animation Participations et Conseil SAS, a French *société par actions simplifiée* having its registered office at 20, rue de Turenne 75004 Paris, France, registered with the Paris Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 390 883 411.

Barbaro (and his family members) and Céleste, the "**Selling Shareholders**") to acquire approximately a 53.32% shareholding in the Company at the Offer Price per Share.

On 24 June 2024, following completion of the works council information and consultation process, and exercise of the put option by the Selling Shareholders, the Offeror, as purchaser, entered into a share purchase agreement (as amended on 19 December 2024) (the "**SPA**") with the Selling Shareholders, to acquire approximately 53.12%[23] of the Company at the Offer Price per Share (the "**Block Trade Acquisition**").

On the same day, the Offeror entered into an undertaking to tender with the FPCI FONDS ETI 2020[24] (the "**BPI Tender Undertaking**") pursuant to which Bpifrance, acting on behalf of FPCI FONDS ETI 2020, undertakes to tender its 6,674,470 Shares (representing at such date 4.36% of the share capital and theoretical voting rights of the Company) into the Offer.

On 27 December 2024, following satisfaction of the condition precedents provided for under the SPA (i.e., see relevant regulatory approvals referred to in Section 1.1.6 of the Draft Offer Document), and in accordance with the terms and conditions of the SPA, the Offeror completed the Block Trade Acquisition and acquired 81,197,100 Shares from the Selling Shareholders representing 81,197,100 theoretical voting rights (i.e. 53.12% of the share capital and theoretical voting rights of the Company)[25].

Because of the Block Trade Acquisition, the Offeror has exceeded the thresholds of 30% of the Company's share capital and voting rights and is required to file the Offer pursuant to the provisions of Article L. 433-3, I of the French Monetary and Financial Code and Article 234-2 of the AMF General Regulation.

2.2 Presentation of the Offeror

(a) Presentation

Brookfield Renewable Holdings is a special purpose vehicle whose share capital is directly fully

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23 Shares to be sold by the Selling Shareholders to the Offeror represented 53.32% of the Company's share capital on the Announcement Date and 53.12% of the Company's share capital on the signing date of the SPA. This change results from (i) an increase of the Company's share capital following the Announcement Date, the Company having paid part of its dividends to shareholders in Shares and (ii) the subsequent readjusted number of Shares sold by the Selling Shareholders to the Offeror from 81,149,767 Shares to 81,197,100 Shares.

24 FPCI FONDS ETI 2020, a French professional private equity fund, represented by its management company Bpifrance Investissement, a French *société par actions simplifiée* having its registered office at 27/31, Avenue du Général Leclerc, 94710 Maisons-Alfort Cedex, France, registered with the Créteil Trade and Companies Registry (*Registre du Commerce et des Sociétés*) under number 433 975 224 ("**Bpifrance**").

25 On the basis of share capital of the Company as of 30 November 2024, composed of 152,848,774 Shares representing as many theoretical voting rights, in accordance with the provisions of Article 223-11 of the AMF's General Regulation.

owned by BRHL UK Holdings Limited[26], itself indirectly fully owned by BRHL Master UK Holdings Limited[27] ("**Holdco**").

Brookfield Renewable Holdings is ultimately indirectly controlled by Brookfield Asset Management[28], Brookfield Corporation[29] and their respective affiliates ("**Brookfield**").

Brookfield is pursuing the transaction through Brookfield Global Transition Fund II ("**BGTF II**"), which is Brookfield's flagship vehicle for investing in and facilitating the global transition to a net-zero economy and which has Brookfield Renewable Partners[30] as cornerstone investor.

BGTF II is the successor of the inaugural Brookfield Global Transition Fund, the world's largest private institutional investment fund dedicated specifically to investing in the transition to clean energy technologies globally.

Brookfield Renewable Partners is an affiliate of Brookfield and Brookfield's flagship listed renewable power and sustainable solutions company. Brookfield Renewable Partners operates one of the world's largest publicly traded renewable power and transition platforms, with a 35 GW operating asset portfolio and an approximately 200 GW development pipeline consisting of hydroelectric, wind, utility-scale solar, distributed generation and storage facilities in North America, South America, Europe and Asia.

Brookfield Renewable Partners is a longstanding owner, operator, developer and acquirer of renewable power and is increasingly focused on providing decarbonisation and energy transition as a service, helping businesses and governments globally to advance their sustainability goals. Brookfield Renewable Partners is listed on the New York Stock Exchange under the symbol BEP and the Toronto Stock Exchange under the symbol BEP.

It is specified that Temasek holds a minority interest in Holdco via its indirect wholly owned subsidiary Rosa Investments Pte. Ltd., a Singapore private limited company, having its registered office at 60B, Orchard Road, #06-18, The Atrium @Orchard, Singapore 238891 and whose

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26 BRHL UK Holdings Limited, a private company limited by shares with its registered office at Level 25, One Canada Square, Canary Wharf, London, E14 5AA, United Kingdom, and registered with the Registrar of Companies for England and Wales under number 15684936.

27 BRHL Master UK Holdings Limited, a private company limited by shares with its registered office at Level 25, One Canada Square, Canary Wharf, London, E14 5AA, United Kingdom, and registered with the Registrar of Companies for England and Wales under number 15686067.

28 Brookfield Asset Management Ltd., a Canadian company having its registered office at 1055 West Georgia Street, 1500 Royal Centre, P.O. Box 11117, Vancouver, British Columbia V6E 4N7, Canada, registered with the Corporate Registry (Province of British Columbia) under number BC1370236 (listed on the New York Stock Exchange and on the Toronto Stock Exchange).

29 Brookfield Corporation, a Canadian company having its registered office at Suite 100, Brookfield Place, 181 Bay Street, Toronto, Ontario, Canada M5J 2T3, organized pursuant to articles of amalgamation under the Business Corporations Act (Ontario) (listed on the New York Stock Exchange and Toronto Stock Exchange).

30 Brookfield Renewable Partners L.P., a Bermuda exempted limited partnership having its registered office at 73 Front Street, 5th Floor, Hamilton HM 12, Bermuda established under the provisions of the Bermuda Exempted Partnerships Act 1992 (as amended) together with the Bermuda Limited Partnership Act 1883 (as amended) (listed on the New York Stock Exchange and Toronto Stock Exchange).

Unique Entity Number is 202340014H ("**Rosa Investments**"), which is a shareholder of Holdco (as further described below). Incorporated in 1974, Temasek is an investment company headquartered in Singapore. Supported by 13 offices across 9 countries, Temasek owns a S$389 billion portfolio as at 31 March 2024, mainly in Singapore and the rest of Asia.

Brookfield, Temasek, Mr. Xavier Barbaro (and Cartusia) and Mr. Romain Desrousseaux are acting in concert through Brookfield Renewable Holdings towards the Company in accordance with article L. 233-10 of the French Commercial Code.

(b) Shareholders Agreement

BRHL Aggregator LP[31] (the "**Brookfield Aggregator Shareholder**", together with its affiliates who are shareholders, the "**Brookfield Shareholder Group**") and Rosa Investments have agreed to enter into a shareholders agreement (the "**Shareholders Agreement**") in relation to Holdco, the main terms and conditions of which are summarized below. Holdco indirectly owns 100% of the share capital and voting rights of Brookfield Renewable Holdings (subject to the reinvestment of the Managers as described in Section 7.2).

(i) Governance of Holdco

Holdco is a private limited company incorporated under the laws of England. The board of directors of Holdco ("**Holdco Board**") oversees the management of Holdco and its subsidiaries and has full and complete authority, power and discretion to manage and control the business affairs and properties of Holdco.

Each shareholder is entitled to appoint one member to the Holdco Board for each 10% interest in Holdco held by the shareholder.

Other than certain material actions that are classified as "Reserved Matters" (requiring the prior written approval of shareholders holding at least 75% of the shares of Holdco (or directors appointed by such shareholders)) and "Fundamental Matters" (requiring the prior written approval of shareholders holding at least 90% of the shares of Holdco (or directors appointed by such shareholders)) in the Shareholders Agreement, all matters will be decided by a simple majority vote of the Holdco Board or the shareholders, as applicable.

(ii) Transfer of Holdco securities

The Shareholders Agreement establishes the following principles with respect to the transfer of Holdco securities, subject in each case, to certain exceptions and preconditions:

- *Lock-up period*: except for authorized transfers to affiliates, the Holdco securities are subject to a three (3) year lock-up period as from the settlement date of the last acquisition of Neoen securities by Brookfield Renewable Holdings in the context of (i) the Offer or (ii)

31 BRHL Aggregator LP, a Bermuda limited partnership, whose registered office is at 73 Front Street, 5th Floor, Hamilton, HM12 Bermuda.

the Squeeze-Out (as applicable), during which they cannot be transferred by any shareholder;

- *Right of first offer*: following the lock-up period, any transfer of any Holdco securities by a shareholder is subject to a right of first offer in favor of the other shareholders;

- *Tag-along rights*: if the Brookfield Shareholder Group proposes to transfer any of its Holdco securities and, as a result of this transaction, the Brookfield Shareholder Group (i) ceases to control Holdco, then the other shareholders have a full tag along right, or (ii) continues to control Holdco, then the other shareholders have a proportionate tag along right.

(iii) Exit clause

Subject to certain conditions (including in terms of timing and a minimum shareholding in Holco), a shareholder can require that Holdco initiates an exit process.

2.3 Declarations of threshold crossing and of intentions

In accordance with Articles L. 233-7 et seq. of the French Commercial Code, pursuant to the declarations of threshold crossing dated 27 December 2024, the Offeror informed the AMF, following completion of the Block Trade Acquisition, that its interest in the Company, individually and in concert with Brookfield, Temasek, Mr Xavier Barbaro (and Cartusia) and Mr Romain Desrousseaux, has risen above the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 1/3, and 50% of the Company's share capital and voting rights, and stated its intentions.

In accordance with Article 10 of the Company's by-laws, pursuant to the declarations of threshold crossing dated 27 December 2024, the Offeror informed the Company, following completion of the Block Trade Acquisition, that its interest in the Company, individually and in concert with Brookfield, Temasek, Mr Xavier Barbaro (and Cartusia) and Mr Romain Desrousseaux has risen above the statutory thresholds of 1% of the Company's share capital or voting rights, and all multiple of this percentage, up to 53% of the share capital or voting rights of the Company.

2.4 Data Room

In connection with the Block Trade Acquisition, the Company made available to the Offeror a certain amount of information as part of a "data room" procedure in accordance with the AMF's position-recommendations on data room procedures set out in the Guide to Permanent Information and the Management of Inside Information (DOC-2016-08).

This data room did not contain any information regarding the Company likely to meet the conditions of Article 7 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse that had not been made public by the Company prior to the Block Trade Acquisition.

2.5 Terms of the Offer

In accordance with the provisions of Articles 231-13 and 231-18 of the AMF General Regulation, the draft Offer was filed on 2 January 2025 with the AMF by the Presenting Banks, acting in the name and on behalf of the Offeror. On the same day, the AMF published a notice of filing relating to the Draft Offer Document on its website (www.amf-france.org).

The Company has filed this Draft Response Document with the AMF on 2 January 2025. A notice of filing will be published on the same day by the AMF on its website (www.amf-france.org).

The Draft Response Document as filed with the AMF is available to the public free of charge at the Company's registered office and will be posted on the website of the AMF (www.amf-france.org) and the Company (www.neoen.com). In accordance with the provisions of Article 231-26 of the AMF General Regulation, the Company will issue a press release setting out the main points of the Draft Response Document.

The Draft Offer Document and the Draft Response Document remain subject to review by the AMF.

In accordance with Articles 233-1 et seq. of the AMF General Regulation, the Offer will be implemented in accordance with the simplified tender offer procedure. The attention of the shareholders and holders of the Company's OCEANEs is drawn to the fact that, as the Offer is being made under the simplified procedure, it will not be reopened following the publication of the result of the Offer.

The Offeror irrevocably undertakes to the Company's shareholders and holders of OCEANEs to acquire, all the Shares and OCEANEs that will be tendered in the Offer during a period of 21 Trading Days at the price of:

- EUR 39.85 per Share,
- EUR 48.14 per 2020 OCEANE, and
- EUR 101,382.00 per 2022 OCEANE.

Société Générale, guarantees the content and the irrevocable nature of the undertakings made by the Offeror as part of the Offer in accordance with the provisions of Article 231-13 of the AMF General Regulation.

2.6 Adjustment of the terms of the Offer

It is specified for all purposes that the Offer Price per Share, the Offer Price per 2020 OCEANE and the Offer Price per 2022 OCEANE have been determined on the basis of the assumption that no distribution (dividend, interim dividend or other) will be decided before the closing of the Offer.

In the event that, between the date of the Draft Offer Document and the date of the settlement-delivery of the Offer (included), the Company proceeds in any form whatsoever to (i) distribute a dividend, interim dividend, reserve, premium or any other distribution (in cash or in kind), or (ii) redeem or reduce its share capital, and in both cases, in which the detachment date or the reference date on which it is necessary to be a shareholder in order to be entitled thereto is set before the date of the settlement-delivery of the Offer, the Offer Price per Share, the Offer Price per 2020 OCEANE and the Offer Price per 2022 OCEANE will be adjusted to take into account this transaction.

Similarly, in the event of transactions involving the share capital of the Company (in particular merger, spinoff, stock split, reverse stock split, distribution of free shares for existing shares through the capitalization of profits or reserves) decided during the same period, and for which the reference date on which any person must be a shareholder in order to receive the distribution is set before the settlement date of the Offer, the Offer Price per Share, the Offer Price per 2020 OCEANE and the Offer Price per 2022 OCEANE will be mechanically adjusted to take into account the effect of any and all such transactions.

Any adjustment of the terms of the Offer will be subject to the publication of a press release which will be submitted to the prior approval of the AMF.

2.7 Number and nature of the Shares targeted by the Offer

As of the date of this Draft Response Document[32], Brookfield Renewable Holdings holds:

- directly 81,197,100 Shares (i.e. 53.12% of the share capital and 53.19% of the voting rights of the Company),
- by way of assimilation pursuant to Article L. 233-9 of the French Commercial Code:
    - the (i) 545,672 Unavailable Holding Shares (i.e. 0.36% of the share capital and theoretical voting rights of the Company) with respect to which Brookfield Renewable Holdings benefits from a Call Option at the Offer Price per Share exercisable as from 16 April 2025, pursuant to the Liquidity Agreement entered into by Mr. Xavier Barbaro (which is described in Section 7.3), (ii) 39,943 Managers Unavailable Shares (as defined below and also covered by the Liquidity Agreement entered into by Mr. Xavier Barbaro) held by Mr. Xavier Barbaro, (iii) 1,600 PEE Shares (as defined below) held by Mr. Xavier Barbaro, and (iv) 180,832 2024 Free Shares (as defined below and also covered by the Liquidity Agreement entered into by Mr. Xavier Barbaro) held by Mr. Xavier Barbaro,
    - the (i) 442,895 Shares, (ii) 9,445 Managers Unavailable Shares (as defined below and covered by the Liquidity Agreement entered into by Mr. Romain Desrousseaux), and (iii) 2024 Free Shares (as defined below and also covered by the Liquidity Agreement entered into by Mr. Romain Desrousseaux) held by Mr. Romain Desrousseaux, and

32 On the basis of share capital of the Company as of 30 November 2024, composed of 152,848,774 Shares representing as many theoretical voting rights , in accordance with the provisions of Article 223-11 of the AMF's General Regulation.

- 14,330 Shares (i.e. 0.009% of the share capital and theoretical voting rights of the Company) through the intermediary of Aranda Investments (an indirect wholly-owned subsidiary of Temasek).

In total, the Offeror holds, directly and indirectly, alone and in concert, and by assimilation, 82,250,985 Shares (i.e. 53.81% of the share capital and theoretical voting rights of the Company)[33].

The Offeror does not hold, directly and indirectly, alone and in concert, or by assimilation, any OCEANEs.

The Offer targets:

(i) all Shares, whether outstanding or to be issued, that are not held directly by the Offeror, i.e., the Shares:

- which are already issued other than the Excluded Shares, i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum of 70,713,338 Shares,

- which may be issued before the closing of the Offer (as per the indicative timetable included in Section 2.14), other than the Excluded Shares, as a result of the vesting of Free Shares granted by the Company under the Free Shares Plans (as defined in Section 2.8), i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum of 161,971[34] Shares corresponding to all 2022 Free Shares,

- which may be issued before the closing of the Offer (as per the indicative timetable included in Section 2.14) in connection with the conversion of the 2020 OCEANEs, i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum number of 4,445,020 new Shares[35],

- which may be issued before the closing of the Offer (as per the indicative timetable included in Section 2.14) in connection with the conversion of the 2022 OCEANEs, i.e., to the knowledge of the Company and as at the date of the Draft Response Document, a maximum number of 7,519,824 new Shares[36],

[33] See footnote 1.

[34] The vesting period of the 2023 Accelerated Free Shares will end on 28 February 2025. Such 2023 Accelerated Free Shares will thus become available on 3 March 2025. As at the date of the Draft Offer Document, the closing date of the Offer has been set on 27 February 2025. In the event such closing date is postponed on or after 3 March 2025, the 2023 Accelerated Free Shares will no longer be considered as Unavailable Free Shares and will be able to be tendered in the Offer. It is further specified that, if the conditions are met, the 2023 Accelerated Free Shares available on 3 March 2025 will be targeted by the Squeeze-Out.

[35] Based on the following adjusted conversion ratio (NCER): 1.208.

[36] Based on the following adjusted conversion ratio (NCER): 2,506.608.

i.e., to the knowledge of the Company at the date of the Draft Response Document, a maximum number of Shares targeted by the Offer equal to 82,840,153; and

(ii) all outstanding OCEANEs that are not held by the Offeror, i.e. to the knowledge of the Company at the date of the Draft Response Document, 3,679,653 2020 OCEANEs and 3,000 2022 OCEANEs.

Among the Shares covered by the Offer, the 283,581[37] Unavailable PEE Shares (as defined below) cannot be tendered into the Offer (except in the case of an early release in accordance with applicable laws and regulation). However, Unavailable PEE Shares will be targeted by the Squeeze-Out, if applicable.

It is specified that the Offer does not target the Excluded Shares.

As a result of the indicative timetable of the Offer provided in Section 2.14, the 105,416 2023 Accelerated Free Shares (as defined below) being vested on 28 February 2025, they cannot be tendered into the Offer[38]. Such 2023 Accelerated Free Shares will however be targeted by the Squeeze-Out, if applicable.

To the knowledge of the Company, there are no other equity securities or other financial instruments issued by the Company or rights conferred by the Company that may give access, immediately or in the future, to the share capital or voting rights of the Company, other than the existing Shares and the OCEANEs described in Section 2.10 and the Free Shares described in Section 2.8.

2.8 Situation of the beneficiaries of Free Shares

The Company has granted Company's shares for free (the "**Free Shares**") to employees and executives' officers of the Group under several free shares plans (the "**Free Shares Plans**").

As of the date of the Draft Offer Document, three Free Shares Plans remain outstanding with the Free Shares allocated pursuant to these Free Shares Plan still under vesting: (i) the 2022 Free Shares Plan, (ii) the 2023 Free Shares Plan, and (iii) the 2024 Free Shares Plan.

Pursuant to an authorisation granted by the general meeting of the shareholders of the Company dated 25 May 2021 and an authorisation granted by the general meeting of the shareholders of the Company dated 10 May 2023, the board of directors of the Company has granted 2022, 2023 and 2024 Free Shares to employees and executives' officers of the Group under Free Shares Plans, as follows:

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37 Number of Unavailable PEE Shares as at 30 December 2024.

38 The vesting period of the 2023 Accelerated Free Shares will end on 28 February 2025. Such 2023 Accelerated Free Shares will thus become available on 3 March 2025. As at the date of the Draft Offer Document, the closing date of the Offer has been set on 27 February 2025. In the event such closing date is postponed on or after 3 March 2025, the 2023 Accelerated Free Shares will no longer be considered as Unavailable Free Shares and will be able to be tendered in the Offer. It is further specified that, if the conditions are met, the 2023 Accelerated Free Shares available on 3 March 2025 will be targeted by the Squeeze-Out.

- on 14 March 2022, the board of directors of the Company decided to grant 164,046 Free Shares to certain employees of the Group. The granting of Shares will only be final after a vesting period of three years, i.e. on 14 March 2025, being specified that the availability date of these Free Shares is set on 17 March 2025, provided that the beneficiaries are still present in the Group and that the performance conditions set by the board of directors in the plan rules and relating in particular to the achievement of financial and development objectives are met (the "**2022 Free Shares**" and "**2022 Free Shares Plan**");

- on 28 February 2023, the board of directors of the Company decided to grant 221,766 Free Shares to certain employees of the Group. The granting of Shares will only be final after a vesting period of three years, i.e. on 28 February 2026, being specified that the availability date of these Free Shares is set on 3 March 2026, provided that the beneficiaries are still present in the Group and that the performance conditions set by the board of directors in the plan rules and relating in particular to the achievement of financial and development objectives are met (the "**2023 Free Shares**" and "**2023 Free Shares Plan**");

- on 28 February 2024 and 14 March 2024, the board of directors of the Company decided to grant 729,303 Free Shares to certain employees and executives' officers of the Group. The granting of Shares will only be final after a vesting period of three years, i.e. on 1st March 2027, being specified that the availability date of these Free Shares is set on 3 March 2027, provided that the beneficiaries are still present in the Group and that the performance conditions set by the board of directors in the plan rules and relating in particular to the achievement of financial and development objectives are met (the "**2024 Free Shares**" and "**2024 Free Shares Plan**").

	2022 Free Share Plan	2023 Free Share Plan	2024 Free Share Plan
Date of the general shareholders' meeting	25 May 2021	25 May 2021	10 May 2023
Date of the grant decision	14 March 2022	28 February 2023	28 February 2024 14 March 2024
Number of Free Shares initially granted	164,046	221,766	729,303
Number of Free Shares under vesting period (as at 30 November 2024)	161,971	210,833	721,928
Definitive vesting date	14 March 2025	28 February 2026	1st March 2027
Performance conditions	✓	✓	✓
Attendance conditions	✓	✓	✓
Availability date	17 March 2025	3 March 2026	3 March 2027
Holding period	None	None	None
Number of Free Shares subject to a specific holding period for executives' officers	N/A	N/A	45,208

On 26 December 2024, the Company's board of directors has decided, subject to completion of the Block Trade Acquisition, which took place on 27 December 2024 :

- with respect to the 2022 Free Shares Plan:

  (i) to deem entirely satisfied the performance requirements provided by the 2022 Free Shares Plan, and

  (ii) to accelerate the end of the vesting period provided for in the 2022 Free Shares Plan, for all the 2022 Free Shares, as their number may be adjusted from time to time in accordance with the terms of the 2022 Free Shares Plan, which will become immediately available on the opening date of the Offer, subject to the Offer being opened;

- with respect to the 2023 Free Shares Plan:

(i) to deem entirely satisfied the performance requirements provided by the 2023 Free Shares Plan, and

(ii) to offer each of the beneficiaries of the 2023 Free Shares Plan who have chosen this option:

(x) the acceleration of the vesting period on 50% of their unvested Free Shares as their number may be adjusted from time to time in accordance with the terms of the 2023 Free Shares Plan (the "**2023 Accelerated Free Shares**"), which will definitely be vested on 28 February 2025, subject to a presence condition,

(*y*) not to change the vesting period of the remaining 50% unvested Free Shares under the 2023 Free Shares Plan (the "**2023 Non Accelerated Free Shares**"), which will definitely be vested on 28 February 2026, subject to a presence condition, and

(*z*) subject to the occurrence of an "Event of Liquidity Default" and a presence condition of the beneficiary on 28 February 2026, to benefit from a cash retention plan in lieu of the concerned beneficiary's right to receive 2023 Non Aceclerated Free Shares (it being specified that the gross amount per 2023 Non-Accelerated Free Share that will be paid to any beneficiary who elects to benefit from the retention plan in cash will correspond to the Offer Price per Share); and

- with respect to the 2024 Free Shares Plan:

(i) to deem entirely satisfied the performance requirements of this 2024 Free Shares Plan and

(ii) to offer to beneficiaries of the 2024 Free Shares Plan to benefit, subject to an "Event of Liquidity Default" (or, in the case of Mr. Xavier Barbaro, subject to a resignation from his position as CEO of the Company following completion of the Squeeze-Out and up to the number of 2024 Free Shares acquired pro rata temporis on the date of termination of his duties) and a presence condition of the beneficiary on1st March 2027, a cash retention plan in lieu of all or part of the rights of the beneficiary concerned to receive the 2024 Free Shares (it being specified that the gross amount per 2024 Free Share that will be received by any beneficiary who chooses to benefit from the retention plan in cash will correspond to the Offer Price per Share). In this respect, it is specified that the cash retention plan from which Mr. Xavier Barbaro benefits (i) is conditional on the termination of his duties as CEO of the Company, (ii) relates to a number of 2024 Free Shares that will be acquired on the date of termination of his duties as CEO of the Company (taking into account the particular characteristics of the 2024 Free Share Plan concerning him, which provide, in the event of termination of his duties, for an acquisition of the 2024 Free Shares by the latter *pro rata temporis* to the duration of his duties during their vesting period), and (iii) will vest on 1st March 2027).

As an exception to the above, certain Managers[39] (as such term in defined below) (excluding Mr. Xavier Barbaro) holding 2023 Non-Accelerated Free Shares and 2024 Free Shares, will be offered by the Offeror the opportunity to benefit from a new retention plan in the form of BRHL Midco shares (in lieu of all or part of the above-mentioned cash retention plan). It is specified that the number of BRHL Midco shares that will be delivered to any beneficiary who elects to benefit from the retention share plan will be determined on the basis of the number of 2023 Non-Accelerated Free Shares and/or 2024 Free Shares renounced to multiplied by the Offer Price per Share, reported to the value of BRHL Midco's share capital on the date upon which the rights to receive the said shares of BRHL Midco are allocated. The vesting period of BRHL Midco's shares will be for a period of one year, it being specified that the definitive acquisition of these shares will be conditional on the occurrence of an "Event of Liquidity Default ", a presence condition of the beneficiary and the latter's adherence to the BRHL Midco SHA. In addition, the definitively acquired shares of BRHL Midco will be subject to an additional one-year holding period.

It being specified that the beneficiaries of the 2023 Free Share Plan and the 2024 Free Share Plan will be able to choose to benefit from the Liquidity Agreement or the cash retention plan (or, for certain Managers, the retention share plan in lieu of the cash retention plan), until 7 February 2025 (inclusive).

Holders of Free Shares delivered before the closing of the Offer (i.e., as a result of the indicative timetable of the Offer provided in Section 2.14, the2022 Free Shares) representing a maximum of 161,971[40] Shares will be able to tender such Free Shares to the Offer given its contemplated timetable as indicated in Section 2.14. As a result of the indicative timetable of the Offer provided in Section 2.14, the 105,416 2023 Accelerated Free Shares being vested on 28 February 2025, they cannot be tendered into the Offer[41]. Such 2023 Accelerated Free Shares will however be targeted by the Squeeze-Out, if applicable.

The 932,761 Shares which may be issued as a result of the definitive vesting of all of the 2023 Free Shares and all 2024 Free Shares (together the "**Unavailable Free Shares**") granted by the Company, cannot be tendered to the Offer and will therefore be covered by the Liquidity Agreements[42].

In addition, to the knowledge of the Company and as of the date of the Draft Response Document, 49,388 Shares are held by executive officers of the Group as a result of the definitive vesting of Free Shares granted by the Company under the Free Shares plans implemented in 2018 and 2021 and are subject to a specific lock-up period as long as they remain executive officers of the Group

39 Including Mr. Romain Desrousseaux.

40 The vesting period of the 2023 Accelerated Free Shares will end on 28 February 2025. Such 2023 Accelerated Free Shares will thus become available on 3 March 2025. As at the date of the Draft Offer Document, the closing date of the Offer has been set on 27 February 2025. In the event such closing date is postponed on or after 3 March 2025, the 2023 Accelerated Free Shares will no longer be considered as Unavailable Free Shares and will be able to be tendered in the Offer. It is further specified that, if the conditions are met, the 2023 Accelerated Free Shares available on 3 March 2025 will be targeted by the Squeeze-Out.

41 See footnote 40.

42 See footnote 40.

(the "**Managers Unavailable Shares**"). Such Managers Unavailable Shares cannot be tendered to the Offer and will therefore be covered by the Liquidity Agreements respectively entered into by Mr. Xavier Barbaro and Mr. Romain Desrousseaux.

2.9 Situation of the shareholders holding Shares through a *Plan d'Epargne Entreprise* (PEE)

To the knowledge of the Company and as the date of this Draft Response Document, 426,170[43] Shares are held by employees of the Group in the context of an employee savings plan (*Plan d'épargne entreprise* or "**PEE**") (the "**PEE Shares**").

To the knowledge of the Company and as the date of this Draft Response Document, 142,589[44] PEE Shares are transferable and their holders will be able to tender such PEE Shares to the Offer.

To the knowledge of the Company and as the date of this Draft Response Document, 283,581[45] Shares already issued and held by employees of the Group in the context of a PEE resulting from (i) the implementation of employee share ownership plans, i.e. 179,256 Shares for which the five-year mandatory holding period will not have expired prior to the closing date of the Offer or (ii) the exercise of stock-options within the framework of the PEE, i.e. 104,325 Shares for which the five-year mandatory holding period will not have expired prior to the closing date of the Offer (such Shares referred to in (i) and (ii), the "**Unavailable PEE Shares**") shall not be tendered into the Offer, taking into account its indicative timetable and subject to the early release events provided by the French Labour Code which may allow their holders to tender such PEE Shares to the Offer.

As indicated in the Draft Offer Document, the Offeror undertakes to offer to the remaining holders of Unavailable PEE Shares, at the closing of the Offer and provided that the conditions required for the implementation of a Squeeze-Out are not met, to enter into the Liquidity Agreement. The terms and conditions of the Liquidity Agreement to be entered into at that time will be strictly identical to the ones of the Liquidity Agreements entered into by the Holders of Unavailable Shares prior to the closing of the Offer.

In the event of a Squeeze-Out, these Unavailable PEE Shares will be targeted by the Squeeze-Out, as applicable.

2.10 Situation of the holders of OCEANEs

On 2 June 2020, the Company issued 3,679,653 2020 OCEANEs due 2 June 2025. The 2020 OCEANEs, with a par value of EUR 46.20 each, bear a 2.00% annual nominal rate payable semi-annually (2 June and 2 December) and are convertible or exchangeable at any time by the delivery

[43] Number of PEE Shares as at 30 December 2024.

[44] Number of available PEE Shares as at 30 December 2024.

[45] Number of Unavailable PEE Shares as at 30 December 2024.

of 1.176 new or existing Share for one 2020 OCEANE, subject to additional adjustments provided for in the terms and conditions of the 2020 OCEANEs and under the conditions set out therein. To the knowledge of the Company, 3,679,653 2020 OCEANEs are outstanding as of the date of the Draft Response Document. The 2020 OCEANEs are listed on Euronext Access under ISIN Code FR0013515707.

On 14 September 2022, the Company issued 3,000 2022 OCEANEs due 14 September 2027. The 2022 OCEANEs, with a par value of EUR 100,000 each, bear a 2.875% annual nominal rate payable semi-annually (14 March and 14 September) and are convertible or exchangeable at any time by the delivery of 2,118.0805 new or existing Share for one 2022 OCEANE, subject to additional adjustments provided for in the terms and conditions of the 2022 OCEANEs and under the conditions set out therein. To the knowledge of the Company, 3,000 2022 OCEANEs are outstanding as of the date of the Draft Response Document. The 2022 OCEANEs are listed on Euronext Access under ISIN Code FR001400CMS2.

2.10.1 Tenders to the Offer

Holders of OCEANEs are entitled to tender their OCEANEs to the Offer, in accordance with the terms and conditions described in the Draft Offer Document.

2.10.2 Early redemption in the event of a Change of Control

Completion of the Block Trade Acquisition resulted in a "Change of Control" of the Company under the terms and conditions of the OCEANEs.

In accordance with the terms and conditions of the OCEANEs, upon the occurrence of such a Change of Control, any holder of OCEANEs may, at its option request, from the Company, the early redemption in cash of all, but not some only, of the OCEANEs held by such holder at par value plus interest accrued from (and including) the last interest payment date to (but excluding) the relevant optional redemption date in accordance with the terms and conditions of the OCEANEs.

The price of such early repayment would be EUR 46.44 for the 2020 OCEANEs and EUR 101,382.00 for the 2022 OCEANEs, based on a latest anticipated early repayment date on 7 March 2025, and assuming up to 30 calendar days after completion of the Block Trade Acquisition for the Company to publish a notification of the Change of Control and then additionally up to 25 to 30 business days (*jours ouvrés*) to proceed with the early repayment.

The Company will inform the holders of OCEANEs of the Change of Control resulting from the Completion of the Block Trade Acquisition by means of a notice distributed by the Company and posted on its website (www.neoen.com) as well as in a notice to be issued by Euronext Paris no later than 30 calendar days following the effective Change of Control (i.e., date of completion of the Block Trade Acquisition).

These notices are expected to remind the holders of OCEANEs that they have the right to request the early redemption of their OCEANEs and to indicate (i) the early redemption date which would be between the 25th and the 30th business day (*jours ouvrés*) following the distribution date of the notice by the Company, (ii) the redemption price and (iii) the period, of at least 15 business days (*jours ouvrés*) following the publication of the notice by the Company, during which the early redemption requests for the OCEANEs must be received by the centralizing agent.

To obtain early redemption of the OCEANEs, holders of OCEANEs must file a request with the financial intermediary holding their OCEANEs in a securities account. Any such demand may not be revoked once it is received by the relevant financial intermediary.

Requests for early redemption and the corresponding OCEANEs must be received by the centralizing agent no later than the fifth business day (*jours ouvrés*) before the early redemption date.

In such case, the OCEANEs, where an early redemption was requested, will be redeemed at a price equal to par plus accrued interests from the date the interest was last paid preceding the date of early redemption, to the date set for the early redemption.

2.10.3 Rights of the holders of OCEANEs in the event of a public offer

(a) Conversion or exchange of the OCEANEs in the event of an offer

In accordance with the terms and conditions of the OCEANEs, and if the Offer is cleared by the AMF, the opening of the Offer will result in an adjustment of the conversion/exchange ratio of Shares during the Adjustment Period (as defined below) in accordance with the following formula (the result will be rounded off in accordance with the terms and conditions of issuance of the OCEANEs)

$$NCER = CER \times [1 + ICEP \times (c / t)]$$

where:

- "NCER" means the OCEANEs new conversion/exchange ratio applicable during the Adjustment Period (rounded to three decimal places, with 0.0005 being rounded up to the nearest thousandth, i.e. 0.001);
- "CER" means the conversion/exchange ratio in effect prior to the Offer opening date, such conversion/exchange ratio being 1.176 Share for one 2020 OCEANE, and 2,118.0805 Shares for one 2022 OCEANE;
- "ICEP" means 40% for the 2020 OCEANEs and 35% for the 2022 OCEANEs;
- "c" means the actual number of calendar days from the Offer opening date (inclusive) to the maturity date (exclusive), with the maturity date being 2 June 2025 for the 2020 OCEANEs and 14 September 2027 for the 2022 OCEANEs; and
- "t" means the actual number of calendar days from the issue date of the OCEANEs (inclusive) (such date being 2 June 2020 for the 2020 OCEANEs and 14 September

2022 for the 2022 OCEANEs) to the maturity date (exclusive) (such number of days being 1,826 for the 2020 OCEANEs and for the 2022 OCEANEs).

As a result of the Offer, the adjusted conversion/exchange ratios (or NCERs) are 1.208 for the 2020 OCEANEs and 2,506.608 for the 2022 OCEANEs, based on an opening date of the Offer on 30 January 2025, as set out in the indicative timetable in Section 2.14. As the ratio are dependent on the opening date of the Offer, they would be modified in the event of a postponement or advancement of this date.

The adjustment of the conversion/exchange ratios, as set out above, will, pursuant to the terms and conditions of the respective OCEANEs exclusively benefit to the holders of OCEANEs who will exercise their conversion/exchange right, between (and including):

- The opening date of the Offer; and
- The earlier of (A) (i) the date that is ten (10) business days[46] after the date of publication by the AMF of the notice of result of the Offer, or (ii) if Brookfield Renewable Holdings withdraws the Offer, the date on which such withdrawal is published, and (B) the date that is the 7th trading day[47] preceding the maturity date or the early redemption.

This period is referred to as the "**Adjustment Period**".

If the right to the conversion/exchange of Shares is exercised during the Adjustment Period, the corresponding Shares will be delivered within a maximum period of three (3) business days from the date of exercise.

In the event of an adjustment, the Company will inform the holders of OCEANEs by means of a notice distributed by it and posted on its website (www.neoen.com). This adjustment will also be the subject of a notice circulated by Euronext Paris within the same timeframe as may be required by applicable rules and regulations.

(b) Early redemption if the outstanding 2020 OCEANEs represent less than 15% of the total outstanding 2020 OCEANEs and if the outstanding 2022 OCEANEs represent less than 20% of the total outstanding 2020 OCEANEs

In accordance with the terms and conditions of the OCEANEs, the Company may, at its discretion and at any time, but subject to giving at least 30 calendar days' notice (and a maximum of 90

[46] For the purpose of this paragraph, and in accordance with the terms and conditions of the OCEANEs, a "business day" means a day (other than a Saturday or a Sunday) (i) on which foreign exchange markets and commercial banks are open for business in Paris (France) and (ii) on which Euroclear France or any successor is operating and (iii) on which the trans-European automated real-time gross settlement express transfer system (known as "TARGET 2"), or any succeeding system is operating.

[47] For the purpose of this paragraph, and in accordance with the terms and conditions of the OCEANEs, "trading day" shall mean any day (other than a Saturday or Sunday) on which the Shares are traded on Euronext Paris, other than a day on which such trading ceases prior to the usual closing time, whether such cessation is scheduled or unscheduled.

calendar days), redeem at par all of the relevant remaining outstanding OCEANEs, if they represent less than 15% of the number of the 2020 OCEANEs issued with respect to the 2020 OCEANEs and if they represent less than 20% of the number of the 2022 OCEANEs issued with respect to the 2022 OCEANEs.

In the event a Squeeze-Out procedure is implemented in relation to the Shares only, Brookfield Renewable Holdings reserves the right to request that the Company carry out such early redemption in due course. Holders of OCEANEs will, however, retain the right to exercise their right to the allocation of Shares up to and including the 7th business day preceding the date set for early redemption. The conversion/exchange ratios shall be equal to the relevant NCER if the allocation right is exercised during the Adjustment Period, or equal to the relevant conversion/exchange ratios in force outside of the Adjustment Period and indicated in Section 2.10.

(c) Early redemption in the event that the Shares are delisted

In accordance with the terms and conditions of the OCEANEs, if the Shares are no longer admitted to trading on Euronext Paris or any other regulated market (a "**Delisting**") (which would be the case if the Squeeze-Out is implemented, see Section 2.11 regarding the intent of Brookfield Renewable Holdings regarding the Squeeze-Out and delisting), any holder of OCEANEs may, at its option request, from the Company, the early redemption in cash of all, but not some only, of the OCEANEs held by such holder at par value plus interest accrued from (and including) the last interest payment date to (but excluding) the relevant optional redemption date in accordance with the terms and conditions of the OCEANEs.

The Company will inform the holders of OCEANEs of the Delisting by means of a notice distributed by the Company and posted on its website (www.neoen.com) as well as in a notice to be issued by Euronext Paris no later than 30 calendar days following the effective Delisting.

These notices are expected to remind the holders of OCEANEs that they have the right to request the early redemption of their OCEANEs and to indicate (i) the early redemption date which would be between the 25th and the 30th business day (*jours ouvrés*) following the distribution date of the notice by the Company, (ii) the redemption amount and (iii) the period, of at least 15 business days (*jours ouvrés*) following the distribution date of the notice by the Company, during which the early redemption requests for the OCEANEs must be received by the centralizing agent.

To obtain early redemption of the OCEANEs, holders of OCEANEs must file a request with the financial intermediary holding their OCEANEs in a securities account. Any such demand may not be revoked once it is received by the relevant financial intermediary.

Requests for early redemption and the corresponding OCEANEs must be received by the centralizing agent no later than the fifth business day (*jours ouvrés*) before the early redemption date.

In such case, the OCEANEs, where an early redemption was requested, will be redeemed at a price equal to par plus accrued interests from the date the interest was last paid preceding the date of early redemption, to the date set for the early redemption.

Such early redemption may be decided under the above-mentioned conditions in the event a Squeeze-Out procedure is implemented in relation to the Shares only, especially in the event the OCEANEs are not redeemed before such date.

2.11 Intentions of the Offeror regarding the implementation of a squeeze-out and the maintenance of the Company's listing following the Offer

In the event that the number of Shares not tendered to the Offer by the minority shareholders of the Company (excluding treasury Shares held by the Company and Shares covered by Liquidity Agreements) does not represent more than 10% of the share capital and voting rights of the Company following the Offer, the Offeror intends to implement, at the latest within three (3) months following the closing of the Offer, in accordance with Articles L. 433- 4 II of the French Monetary and Financial Code and 237-1 et seq. of the AMF General Regulation, a Squeeze-Out procedure in order to transfer the Shares not tendered to the Offer (excluding treasury Shares held by the Company and Shares covered by Liquidity Agreements, but including the PEE Unavailable Shares) in exchange for compensation equal to the Offer Price per Share. The implementation of this procedure will result in the delisting of the Shares from Euronext Paris.

In addition, in the event that the number of Shares not tendered to the Offer by the minority shareholders of the Company (excluding treasury Shares held by the Company and Shares covered by Liquidity Agreements) and the number of Shares that may be issued following the conversion of the OCEANEs not tendered in the Offer do not represent more than 10% of the sum of the existing Shares and the Shares that may be issued as a result of the conversion of the OCEANEs following the Offer[48], the Offeror also intends to implement, at the latest within three (3) months following the closing of the Offer, in accordance with Articles L. 433-4 III of the French Monetary and Financial Code and 237-1 et seq of the AMF General Regulation, a Squeeze-Out procedure in order to transfer the OCEANEs not tendered to the Offer in exchange for compensation equal to the Offer Price per 2020 OCEANE and the Offer Price per 2022 OCEANE, as applicable. The implementation of this procedure will result in the delisting of the OCEANEs from Euronext Access.

In accordance with the terms and conditions of the OCEANEs, the Company may, at its discretion and at any time, but subject to giving at least 30 calendar days' notice (and a maximum of 90 calendar days), redeem at par plus accrued interest all of the relevant remaining outstanding OCEANEs, if they represent less than 15% of the number of the 2020 OCEANEs issued with respect to the 2020 OCEANEs and if they represent less than 20% of the number of the 2022 OCEANEs issued with respect to the 2022 OCEANEs (the "**Early Redemption Option**").

In the event that the conditions required to implement a Squeeze-Out for the Shares are met, but the conditions required to implement a squeeze-out for the OCEANEs are not met, the Offeror intends to implement a Squeeze-Out for the Shares under the conditions set out above, subject to the Company being able to exercise the Early Redemption Option in due course (it being specified that the Offeror reserves the right to waive this condition). Holders of OCEANEs will, however,

48 This conversion would be done on the basis of the adjusted conversion/exchange ratios, as determined in Section 2.10.

retain the right to exercise their right to the allocation of Shares up to and including the 7th business day[49] preceding the date set for early redemption. The conversion/exchange ratios shall be equal to the relevant conversion/exchange ratio if the allocation right is exercised during the Adjustment Period, or equal to the relevant conversion/exchange ratios in force outside of the Adjustment Period and indicated in Section 2.10.

In the event that the Offeror is not in a position, following the Offer, to implement a squeeze-out under the above-mentioned conditions, it reserves the right to file a public tender offer followed, if applicable, by a squeeze-out for the Shares and/or OCEANEs it does not hold directly or indirectly, alone or in concert at that date. In this context, the Offeror does not exclude increasing its interest in the Company after the end of the Offer (directly or indirectly, through the acquisition of Shares or OCEANEs or otherwise) and prior to the filing of a new offer in accordance with the applicable legal and regulatory provisions. In this case, the public tender offer will be subject to the control of the AMF, which will rule on its conformity in light of the independent expert's report to be appointed in accordance with the provisions of Article 261-1 I and II of the AMF General Regulation.

The Offeror reserves the right, following the acquisition of OCEANEs, to exercise any right available to it in accordance with the terms and conditions of the OCEANEs. The Offeror also reserves the right to cause the Company to exercise any right available to it in accordance with the terms and conditions of the OCEANEs.

2.12 Procedure for tendering in the Offer

The Offer will be open for a period of 21 Trading Days.

The attention of the Company's shareholders is drawn to the fact that, as the Offer will be conducted following the simplified procedure, in accordance with the provisions of Articles 233-1 et seq. of the AMF General Regulation, it will not be reopened following the publication of the result of the Offer.

The Shares and OCEANEs tendered in the Offer must be freely negotiable and free from any lien, pledge, collateral or other security or restriction of any kind on the free transfer of their ownership. The Offeror reserves the right to reject, in its sole discretion, any Shares or OCEANEs tendered in the Offer that do not fulfil this condition.

Shareholders whose Shares are in "pure" registered form ("*nominatif pur*") in the account register of the Company may request that their shares be converted into "administrative" registered form ("*nominatif administer*") in order to tender their securities in the Offer, unless they have already requested their conversion to bearer form ("*au porteur*"). It is specified that the conversion to bearer form of Shares held in registered form will result in the loss for such shareholders of the benefits

[49] For the purpose of this paragraph, and in accordance with the terms and conditions of the OCEANEs, a "business day" means a day (other than a Saturday or a Sunday) (i) on which foreign exchange markets and commercial banks are open for business in Paris (France) and (ii) on which Euroclear France or any successor is operating and (iii) on which the trans-European automated real-time gross settlement express transfer system (known as "TARGET 2"), or any succeeding system is operating.

associated with holding such Shares in registered form. Notwithstanding the foregoing, shareholders whose securities are held in "pure" registered form will also have the possibility to tender their securities to the semi-centralized Offer through Euronext Paris without prior conversion into bearer or "administered" registered form through Uptevia acting as registrar of the Shares.

Shareholders and holders of OCEANEs of the Company whose Shares or OCEANEs are registered with a financial intermediary and who would like to tender their Shares or OCEANEs in the Offer must submit to their financial intermediary (bank, credit institution, investment firm, etc.) holding their Shares or OCEANEs a tender or sale order at the Offer Price per Share, the Offer Price per 2020 OCEANE or the Offer Price per 2022 OCEANE[50] (as applicable), in time for their order to be executed, by specifying whether they opt either for the sale of their Shares or OCEANEs directly on the market or for the tender of their Shares or OCEANEs in the semi-centralised Offer by Euronext Paris in order to benefit from the reimbursment of the brokerage fees by the Offeror under the conditions described in Section 2.15 below. Shareholders and holders of OCEANEs shall contact their respective financial intermediaries to obtain information on the potential constraints and the deadlines of each of these intermediaries as well as on their own procedures for treating orders to be able to tender their securities to the Offer.

Orders to tender Shares or OCEANEs in the Offer will be irrevocable.

The Offer and all related agreements are subject to French law. Any dispute or litigation of any nature whatsoever relating to the Offer will be brought before the competent courts.

The transfer of ownership of the Shares and OCEANEs tendered in the Offer and all of the rights attached thereto (including the right to dividends) will occur on the date of registration in the Offeror's account, in accordance with the provisions of Article L. 211-17 of the French Monetary and Financial Code. It is reminded, if need be, that any amount due in connection with the tendering of the Shares and OCEANEs in the Offer will not bear interest and will be paid on the settlement-delivery date.

2.12.1 Procedure for tendering in the Offer directly on the market

Shareholders and holders of OCEANEs of the Company who wish to tender their Shares and/or OCEANEs to the Offer may sell their Shares and/or OCEANEs on the market. They must submit their sale orders no later than the last day of the Offer and the settlement and delivery of the Shares and OCEANEs sold will take place on the second trading day following the day of execution of the orders, it being specified that the trading costs (including the corresponding brokerage fees and value-added tax ("VAT")) relating to these transactions will remain entirely at the expense of the shareholders or holders of OCEANEs tendering their Shares and/or OCEANEs in the Offer.

[50] Corresponding to 101.382% of the par value of the OCEANE 2022 which is €100,000; assuming an effective change of control date on 27 December 2024, which, according to the T&Cs, results in a longstop date for sending the put event notice on 26 January 2025 and for optional redemption date on 7 March 2025.

Société Générale, investment services provider qualified as a member of the bidding market to purchase, will acquire, on behalf of the Offeror, all Shares and OCEANEs which will be tendered in the Offer. As 2022 OCEANEs are trading in percentage of par value, those instruments will be purchased at 101.382% of the par value of EUR 100,000 per 2022 OCEANE, which corresponds to EUR 101,382.00.

2.12.2 Procedure for tendering in the semi-centralised Offer by Euronext Paris

A procedure for tendering in the semi-centralised Offer has been set by Euronext Paris to allow for the reimbursement of the brokerage fees by the Initiator, under the conditions described in the Section 2.15 below.

Shareholders and holders of OCEANEs of the Company who wish to tender their Shares and/or OCEANEs in the semi-centralized Offer by Euronext Paris must submit their sale offers to the financial intermediary with which their Shares or OCEANEs are deposited no later than the last day of the Offer (subject to specific time limits for certain financial intermediaries). The settlement-delivery will then occur after the completion of the semi-centralization transactions.

In this context, the Offeror will bear the brokerage fees of the shareholders and holders of OCEANEs, under the conditions described in Section 2.15 below.

Euronext Paris will pay directly to the financial intermediaries the amounts due for the reimbursement of the fees mentioned below, as from the settlement-delivery date of the semi-centralization.

2.13 Offeror's right to purchase Shares and OCEANEs during the Offer period

As from the publication by the AMF of the main provisions of the draft Offer, and until the opening of the Offer, the Offeror reserves the right to purchase Shares or OCEANEs, on or off-market, in accordance with the provisions of Articles 231-38 and 231-39 of the AMF General Regulation, within the limits set forth in Article 231-38, IV of the AMF General Regulation, corresponding to a maximum of 30% of the existing Shares, 30% of the existing 2020 OCEANEs and 30% of the existing 2022 OCEANEs targeted by the Offer, respectively at the Offer Price per Share, the Offer Price per 2020 OCEANE and the Offer Price per 2022 OCEANE, i.e. a maximum of 21,214,001 Shares, 1,103,895 2020 OCEANEs and 900 2022 OCEANEs as of the date of the Draft Offer Document.

Such acquisitions, if any, will be declared to the AMF and published on the AMF website in accordance with applicable regulations. This information will also be published, in French and in English, on the website of the Offeror (neoen-offer-brookfield.com) and will thus be available to the Company's shareholders residing in the United States of America.

2.14 Indicative timetable of the Offer

Dates	Principal Steps of the Offer
2 January 2025	Filing of the draft Offer and the Draft Offer Document of the Offeror with the AMF Offeror's Draft Offer Document made available to the public and posted to the websites of the AMF (www.amf-france.org), the Offeror (neoen-offer-brookfield.com) and the Company (www.neoen.com) Publication by the Offeror of a press release announcing the filing of the Offer and availability of the Draft Offer Document
2 January 2025	Company's Draft Response Document filed with the AMF, including the reasoned opinion of the Company's board of directors and the independent expert's report Company's Draft Response Document made available to the public and posted to the websites of the AMF (www.amf-france.org) and the Company (www.neoen.com). Publication by the Company of a press release announcing the filing of the Offer and availability of Company's Draft Response Document
28 January 2025	Declaration of conformity of the Offer issued by the AMF, which serves as the approval ("*visa*") of the Offeror's offer document and the Company's response document
28 January 2025	Filing of the information relating to the Offeror's legal, financial, accounting and other characteristics with the AMF Filing of the information relating to the Company's legal, financial, accounting and other characteristics with the AMF
28/29 January 2025	Offeror's offer document and information relating to its legal, financial, accounting and other characteristics are made available to the public and posted to the websites of the AMF (www.amf-france.org), the Offeror (neoen-offer-brookfield.com) and the Company (www.neoen.com). Publication by the Offeror of a press release specifying the terms and conditions for making the offer document and the information relating to the legal, financial, accounting and other characteristics of the Offeror available to the public Company's response document and information relating to its legal, financial, accounting and other characteristics made available to the public and posted

	to the websites of the AMF (www.amf-france.org) and the Company (www.neoen.com). Publication by the Company of a press release specifying the terms and conditions for making the response document and the information relating to the legal, financial, accounting and other characteristics of the Company available to the public
30 January 2025	Opening of the Offer
27 February 2025	Closing of the Offer
4 March 2025	Publication of the notice of result of the Offer by the AMF
10 March 2025	Settlement-delivery of the semi-centralized Offer by Euronext Paris
24 March 2025	Implementation of the Squeeze-Out procedure, if applicable

2.15 Brokerage fees and compensation of intermediaries

Except as set forth below, no fee or commission will be refunded or paid by the Offeror to a holder who tendered Shares or OCEANEs in the Offer, or to any intermediary or person soliciting the tendering of Shares or OCEANEs in the Offer.

The Offeror will bear the brokerage fees and the related VAT paid by the holders of Shares and holders of OCEANEs having tendered their Shares and/or OCEANEs in the semi-centralized Offer, up to a maximum of 0.3% (excluding VAT) of the amount of the Shares and OCEANEs tendered in the Offer with a maximum of EUR 150 per file (including VAT). Shareholders and holders of OCEANEs eligible for the refund of the brokerage fees as described above (and the related VAT) shall only be the holders of Shares and holders of OCEANEs that are registered in an account on the day preceding the opening of the Offer and that tender their Shares and/or OCEANEs in the semi-centralized Offer. Shareholders and holders of OCEANEs who sell their Shares and/or OCEANEs in the market will not be entitled to the said refund of brokerage fees (and related VAT).

2.16 Offer restrictions outside of France

The Offer has not been subject to any application for registration or approval by any financial market regulatory authority other than the AMF and no measures will be taken in this respect.

The Offer is therefore made to shareholders and holders of OCEANEs of the Company located in France and outside France, provided that the local law to which they are subject allows them to take part in the Offer without requiring that the Offeror complete additional formalities.

Publication of the Draft Offer Document, the Offer, the acceptance of the Offer and the delivery of the Shares or OCEANEs may, in certain jurisdictions, be subject to specific regulations or restrictions. Accordingly, the Offer is not directed at persons subject to such restrictions, either directly or indirectly, and must not be accepted from any jurisdiction where the Offer is subject to restrictions.

Neither the Draft Offer Document nor any other document relating to the Offer constitutes an offer to sell or acquire financial instruments or a solicitation of such an offer in any jurisdiction in which such an offer or solicitation would be unlawful, could not validly be made, or would require the publication of a prospectus or the completion of any other formality under local financial law. Holders of Shares and OCEANEs located outside of France may only participate in the Offer to the extent that such participation is permitted under the local law to which they are subject.

Accordingly, persons in possession of the Draft Offer Document are required to obtain information regarding any applicable local restrictions and to comply with such restrictions. Failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Offeror shall not be liable for any breach by any person of any applicable legal or regulatory restrictions.

United States of America

The Offer is being made for the securities of Neon, a company incorporated under the laws of France, and is subject to French disclosure and procedural requirements, which differ from those of the United States of America.

The Offer will be made in the United States of America in accordance with section 14(e) of the U.S. Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, including Regulation 14E after application of the exemptions provided by Rule 14d-1(d) of the Exchange Act and the requirements of French law. Accordingly, the Offer will be subject to certain disclosure and procedural rules, including those relating to the timing of settlement (including as regards the time when the payment of the consideration is rendered) and the purchase of Shares outside the Offer, which are different from the U.S. rules and practices relating to tender offers in the United States of America.

To the extent permissible under applicable laws and regulations, including Rule 14e-5 of the U.S. Exchange Act, and in accordance with French regulations, the Offeror and its affiliates may, directly or indirectly through any financial intermediary, as from the date thereof, and other than pursuant to the Offer, purchase, or arrange, to purchase Shares or OCEANEs, on or off market in accordance with Section 2.13. To the extent that information regarding such purchases or such arrangements is made public in France in accordance with the regulations in force, it will also be made public on the Offeror's website (neoen-offer-brookfield.com) in both French and English language for the purpose of communication to the Company's shareholders and holders of OCEANEs residing in the United States as indicated in Section 2.13. In no event will any such purchases be made for a price per Share or OCEANEs that is greater than the respective Offer Price per Share, Offer Price per 2020 OCEANE or Offer Price per 2022 OCEANE. No purchase or arrangement to purchase outside of the Offer will be made by or on behalf of the Offeror in the United States of America.

Payment of the Offer price to the U.S. shareholders and holders of OCEANEs may be a taxable transaction subject to income tax, including U.S. federal income tax and may be a taxable transaction pursuant to French national or regional tax laws, as well as foreign or other tax laws. It is strongly recommended that each U.S. shareholder and holder of OCEANEs immediately seeks independent professional advice regarding the tax consequences of accepting the Offer.

It may be difficult for U.S. shareholders and holders of OCEANEs to enforce their rights under U.S. federal securities laws because the Offeror and the Company are companies headquartered outside the United States of America and some or all of their respective officers and directors are residents of countries other than the United States of America. The U.S. shareholders and holders of OCEANEs may not be able to bring proceedings in a court outside the United States of America against a non-U.S. company or its officers or directors alleging violations of U.S. securities laws. In addition, it may also be difficult to compel a non-U.S. company and its affiliates to comply with judgments rendered by a U.S. court.

Neither the Draft Offer Document, nor the Draft Response Document have been filed with or reviewed by any federal or state market authority or any other regulatory authority in the United States of America (including the U.S. Securities and Exchange Commission), and none of those authorities has commented on the accuracy or adequacy of the information contained in the Draft Offer Document of the Draft Response Document. Any statement to the contrary would be illegal and could constitute a criminal offence.

For the purposes of the foregoing paragraphs, the U.S. and the United States mean the United States of America, its territories and possessions, or any of those States and the District of Columbia.

3. INFORMATION AND CONSULTATION PROCEDURES OF THE COMPANY'S SOCIAL AND ECONOMIC COMMITTEE

The social and economic committee (*comité social et économique*) of the Company was informed and consulted, in accordance with the provisions of articles L. 2312- 8 et seq. of the French Labour Code, on the Block Trade Acquisition (described in Section 2.1 of the Draft Response Document) and issued a favorable opinion with reserve (*avis favorable avec réserve*) on 17 June 2024.

4. REASONED OPINION OF THE COMPANY’S BOARD OF DIRECTORS

As at the date of the Draft Response Document, the board of directors of the Company is composed of the following members:

- Xavier Barbaro (Chairman of the board of directors)
- Helen Lee Bouygues*

- Sixto, represented by Bertrand Dumazy*
- Bpifrance Investissement, represented by Vanessa Giraud
- Ignacio Paz-Ares
- Ignacio Gomez-Acebo
- Ines Bargueno

* independent members

On 26 December 2024, the board of directors, composed of the following members, issued the reasoned opinion set out in full below:

Members of the board of directors having participated in the reasoned opinion:

- Xavier Barbaro (Chairman of the board of directors)
- Helen Lee Bouygues
- Sixto, represented by Bertrand Dumazy
- Vanessa Giraud,
- Fonds Stratégique de Participations (FSP), represented by Christophe Gégout,
- Simon Veyrat

Ms. Stéphanie Levant was absent and excused. Mr. Jacques Veyrat also attended the meeting in his capacity of censor.

"The Chairman notes that at its meeting on April 12, 2024, the Board of Directors appointed Finexsi - Expert & Conseil Financier, represented by Mr. Olivier Péronnet and Mr. Maxime Rogeon, as Independent Expert in accordance with Article 261-1, I, 1°, 2°, 4° and 5° and II of the AMF General Regulations (the "Independent Expert").

The Chairman reminds that the Independent Expert is responsible for drawing up a report on the financial terms of the Offer, in particular as the Company will, subject to the completion of the Block Trade Acquisition, be controlled by the initiator of the Offer, and that Brookfield intends to implement a squeeze-out procedure at the end of the Offer.

a. <u>Work of the ad hoc Committee and interaction with the Independent Expert</u>

The Chairman recalls that at its meeting of March 30, 2024, the Board of Directors ratified and formally approved the formation of the Ad Hoc Committee, comprising Helen Lee Bouygues, Sixto, represented by Bertrand Dumazy, and FSP, represented by Christophe Gégout, all of whom are independent members of the Board of Directors. The Ad Hoc Committee is responsible for preparing the draft reasoned opinion to be issued by the Board of Directors in connection with the Offer.

Sixto, represented by Mr Bertrand Dumazy, in its capacity as Chairman of the Ad Hoc Committee, then reports on its mission and briefly summarizes the work carried out in this context:

The ad hoc Committee has met on numerous occasions since it was informed of the proposed Transaction, and has been kept informed of the various stages and progress of the Transaction at regular meetings of the Company's Board of Directors.

In particular, the ad hoc Committee has met and discussed with the Independent Expert on numerous occasions since it was informed of the proposed Transaction, including 4 formal meetings:

- *April 12, 2024, for an introductory briefing on its mission and the information required to begin its work, and the appointment of Finexsi as Independent Expert;*
- *May 28, 2024, prior to the signing of the put option relating to the Block Trade Acquisition, at which meeting the Independent Expert reported his initial findings;*
- *December 16, 2024, for a detailed presentation by the Independent Expert of his work and preliminary conclusions;*
- *December 26, 2024, for a presentation of the Independent Expert's conclusions prior to the submission of the reasoned opinion by the Ad Hoc Committee.*

Details of the interactions between the members of the Ad Hoc Committee and the Independent Expert are set out in full in the expert report by Finexsi.

Throughout this period, the Ad Hoc Committee ensured that the Independent Expert had in his possession all the information he considered necessary for the performance of his mission, and that he was in a position to carry out his work under satisfactory conditions.

b. Conclusions of the Independent Expert's report

The Chairman reminds that the conclusions of the Independent Expert, reproduced below, were made available to the members of the board of directors:

"For Neoen shareholders

The present Simplified Public Tender Offer, which may be followed by a Squeeze-Out by the Offeror, is made to all shareholders at the Offer price of €39.85 per share (ex-dividend).

That Offer price corresponds to the price arising from the share purchase agreement formed by the Offeror with Impala, Fonds Stratégique de Participations managed by ISALT, Cartusia, Xavier Barbaro and other shareholders for the purchase of the Controlling Block, which had not been completed by the time the present report was submitted.

The Offer price shows a 32.3% premium to the central value obtained using the DCF method, which we regard as the most appropriate method. That value is based on the "standalone" financial trajectory provided by Management and extrapolated until the end of the facilities' operational lives. That trajectory reflects Management's growth ambitions until 2030E, with an installed capacity target of 15 GW financed without any new fund-raising, as disclosed to the market. It is based on Management's ability to continue developing its portfolio at a sustained pace without any deterioration in financial performance, and factors in the full effect of the Company's strategy *implemented and disclosed to the market. Accordingly, based on our primary valuation method, shareholders are getting an Offer price that fully values Neoen's shares.*

The Offer provides immediate liquidity to Neoen shareholders who so wish, along with a premium of 27.4% over the last quoted price preceding the announcement of the Offer and 38.7% to the average share price during the 60 days preceding the announcement.

As regards the listed peers comparison method, presented as a secondary method, the Offer price shows premiums of 60.6% and 65.0% to the resulting range of values, although readers are reminded that the results of this method may be less relevant because of the limited comparability of the companies making up the sample.

As regards the comparable transactions method, the Offer price shows a premium of between 20.4% and 28.3%. Like the listed peers method, this is presented as a secondary method.

References to price targets published by analysts before the Offer was announced, also presented as a secondary method, show premiums ranging from 5.3% to 52.7%.

Concerning holders of OCEANE 2020 bonds

The Offer also covers all the 2020 and 2022 OCEANE bonds issued by Neoen.

The Offer price of the 2020 OCEANEs, i.e. €48.14 per OCEANE determined on the assumption of an opening of the Offer on January 30, 2025, corresponds to the adjusted contractual conversion value used as principal. This results from taking into account the Offer price of the shares in application of the conversion formula provided for in the terms and conditions of the OCEANEs in the event of a public offer.

We note that the Offer price of the 2020 OCEANEs shows premiums on all the other main criteria, namely (i) a 3.7% premium on the early redemption clause in the event of a change of control, (ii) a 1.8% premium on the last trading price before the announcement of the Offer and (iii) a 5.1% premium on the central value of the intrinsic method.

As regards holders of 2020 OCEANEs

The Offer also relates to all of the 2020 and 2022 OCEANEs issued by Neoen.

The Offer price for the 2020 OCEANEs, i.e. €48.14 per OCEANE assuming the Offer opens on January 30, 2025, corresponds to the contractual adjusted conversion value, which is our primary valuation method. That value results from taking into account the Offer price for Neoen's shares and applying the conversion formula provided for in the terms and conditions of the OCEANEs in the event of a public offer.

We note that the Offer price for the 2020 OCEANEs shows premiums relative to the values obtained using all other primary methods, i.e. (i) a premium of 3.7% to the value based on the clause provided for early redemption in the event of a change of control, (ii) a premium of 1.8% to the last market price before the Offer was announced and (iii) a premium of 5.1% to the central value of the intrinsic method.

As regards holders of 2022 OCEANEs

The Offer price for the 2022 OCEANEs, i.e. €101,382 per OCEANE assuming the Offer opens on January 30, 2025, corresponds to the value obtained by applying the clause providing for early redemption in the event of a change of control, included in the terms and conditions of the OCEANEs, the amount of which is higher than the *contractual adjusted conversion value (€99,888 per 2022 OCEANE). We used both of these two approaches as primary valuation methods.*

We note that the Offer price for the 2022 OCEANEs shows premiums relative to the values obtained using the other primary methods, i.e. (i) a premium of 3.3% to the last market price before the Offer was announced and (ii) a premium of 10.3% to the central value of the intrinsic method.

<u>As regards related agreements</u>

We examined agreements that could materially influence the assessment or outcome of the Offer, as presented in the draft offer document, i.e. (i) Bpifrance's undertaking to tender shares to the offer, (ii) the liquidity agreement, (iii) the cash-based retention plan, (iv) the retention share plan, (v) Romain Desrousseaux's liquidity agreement, (vi) Xavier Barbaro's liquidity agreement, (vii) Xavier Barbaro's cash-based retention plan, (viii) the Synthetic Share Plan, (ix) the Shareholders' Agreement and (x) reinvestments by Xavier Barbaro and Romain Desrousseaux. These agreements do not contain any provision that could call into question, in our view, the fairness of the Offer from the financial point of view.

As a result, as of the date of the present report, our opinion is that the Offer price of €39.85 (ex-dividend) per share, €48.14 per 2020 OCEANE and €101,382 per 2022 OCEANE is fair 2022 OCEANEs shows premiums relative to the values obtained using the other primary methods, i.e. (i) a premium of 3.3% to the last market price before the Offer was announced and (ii) a premium of 10.3% to the central value of the intrinsic method of view for holders of Neoen's shares and 2020 and 2022 OCEANEs, including in the event of a Squeeze-Out."

The Chairman gives the floor to directors to ask questions or make comments.

The Chairman invited Sixto, represented by Mr Bertrand Dumazy, Chairman of the Ad Hoc Committee, to present the conclusions of the Ad Hoc Committee and the draft reasoned opinion as proposed to the Board of Directors:

<u>Draft reasoned opinion</u>:

The Ad Hoc Committee proposed the following reasoned opinion:

<u>"Regarding the interest of the Offer for the Company</u>

The Ad Hoc Committee notes that the Offeror's intentions are described in paragraphs 1.2.1 to 1.2.8 of the draft offer document as prepared by the Offeror as of the date hereof (the "Draft Offer Document"). In particular, it is stated that the Offeror's intention is "to operate Neoen as a stand-alone holding company led by the current management team, with its own balance sheet and budget, while benefiting from the full support of Brookfield's global renewable energy and transition platform and asset management capabilities"

The Ad Hoc Committee thus notes that the Offer will enable the Company to be backed by a controlling shareholder with substantial financial resources, whose project is in line with the Company's strategy. The Ad Hoc Committee notes that the Offeror believes that it is particularly well positioned to help the Company take the next step in its growth, from a commercial and financial point of view

The Offer is in line with the strategy pursued by the management team with regard to countries and technologies, as well as the general approach to contracting. As part of this strategy, the Offeror intends to pursue the disposal of assets in non-core jurisdictions in Africa and Latin America, in order to allocate more resources and focus on core assets and regions where the Offeror sees the greatest potential for value creation. Any expansion beyond the current *footprint would be assessed on a case-by-case basis. Finally, the Offeror intends to maintain the current farm-down strategy while retaining the necessary flexibility and to pursue farm-downs on the Company's larger portfolios and assets on a regional basis. The amount of farm-downs will be assessed on the basis of the Company's future capital requirements to finance growth, among other considerations.*

The Offeror also intends to support the Company's debt strategy in the debt capital markets, and to gradually expand the Company's financing mechanisms as its business grows.

The Ad Hoc Committee notes that the Offeror does not intend to merge with the Company, but that certain reorganization operations could be envisaged.

In addition, the Ad Hoc committee notes that in the event of implementation of the Squeeze Out and delisting of the Company, a change in the Company's current corporate form may be envisaged.

The Ad hoc Committee notes that the Offeror considers that these reorganizations would have no impact on the Company's operations or workforce. The relevant staff representative bodies would be informed and/or consulted, as required, in accordance with applicable laws.

Lastly, the Ad Hoc Committee notes that, in connection with the Australian Competition and Consumer Commission's approval of the Block Trade Acquisition, the Company has decided to divest its entire portfolio of assets and projects in the State of Victoria, Australia, comprising 652 MW of assets in operation and 2.8 GW of projects under development, to HMC Capital for AUD 950 million. An agreement was signed on December 4, 2024 between the Company and HMC Capital, with a target completion date of July 1,2025, subject to completion of the Block Trade Acquisition.

Having considered the above, the Ad Hoc Committee confirms the interest of the Offer for the Company.

Regarding the interest of the Offer for employees

The Offeror indicated in the Draft Offer Document (paragraph 1.2.2) that "the Offer is part of an ongoing growth strategy with respect to Neoen and should not have any particular impact on the Group's workforce and human resources management policies, nor on the working conditions of employees or their collective or individual status ". Furthermore, the Offeror has indicated that it is "not considering any substantial changes in the way and the locations where the Group operates".

It should be noted that the applicable procedures for informing and consulting the Company's employee representative bodies concerning the disposal of the Block have been followed.

The social and economic committee of the Company (CSE), in its deliberation of June 17, 2024, issued a favorable with reserve (avis favorable avec réserve) regarding the proposed Block Trade Acquisition.

It should be noted that the Company has allocated free shares (the "Free Shares") to employees and executives of the Neoen group under several free share plans, and that employees also hold shares in the Company under company savings plans (Plan d'Epargne Entreprise).

In the context of the Offer, the Offeror proposed to the beneficiaries and holders of Free Shares which could not be tendered to the Offer or to the Squeeze Out (the "Unavailable Shares") to enter into commitments to purchase and sell their Unavailable Shares in order to enable them to benefit from a cash liquidity for these Unavailable Shares (the "Liquidity Agreements")

Having considered the above, the Ad Hoc Committee confirms the interest of the Offer for the employees.

Regarding the Offer Price and the interest of the Offer for the Company's shareholders and holders of the 2020 and 2022 OCEANEs

The Committee notes that :

- *On Offer price per share :*

- *the Offeror states that the offer price of 39.85 euros per share ("**Offer Price**") represents: (i) a premium of 26.9% over the last closing price of the shares on the date of announcement of the transaction (May 30, 2024) and (ii) premiums of 40.3% and 43.5% over the 3-month and 6-month volume-weighted average prices respectively, as well as (iii) significant premiums over the other valuation criteria; and*

- *The Independent Expert states that:*

    - *the Offer price shows a 32.3% premium to the central value obtained using the DCF method, which we regard as the most appropriate method. That value is based on the "standalone" financial trajectory provided by Management and extrapolated until the end of the facilities' operational lives. That trajectory reflects Management's growth ambitions until 2030E, with an installed capacity target of 15 GW financed without any new fund-raising, as disclosed to the market. It is based on Management's ability to continue developing its portfolio at a sustained pace without any deterioration in financial performance, and factors in the full effect of the Company's strategy implemented and disclosed to the market. Accordingly, based on our primary valuation method, shareholders are getting an Offer price that fully values Neoen's shares;*

    - *The Offer provides immediate liquidity to Neoen shareholders who so wish, along with a premium of 27.4% over the last quoted price preceding the announcement of the Offer and 38.7% to the average share price during the 60 days preceding the announcement;*

    - *as regards the listed peers comparison method, presented as a secondary method, the Offer price shows premiums of 60.6% and 65.0% to the resulting range of values, although readers are reminded that the results of this method may be less relevant because of the limited comparability of the companies making up the sample;*

    - *as regards the comparable transactions method, the Offer price shows a premium of between 20.4% and 28.3%. Like the listed peers method, this is presented as a secondary method;*
    - *references to price targets published by analysts before the Offer was announced, also presented as a secondary method, show premiums ranging from 5.3% to 52.7%;*

    - *Overall, the Offer price of €39.85 (ex-dividend) per share, is fair from the financial point of view for holders of Neoen's shares, including in the event of a Squeeze-Out*

- *On the Offer price per OCEANE 2020 and the Offer price per OCEANE 2022 :*

  - *the Offeror indicates that these prices are aligned with the prices resulting from the adjustment provisions of the OCEANEs in the event of a change of control (as this term is defined in the terms and conditions of the OCEANEs); and*

- *The Independent Expert states that:*

  - *On the Offer price of the 2020 OCEANEs :*

    - *the Offer price of the 2020 OCEANEs, i.e. €48.14 per OCEANE assuming the Offer opens on January 30, 2025, corresponds to the contractual adjusted conversion value, which is our primary valuation method. That value results from taking into account the Offer price for Neoen's shares and applying the conversion formula provided for in the terms and conditions of the OCEANEs in the event of a public offer;*

    - *the Offer price of the 2020 OCEANEs OCEANEs shows premiums relative to the values obtained using all other primary methods, i.e. (i) a premium of 3.7% to the value based on the clause provided for early redemption in the event of a change of control, (ii) a premium of 1.8% to the last market price before the Offer was announced and (iii) a premium of 5.1% to the central value of the intrinsic method.*

  - *On the offering price of the 2022 OCEANEs :*

    - *the Offer price for the 2022 OCEANEs, i.e. €101,382 per OCEANE assuming the Offer opens on January 30, 2025, corresponds to the value obtained by applying the clause providing for early redemption in the event of a change of control, included in the terms and conditions of the OCEANEs, the amount of which is higher than the contractual adjusted conversion value (€99,888 per 2022 OCEANE). We used both of these two approaches as primary valuation methods;*

    - *the Offer price of the 2022 OCEANEs shows premiums relative to the values obtained using the other primary methods, i.e. (i) a premium of 3.3% to the last market price before the Offer was announced and (ii) a premium of 10.3% to the central value of the intrinsic method.*

  - *Overall, the Independent Expert concludes that the Offer price of €48.14 per OCEANE 2020 and €101,382 per OCEANE 2022 is fair from the financial point of view for the holders of Neoen's OCEANE 2020 and 2022, including in the event of the implementation of a Squeeze Out.*

Finexsi received a letter from Millennium International Management LP ("Millennium"), holder of 2020 and 2022 OCEANEs, dated October 17, 2024. In this letter, Millennium states that the prices of the OCEANEs "do not represent the fair value of the OCEANEs 2020 and OCEANEs 2022", and determines a valuation range based on two optional models from Bloomberg. Millennium thus extrapolates values of between €46.6 and €51.0 for the OCEANEs 2020 and between €98,600 and €108,300 for the OCEANEs 2022. Finexsi wrote to Millennium to obtain further details on the valuation parameters used, which were provided in December. Finexsi *took into account and examined the information provided by Millennium. Finexsi's conclusions show that the OCEANE bondholder did not implement a multi-criteria valuation approach, and only considered an optional model, unlike their valuation approach. Its analysis of the various points raised by Millennium does not therefore lead to change its assessment of the Offer price of €48.14 for the 2020 OCEANEs and €101,382 for the 2022 OCEANEs.*

It should be noted that the Independent Expert has also reviewed the agreements that could have a significant influence on the assessment or outcome of the Offer, as presented in the draft offer document, namely (i) the Bpifrance undertaking to tender, (ii) the liquidity contract, (iii) the cash retention plan, (iv) the retention share plan, (v) Mr. Romain Desrousseaux's liquidity contract, (vi) Mr. Xavier Barbaro's liquidity contract, (vii) Mr. Xavier Barbaro's cash retention plan, (viii) the synthetical share plan, (ix) the shareholders' agreement and (x) Mr. Xavier Barbaro's and Mr. Romain Desrousseaux's reinvestment agreements. In the Independent Expert's opinion, this examination did not reveal any provision that would call into question the fairness of the Offer from a financial point of view.

The Ad Hoc Committee therefore considers that the Offer will enable the Company's minority shareholders and holders of OCEANEs to obtain immediate and full liquidity for their Shares and OCEANEs, under price conditions considered fair by the Independent Expert, including in the event of implementation of the squeeze-out. In addition, the Committee notes that :

- *in the event that the number of shares not tendered to the Offer by the minority shareholders of the Company (excluding treasury Shares held by the Company and Shares covered by Liquidity Agreements, but including the PEE Unavailable Shares and the 2023 Accelerated Free Shares as these terms are defined in the Draft Offer Document) would represent no more than 10% of the Company's share capital and voting rights at the close of the Offer, the Offeror intends to implement, at the latest within 3 months of the closing of the Offer, under the conditions set out in articles 237-1 et seq. of the AMF General Regulations, a squeeze-out procedure. The implementation of this procedure will result in the delisting of the Shares from Euronext Paris.*

- *in the event that the number of shares not tendered to the Offer by the minority shareholders of the Company and the number of shares that may be issued following conversion of the OCEANEs not tendered to the Offer do not represent more than 10% of the sum of the existing shares and the shares that may be issued following conversion of the OCEANEs at the closing of the Offer, the Offeror also intends to request the implementation of a squeeze-out in accordance with articles 237-1 et seq. of the AMF General Regulations, in order to transfer the OCEANEs not tendered to the Offer. The implementation of this procedure will result in the delisting of the OCEANEs from Euronext Access.*

  In accordance with the terms and conditions of the OCEANEs, the Company may, at its discretion and at any time, redeem at par plus accrued interest all of the relevant outstanding OCEANEs, if they represent less than 15% of the number of OCEANEs 2020 issued under the OCEANEs 2020 and if they represent less than 20% of the number of OCEANEs 2022 issued under the OCEANEs 2022.

  In the event that the conditions required to implement a Squeeze-Out for the Shares are met, but the conditions required to implement a squeeze-out for the OCEANEs are not met, the Initiator intends to implement a squeeze-out on the shares under the conditions described above, subject to the Company being able to exercise the early redemption option in due course (it being specified that the Initiator reserves the right to waive this condition). The implementation of this procedure will result in the delisting of the Shares from Euronext Paris.

Lastly, the Committee notes that the Offeror also intends to propose to the Company's 2025 Annual General Meeting, to be held before June 30, 2025, to approve the deletion of the double voting rights attached to shares registered in "pure" registered form for more than two years (previously approved in 2023 and provided for in article 11 of the Company's bylaws).

Having considered the above, the Ad Hoc Committee confirms the interest of the Offer for the shareholders of the Company and the holders of OCEANEs 2020 and 2022.

Recommendation of the Ad Hoc Committee :

The Ad Hoc Committee, at the end of its mission and after having reviewed all the information made available to its members, in particular (i) the elements of assessment of the Offer Price included in the Draft Offer Document, (ii) the objectives and intentions expressed by the Offeror in the Draft Offer Document, (iii) the report of the Independent Expert :

- *considers that the Offer is in the interests of the Company and its employees, since the Offer is not expected to have any particular impact on employment, and is in line with the Company's strategy, by enabling the Company to benefit from the support of a leading shareholder with substantial financial resources, whose project is in line with the Company's strategy;*

- *considers that the Offer is in the interests of minority shareholders, as it enables them to benefit from immediate and full liquidity at a significant premium to relevant stock market benchmarks, and at the same price as that obtained by the sellers of the majority block;*

- *considers that the Offer is in the interests of the holders of OCEANEs, by enabling them to benefit from immediate and full liquidity at prices aligned with the prices resulting from the adjustment provisions for OCEANEs in the event of a change of control;*

- *unanimously recommends that the Board of Directors (i) conclude that the Offer is in the interests of the Company, its shareholders, the holders of the 2020 and 2022 OCEANEs and its employees, (ii) issue a favorable opinion on the proposed Offer as presented to it and (iii) recommend, accordingly, that the Company's shareholders and holders of OCEANEs tender their shares to the Offer.*

Opinion of the Board of Directors:

In the light of the above, discussions ensued.

In particular, the Chairman is asking the directors to confirm whether or not they intend to tender all or some of the Company shares they hold to the Offer:

Name	Function	Number of Shares held at the date of the reasoned opinion	Intention
Xavier Barbaro	*Chairman of the board of directors*	*155,516*	*Shares sold as part of the Block Trade Acquisition.* *Unavailable Shares are subject to a Liquidity Agreement.*
Helen Lee Bouygues	*Director*	*1,632*	*Tender to the Offer*
Simon Veyrat	*Director*	*0*	*N/A*
Stéphanie Levan	*Director*	*1,450*	*Tender to the Offer*
Fonds Stratégique de Participations	*Director*	*10,593,898*	*Shares to be sold in the context of the Block trade Acquisition.*
Bpifrance Investissements	*Director*	*6,674,470*	*Tender the the Offer in the context of a Tender Undertaking dated 24 June 2024.*
Sixto	*Director*	*1,350*	*Tender to the Offer*
Jacques Veyrat	*Censor*	*0*	*N/A*

After discussion of the draft Offer, the Board of Directors, in view of the information submitted, and in particular (i) the objectives and intentions expressed by Brookfield, (ii) the valuation elements prepared by the presenting institutions and included in the Offeror's Draft Offer Document, (iii) the conclusions of the Independent Expert's report on the financial conditions of the Offer and the Squeeze-Out, (iv) the Offeror's draft offer document and the Company's draft reply document, and (v) the conclusions of the Ad Hoc Committee's review, unanimously, including the members participating in the work of the Ad Hoc Committee, Mr. Barbaro deferring to the Ad Hoc Committee's opinion:

- ***approves*** *the draft reasoned opinion as proposed by the Ad Hoc Committee;*
- ***considers*** *that the Offer is in the interests of the Company, its shareholders, the holders of OCEANE 2020 and OCEANE 2022 and its employees;*
- ***resolves****, in light of the observations, conclusions and recommendations of the Ad Hoc Committee, to issue a favorable opinion on the proposed Offer, as presented to it;*
- *accordingly* ***recommends*** *that the shareholders and holders of OCEANEs tender their shares and OCEANEs to the Offer;*

- ***gives** full powers to the Chairman to finalize the Company's draft response document to the Offer, as well as any other document that may be required in connection with the Offer, and in particular the "other information" document presenting the legal, financial and accounting characteristics of the Company, to be filed with the AMF and published in accordance with the provisions of Article 231-28 of the AMF General Regulations, and more generally to take all necessary measures and actions to complete the Offer."*

5. INTENTIONS OF THE COMPANY'S BOARD MEMBERS

The members of the Company's board of directors, who have participated in the meeting during which the board of directors issued its reasoned opinion set forth in Section 4, have expressed the following intentions:

Name	Function	Number of Shares held at the date of the reasoned opinion	Intention
Xavier Barbaro	Chairman of the board of directors	155,516	113,973 Shares sold as part of the Block Trade Acquisition. The 41,543 Unavailable Shares are subject to a Liquidity Agreement.
Helen Lee Bouygues	Director	1,632	Tender of 1,632 Shares to the Offer
Simon Veyrat	Director	0	N/A
Stéphanie Levan	Director	1,450	Tender of 1,450 Shares to the Offer
Fonds Stratégique de Participations	Director	10,593,898	FSP sold all its Shares to the Offeror in the context of the Block Trade Acquisition
Bpifrance Investissements	Director	6,674,470	Tender the the Offer in the context of a Tender Undertaking dated 24 June 2024
Sixto	Director	1,350	Tender of 1,350 Shares to the Offer

It is specified that following the issuance of the reasoned opinion on 26 December 2024, Mr. Simon Veyrat, Mrs. Stéphanie Levan and the Fonds Stratégique de Participations (FSP), represented by Mr. Christophe Gégout, have resigned, with effect as from the date of the Block Trade Acquisition, from their positions as members of the board of directors of Neoen and Mr. Jacques Veyrat has resigned from his position as observer. In replacement of these directors, the board of directors has coopted, with effect on the same date, the following representatives from Brookfield: Mr. Ignacio Paz-Ares, Mrs. Ines Bargueno and Mr. Ignacio Gomez-Acebo. As at the date of this Draft Response Document, Mr. Ignacio Paz-Ares, Mrs. Ines Bargueno, and Mr. Ignacio Gomez-Acebo do not hold any Shares of the Company.

In accordance with Article 231-28 of the AMF General Regulation, information relating in particular to the legal, financial and accounting characteristics of the Offeror will be the subject of a specific document filed with the AMF and made available to the public in a manner intended to ensure full and effective disclosure, no later than the day prior to the opening of the Offer.

6. INTENTIONS OF THE COMPANY WITH RESPECT TO THE TREASURY SHARES

At the date of the Draft Response Document, the Company holds 188,338 of its own Shares.

On 26 December 2024, the board of directors decided unanimously that the treasury Shares shall not be tendered in the Offer.

7. CLAUSES OF AGREEMENTS LIKELY TO HAVE AN IMPACT ON THE ASSESSMENT OR OUTCOME OF THE OFFER

7.1 BPI's undertaking to tender its Shares in the Offer

As indicated in Section 2.1, on 24 June 2024, Brookfield Renewable Holdings entered into the BPI Tender Undertaking with Bpifrance pursuant to which Bpifrance undertakes to tender its 6,674,470 Shares (representing at such date 4.36% of the share capital and theoretical voting rights of the Company) into the Offer (the "**BPI Shares**"). The BPI Shares which are the subject of this BPI Tender Undertaking will be tendered to the Offer at the Offer Price per Share.

Bpifrance has notably undertaken to keep the free and full property of the BPI Shares until the date upon which it will tender the BPI Shares to the Offer, not to encumber them with any right or any engagement whatsoever and not to transfer title to the BPI Shares, enter into any agreement with, or give any undertaking to, a third party to transfer or restrict the ownership of, or rights in, the BPI Shares, nor grant any rights whatsoever over the BPI Shares in favour of a third party.

Under the BPI Tender Undertaking, Bpifrance has agreed to cause its representative at the board of directors of the Company to resign from her position upon having tendered its Shares into the Offer.

The undertaking of Bpifrance is notably subject to the Offer being cleared by the AMF. This undertaking may be terminated by Bpifrance in the event, cumulatively, (i) of a competing offer filed by a third party which would be cleared by the AMF and (ii) (A) in the absence of an improved offer by the Offeror that is declared compliant (conforme) by the AMF or (B) in case of withdrawal of the Offer by the Offeror in accordance with article 232-11 of the AMF General Regulations.

It is specified that the Offeror and Bpifrance are not acting in concert.

7.2 Reinvestment of the managers

The information below reproduces the information contained in the Draft Offer Document, as the Company is not a party to those agreements.

(a) Description of the Reinvestment Plan and the Synthetic Share Plan

Brookfield Renewable Holdings and Cartusia have entered into a reinvestment agreement on 27 December 2024, (the "**Reinvestment Agreement**"), in order to set out the main provision of (i) the reinvestment plan that should be put in place at the level of BRHL UK MidCo Limited[51] ("**BRHL Midco**"), an intermediary holding vehicle indirectly wholly owned by Holdco, which in turn wholly-owns Brookfield Renewable Holdings, for the benefit of certain executives and corporate officers of the Group, including Mr. Xavier Barbaro (acting as legal representative of Cartusia) and Mr. Romain Desrousseaux (the "**Managers**") (the "**Reinvestment Plan**") and (ii) the synthetic share plan that should be put in place for the benefit of the Managers (the "**Synthetic Share Plan**"), in each case, following the closing of the Offer. In the context of the Reinvestment Plan, the Managers will enter into or adhere to a shareholders' agreement in respect of BRHL Midco, which will reflect the terms of the Reinvestment Agreement (the "**BRHL Midco SHA**").

The Reinvestment Plan includes:

i. an investment by certain Managers in ordinary shares of the BRHL Midco, *pari passu* with BRHL UK Topco Limited[52] ("**BRHL Topco**"), being an intermediate vehicle wholly-owned by Holdco and shareholder of BRHL Midco, financed by the use of all or part of their Shares proceeds received as part of the Block Trade Acquisition, the Offer or resulting from the contribution in kind of their Shares at the Offer Price per Share to BRHL Midco; and

ii. the free grant to certain Managers of ordinary shares of BRHL Midco, as part of a new retention plan in cash (see Section 2.8).

The ordinary shares issued by BRHL Midco will be subscribed for at market value, as the case may be, determined by an expert.

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51 BRHL UK MidCo Limited, a private company limited by shares with its registered office at Level 25, One Canada Square, Canary Wharf, London, E14 5AA, United Kingdom, and registered with the Registrar of Companies for England and Wales under number 15725580.

52 BRHL UK Topco Limited, a private company limited by shares with its registered office at Level 25, One Canada Square, Canary Wharf, London, E14 5AA, United Kingdom, and registered with the Registrar of Companies for England and Wales under number 15722933.

The Synthetic Share Plan would consist of bonus payments to the Managers, for an amount corresponding to the notional value attached to synthetic shares (the "**Synthetic Shares**") awarded to them, as follows:

i. the Synthetic Share Plan provides for a linear vesting of the Synthetic Shares over a period of five years (with customary accelerated vesting provisions);

ii. the notional value of the Synthetic Shares is based on the capital gain realized by BRHL Topco on its investment in BRHL Midco above a certain hurdle rate, upon the occurrence of (i) a termination of duties of a Manager, (ii) a listing of a company of the Group, (iii) a direct or indirect transfer of shares in BRHL Midco, (iv) a winding-up of BRHL Midco or (v) a significant dividend distribution by BRHL Midco (an "**Exit**").

(b) <u>Reinvestment of CEO and Deputy CEO</u>

Cartusia (in accordance with the terms of the Reinvestment Agreement) has committed to reinvest in cash at the level of BRHL Midco, by way of subscription to ordinary shares of BRHL Midco, for an aggregate reinvestment amount of EUR 25 million.

In accordance with the reinvestment agreement entered into on 27 December 2024 between Brookfield Renewable Holdings and Mr. Romain Desrousseaux, the latter has the option to reinvest a maximum total amount of approximately EUR 6.2 million, which may be carried out directly or indirectly, by way of a contribution in kind of all or part of the RD Shares That May Be Tendered at the Offer Price per Share or by way of a cash contribution.

(c) <u>Description of BRHL Midco SHA at the level of BRHL Midco – Transfers of securities and liquidity</u>

The following provisions shall be applicable to transfers of BRHL Midco securities:

- Pre-emption right of BRHL Topco: BRHL Topco shall benefit from a pre-emption right in the event of a transfer by a Manager of his/her securities in BRHL Midco other than a customary free transfer, unless such transfer has been approved by BRHL Topco.

- Drag along right of BRHL Topco: in the event BRHL Topco receives an offer from a third party for the acquisition of a majority of the share capital of BRHL Midco, BRHL Topco shall have the right to cause the Managers to sell 100% of their BRHL MidCo securities.

- Tag along right:

    - Proportional tag along right: in the event of any direct or indirect transfer of BRHL Midco securities to a third party other than a customary free transfer, the Managers may require to sell the same proportion of BRHL Midco securities to such third party.

    - Total tag along right: in the event of any direct or indirect transfer of BRHL Midco securities to a third party that would result in either (i) such third party holding more than 50% of the BRHL Midco securities other than in connection with a customary free transfer, or (ii) BRHL Topco or its affiliates ceasing to control BRHL Midco, the Managers may require to sell all their BRHL Midco securities to such third party.

Managers will ultimately benefit from liquidity rights on a portion of the BRHL Midco securities they own in the form of a put option granted by BRHL Topco to each Manager (the "**Liquidity Put Option**"). The exercise price of the Liquidity Put Option will be based on the market value of 100% BRHL Midco securities, as determined based on the most recent quarterly valuation of the Group as set out in reporting to BRHL Topco's ultimate investors or, in case of disagreement, by an independent expert.

7.3 Liquidity Agreements

The Offeror has offered to the beneficiaries of Unavailable Free Shares, Managers Unavailable Shares (as defined below) and/or Unavailable Holding Shares (together the "**Unavailable Shares**") (the "**Holders of Unavailable Shares**") to enter into commitments to buy and sell their Unavailable Shares in order to enable them to benefit from cash liquidity for the Shares that could not be tendered to the Offer or acquired in the Squeeze-Out (the "**Liquidity Agreement**").

With respect to the Unavailable Free Shares and Managers Unavailable Shares held by Mr. Romain Desrousseaux, in accordance with the Liquidity Agreement, if an Event of Liquidity Default (as defined below) occurs, the Offeror will have a call option (the "**Call Option**"), pursuant to which each Holder of Unavailable Shares irrevocably undertakes to sell to the Offeror its Unavailable Shares at the request of the Offeror at any time during twenty (20) calendar days starting on the sending date of a notice informing each Holder of Unavailable Shares of the availability date of the relevant Unavailable Shares (being specified that such notice shall be sent at the latest five (5) business days as from the availability date of the relevant Unavailable Shares) (the "**Call Option Period**") and, in the absence of exercise of the Call Option during the Call Option Period, Holders of Unavailable Shares will have a put option against the Offeror, pursuant to which the Offeror irrevocably undertakes to acquire from the holder its Unavailable Shares, at any time during a period of sixty (60) calendar days starting on the first business day following the expiry of the Call Option Period (the "**Put Option**", together with the Call Option, the "**Options**").

An "Event of Liquidity Default" means:

- a Squeeze-Out has been implemented by the Offeror, or,
- the Offeror holds more than 90% of the share capital or voting rights of the Company and the Offeror has not requested to the AMF that a Squeeze-Out be implemented; or
- the average volume of the Company's shares traded each day over the past twenty (20) trading days is less than 0.055% of the Company's share capital, on the basis of the information published by Euronext Paris.

In accordance with the provisions of the Liquidity Agreement entered into by Mr. Xavier Barbaro (as well as Cartusia, Equinox, Kampen, Hilaris and Palancia), the exercise of the Options on his Unavailable Holding Shares, Unavailable Free Shares and Managers Unavailable Shares is not subject to the occurrence of an Event of Liquidity Default and can be exercised as from the availability date of each category of Unavailable Shares (based on an identical exercise price for all beneficiaries of Unavailable Shares as described below).

In addition, with respect to the Managers Unavailable Shares, they must be held (and consequently, the Options cannot be exercised) as long as Mr. Xavier Barbaro and Mr. Romain Desrousseaux respectively hold their positions of corporate officers within the Group and cannot therefore be tendered in the Offer; they are thus covered by the Liquidity Agreements entered into respectively by Mr. Xavier Barbaro and Mr. Romain Desrousseaux and the Options may be exercised after the termination of their respective positions as corporate officers within the Group.

In the event of the exercise of an Option, the exercise price per Unavailable Share will be (i) equal to the Offer Price per Share if the Option is exercised before 31 December 2025, or (ii) equal to the market value of the Shares as at the exercise date of the Option according to the terms and conditions of the Liquidity Agreement if the Option is exercised after 31 December 2025 (and, if necessary, determined by an independent expert in the event of disagreement).

Should the Squeeze-Out be implemented, the Unavailable Shares (with the exception of the Unavailable PEE Shares and 2023 Accelerated Free Shares, which will be targeted in the Squeeze-Out) which exist as at the date of the Squeeze-Out and for which a Liquidity Agreement has been entered into, will be assimilated to the shares held by the Offeror in accordance with Article L. 233-9 I, 4° of the French Commercial Code, and will not be affected by the Squeeze-Out and the delisting.

In the event of exercise of the Options, holders of Unavailable Shares would not benefit from any mechanism enabling them to obtain a guaranteed transfer price. The Draft Offer Document underlines that no contractual mechanism is likely (i) to be analyzed as a price supplement, (ii) to call into question the relevance of the Offer Price per share or the equal treatment of minority shareholders, or (iii) to highlight a guaranteed transfer price clause in favor of holders of Unavailable Shares.

It is further provided that:

- the beneficiaries of the 2023 Free Share Plan and the 2024 Free Share Plan (including Mr. Xavier Barbaro) are offered by the Offeror the possibility to benefit, subject to an "Event of Liquidity Default" (or, in the case of Mr. Xavier Barbaro, subject to a resignation from his position as CEO of the Company following completion of the Squeeze-Out and up to the number of 2024 Free Shares acquired *pro rata temporis* on the date of termination of his duties), from a cash retention plan in lieu of all or part of their rights to receive these 2023 Free Shares and these 2024 Free Shares, as applicable, under the conditions described in Section 2.8, and

– as an exception to the above, certain Group Managers[53] (as such term is defined below) (excluding Mr. Xavier Barbaro) holding 2023 Non-Accelerated Free Shares and 2024 Free Shares (as these terms are defined in Section 2.8), are being offered by the Offeror the opportunity to benefit, subject to an "Event of Liquidity Default", from a new retention plan in the form of shares of BRHL Midco (in lieu of all or part of the above-mentioned cash retention plan), under the conditions described in Section 2.8,

it being specified that the beneficiaries of the 2023 Free Share Plan and the 2024 Free Share Plan will be able to choose to benefit from the cash retention plan or the retention share plan, as applicable, until 7 February 2025 (inclusive).

7.4 Other agreements of which the Company is aware

With the exception of the agreements described in this Section 7 (*Clauses of agreements likely to have an impact on the assessment or outcome of the Offer*), there are, to the knowledge of the Company, no other agreements likely to have an impact on the assessment or outcome of the Offer.

8. FACTORS THAT MAY HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

8.1 Share capital structure and ownership

8.1.1 Company's share capital

As of the date of this Draft Response Document, the Company has a share capital of 305,697,548 euros, divided into 152,848,774 Shares having a nominal value of 2.00 euros each.

8.1.2 Shareholding structure of the Company

(a) *Company's share capital and voting rights before the Block Trade Acquisition*

On the Announcement Date, the share capital and voting rights of the Company were as follows:

[53] Including Mr. Romain Desrousseaux.

Shareholders	Number of shares	Percentage of shares	Number of theoretical voting rights	Percentage of theoretical voting rights
Impala	64,144,529	42.14%	64,144,529	42.14%
Cartusia	1,261,485	0.83%	1,261,485	0.83%
Mr. Xavier Barbaro and members of his family (directly or indirectly)	780,419	0.51%	780,419	0.51%
Total concert party(1)	**66,186,433**	43.48%	**66,186,433**	43.48%
FSP	10,534,226	6.92%	10,534,226	6.92%
FPCI FONDS ETI 2020	6,674,470	4.39%	6,674,470	4.39%
Céleste	3,778,059	2.48%	3,778,059	2.48%
Mosca	835,977	0.55%	835,977	0.55%
Treasury shares	188,338	0.12%	188,338	0.12%
Free float	64,009,501	42.05%	64,009,501	42.05%
Total	**152,207,004**	100.00%	**152,207,004**	100.00%

(1) The concert party results from an agreement between shareholders Impala and Cartusia, the latter being a long-term investment vehicle held by Mr. Xavier Barbaro and the members of his family. The concert has been terminated upon completion of the Block Trade Acquisition.

Neither the Offeror, nor any of the companies under its control or controlling it within the meaning of article L. 233-3 of the French Commercial Code, held any Shares and OCEANEs, directly or indirectly, prior to the Block Trade Acquisition.

(b) *Shareholding structure of the Company's share capital and voting rights as of the date of this Draft Response Document*

As of the date of this Draft Response Document, following the completion of the Block Trade Acquisition, the share capital and voting rights of the Company are as follows:

Shareholders	Number of shares	Percentage of shares	Number of theoretical voting rights	Percentage of theoretical voting rights
Brookfield Renewable Holdings	81,197,100	53.12%	81,197,100	53.12%
Aranda Investments	14,330	0.009%	14,330	0.009%
Xavier Barbaro and his holding companies[54]	587,215	0.38%	587,215	0.38%
Romain Desrousseaux	452,340	0.30%	452,340	0.30%
Total concert	82,250,985	53.81%	82,250,985	53.81%
FPCI FONDS ETI 2020	6,674,470	4.37%	6,674,470	4.37%
Treasury shares	188,338	0.12%	188,338	0.12%
Free float	63,734,981	41,67%	63,734,981	41,67%
Total	152,848,774	100%	152,848,774	100%

As of the date of this Draft Response Document and as indicated in Section 2.7 (*Number and nature of the Shares targeted by the Offer*), the Offeror does not hold, directly and indirectly, alone and in concert, or by assimilation, any OCEANEs.

As at the date of this Draft Response Document, there are no other equity securities or other financial instruments issued by the Company or rights conferred by the Company that may give access, immediately or in the future, to the share capital or voting rights of the Company other than the existing Shares, the Free Shares described in Section 2.8 (*Situation of the beneficiaries of Free Shares*), and the OCEANEs described in Section 2.10 (*Situation of the holders of OCEANEs*) of

54 Cartusia, Equinox, Kampen, Hilaris and Palancia.

8.2 Restrictions provided for in the Articles of Association on exercising voting rights attaching to the Shares and on transferring Shares or clauses of agreements brought to the knowledge of the Company pursuant to Article L. 233-11 of the French Commercial Code

8.2.1 Restrictions provided for in the Articles of Association on exercising voting rights attaching to the Shares and on transferring Shares

Obligation to file declarations regarding the crossing of threshold

Article 10 of the Articles of Association of the Company provides that, in addition to the thresholds provided for by applicable legal and regulatory provisions, any individual or legal entity, acting alone or in concert, who comes to own or ceases to own, directly or indirectly, more than 1% of the share capital or voting rights of the Company, or any multiple of that percentage, including above the declaration thresholds provided for by applicable legal and regulatory provisions and up to 50% of the share capital or voting rights, must inform the Company of the total number of shares and voting rights it holds, as well as the securities giving access to the capital and the voting rights potentially attached thereto, by means of a registered letter with acknowledgement of receipt, sent to the registered office (Chief Executive Officer) no later than the close of trading on the 4th day following the date on which the threshold is crossed.

Transferring Shares and exercising voting rights

As of the date of this Draft Response Document, there are no restrictions provided for in the Articles of Association on transferring the Shares or on exercising the voting rights.

8.2.2 Clause in agreements providing for preferential conditions for the sale or purchase of Shares and relating to at least 0.5% of the Company's share capital or voting rights

As of the date of this Draft Response Document, there is, to the knowledge of the Company and except for the agreements already disclosed in this Draft Response Document, no clause providing for preferential conditions for the sale or purchase of Shares and relating to at least 0.5% of the Company's share capital or voting rights.

8.3 Direct and indirect shareholdings in the Company's share capital of which the Company is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code

As of the date of this Draft Response Document, the share capital is owned as indicated in Section 8.1 (*Share capital structure and ownership*) above.

As of the date of this Draft Response Document; in the course of the past twelve (12) months, besides the declarations of crossing of shareholding thresholds by the Offeror, individually and in concert with Temasek, as described in Section 2.3 (*Declarations of threshold crossing and of intentions*) of this Draft Response Document, the Company has received the following declarations of crossing of shareholding thresholds pursuant to Article L. 233-7 of the French Commercial Code, Articles

223-11 et seq. of the AMF General Regulation and Article 10 of the Articles of Association of the Company:

Date of market operation	Shareholder	Nature of threshold	Number of Shares	% Share capital
24/12/2024	BlackRock	Above the threshold of 3% of share capital and voting rights	4,590,050	3.00%
17/12/2024	Scotiabank	Above the threshold of 1% of share capital and voting rights	1,555,815	1.02%
27/11/2024	Glazer Capital LLC	Above the threshold of 2% of share capital and voting rights	3,058,383	2.0009%
06/11/2024	Millenium International Management LP	Below the threshold of 1% of capital and voting rights	1,481,268	0.969%
06/11/2024	Norges Bank (the Central Bank of Norway)	Above the threshold of 2% of share capital and voting rights	3,229,730	2.11%
21/10/2024	Blackrock	Below the threshold of 3% of capital and voting rights	4,467,760	2.92%
18/10/2024	Blackrock	Above the threshold of 3% of share capital and voting rights	5,032,396	3.29%
11/10/2024	Nomura International LLC	Above the threshold of 1% of share capital and voting rights	1,541,328	1.008%
08/10/2024	Glazer Capital LLC	Above the threshold of 1% of share capital and voting rights	1,850,000	1.2103%

20/09/2024	Millenium International Management LP	Above the threshold of 1% of share capital and voting rights	1,617,664	1.058%
12/08/2024[55]	Caisse des dépôts et consignations	Above the threshold of 5% of share capital and voting rights	7,961,935	5.20%
29/07/2024[56]	Caisse des dépôts et consignations	Threshold of 5% of share capital and voting rights	7,561,935	4.94%
29/07/2024	Caisse des dépôts et consignations (Indirectly - CDC Croissance operation)	Below the threshold of 1% of capital and voting rights (by CDC Croissance)	8,170,884	5.34%
17/07/2024	UBS Asset Management	Above the threshold of 1% of share capital and voting rights	1,573,495	1.03%
12/07/2024	Caisse des dépôts et consignations (Indirectly - CDC Croissance operation)	Below the threshold of 1% of capital and voting rights (by CDC Croissance)	8,170,884	5.34%
05/07/2024	AXA Investment Managers SA	Below the threshold of 1% of capital and voting rights	1,515,419	1%
02/07/2024	Caisse des dépôts et consignations	Below the threshold of 6% of share capital and voting rights	9,127,354	5.97%
26/06/2024	Norges Bank (the Central Bank of Norway)	Exceeding the threshold of 1% of share capital and voting rights	1,617,535	1.06%
27/06/2024	La Banque Postale Asset Management	Below the threshold of 2% of capital and voting rights	3,050,047	2%

55 See AMF publication no. 224C1453.

56 See AMF publication no. 224C1383.

21/06/2024	Blackrock	Below the threshold of 3% of capital and voting rights	3,320,793	2.17%
17/06/2024	La Banque Postale Asset Management	Below the threshold of 3% of capital and voting rights	4,190,003	2.75%
12/06/2024	La Banque Postale Asset Management	Below the threshold of 4% of capital and voting rights	5,855,605	3.85%
12/06/2024	UBS Asset Management	Below the threshold of 1% of capital and voting rights	1,488,810	0.97%
05/06/2024	Schroders Plc	Below the threshold of 1% of capital and voting rights	1,360,505	0.8939%
28/05/2024	AMUNDI	Above the threshold of 2% of capital and voting rights exceeded	3,106,909	2.04%
09/05/2024	CREDIT AGRICOLE SA (Indirectly - Predica operation)	Below the threshold of 1% of share capital and voting rights	1,503,480	0.99%
25/04/2024	Caisse des dépôts et consignations (Indirectly - CDC Croissance operation)	Below the threshold of 2% of capital and voting rights (by CDC Croissance)	9,705,121	6.37%
18/04/2024	UBS Asset Management	Above the threshold of 1% of share capital and voting rights	1,536,132	1.01%
04/04/2024	Norges Bank (the Central Bank of Norway)	Below the threshold of 1% of capital and voting rights	1,459,494	0.96%

As a result of the Block Trade Acquisition, Impala, Cartusia M. Xavier Barbaro (and his family members) declared to the AMF that they had crossed, downwards, the thresholds of 1/3rd, 30%, 25%, 20%,15%,10%, and 5% of the share capital and voting rights of the Company. In addition, the Offeror informed the AMF on 27 December 2024, that its interest in the Company, individually and in concert with Brookfield and Temasek, has risen above the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 1/3, and 50% of the Company's share capital and voting rights, and stated its intentions.

Finally, since 31 May 2024, the AMF has published several notices of purchases and sales made during a public tender offer period pursuant to Article 231-46 of its General Regulation.

8.4 List and description of holders of any securities of the Company with special control rights

The Company's share capital is exclusively composed of Shares, all of the same class.

The Company has not issued any preferred shares (*actions de préférence*) within the meaning of Articles L. 228-11 *et seq.* of the French Commercial Code.

Article 11 of the Articles of Association of the Company provides however that all fully paid-up shares registered in the name of the same shareholder (*enregistré au nominatif*) for at least two years carry a double voting rights compared to the one conferred on other ordinary shares, in proportion to the percentage of capital they represent. For the purpose of calculating this two-year period, the period during which shares have been registered in the name of the same shareholder before 10 May 2023 will not be taken into account. Article 11 of the Articles of Association of the Company further provides that this right will also be conferred, as soon as they are issued, in the event of a capital increase by capitalisation of reserves, profits or share premiums, on registered shares freely allocated to a shareholder in respect of existing shares for which he or she benefits from this right.

Registered shares with double voting rights that are converted to bearer form (*au porteur*) or transferred lose their double voting rights, except in the cases provided for by law.

As of the date of this Draft Response Document, the Offeror does not own any Share with double voting rights.

8.5 Control mechanisms provided for in any employee share-ownership scheme when control rights are not exercised by the latter

As indicated in Section 2.9 of this Draft Response Document, certain Shares are held by employees of the Group in the context of an employee savings plan (*Plan d'épargne entreprise* or "PEE"). However, no corporate mutual fund (*fonds commun de placement d'entreprise* or "FCPE") was set up at the level of the Company.

The situation of holders of PEE Shares is further described in Section 2.9.

8.6 Shareholder agreements of which the Company is aware that could result in restrictions on the transfer of Shares or the exercise of the voting rights

With the exception of the agreements described in Section 7 (*Clauses of agreements likely to have an impact on the assessment or outcome of the Offer*) of this Draft Response Document, the Company is not aware, as of the date of this Draft Response Document, of any agreement in force that could result in restrictions on the transfer of the Shares or the exercise of the related voting rights.

8.7 Rules governing the appointment and replacement of the members of the board of directors and amendments to the Company's Articles of Association

8.7.1 Rules governing the appointment and replacement of the members of the board of directors

In accordance with Article 13 of the Articles of Association of the Company, the Company is managed by a board of directors composed of at least three (3) members and no more than eighteen (18) members, it being specified that a legal entity may be appointed as director provided that it appoints, in accordance with legal provisions, an individual as its permanent representative.

The ordinary general meeting of the shareholders sets the term of office of the directors at four (4) years, subject to legal provisions allowing the term of office to be extended. The duties of each director will expire at the end of the ordinary general meeting of the shareholders convened to approve the financial statements for the previous financial year and held in the year in which the term of office of the said director expires. In addition, the board of directors will be renewed each year by rotation, in such a way that this rotation concerns a proportion of the members of the board of directors.

By way of exception, the general meeting may, to establish or maintain the rotation referred to above, appoint one or more directors for a different term of office which does not exceed four (4) years or reduce the term of office of one or more directors in office to a term of less than four (4) years in order to allow a staggered renewal of the term of office of the directors. The term of office of any director so appointed, or whose term of office has been modified for a period not exceeding four (4) years, shall expire at the end of the ordinary general meeting of the shareholders convened to approve the financial statements for the previous financial year and held in the year in which the term of office of the said director expires.

The members are appointed and may be dismissed, at any time, by the ordinary general meeting of the shareholders. They are always eligible for re-election, provided that the number of directors over the age of seventy (70) does not exceed one third of the directors in office. Otherwise, the oldest member shall be deemed to have resigned automatically at the end of the next annual ordinary general meeting following the date of his seventieth birthday.

Members of the Supervisory Board may be re-elected indefinitely, subject to application of the provisions concerning age limits. They may be dismissed at any time by the annual ordinary general meeting.

In the event of a vacancy caused by the death or resignation of one or more directors, the board of directors may proceed to provisional appointments, subject to ratification by the next ordinary general meeting, in accordance with the limits and conditions laid down by law. In the absence of ratification, the resolutions adopted, and acts performed previously shall nevertheless remain valid.

In the event of a vacancy caused by the death, resignation or removal of a director, the director appointed by the general meeting of the shareholders or by the board of directors to replace that director shall remain in office only for the remainder of his predecessor's term of office.

In the event that a legal entity dismisses its permanent representative, it must notify the Company of this dismissal and of the identity of its new permanent representative in writing without delay. The same applies in the event of the death, resignation or prolonged incapacity of the permanent representative.

If the number of directors falls below three (3), the remaining directors (or the statutory auditor or an agent appointed, at the request of any interested party, by the President of the Commercial Court) must immediately convene an ordinary general meeting of the shareholders to appoint one or more new directors to complete the board of directors up to the legal minimum.

In accordance with the laws and regulations in force, and subject to compliance with the conditions relating to combining the duties of director with an employment contract, the number of directors employed by the Company under an employment contract (not including directors representing employee shareholders or any FCPE holding shares in the Company) may not exceed one third of the directors in office. The employment contract of a director with the Company is not terminated by his or her removal from office or by the expiry of his or her term of office as director.

In accordance with Article 14.2 of the Articles of Association of the Company, the board of directors elects from its members a Chairman, who must be an individual under the age of seventy (70). The Chairman is always eligible for re-election, provided that if the Chairman reaches the age limit of seventy (70) during his term of office, he shall be deemed to have resigned automatically. However, his term of office shall continue until the next meeting of the board of directors, at which time his successor shall be appointed.

The board of directors sets the term of his duties as Chairman, which may not exceed his term of office as director and may dismiss him at any time. The board of directors also determines the amount, method of calculation and payment of the Chairman's remuneration, as the case may be.

Finally, in accordance with Article 18 of the Articles of Association of the Company, the board of directors may appoint *censeurs*, who may be individuals under the age of seventy (70) or legal entities, for a term set by the board of directors in the decision appointing them and which expires at the end of the annual ordinary general meeting convened to approve the financial statements for the previous financial year and held in the year in which the term of office of the relevant *censeur* expires. The *censeurs* are always eligible for re-election, provided that if any *censeur* reaches the age limit of seventy (70) during his term of office, he shall be deemed to have resigned automatically at the end of the next annual ordinary general meeting following the said *censeur*'s seventieth birthday. Any remuneration paid to the *censeurs* is set by the board of directors. The board of directors may decide to pay to the *censeurs* a proportion of the annual remuneration allocated to it by the general meeting and authorise the reimbursement of expenses incurred by the *censeurs* in the interests of the Company.

8.7.2 Rules applicable to amendments to the Company's Articles of Association

There are no provisions in the Articles of Association that differ from those provided for by applicable laws and regulations with respect to amendments to the Articles of Association of the Company, the extraordinary general meeting of the shareholders thus being the only competent body to adopt such decisions.

In accordance of Article 4 of the Articles of Association, the company's registered office may be transferred anywhere in France, by decision of the board of directors, subject to ratification by the next ordinary general meeting. In the event of a transfer decided by the board of directors in accordance with the law, the Board is empowered to amend the bylaws accordingly.

8.8 Powers of the board of directors, in particular with regard to the issue or buyback of securities

The board of directors sets the direction of the Company's business and ensures that it is implemented in accordance with its corporate interests, taking into account the social and environmental challenges of its activity. Subject to the powers expressly devoted to general meetings of the shareholders and within the limits of the corporate purpose of the Company, the board of directors deals with all matters relating to the proper operation of the Company and settles the matters that concern it through its resolutions.

When dealing with third parties, the Company is bound even by acts of the board of directors that do not fall within the corporate purpose of the Company, unless it can prove that the third party knew that the act exceeded this purpose or could not have been unaware of it given the circumstances, it being excluded that the sole publication of the Articles of Association is sufficient to constitute such proof.

The board of directors carries out the controls and audits it deems appropriate.

Each director receives all the information necessary for the performance of his duties and may obtain from the Chairman or the Chief Executive Officer all the documents necessary for the performance of his duties.

In addition, the board of directors exercises the special powers conferred by law.

The board of directors sets the limits applicable to the powers of the Chief Executive Officer, where applicable, under the terms of its internal regulations, specifying the transactions for which the authorisation of the board of directors is required.

The board of directors may confer on one or more of its members, or on third parties, whether shareholders or not, any special powers of attorney for one or more specific purposes.

Members of the board of directors are required not to disclose, even after they have ceased to hold office, any information they have about the Company which, if disclosed, would be likely to harm the Company's interests, with the exception of cases in which such disclosure is required or permitted by the legal or regulatory provisions in force or in the public interest.

The board of directors may decide to set up *ad hoc* committees, whether permanent or not. The board of directors may notably, and without this list being exhaustive, decide to set up an audit committee, a remuneration committee and an appointments committee. These committees, whose composition and remit are determined by the board of directors, carry out their activities under the board's responsibility.

Besides the general powers granted by law and the specific powers granted by the Articles of Association and the internal regulations of the Company], the board of directors has been granted, as of the date of this Draft Response Document, the following delegations and authorisations by the general meetings of the shareholders:

Date of the general meeting	**Purpose of the delegation of authority or authorisation granted by the general meeting to the board of directors**	**Limit**	**Duration**	**Use**
Combined general meeting of 10 May 2023	Granting free existing shares or shares to be issued to some or all of the Group's employees and corporate officers (resolution no. 16) (A)	2% of the Company's share capital on the day of the board's decision*	26 months	Issuance of 729,303 free shares on 28 February 2024 and 14 March 2024 .
Combined general meeting of 14 May 2024	Buyback of Company's shares under the provisions of Article L. 22-10-62 of the French Commercial Code (resolution no. 15)	10% of the Company's share capital since the beginning of the programme	18 months	None
Combined general meeting of 14 May 2024	Share capital decrease by cancelling treasury shares (resolution no. 16)	10% of the Company's share capital per 24-month period	26 months	None
Combined general meeting of 14 May 2024	Share capital increase by issuing ordinary shares and/or securities giving immediate or future access to the Company's share capital and/or debt securities, with preferential subscription rights (resolution no. 17)	€90 million (independent ceiling)	26 months	None

Combined general meeting of 14 May 2024	Share capital increase by issuing ordinary shares and/or securities giving immediate or future access to the Company's share capital and/or debt securities, without preferential subscription rights, by public offer other than the offers mentioned in 1° of Article L. 411-2 of the French Monetary and Financial Code and/or as consideration for securities in a public exchange offer (resolution no. 18) (B)	€65 million*	26 months	None
Combined general meeting of 14 May 2024	Share capital increase by issuing ordinary shares and/or securities giving immediate or future access to the Company's share capital and/or debt securities, without preferential subscription rights, by an offer referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code (resolution no. 19) (C)	€65 million*	26 months	None
Combined general meeting of 14 May 2024	Share capital increase by issuing ordinary shares and/or securities giving immediate or future access to the Company's share capital, without preferential subscription rights, reserved for Group employees abroad (resolution no. 20) (D)	1% of the Company's share capital on the date of the board's decision, to be deducted from the ceiling provided for in (F) below*	18 months	None
Combined general meeting of 14 May 2024	Increase in the number of securities to be issued in the event of a share capital increase with or without preferential subscription rights (resolution no. 21)	Ceiling equal to the limit provided by the applicable regulations on the date of the issue (on 14 May 2024, 15% of the initial issue)	26 months	None
Combined general meeting of 14 May 2024	Issue of shares and/or securities giving immediate or future access to the Company's share capital as consideration for contributions in kind consisting of equity securities or securities	10% of the Company's share capital on the date of the transaction*	26 months	None

	giving access to the capital (resolution no. 22) (E)			
Combined general meeting of 14 May 2024	Share capital increase by capitalising premiums, reserves, profits or any other amounts (resolution no. 23)	€60 million (independent ceiling)	26 months	None
Combined general meeting of 14 May 2024	Share capital increase by issuing ordinary shares and/or securities giving immediate or future access to the Company's share capital, without preferential subscription rights, reserved for members of savings plans (resolution no. 24) (F)	2% of the Company's share capital on the day of the board's decision*	26 months	None

* An overall ceiling of €65 million is applicable to the amounts referred to in (A), (B), (C), (D), (E) and (F) above, such that (A)+(B)+(C)+(D)+(E)+(F) is limited to €65 million.

8.9 Significant agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company

8.9.1 Financing agreements

The existing financing agreements entered into by the Company prior to the Block Trade Acquisition include "change of control" or similar clauses. A EUR 600,000,000 bridge term facility and a EUR 400,000,000 revolving facility have been made available to the Company to refinance these financing agreements.

8.9.2 OCEANEs issue agreements

As indicated in Section 2.10.2 of this Draft Response Document, the completion of the Block Trade Acquisition resulted in a "Change of Control" of the Company under the terms and conditions of the OCEANEs.

In accordance with the terms and conditions of the OCEANEs, upon the occurrence of such a Change of Control, any holder of OCEANEs may, at its option request, from the Company, the early redemption in cash of all, but not some only, of the OCEANEs held by such holder at par value plus interest accrued from (and including) the last interest payment date to (but excluding) the relevant optional redemption date in accordance with the terms and conditions of the OCEANEs.

This early repayment is to be implemented by the Company in accordance with the terms and conditions described in Section 2.10.2 of this Draft Response Document.

In addition, in accordance with the terms and conditions of the OCEANEs, and if the Offer is cleared by the AMF, the opening of the Offer will result in an adjustment of the conversion/exchange ratio of Shares during the Adjustment Period in accordance with the terms and conditions set out in Section 2.10.3 of this Draft Response Document.

8.9.3 Syndicated credit facility agreement

The syndicated credit facility agreement entered into by the Company in March 2020, and which has been refinanced in February 2024 to increase the nominal amount to €500 million, maturing in 2029, includes a "change of control" clause. A EUR 600,000,000 bridge term facility and a EUR 400,000,000 revolving facility have been made available to the Company to refinance this syndicated credit facility agreement. Such syndicated credit facility has been terminated upon closing of the Block Trade Acquisition.

8.9.4 Other agreements of which the Company is aware

To the knowledge of the Company, no significant agreements entered into by the Company other than those referred to in this Section 8.9 will be terminated as a result of the Offer, which will not have, moreover, as a consequence, a change of control at the level of the Company to the extent that, on the date of filing of this Draft Response Document, the latter is already controlled by the Offeror following the Block Trade Acquisition.

8.10 Agreements providing for indemnities for the members of the board of directors or employees of the Company if they resign or are dismissed without real and serious grounds, or if their employment is terminated as a result of a public offer

The Chairman and Chief Executive Officer is entitled to severance pay in the event of cessation or non-renewal of his term of office as Chief Executive Officer of the Company (excluding cases of gross negligence or serious misconduct). This severance pay will be an amount equivalent to six months of remuneration (one month being defined as the sum of (i) the average monthly fixed remuneration paid in the twelve months preceding the end of the term of office and (ii) the monthly average of the last two amounts of variable remuneration paid), it being specified that the total severance pay and non-competition remuneration may not exceed twenty-four months of total remuneration (annual fixed and variable remuneration).

Payment of the severance pay will be subject to the dual condition that (x) the sum of Neoen SA and its subsidiaries net profit for the last two financial years preceding his removal or, as the case may be, the expiry of his non-renewed term is positive and that (y) the average achievement of the variable remuneration criterion of the number of new MW awarded for the last two financial years preceding his removal or, as the case may be, the expiry of his non-renewed term is equal to or higher than the average of 50% of the targets for this same criterion and for the said two financial years.

There are no agreements providing for indemnities for the employees of the Company if they resign or are dismissed without real and serious grounds or if their employment is terminated as a result of a public offer.

9. REPORT OF THE INDEPENDENT EXPERT PURSUANT TO ARTICLE 261-1 OF THE AMF'S GENERAL REGULATION

Pursuant to Articles 261-1, I, 1°, 2° and 4° and II of the AMF's General Regulation, Finexsi - Expert & Conseil Financier, represented by Mr. Olivier Peronnet and Mr Maxime Rogeon, was appointed as an independent expert by the Company's board of directors on April 12, 2024, in order to prepare a report on the financial terms of the Offer and the squeeze-out.

This report, dated 26 December 2024, is reproduced in full below and form an integral part of this Draft Response Document:

Fairness opinion

Simplified Public Tender Offer initiated by Brookfield for the securities of Neoen SA

THIS DOCUMENT IS AN UNOFFICIAL ENGLISH LANGUAGE TRANSLATION OF THE DRAFT RESPONSE DOCUMENT (PROJET DE NOTE EN RÉPONSE) WHICH WAS FILED WITH THE FRENCH FINANCIAL MARKETS AUTHORITY (AUTORITÉ DES MARCHÉS FINANCIERS) ON JANUARY 2, 2024, AND WHICH REMAINS SUBJECT TO ITS REVIEW. IN THE EVENT OF ANY DIFFERENCES BETWEEN THIS UNOFFICIAL ENGLISH-LANGUAGE TRANSLATION AND THE OFFICIAL FRENCH DOCUMENT, THE OFFICIAL FRENCH DOCUMENT SHALL PREVAIL. WE DO NOT ACCEPT ANY RESPONSIBILITY FOR THIS COURTESY TRANSLATION

December 26, 2024

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Contents

1 Presentation of the Transaction

Neoen ("Neoen", the "Company" or the "Group") operates in the renewable energies sector (solar power, wind power and storage), with a presence across the whole value chain from project surveys to the operation of power plants.

The Company's shares were admitted for trading on the Euronext Paris regulated market on October 16, 2018.

On June 24, 2024, Brookfield Renewable Holdings SAS ("BRH" or the "Offeror") entered into a Share Purchase Agreement with Impala, Fonds Stratégique de Participations (managed by ISALT), Cartusia, Xavier Barbaro (and his family), Céleste Management SA and Mosca Animation Participations et Conseil (together the "Divesting Shareholders") to acquire a 53.12% stake in Neoen's equity (the "Controlling Block"), i.e. 87,197,100 shares at a price of €39.85 (ex-dividend[1]) per share.

Brookfield Renewable Holdings SAS is a special-purpose entity incorporated for the purpose of the acquisition, and all of its share capital is owned directly and indirectly by several intermediate holding companies, i.e. BRHL UK Holdings Limited, BRHL UK MidCo Limited ("MidCo"), BRHL UK TopCo Limited ("TopCo") and BRHL Master UK Holdings Limited ("HoldCo"). Brookfield Renewable Holdings SAS is ultimately controlled by Brookfield Asset Management, Brookfield Corporation and their respective affiliates (hereinafter together referred to as "Brookfield").

Temasek indirectly owns[2] a minority stake in HoldCo. Brookfield and Temasek have stated that they are acting in concert with respect to the Company, via the Offeror.

Following the acquisition of the Controlling Block, the Offeror undertook to file a Simplified Public Tender Offer (the "Offer", "SPTO" or "Transaction") for:

- The Neoen shares it does not already hold at a price of €39.85 per share (ex-dividend);
- The 2020 green OCEANEs[3] ("2020 OCEANEs") at a price of €48.14 per OCEANE;
- The 2022 green OCEANEs ("2022 OCEANEs") at a price of €101,382 per OCEANE.

According to the draft offer document of December 24, 2024, this Offer is for:

- Existing shares or shares to be issued that are not directly held by the Offeror, i.e.:
  - All shares already issued, except for the Excluded Shares (as set out below), i.e. a maximum of 70,868,276 shares;
  - Shares that may be issued before the closing of the Offer, with the exception of the Excluded Shares, as a result of the free share plans granted by the Company, i.e. to the Offeror's knowledge a maximum of 161,971 shares;

[1] In the Company's Shareholders' Meeting on May 14, 2024, shareholders voted for the distribution of a dividend of €0.15 per share with respect to 2023. The Offer price excludes that dividend of €0.15 per Neoen share.
[2] Via its subsidiary Rose Investments Pte. Ltd.
[3] Bonds with an option to convert them into and/or exchange them for new and/or existing shares.

  - Shares that may be issued before the closing of the Offer as a result of the conversion of the 2020 and 2022 OCEANEs, i.e. a maximum of 4,445,020 and 7,519,824 shares respectively;

  Making a maximum number of 82,995,091 shares subject to the Offer.

- All outstanding OCEANEs that are not held by the Offeror, i.e. 3,679,653 2020 OCEANEs and 3,000 2022 OCEANEs.

The Excluded Shares are not subject to the Offer. The Excluded Shares correspond to:

- The shares held by the Company itself, i.e. 188,338 shares representing 0.12% of the Company's share capital and theoretical voting rights;
- Unavailable free shares granted to the Company's employees and management, which cannot be tendered to the Offer, i.e. a total of 932,761 shares;
- Unavailable free shares granted to executives, i.e. to the Offeror's knowledge a maximum of 49,388 shares;
- Shares subject to a lock-up period held by (i) Cartusia, i.e. 403,928 shares and by (ii) Equinox, Kampen, Hilaris and Palancia[4], i.e. 141,744 shares[5].
- The 154,938 shares held by Romain Desrousseaux, which will be tendered to BRHL MidCo as part of his reinvestment as described in section 10.10.

The SPTO will be followed by a squeeze-out of shares not tendered to the Offer if the conditions for such a transaction are met after the Offer.

[4] Since these entities are family structures controlled by Xavier Barbaro.
[5] These shares are subject to a call option held by the Offeror, which will be exercisable from April 16, 2025 (the lock-up period ends on April 15, 2025).

2 Background of our assignment

2.1 Assignment of Finexsi Expert & Conseil Financier

In relation to the Simplified Public Tender Offer, possibly followed by a Squeeze-Out, in its meeting of April 12, 2024 Neoen's Board of Directors, based on the recommendation of the Ad-Hoc Committee, appointed Finexsi Expert & Conseil Financier (hereinafter "Finexsi") as an independent appraiser to assess the fairness of the Offer's financial terms.

Our appointment was based on Articles 261-1(I) and (II) of the General Regulation of the Autorité des Marchés Financiers ("AMF") because of (i) the fact that the Company is already controlled by the Offeror before the commencement of the Offer (Article 261-1(I) 1)), (ii) the existence of agreements between the executives of the Company and the Offeror (Article 261-1(I) 2°), (iii) the existence of agreements and related transactions that may have a material impact on the prices of offers (Article 261-1(I) 4°), (iv) the fact that the Offer is for financial instruments of different categories (Article 261-1(I) 5°), and (v) the Offeror's intention to request, if the conditions are met, a Squeeze-Out after the Offer (Article 261-1(II)).

When performing our assignment, we used public documents and familiarized ourselves with accounting and financial information (financial statements, press releases etc.) that had been published or sent to us by Neoen and its advisors. These documents and information were regarded as accurate and exhaustive, and were not subject to any particular checks by us. We did not seek to validate historical or forward-looking data, and we only checked the plausibility and consistency of those data. The assignment did not involve an audit of financial statements, contracts, litigation documents or any other document sent to us.

We shall bear no liability regarding the accuracy or completeness of the information collected as part of our assignment.

The present report, prepared solely for the purposes of the AMF's General Regulation in France, shall not in any event have any bearing on the obligations that may arise from foreign laws, even if the Offer were open to shareholders in other countries.

2.2 Statement of independence

Finexsi and its partners:

- Are independent within the meaning of Articles 261-1 and following of the AMF's General Regulation, are thus capable of making the declaration of independence provided for by Article 261-4 of that General Regulation, and are not in any conflict-of-interest situation mentioned in Article 1 of AMF instruction 2006-08;
- Have, on an ongoing basis, the human and material resources needed to complete their assignment, and sufficient insurance or financial resources to cover any risks related to that assignment;
- Are members of the APEI (French independent appraisers' association - *Association Professionnelle des Experts Indépendants*), which is recognized by the AMF under Articles 263-1 and following of its General Regulation.

Finexsi attests that it knows of no past, present or future link between it and the entities concerned by the offer or their advisors that may affect the independence and objectivity of its judgment in this assignment.

2.3 Work done

The work done by Finexsi as part of this assignment (details of which are contained in the Appendix) includes, in accordance with the AMF's General Regulation and its instruction no. 2006-08 relating to independent appraisals and with AMF recommendation no. 2006-15:

- Familiarizing itself in depth with the planned Transaction, its arrangements and its specific context;
- Examining Neoen's historical financial performance;
- Analyzing the identified risks and opportunities that may affect Neoen's valuation, which are summarized in the form of a SWOT matrix;
- Determining and implementing a multi-criteria approach to valuing the Company's shares, including:
  - Explanations of the valuation criteria (those adopted and excluded);
  - An examination of prior transactions involving the Company's share capital, including the terms of the Offeror's off-market purchase of a block of 81,197,100 Neoen shares (the "Controlling Block"), announced on June 24, 2024;
  - An analysis of the Company's share price performance;
  - A detailed analysis of Neoen's financial statements and financial trajectory with its operational management team and advisors, including the identification of key assumptions taken into account and an assessment of their appropriateness, allowing the application of a discounted cash flow (DCF) model;
  - The identification and analysis of listed peers and comparable transactions, and the application of information available about them;
  - An analysis of public information including a detailed and qualitative analysis of forecasts by financial analysts who cover Neoen and price targets published by them;
  - Sensitivity tests on the key assumptions used;
- Determining and implementing a multi-criteria approach to valuing the OCEANEs;
- On that basis, examining how the Offer prices are positioned in relation to the results of the various valuation criteria applied;
- Critically and independently analyzing the valuation report prepared by the banks presenting the Offer, i.e. BNP Paribas et Société Générale (the "Presenting Banks");
- Analyzing related agreements and transactions that may have a material impact on the Offer price in accordance with Article 261-1(I)(4) of the AMF's General Regulation;

- Submitting our work on an ongoing basis to the Ad-Hoc Committee tasked with overseeing the progress of our assignment;
- Preparing a report, the conclusion of which is presented in the form of a fairness opinion intended for Neoen's board of directors, setting out the work done to value the Company's shares and OCEANEs and our opinion about whether the Offer prices are fair.

As part of our assignment, we considered various types of accounting and financial information (financial statements, press releases etc.) published by the Company with respect to its most recently completed accounting periods.

We analyzed the legal documentation provided to us, with the sole purpose of collecting information useful for our assignment. Accordingly, Finexsi's assignment did not include auditing financial statements, contracts, litigation documents or any other document sent to it.

We held a number of meetings with the Company's Management to understand the context of the Offer, the business outlook and the resulting financial trajectory.

We assessed the economic assumptions that form the basis for the forecasts used in the Company's financial trajectory in order to implement an approach based on the present value of cash flows.

When carrying out valuation work on the basis of listed peers and transactions involving comparable companies, we analyzed the publicly available information relating to comparable companies and transactions in our financial databases.

Finally, we read work done by the Presenting Banks BNP Paribas and Société Générale, as presented in the Offer price assessment report and summarized in the draft offer document. In relation to that work, we held several business meetings with representatives of the Presenting Banks.

We held periodic meetings with the Ad-Hoc Committee appointed by the Board of Directors to supervise our work.

An independent review was carried out by Mr. Jean-Marc Brichet, a partner of our firm, who was not involved in the assignment.

3 Presentation of Neoen's activities

Neoen is a *société anonyme* (public limited company) with a Board of Directors, and a share capital of €305,697,548 divided into 152,848,774 shares with a par value of €2.00 each (as of November 30, 2024), all of the same category and fully paid up. Its head office is located at 22 rue Bayard, 75008 Paris.

It is registered with the Paris Trade and Companies Registry under registration number 508 320 017.

The Company's financial year starts on January 1 and ends on December 31.

Its shares are admitted for trading on compartment A of Euronext Paris under ISIN FR0011675362.

3.1 Ownership structure

As of May 29, 2024 (the date when the Offer was announced[6]) ownership of Neoen's capital and theoretical voting rights was as follows:

Table 1 - The Company's ownership structure as of May 29, 2024

Shareholder	Shares		Theoretical voting rights (%)
	Number	%	
Impala	64,144,529	42.14%	42.20%
Cartusia	1,261,485	0.83%	0.83%
Xavier Barbaro and family	780,419	0.51%	0.51%
FSP	10,534,226	6.92%	6.93%
ETI 2020 innovation fund	6,674,470	4.39%	4.39%
Céleste	3,778,059	2.48%	2.49%
Mosca	835,977	0.55%	0.55%
Free float	64,009,501	42.05%	42.11%
Treasury shares	188,338	0.12%	
Total	**152,207,004**	**100.00%**	**100.0%**

Source: Draft offer document of December 24, 2024

Shares held by the Company in treasury do not carry voting rights that can be used in a shareholders' meeting.

3.2 Dilutive instruments

Free share plans

Neoen has set up free share plans, in which 1,094,732 shares were vesting as of November 30, 2024, breaking down as follows:

- 161,971 shares under the 2022 plan;
- 210,833 shares under the 2023 plan;

[6] The most recent date on which information about the ownership structure is available.

- 721,928 shares under the 2024 plan.

These three plans are subject to the same performance conditions, i.e. (i) the achievement of the EBITDA target disclosed by Management to investors, (ii) the achievement of a predefined amount of awarded megawatts (MW)[7] and (iii) the achievement of Total Shareholder Return targets.

2020 and 2022 green OCEANEs

The company carried out its first issue of green OCEANEs (bonds convertible into new or existing shares) on June 2, 2020. The OCEANEs had a 5-year maturity, and 3,679,653 bonds with a par value of €46.20 each were issued, making a total amount of €170 million.

The company carried out its second issue of green OCEANEs on June 14, 2022. The OCEANEs had a 5-year maturity, and 3,000 bonds with a par value of €100,000.00 each were issued, making a total amount of €300 million.

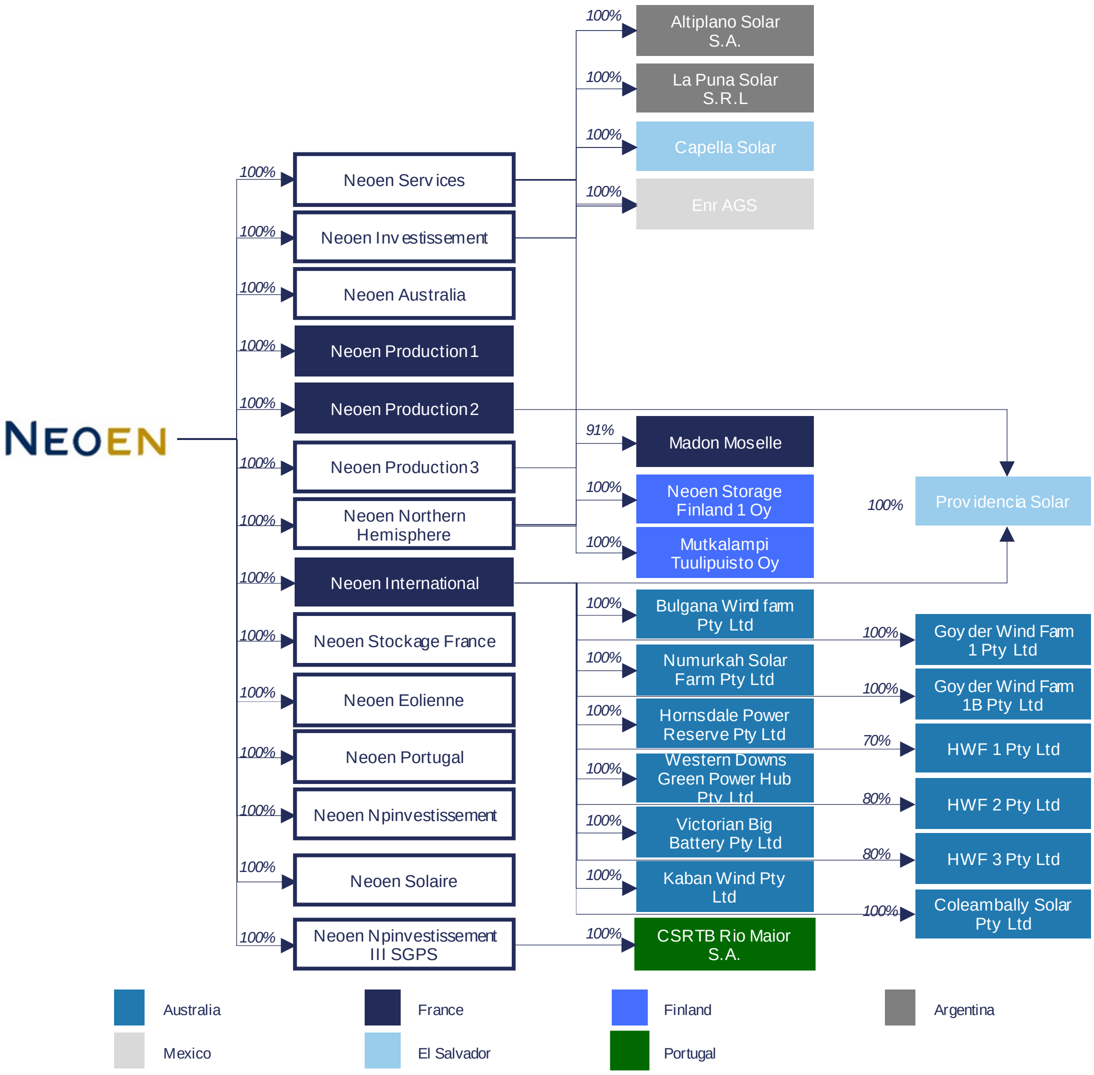
The 2020 and 2022 OCEANEs are targeted by the Offer.

[7] Awarded MW are MW for which the Company has won a tender or signed a power purchase agreement as seller.

3.3 Neoen's organizational structure

The Group's simplified legal structure as of December 31, 2023 was as follows:

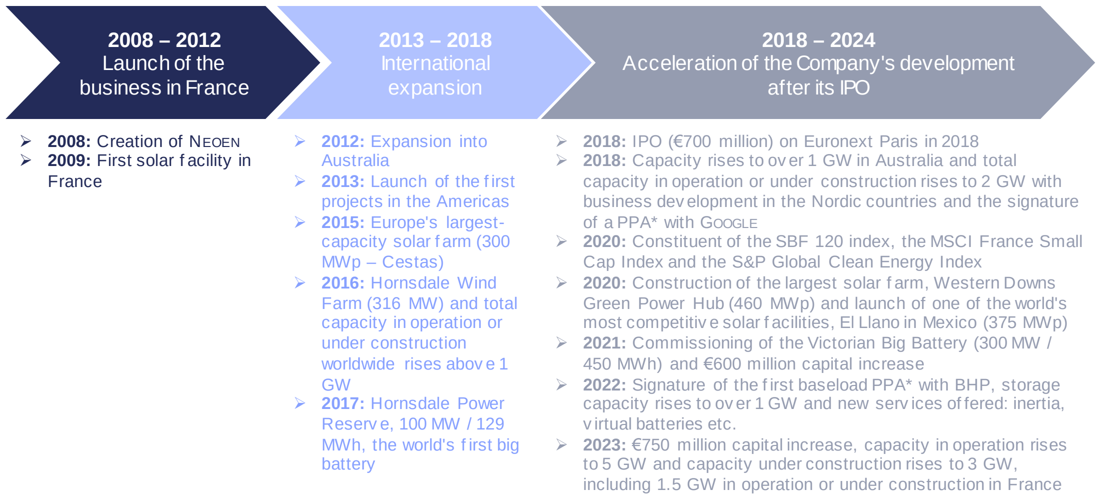
Figure 1 - Neoen's organizational structure



Sources: 2023 URD, Company

3.4 History

Figure 2 - The Company's history since its creation



** A Power Purchase Agreement is an agreement regarding the purchase of electricity between two parties, i.e. a producer of (green) electricity and a buyer (consumer or trader) of that electricity.*

Sources: 2023 URD, Company

Neoen was founded in 2008 by Xavier Barbaro with the support – particularly the financial support – of Jacques Veyrat through his investment holding company Impala SAS.

In 2009, the Company started operating its first solar power facility in France, before launching its first wind power facility in 2010.

In 2016, seven years after opening its first facility, Neoen's total capacity in operation or under construction rose above 1 GW.

The Company, in a phase of very strong growth, then doubled its capacity in operation or under construction to 2 GW less than two years later, in 2018. In the same year, the Company completed its IPO on Euronext Paris by selling around 30% of its shares at a price of €16.50 per share, resulting in a market capitalization of €1.4 billion.

In 2021, the Company carried out a capital increase of around €600 million to finance its growth at a price of €28 per share.

In 2022, the Company's capacity in operation or under construction reached 6.6 GW, including 3 GW in Australia and 1.5 GW in France. The Company moved into Canada with the launch of the Fox Coulée solar facility (93 MW) and started several construction programs in Sweden.

In 2023, the Company carried out a second capital increase of around €750 million at a price of €20.45 per share in order to fund its growth and in particular to speed up its development in storage.

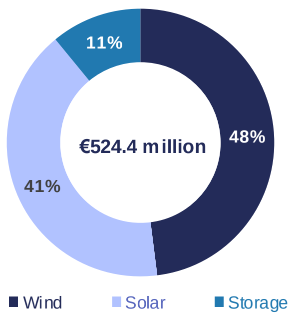
3.5 Presentation of Neoen's business and strategy

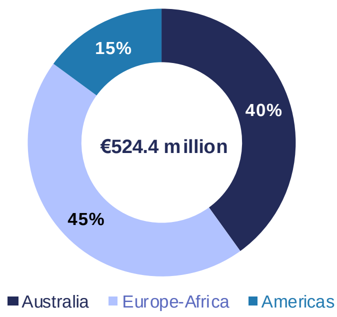
3.5.1 Business presentation

Neoen is developing its activities as a producer of renewable energies mainly through three business lines: solar power, wind power and energy storage solutions.

As of December 31, 2023, revenue broke down as follows between those business lines:

Figure 3 - Breakdown of revenue by business line and geographical area in 2023





Source: 2023 URD

Neoen operates across the whole value chain of solar power, wind power and storage projects, from site selection to repowering[8], depending on the site's potential, or decommissioning and recycling. This market position allows the Group to control value creation in each phase of development.

The energy storage business plays an important role in Neoen's strategy, because it is a service business distinct from and complementary to its wind and solar power generation activities.

[8] Repowering means replacing all power generation units with new, better-performing units.

Neoen tracks project development according to a defined set of categories, as projects move through their lifecycle from initial planning to commercial operation. The Group defines each of these categories across all geographies, for solar, wind and storage facilities, as follows:

Table 2 - Project development phases

Projects in the early-stage phase	Projects (i) located on land with respect to which the owner has confirmed their intention to agree a contract with the Group for the applicable land rights, (ii) in proximity to an electric grid to which the project may be connected and (iii) for which technical studies have been initiated but not yet finalized.
Projects in advanced development phase	Projects in which the following steps have occurred: • real estate: signature of a promise to lease or sell, or award of a temporary occupancy permit on state-owned land; • access to the electricity grid: preliminary grid connection; • technical: start of environmental surveys.
Projects in the tender-ready phase	Projects in which the following steps have occurred: • a building permit has been obtained, a grid connection solution has been confirmed, and all the conditions precedent to the signing of a power purchase agreement have been fulfilled in a country which: – has a renewable energy development program through recurrent tenders, or – has a liquid market for power purchase agreements with private companies. Projects in the "advanced development" phase and projects in the "tender-ready" phase constitute the "advanced pipeline". Projects in "advanced development" that win a tender through a competitive auction process are classified as "awarded" projects without being first classified as tender-ready.
Projects in the awarded phase	The project was won through a competitive auction process or a long-term PPA has been signed. At this stage, certain additional licenses may be required as long as the Group judges them to be secondary to the applicable primary authorization. Depending on what could be achieved during the initial development phase, land procurement and additional studies may also be underway. Discussions with the EPC (engineering, procurement and construction) contractor, as well as project financing negotiations, are usually advanced during this stage.
Assets in the "under construction" phase	For these assets, the notice to proceed ("NTP") has been given to the relevant EPC contractor. The asset remains in this category until it comes into operation in accordance with the requirements specified below.
Assets in the "in operation" phase	All the equipment in a solar or wind power plant or a storage facility is installed, commissioned and connected, and the facility is authorized to operate at full power. Performance tests and/or the production of the documentation provided for in the EPC contract may still be in progress up to the provisional acceptance date. Projects in the "awarded" phase, assets "under construction" and assets "in operation" form the "secured portfolio".

Source: 2023 URD

3.5.1.1 Asset portfolio

The table below sets forth key financial and operating data for the Group's solar, wind and storage segments by geography as of December 31, 2023:

Table 3 - Capacity in operation and under construction

Business	Geographical area	Number of facilities in operation	Capacity in operation (MW)	Average availability in operation	Production in operation (GWh)	Number of facilities under construction	Capacity under construction (MW)
Storage	Europe-Africa	4	52	n/a	n/a	3	203
	Australia	4	470	n/a	n/a	6	844
	Americas	3	14	n/a	n/a	-	-
Solar	Europe-Africa	57	925	99.0%	734	28	768
	Australia	6	908	98.1%	1,368	1	440
	Americas	7	875	85.4%	1,670	1	93
Wind	Europe-Africa	48	1,061	92.5%	2,052	6	240
	Australia	5	678	97.3%	1,712	2	412
	Americas	-	-	n/a	n/a	-	-
Total	**n/a**	**134**	**4,983**	**93.40%**	**7,536**	**47**	**3,000**

Source: 2023 URD

At the end of 2023, capacity in operation was 4,983 MW (including 2,708 MW in solar and 1,739 MW in wind) and capacity under construction was 3,000 MW (including 1,301 MW in solar and 652 MW in wind).

Table 4 - Change in capacity of the secured portfolio and pipeline between December 31, 2023 and June 30, 2024

	31/12/2023	30/06/2024
Assets in operation (in MW)	4,983	5,163
Assets under construction (in MW)	3,000	3,204
Awarded projects (in MW)	1,000	1,586
Total capacity of the secured portfolio (in MW)	**8,983**	**9,953**
Total capacity of the advanced pipeline (in MW)	**18,644**	**19,357**
Total portfolio (in MW)	**27,627**	**29,309**

Source: 2024 interim report

As of June 30, 2024, the secured portfolio amounted to 9,953 MW, an increase of 970 MW relative to December 2023. Taking into account projects in an "advanced pipeline" phase, the Group's total portfolio amounted to 29,309 MW.

3.5.2 The Company's business model

The Company has two ways of selling the electricity it produces: through power purchase agreements (PPAs) and directly in the market.

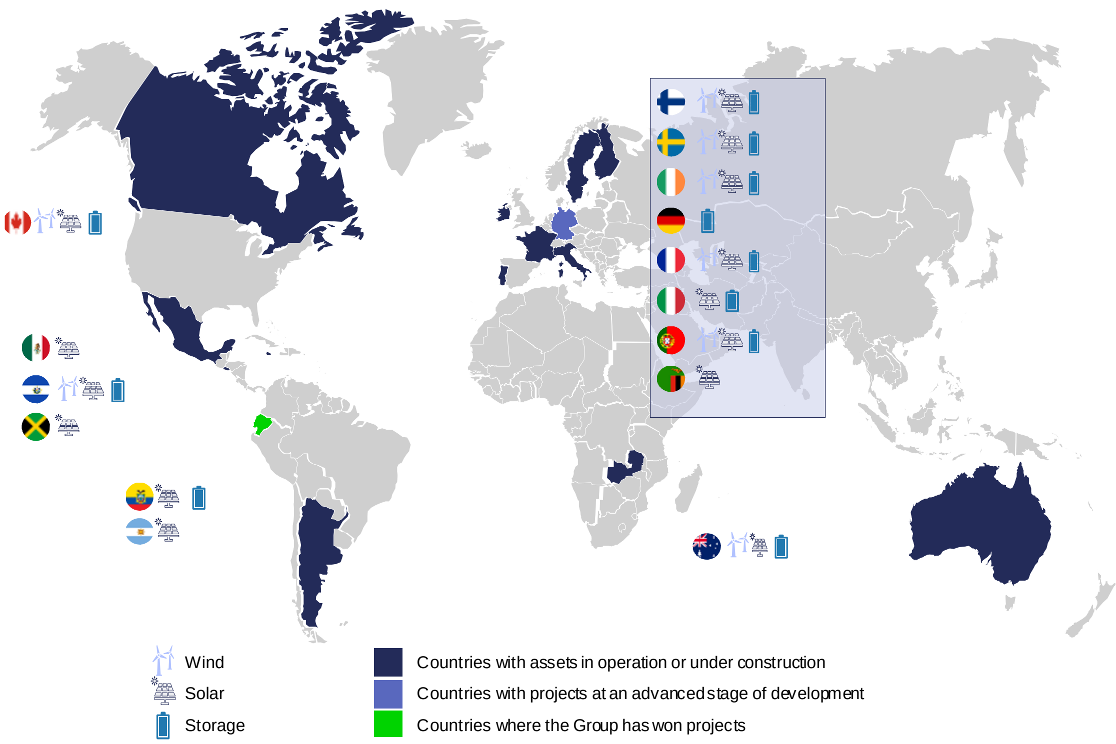
PPAs are long-term agreements, generally lasting between 15 and 20 years, with private- or public-sector entities. Prices are fixed and result in stable revenue over a long period.

Sales of electricity directly in the market take place at spot prices, which reflect the balance between the supply and demand for electricity at a given time. This way of selling electricity allows the Company to take advantage of higher market prices when conditions are favorable, but also represents a risk when supply exceeds demand, resulting in lower market prices. Neoen's aim is to limit direct sales in the market to 20% of its installed capacity excluding storage.

3.5.3 Geographical footprint

The Company operates in more than 15 countries across four continents, as set out below:

Figure 4 - Neoen's geographical footprint



Source: 2023 URD

The Company generates 40% of its revenue in Australia, 45% in Europe and Africa, and 15% in the Americas. In France, the Group has 37 wind farms, 70 solar farms and three storage facilities, which represented 1,615 MW in operation or under construction as of December 31, 2023.

3.5.4 Presentation of the Company's strategy

The Company's development strategy has several aspects, following on from its achievements over the last few years:

- Become a leading producer of renewable energies in the countries in which it already operates, in order to capitalize on its resources and the experience it has gained;
- Strengthen its position as a renewable energies specialist by stepping up its investments in storage, in order to help integrate solar and wind facilities into the power grid (see section 4.1.3);
- Continue diversifying its client base in terms of selling the power it produces by favoring medium- and long-term PPAs, in order to secure its revenue, while keeping part of its revenue (up to 20% of its installed capacity) exposed to market prices;
- Generate mainly organic growth, allowing it to control value creation at each stage of the project development process, while remaining able to seize acquisition opportunities with the potential to add large amounts of value for the Group (assets that are more profitable than the Group’s existing portfolio on average);
- Continue “farm-down[9]“ activities, subject to a limit of 20% of projects won each year, in order to strengthen the Group’s financial capacity;
- Finance growth mainly through debt at the project level, mainly through non-recourse, medium- to long-term, fixed-rate debt in the same currencies as the revenue from the projects concerned, in order to avoid exposure to foreign exchange risk.

9 Farm-down projects are projects to sell wind and/or solar facilities. These sales are intended to increase the Group's investment capacity, allowing it to invest in new, higher-value-added projects.

4 Neoen's economic and competitive environment

We set out below Neoen's economic and competitive environment in its main markets, i.e. the production of electricity from renewable energy sources (solar and wind) in France, other European countries and Australia.

The information in this section mainly comes from the Company's universal registration document (URD), IEA and IEA-PVPS reports, McKinsey reports, the latest reports[10] of France's Ministry of the Energy Transition, the Global Wind Report and Wind Energy Europe.

4.1 The global renewable energies market

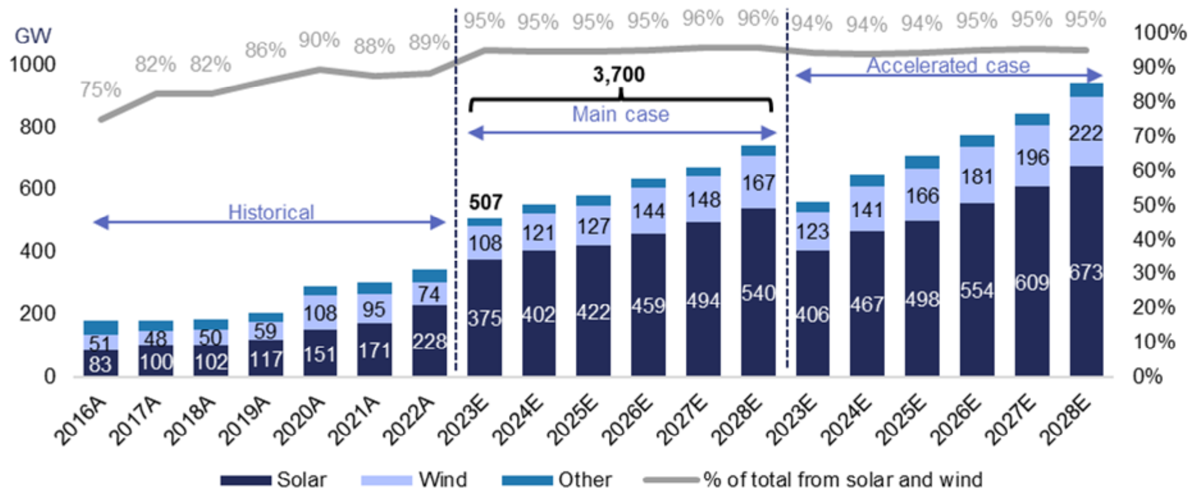
4.1.1 Size and expected growth of the solar and wind power market

At the global level, renewable energy capacity grew rapidly in 2023, by an estimated 507 GW, almost 50% more than the increase seen in 2022.

In 2023, global solar installed capacity reached 1,600 GW according to IEA-PVPS[11] while wind energy capacity rose to over 1,000 GW according to the Global Wind Report 2024.

The proportions of these two energies in the renewable energy mix is likely to remain stable and their growth should continue at a firm pace according to the IEA, which expects renewable energy capacity to rise by around 3,700 GW in aggregate between 2023A and 2028E.

Figure 5 - Annual renewable energy growth forecasts 2016A - 2028E



Source: IEA Renewables 2023

4.1.2 Specific characteristics of the Group's main geographical markets

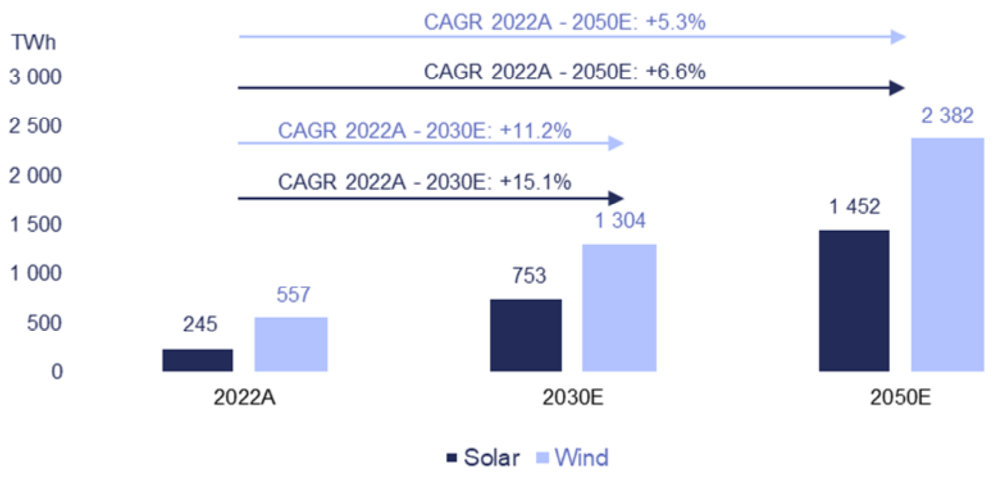
We set out below the Group's main markets, i.e. France, the rest of Europe and Australia.

[10] Key figures for renewable energies.
[11] International Energy Agency - Photovoltaic Power Systems Programme

4.1.2.1 The European renewable energy market

In Europe, solar and wind energy capacity should more than double between 2022 and 2030E, with an expected increase of 1,255 GW during that period.

Figure 6 - Solar and wind power generation in Europe (including France) 2022 - 2050E



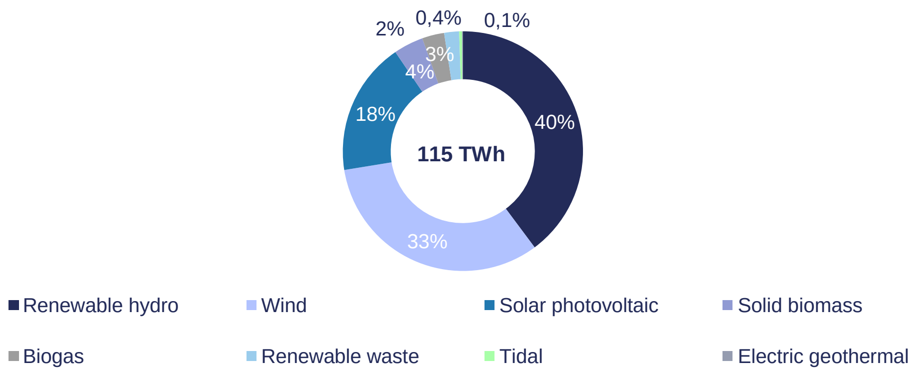
Sources: World Energy Outlook 2023, IEA

In Europe, public policy – via subsidized projects put out to tender – plays a key role in achieving long-term targets and maintaining the market's appeal. Non-subsidized projects rely more on bilateral agreements between independent electricity producers and consumers.

4.1.2.2 The French renewable energy market

In France, according to the Ministry of the Energy Transition, 14% of primary energy consumed in 2022 came from renewable sources, and renewable energy production broke down as follows:

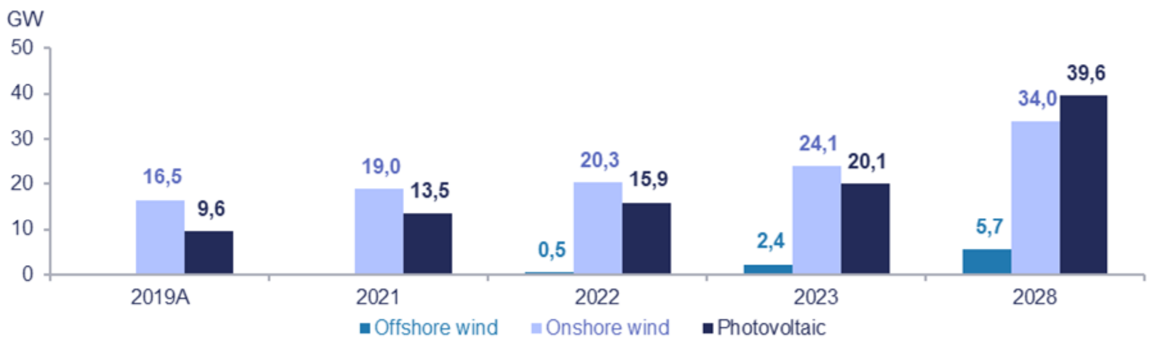
Figure 7 - Breakdown of gross renewable energy production in France in 2022



Source: Ministry of the Energy Transition

The contributions of wind and solar power have increased constantly since 2019. Wind capacity (onshore and offshore) should reach 39.7 GW by 2028, while solar capacity should rise to 39.6 GW.

Figure 8 - Solar and wind energy capacity in France 2019A - 2028E



Source: Ministry of the Energy Transition

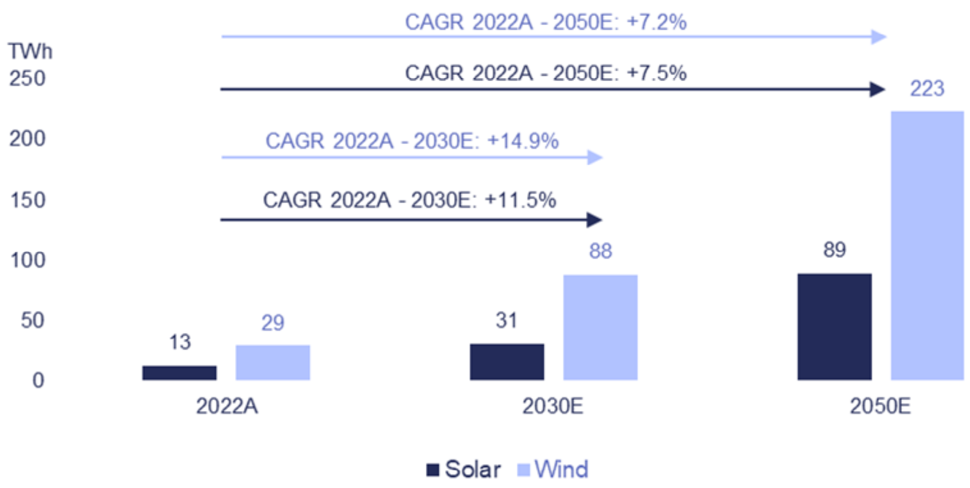
4.1.2.3 The Australian renewable energy market

In Australia, renewable energy capacity increased by 6.0 GW in 2023, of which solar accounted for 4 GW and wind 1.5 GW. Stationary battery projects also increased overall storage capacity to 1.5 GW.

Also in 2023, renewable energies made up 35% of Australia's total power generation, with solar accounting for 15% and wind 12%. In South Australia, renewable energies accounted for 75% of total power generation.

Most Australian power facilities due to be developed in the years to come will generate power from renewable sources, and the IEA estimates that renewable energies will make up 43% of the country's electricity production by 2026.

Figure 9 - Solar and wind power generation in Australia 2022A - 2050E

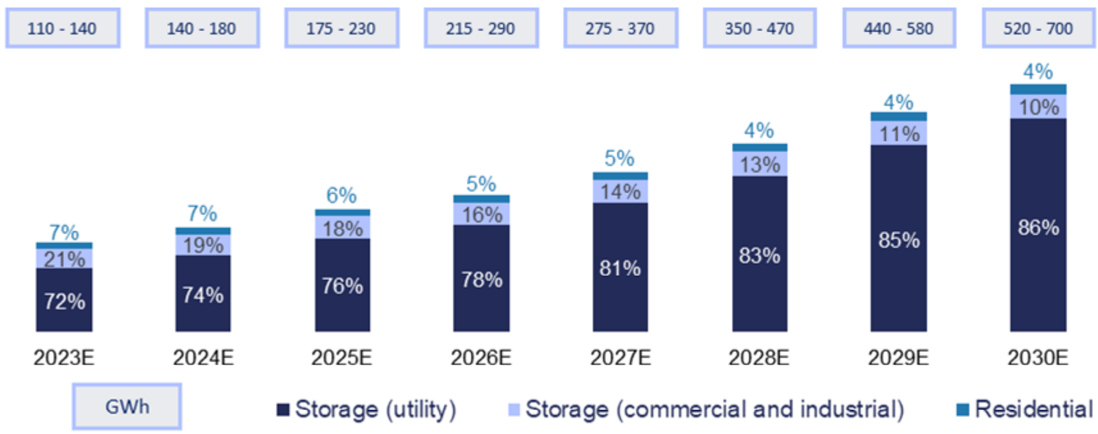


Sources: World Energy Outlook 2023, IEA, Baringa Reference Case projections relating to the Australian national energy market, and the Australian government

4.1.3 Energy storage market

According to McKinsey[12], the size of the global energy storage market was between 110 and 140 GWh in 2023 and should reach between 520 GWh and 700 GWh in 2030E.

Figure 10 - Size of the energy storage market in GWh and by segment 2023E - 2030E



Source: McKinsey, "Enabling renewable energy with battery energy storage systems"

According to a Deloitte report[13], the energy storage market should mainly be supported by:

12 Article of August 2, 2023: Enabling renewable energy with battery energy storage systems | McKinsey
13 *Supercharged: Challenges and opportunities in global battery storage markets,* 2018.

- The falling cost and improving performance of lithium-ion batteries, driven by the rise of electric vehicles and the resulting economies of scale;
- The modernization of distribution networks, including a shift towards smart grids, which will increase the performance of renewable energy sources;
- Growth in renewable energies, which is likely to increase demand for energy storage in order to enhance the performance of facilities in operation;
- The need to regulate the wholesale electricity market, particularly by providing new services (such as virtual battery[14] services);
- The support of certain governments, with financial incentives to install energy storage solutions.

Increasing storage capacity is an essential condition for renewable energies to make up a larger share of the energy mix. In particular, this will partly resolve grid integration problems, particularly in countries where renewable energies already make up a large share of the mix.

Currently, two complementary storage technologies exist:

- Stationary batteries, with storage capacity of 1-4 hours;
- Pumped hydroelectric plants with storage capacity of 4-15 hours depending on the size of the reservoir.

Greater financial support for the installation of stationary batteries, combined with lower production costs, has supported investment in renewable energies in Europe, the United States and Australia. As a result, the IEA is expecting 400 GW of stationary battery capacity to be deployed between 2023 and 2028.

However, long-term storage faces certain technical problems, such as long development times, the lack of policy incentives and its incompatibility with certain market constraints (e.g. the absence of PPAs). However, long-term storage appears essential in some countries where renewable energies are likely to make up over 50% of the energy mix in 2028E.

4.2 Competitive environment in the European and Australian renewable energy sector

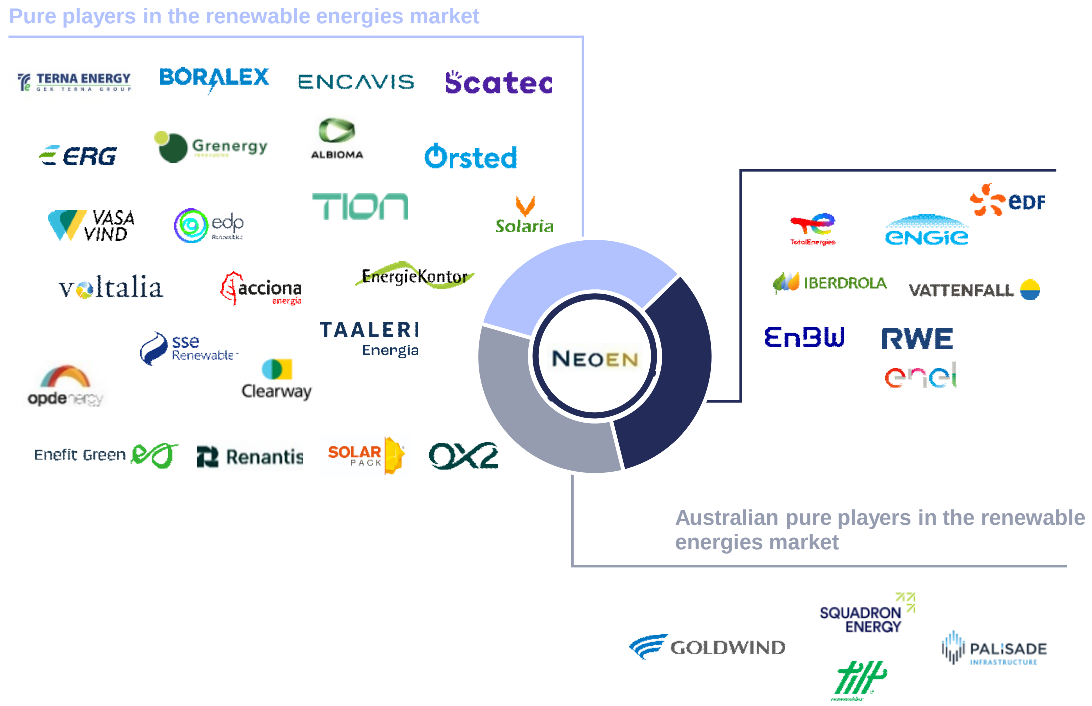
4.2.1 Neoen's competitors in the European sector and in its main international markets

Neoen's main competitors in Europe and Australia are set out below. We can distinguish between two main categories of competitors:

- Pure- players that specialize in renewable energies, mainly wind and solar;
- Diversified energy producers, which operate in renewable energies but also fossil and nuclear energy, and which are the main energy producers. The proportion of their production coming from renewable energies is growing over time.

[14] A virtual battery is one that does not exist physically, and which works by recording the passage of surplus energy (stored energy) into the grid using a smart meter before it is consumed by users when delivered into the market.

Figure 11 - Neoen's main competitors in its markets



Sources: 2023 URD, Finexsi analysis

4.2.2 Key aspects of the renewable energy market

4.2.2.1 Political aspects

The political framework plays an essential role in attracting investment and in allowing the effective deployment of projects at the local level. According to the IEA, 87% of the increase in capacity between 2023 and 2028 will come from support policies. Those policies involve action taken by governmental authorities, which influence both the price and costs associated with the deployment of renewable energies.

4.2.2.2 Economic aspects

Onshore wind and photovoltaic power should continue to become more competitive in the next few years. In 2022, around 96% of newly installed solar and onshore wind facilities had a production cost lower than that of coal- and natural gas-powered plants. The production cost of renewable energies, and particularly that of solar panels, should continue to fall between now and 2028. In China, for example, the cost of producing solar panels has already fallen by more than 40% in the second quarter of 2023 compared to 2022, and there is the prospect of further reductions.

However, the cost of onshore wind could remain high in the near term, and could rise by 10-15% because of supply chain difficulties and financial problems at certain Western manufacturers.

4.2.2.3 Environmental aspects

The “Net Zero Emissions by 2050” target is playing a major role in the development of renewable energies, because the contribution thresholds required to achieve that target depend to a large extent on the development of renewable energies, mainly solar and wind power. By 2029-2030, a 35% increase in photovoltaic production and a doubling in wind power capacity will be crucial in reaching milestones on the path to the 2050 target.

5 Financial analysis of Neoen

The Group's consolidated financial statements, presented below, were prepared in accordance with IFRSs[15] as published by the IASB[16] and endorsed by the European Union. The consolidated financial statements were certified without qualification by Neoen's statutory auditors.[17]

5.1 Consolidated income statement for the 2018-2023 period

The Neoen group's consolidated income statement is set out below:

Table 5 - Consolidated income statement for the 2018-2023 period (€ m)

€ m - 12 months to December 31	2018*	2019	2020	2021	2022	2023
Energy sales via a PPA	173.9	214.7	235.1	249.3	309.2	382.7
Energy sales in the market	27.8	32.7	58.7	74.7	171.5	119.4
Other revenue	5.3	5.9	5.0	9.6	22.5	22.3
Revenue	**207.0**	**253.2**	**298.8**	**333.6**	**503.2**	**524.4**
Growth (%)	*n/a*	*22.3 %*	*18.0 %*	*11.6 %*	*50.8 %*	*4.2 %*
Purchases net of changes in inventories	(0.4)	(0.7)	2.9	2.5	(2.2)	(4.9)
External expenses and payroll costs	(46.2)	(59.1)	(73.9)	(86.0)	(135.3)	(147.4)
Duties, taxes and similar payments	(4.6)	(5.4)	(7.7)	(7.5)	(10.0)	(13.7)
Other recurring operating income and expenses	10.0	27.6	49.6	54.4	56.8	200.8
Share of net income of associates	0.8	0.7	0.7	0.3	0.5	-
Recurring operating depreciation and amortization	(60.5)	(80.2)	(109.8)	(107.6)	(151.0)	(176.0)
Recurring operating income	**106.0**	**135.9**	**160.5**	**189.6**	**262.1**	**383.3**
(% of revenue)	*51.2%*	*53.7%*	*53.7%*	*56.8%*	*52.1%*	*73.1%*
Other non-recurring operating income and expenses	(7.6)	(5.5)	(4.0)	(8.0)	(3.8)	(8.5)
Impairment of non-current assets	1.5	1.5	(14.1)	(10.4)	(27.3)	(10.5)
Operating income	**99.9**	**131.9**	**142.4**	**171.2**	**231.0**	**364.3**
Cost of debt	*(62.4)*	*(79.0)*	*(101.8)*	*(106.5)*	*(135.6)*	*(155.9)*
Other financial income and expenses	*(7.4)*	*(8.0)*	*(15.9)*	*(11.2)*	*(17.1)*	*3.1*
Net financial income/(expense)	(69.8)	(87.0)	(117.7)	(117.7)	(152.7)	(152.7)
Profit before tax	**30.1**	**44.9**	**24.8**	**53.5**	**78.3**	**211.6**
Income tax	(15.8)	(23.7)	(21.4)	(13.3)	(32.6)	(64.2)
Net income from discontinued operations	(0.8)	15.8	-	-	-	-
Consolidated net income	**13.5**	**37.0**	**3.3**	**40.2**	**45.7**	**147.4**
(% of revenue)	*6.5 %*	*14.6 %*	*1.1 %*	*12.1 %*	*9.1 %*	*28.1 %*
of which attributable to equity holders of the parent	*12.4*	*36.0*	*3.9*	*41.0*	*45.2*	*150.2*
of which attributable to non-controlling interests	*1.2*	*1.0*	*(0.5)*	*(0.8)*	*0.5*	*(2.8)*

**Note that figures for the year ended 31 December 2018 have been adjusted to reflect the disposal of the Group's biomass business in September 2019.*

Sources: 2018-2023 URDs

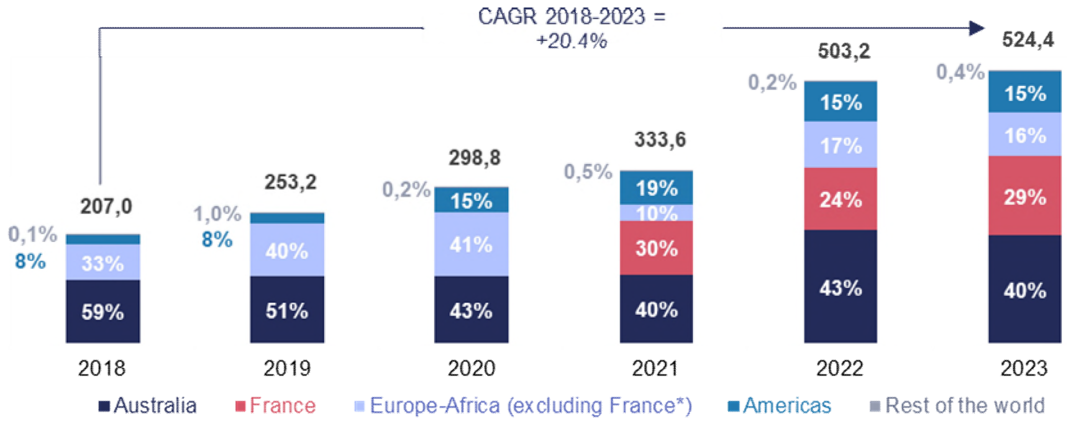
15 *International Financial Reporting Standards*.
16 *International Accounting Standards Board*.
17 RSM Paris and Deloitte & Associés.

Revenue

The Group's revenue comes mainly from selling (i) electricity generated by wind and photovoltaic facilities, (ii) electricity and services from storage units[18], (iii) green certificates[19] in proportion to its production and (iv) other administrative supervision services.

Neoen's revenue mainly comes from Australia, France and Europe (excluding France).

Figure 12 - Group revenue by geographical area (€ m)

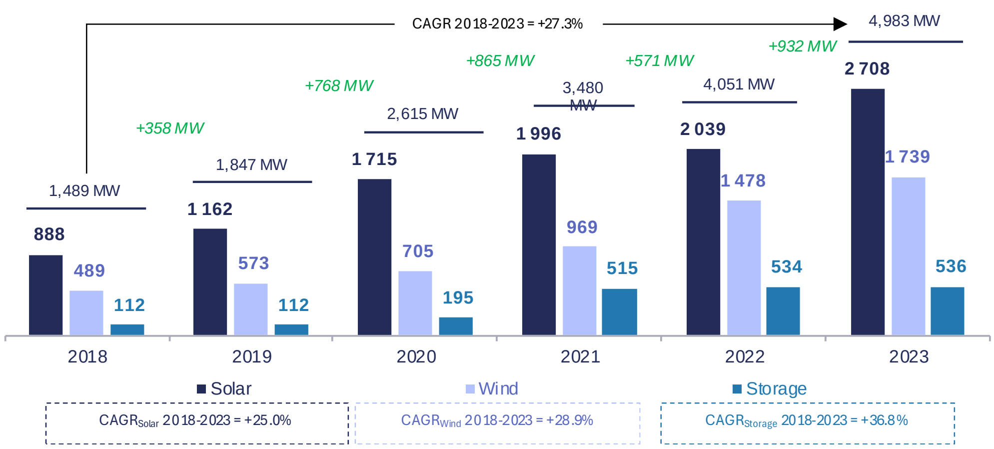


Sources: 2018-2023 URDs

The Company's revenue has grown constantly since 2018, at an average annual rate of 20.4% over the period under review. In 2023, its revenue amounted to €524.4 million, mainly from sales of energy under power purchase agreements (PPAs).

That growth reflects the increase in the Group's production and storage capacity.

Figure 13 - Neoen's capacity in operation since 2018 (in MW)



Sources: 2018-2023 URDs, Finexsi analysis

Adjusted EBITDA

18 Frequency regulation, inertia or capacity reserve services and load shifting or arbitrage.

19 Green certificates are granted by a public authority to a producer of electricity, and state that a certain quantity of electricity has been generated from recognized renewable energy sources. The certificates can be freely assigned or sold, for example to electricity suppliers that are required to hold green certificates in proportion to the green electricity they sell to their customers.

Adjusted EBITDA is an indicator used by the Group to monitor its operational performance. Adjusted EBITDA corresponds to recurring operating income adjusted for (i) recurring operational depreciation and amortization charges, (ii) staff costs resulting from the application of IFRS 2 “Share-based payment” and (iii) changes in the fair value of energy-related derivative financial instruments, recorded under other recurring operating income and expense.

A table reconciling the Group’s recurring operating income with its adjusted EBITDA is provided below:

Table 6 Reconciliation between recurring operating income and adjusted EBITDA

€ m - 12 months to December 31	2018	2019	2020	2021	2022	2023
Recurring operating income	**106.0**	**135.9**	**160.5**	**189.6**	**262.1**	**383.3**
(% of revenue)	*51.2%*	*53.7%*	*53.7%*	*56.8%*	*52.1%*	*73.1%*
Recurring operating depreciation and amortization	60.5	80.2	109.8	107.6	151.0	176.0
IFRS 2 expense	2.5	3.8	1.8	3.2	3.8	4.2
Change in fair value of energy derivative financial instruments	-	-	-	-	(2.8)	(88.6)
Adjusted EBITDA	**169.0**	**219.9**	**272.1**	**300.4**	**414.0**	**474.8**
Adjusted EBITDA margin (% of revenue)	*81.6 %*	*86.8 %*	*91.1 %*	*90.0 %*	*82.3 %*	*90.5 %*

Sources: 2018-2023 URDs

In 2023, adjusted EBITDA margin was 90.5%, higher than the 2022 figure.

The Group’s main operating expenses relate to the cost of maintaining operational facilities (€49.6 million in 2023), external costs (€73.0 million in 2023) and staff costs (€24.9 million[20] in 2023).

Adjusted EBITDA is also affected by the “Other recurring operating income and expense” item, which includes (i) farm-down activities, which generated proceeds of €48.6 million for the Group in 2023, (ii) other recurring operating income (€66.3 million), mainly consisting of contractual compensation resulting from the loss of revenue arising from delays bringing certain facilities into service (€54.0 million in 2023) and (iii) insurance compensation for loss of revenue (€6.5 million).

Net financial items and net income

Neoen’s net financial items mainly consist of interest expense arising from money borrowed by the Group to fund the development of its asset portfolio.

Net income amounted to €147.4 million in 2023 versus €45.7 million in 2022. That increase was mainly due to the €88.6 million rise in the fair value of energy-related derivative financial instruments[21], related to the decrease in forward electricity market prices in Finland and Australia during the year.

5.2 First-half 2024 results

The company reported its first-half 2024 results on July 25, 2024. The main items of the Group’s consolidated income statement in the first half of 2023 and the first half of 2024 are set out below:

[20] Including €4.2 million related to share-based payments, which are excluded from the calculation of adjusted EBITDA.
[21] Instruments hedging against fluctuations in energy prices in relation to sales made directly in the market.

Table 7 - The Group's consolidated income statement for the first halves of 2023 and 2024

€ m - 6 months to June 30	H1 2023	H1 2024
Energy sales via a PPA	198.9	185.8
Energy sales in the market	68.3	51.3
Other revenue	9.8	18.6
Revenue	**277.0**	**255.7**
Growth (%)	*n/a*	*(7.7)%*
Purchases net of changes in inventories	(6.8)	(5.2)
External expenses and payroll costs	(71.7)	(86.9)
Duties, taxes and similar payments	(10.4)	(13.3)
Other recurring operating income and expenses	95.4	84.9
Share of net income of associates	0.3	(0.5)
Recurring operating depreciation and amortization	(86.5)	(95.1)
Recurring operating income	**197.3**	**139.6**
(% of revenue)	*71.2%*	*54.6%*
Other non-recurring operating income and expenses	(3.7)	(10.2)
Impairment of non-current assets	0.5	1.2
Operating income	**194.1**	**130.6**
Cost of debt	*(75.5)*	*(83.0)*
Other financial income and expenses	*(0.8)*	*(7.1)*
Net financial income/(expense)	(76.3)	(90.1)
Profit before tax	**117.8**	**40.5**
Income tax	(27.1)	(8.4)
Consolidated net income	**90.6**	**32.1**
(% of revenue)	*32.7 %*	*12.6 %*
of which attributable to equity holders of the parent	*92.2*	*32.7*
of which attributable to non-controlling interests	*(1.6)*	*(0.6)*

Source: 2024 interim report

Revenue in the first half of 2024 totaled €255.7 million, down 7.7% relative to the year-earlier period. The decline was due in particular to adverse price effects – negative impact of €21.7 million – mainly arising from several facilities (particularly in Finland and Australia) gradually entering long-term PPAs that no longer benefit from "early-generation revenue[22]" as they did in the first quarter of 2023. The decrease in revenue also resulted from a smaller contribution from the storage business and a negative currency effect, mainly in relation to the Australian dollar.

The Group's adjusted EBITDA was €231.9 million in the first half of 2024, down 8% compared to the first half of 2023. The decline was solely down to the wind business: lower revenue from the Mutkalampi and Kaban wind farms, less favorable weather conditions in France and higher maintenance costs of certain facilities in France and Australia.

Net financial items also deteriorated mainly because of interest expenses, which rose in the first half of 2024 because of an increase in the Group's debt. In the first half of 2024, Neoen's cost of debt was around 4.2% (see section7.4.3.2).

[22] Revenue generated when bringing into service a power generation facility before it reaches full capacity or its commercial operation phase.

Consolidated net income was €32.1 million in the first half of 2024 as opposed to €90.6 million in the first half of 2023, a decrease of €58.5 million.

5.3 Revenue for the third quarter of 2024

After the market close on November 5, 2024, revenue for the first nine months of 2024 amounted to €378.4 million, down 5% year-on-year and in line with Management expectations. The decrease was mainly due to the price effects described above.

The secured portfolio represented 10.4 GW, of which 5.2 GW was in operation. The Company brought into operation 230 MW in the third quarter of 2024.

5.4 Consolidated balance sheet at December 31, 2018-2023 and June 30, 2024

Table 8 - Neoen's consolidated balance sheet at December 31, 2018-2023 and June 30, 2024

	Post-IFRS16						
€ m - at December 31	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**H1 2024**
Goodwill	-	0.7	0.7	0.7	0.7	0.7	0.7
Intangible assets	121.7	183.3	208.7	269.3	290.5	347.3	411.6
Property, plant and equipment	1,702.7	2,387.3	2,838.7	3,677.6	4,566.9	5,423.5	6,019.9
of which IFRS 16 right-of-use assets	*95.9*	*133.1*	*161.4*	*210.5*	*250.9*	*296.7*	*357.4*
Investments in associates and joint ventures	6.7	6.9	7.3	16.6	24.4	15.6	31.3
Non-current derivative financial instruments	5.8	2.0	2.2	30.4	312.9	252.5	301.6
Other non-current financial assets	106.0	125.2	92.1	83.0	99.9	175.0	158.8
Other non-current assets	-	-	0.1	11.1	10.7	6.1	3.0
Deferred tax assets	39.1	55.6	62.2	58.3	56.8	77.9	72.7
Total non-current assets	**1,982.0**	**2,761.0**	**3,212.0**	**4,147.0**	**5,362.9**	**6,298.5**	**6,999.5**
Inventories	0.3	0.7	4.7	8.7	10.6	9.8	8.3
Trade receivables	33.8	52.2	73.2	81.6	106.6	115.2	133.0
Other current assets	48.9	111.2	112.3	115.3	108.0	115.9	142.3
Current derivative financial instruments	-	-	-	-	35.9	54.3	52.2
Cash and cash equivalents	503.8	460.5	374.9	592.6	622.8	773.7	511.8
Total current assets	**586.9**	**624.7**	**565.1**	**798.2**	**883.9**	**1,068.9**	**847.6**
Assets held for sale	-	-	-	-	26.8	34.9	32.9
Total assets	**2,568.9**	**3,385.7**	**3,777.1**	**4,945.1**	**6,273.5**	**7,402.3**	**7,880.1**
Share capital	169.9	170.2	171.1	214.1	229.3	304.2	305.7
Share premiums	500.8	501.0	502.3	1,053.4	1,247.4	1,933.0	1,949.2
Reserves	(35.2)	(42.4)	(40.3)	59.2	375.1	267.4	453.0
Treasury shares	(2.7)	(3.8)	(0.1)	(3.1)	(3.2)	(3.2)	(3.4)
Income for the year attributable to equity holders of th	12.4	36.0	3.9	41.0	45.2	150.2	32.7
Equity attributable to equity holders of the pare	**645.1**	**661.0**	**636.8**	**1,364.7**	**1,893.7**	**2,651.7**	**2,737.2**
Equity attributable to non-controlling interests	10.1	19.5	4.8	9.2	20.5	13.0	20.3
Equity	**655.3**	**680.5**	**641.6**	**1,373.9**	**1,914.3**	**2,664.7**	**2,757.5**
Non-current provisions	10.6	13.8	57.4	75.8	115.3	144.1	154.2
Non-current project finance	1,511.8	1,979.8	2,027.1	2,140.1	2,702.3	3,049.2	3,684.7
of which IFRS 16 lease liabilities	*92.8*	*130.5*	*160.8*	*212.1*	*257.5*	*303.3*	*368.1*
Non-current corporate finance	13.9	190.6	325.4	337.5	407.9	421.5	262.9
Non-current derivative financial instruments	33.3	83.8	90.2	23.3	32.2	16.1	9.3
Other non-current liabilities	-	34.1	22.3	31.6	17.9	3.2	12.9
Deferred tax liabilities	37.8	49.6	53.3	85.7	194.0	226.0	243.1
Total non-current liabilities	**1,607.3**	**2,351.7**	**2,575.7**	**2,694.1**	**3,469.8**	**3,860.0**	**4,367.1**
Current provisions	-	-	0.5	0.3	1.0	4.8	4.9
Current project finance	122.5	144.8	273.1	427.7	397.3	315.8	180.3
of which IFRS 16 lease liabilities	*4.1*	*6.2*	*7.1*	*7.7*	*6.9*	*11.4*	*12.9*
Current corporate finance	2.2	4.0	14.0	1.3	1.8	2.6	165.6
Current derivative financial instruments	7.1	11.6	19.6	23.3	12.6	3.7	9.1
Trade payables	136.5	126.3	173.9	340.4	242.4	386.6	236.2
of which suppliers	*25.8*	*27.4*	*33.2*	*51.6*	*60.3*	*58.0*	*66.4*
of which suppliers of non-current assets	*110.8*	*98.9*	*140.7*	*288.7*	*182.1*	*328.7*	*169.8*
Other current liabilities	37.9	66.8	78.7	84.1	206.2	125.9	122.4
Total current liabilities	**306.3**	**353.5**	**559.7**	**877.1**	**861.2**	**839.5**	**718.6**
Liabilities associated with assets held for sale	-	-	-	-	28.2	38.0	36.9
Total equity and liabilities	**2,568.9**	**3,385.7**	**3,777.1**	**4,945.1**	**6,273.5**	**7,402.3**	**7,880.1**

Sources: 2018-2023 URDs, 2024 interim financial report

Intangible assets

Intangible assets mainly consist of capitalized project development expenditure that meets the IAS 38 criteria for capitalization.

The Group distinguishes between development costs related to projects at the feasibility study stage (€160.8 million at June 30, 2024) from those in operation (€125.9 million). Amortization is calculated from the time the facility is commissioned, on a straight-line basis over the useful life of the underlying asset.

Property, plant and equipment

Property, plant and equipment amounted to €6,019.9 million at June 30, 2024, and consisted mainly of production assets in service (€3,784.3 million), production assets under development (€1,820.4 million) and to a lesser extent right-of-use assets in relation to leases under IFRS 16 (€357.4 million)[23].

Derivative financial instruments

Neoen uses derivatives to hedge its exposure (i) to exchange-rate risks, (ii) changes in the spot price of electricity associated with power generated by certain assets and (iii) interest-rate risk.

At June 30, 2024, the fair value of its derivative financial instruments was €335.4 million (€353.8 million of assets minus €18.4 million of liabilities).

Other non-current financial assets

Other non-current financial assets amounted to €158.8 million at June 30, 2024. They consisted mainly of security deposits related to financing contracts, term deposits, loans and non-consolidated securities.

The increase in other non-current financial assets in 2023 was due to the increase in receivables due in more than one year, which correspond to shareholder advances made to companies consolidated using the equity method, notably in Finland.

[23] Mainly corresponding to right-of-use assets relating to the land used for facilities in operation and under construction (€342.4 million) and to office buildings (€15.0 million).

Working capital requirement (WCR)

The change in WCR between December 31, 2018 and June 30, 2024 is set out below:

Table 9 - Change in WCR since December 31, 2018 (€ m)

€m - at December 31	2018	2019	2020	2021	2022	2023	H1 2024
Other non-current assets	-	-	0.1	11.1	10.7	6.1	3.0
Inventories	0.3	0.7	4.7	8.7	10.6	9.8	8.3
Trade receivables	33.8	52.2	73.2	81.6	106.6	115.2	133.0
Other current assets	48.9	111.2	112.3	115.3	108.0	115.9	142.3
Trade payables (excluding suppliers of non-current asse	(25.8)	(27.4)	(33.2)	(51.6)	(60.3)	(58.0)	(66.4)
Other current liabilities	(37.9)	(66.8)	(78.7)	(84.1)	(206.2)	(125.9)	(122.4)
WCR	**19.3**	**69.9**	**78.4**	**81.0**	**(30.6)**	**63.1**	**97.8**
(% of 12-month revenue)	*9.3 %*	*27.6 %*	*26.2 %*	*24.3 %*	*(6.1)%*	*12.0 %*	*19.4 %*
Change in WCR	**n/a**	**50.6**	**8.5**	**2.6**	**(111.6)**	**93.7**	**34.7**

N.B. The "trade payables" item above corresponds to the "trade payables" item in the Company's balance sheet adjusted for "fixed asset suppliers", which are accounted for under capital expenditure in Management's financial trajectory.

Sources: 2018-2023 URDs, 2024 interim financial report, Finexsi analysis

The Group's WCR has historically been positive, which means that it has a funding requirement, except in 2022 when it was -€30.6 million because of the recognition under "other current liabilities" of a €90.3 million liability to EDF OA because of changes in electricity prices during the year. That liability corresponds to the difference between the market price received by certain French power facilities and the price of their power purchase agreement, which the Group must pay on to EDF in accordance with regulations in force.

Share capital

On March 29, 2023, Neoen carried out a rights issue with a total gross amount of around €750 million. That capital increase resulted in the issue of 36,694,552 new shares at a price of €20.45 each.

In addition during 2023, the Company carried out a capital increase reserved for employees (May 12, 2023), paid 83% of the total dividend with respect to 2022 in shares (June 8, 2023) and carried out a capital increase as part of its free share plan (July 3, 2023), taking the Company's share capital to €304,244,898 as of December 31, 2023, consisting of 152,122,449 ordinary shares.

Between December 31, 2023 and June 30, 2024, the Company carried out several capital increases (in a total amount of around €17.5 million), particularly by paying 75% of the total dividend with respect to 2023 in shares, allotting free shares and carrying out a capital increase reserved for employees.

After taking into account these transactions and the Group's net income for the period (€32.7 million), the Group's consolidated equity was €2,737.2 million as of June 30, 2024, i.e. €17.93 per share (based on the number of outstanding shares minus treasury shares [24]– see section 7.3.1).

Net debt

Movements in Neoen's net debt are set out below:

Table 10 - Change in Neoen's consolidated net debt since 2018 (€ m)

€m - at December 31	2018	2019	2020	2021	2022	2023	H1 2024
Short-term investments	165.4	11.6	0.7	67.9	40.6	66.6	34.4
Cash	338.4	448.9	374.2	524.6	582.2	707.2	477.4
Cash and cash equivalents	**503.8**	**460.5**	**374.9**	**592.6**	**622.8**	**773.7**	**511.8**
Senior project financing	(1,229.4)	(1,757.9)	(1,948.7)	(2,199.6)	(2,717.7)	(2,921.5)	(3,355.8)
Junior project financing	(262.7)	(199.6)	(154.4)	(117.6)	(77.4)	(74.0)	(76.6)
Corporate financing	(16.1)	(194.6)	(339.4)	(338.8)	(409.7)	(424.1)	(428.5)
Non-controlling investors and others	(45.4)	(30.5)	(29.2)	(31.1)	(40.2)	(54.9)	(51.6)
Debt	**(1,553.6)**	**(2,182.6)**	**(2,471.7)**	**(2,687.1)**	**(3,245.0)**	**(3,474.5)**	**(3,912.5)**
Net cash / (debt) pre-IFRS 16	**(1,049.8)**	**(1,722.1)**	**(2,096.8)**	**(2,094.5)**	**(2,622.2)**	**(2,700.8)**	**(3,400.7)**
Leverage ratio (net debt / adjusted EBITDA over 12 month	*6.2x*	*7.8x*	*7.7x*	*7.0x*	*6.3x*	*5.7x*	*7.5x*
IFRS 16 lease liabilities	(96.9)	(136.7)	(167.9)	(219.8)	(264.4)	(314.7)	(381.0)
Net cash / (debt) post-IFRS 16	**(1,146.7)**	**(1,858.8)**	**(2,264.7)**	**(2,314.3)**	**(2,886.6)**	**(3,015.5)**	**(3,781.7)**

Note 1: the net debt figure above is different from that in Neoen's financial statements, mainly because Finexsi does not take into account security deposits and interest-rate derivatives.

Sources: 2018-2023 URDs, 2024 interim financial report, Finexsi analysis

The Neoen group had net debt throughout the period under review, rising from €1,049.8 million in 2018 to €3,400.7 million at June 30, 2024 (excluding IFRS 16).

At June 30, 2024, the Group's cash position was €511.8 million, €261.9 million lower than the December 31, 2023 figure of €773.7 million. That decrease is mainly due to investments in the form of capital contributions and shareholder loans to new projects under construction (outflow of €364 million) and the financing of development and structural costs (€73 million). Those outflows were partly offset by (i) dividends received from and repayments of shareholder loans by project companies (inflow of €91.8 million), (ii) €64.2 million of payments for development services and (iii) €42.6 million from farm-down transactions.

Senior and junior debt is secured by projects (wind and photovoltaic facilities and storage units). The increase in these items is due to the development of the Group's asset portfolio.

Corporate borrowings correspond mainly to the issuance of green OCEANEs:

- In October 2019 in an amount of €179.0 million (debt component net of fees) and €19.4 million (equity component net of fees). Those 2019 OCEANEs were converted into shares (€190.8 million) and reimbursed in cash (€0.4 million) in 2022;
- In June 2020 in an amount of €142.8 million (debt component net of fees) and €24.9 million (equity component net of fees); and

[24] Giving a total of 152,660,436 Neoen shares.

- In September 2022 in an amount of €249.9 million (debt component net of fees) and €47.4 million (equity component net of fees).

The "Non-controlling investors and others" item mainly consists of funding from shareholders as part of project financing.

In February 2024, Neoen completed the refinancing of the syndicated credit facility arranged in March 2020, increasing its size from €250 million to €500 million and extending its maturity from 2026 to 2029. That syndicated facility consists of a €300 million term loan and a €200 million revolving credit facility.

The Company also had €500 million of undrawn credit facilities as of June 30, 2024.

Lease liabilities recognized under IFRS 16 amounted to €381.0 million at June 30, 2024, and related to land on which the Group has power generation facilities.

The Group's leverage ratio, defined as net debt divided by adjusted EBITDA (before the application of IFRS 16), was 7.5x[25] at June 30, 2024. The Group's target is to have a leverage ratio of between 8x and 10x by 2025.

Other balance sheet items

Other balance sheet items include:

- Other current assets (€115.9 million at December 31, 2023), mainly consisting of tax and social-security receivables (€68.6 million) related to VAT credits, and downpayments made to suppliers in relation to the construction of power plants (€39.2 million);
- Current and non-current provisions (€148.9 million at December 31, 2023), mainly corresponding to decommissioning provisions (€148.4 million);
- Other current liabilities (€125.9 million at December 31, 2023), corresponding to tax and social-security payables (€46.2 million) and liabilities to other creditors (€65.0 million).

5.5 Group forecasts

The Group's guidance for the current financial year and 2025 is as follows:

- On November 26, 2024, the Group announced a decrease in its 2024 adjusted EBITDA target from a range of €530-560 million to a range of €475-490 million, because of a smaller contribution from farm-down transactions;
- In 2025, it expects adjusted EBITDA of over €700 million, and its total capacity in operation or under construction should reach 10 GW[26].

[25] Based on an adjusted EBITDA figure for the previous 12 months.
[26] Neoen press release of June 19, 2023.

It should be noted that these adjusted EBITDA forecasts take into account the contribution of farm-down transactions, which will not exceed 20% of adjusted EBITDA in 2024 or 2025 (and 15% of the gross annual increase in the secured portfolio)[27].

On 1 March 2023, the Group announced to the market its aim of achieving installed operational capacity of 20 GW by 2030, although that would require one or more capital increases as certain analysts have noted (see section 7.4.6). Management has stated that without any capital increases, it should be able to self-finance an increase in installed capacity to 15 GW.

27 Neoen press release of March 1, 2023.

6 SWOT analysis

The Company's strengths and weaknesses, along with the opportunities and threats it faces in its markets, are summarized in the SWOT matrix below:

Figure 14 - Neoen's SWOT matrix

STRENGTHS

- Geographical diversification of production capacity
- Position in the storage battery segment allowing cross-selling with the other businesses
- Proven track record in carrying out large-scale projects
- Assets in operation with long residual useful lives
- Expertise across the entire project value chain

WEAKNESSES

- Relatively high debt levels, which may limit medium-term development capacity (particularly in the absence of further capital increases)
- Risks inherent in projects to develop power plants (gaining administrative authorizations, securing funding, feasibility studies etc.)

OPPORTUNITIES

- Strong growth in demand for renewable energies as part of the energy mix, particularly as part of the Net Zero 2050 plan
- Support of institutions and governments for renewable energies
- Technological advances improving returns from and the competitiveness of renewable energies
- Need to increase storage capacity in order to support the growth of renewable energies

THREATS

- Growing competition
- Increase in the cost of building facilities (capex) because of the rising price of wind turbines and of photovoltaic and storage installations
- Slower growth in the photovoltaic market in Australia because of grid saturation and connection difficulties
- Gradual decrease in subsidies because renewables are increasingly competitive
- Delays in completing facilities under construction
- Geopolitical risks in the main markets

Sources: Company, Finexsi analysis

7 Valuation of Neoen shares

In accordance with Article 262-1 of the AMF's General Regulation, we carried out our own multi-criteria valuation of Neoen. Details of that valuation and the results obtained are set out below.

7.1 Valuation methods not used

Based on our analysis, we decided not to use the following methods:

7.1.1 Consolidated net book value

Net book value is not generally regarded as representative of a company's intrinsic value since it does not factor in a company's growth and earnings prospects – positive or negative – or any possible capital gains on assets.

For information purposes only, Neoen's consolidated net book value attributable to equity holders of the parent at June 30, 2024 was €2,737.2 million, equal to €17.93 per share[28].

7.1.2 Adjusted net book value

The adjusted net book value method consists of taking net book value and adjusting it for identified unrealized gains or losses in the company's assets, liabilities or off-balance sheet items. This method is often used to value companies in certain sectors (holding companies and real-estate companies) and is particularly well suited to companies whose main assets have a market value and whose operating method consists of acquiring and disposing of such assets. This is not the case of Neoen.

7.1.3 Discounted future dividends

This method, which consists of discounting future dividends to their present value, depends on the distribution policy adopted by Management. It contains a bias in that it gives a higher valuation to companies with higher payout rates, without taking into account the medium-term effect of the trade-off between uses of cash, i.e. paying dividends, self-financing and investing. It can only be used with companies that have sufficient dividend-paying capacity, with regular, foreseeable pay-out ratios.

The Company has paid dividends with respect to its two most recent completed financial years[29]. In Neoen's shareholders' meeting of May 14, 2024, shareholders voted for an ordinary dividend of €0.15 per share with respect to 2023, with the option to receive dividends in cash or in shares. In addition, *"over the 2023-2025 period, the Group intends to gradually increase its dividend per share, notably in relation to its earnings growth and its financial position"*[30].

[28] Based on 152,660,436 shares, corresponding to the number of shares issued at June 30, 2024 (152,848,774), minus the 188,338 treasury shares.
[29] In 2022, the Company made the first dividend payment in its history, with respect to the 2021 financial year.
[30] Press release of March 1, 2023.

We did not use this method, because the Company's pay-out ratio is limited by the funding requirements of its business, and because it appears to be less relevant than the discounted cash flow (DCF) method.

7.1.4 Net asset value

We did not regard it as necessary to use this method, which is not appropriate because the Group operates on a going concern basis. As a result, we used methods suited to that basis, which allowed us to value Neoen's shares appropriately.

7.2 Valuation methods used

We used a multi-criteria approach, based on the following primary valuation methods:

- Reference to recent transactions involving Neoen's capital, i.e. the acquisition of the Controlling Block (53.12% of its share capital) on June 24, 2024;
- Reference to Neoen's share price;
- The discounted free cash flow (DCF) method;

On a secondary basis, we used the following methods and references:

- The peer-group comparison method;
- The comparable transactions method;
- Reference to the share-price targets of analysts who cover Neoen.

When examining these methods, we provide details of how relevant we believe each of them is.

7.3 Reference data relating to Neoen

7.3.1 Number of shares

Our calculations are based on the number of shares making up the Company's share capital at November 30, 2024 (152,848,774):

- Minus treasury shares on the same date (188,338);
- Plus free shares currently vesting (1,094,732), comprising 161,971 shares under the 2022 free share plan, 210,833 under the 2023 free share plan and 721,928 under the 2024 free share plan, it being stipulated that based on the financial trajectory provided to us, the performance conditions for these plans are currently being met;
- Plus shares that would result from the conversion of the 2020 OCEANEs (3,679,653 bonds based on a conversion ratio of 1.176 at June 11, 2024, i.e. 4,327,272 Neoen shares) and the 2022 OCEANEs (3,000 bonds based on a conversion ratio of 2,118.0805 at June 11, 2024, i.e. 6,354,242 Neoen shares).

Table 11 - Diluted number of shares at November 30, 2024

Number of Neoen shares	nov.-24
Number of shares making up the share capital at November 30, 2024	**152,848,774**
Number of treasury shares	(188,338)
Number of shares excluding treasury shares	**152,660,436**
Impact of dilutive instruments	1,094,732
2022 free shares currently vesting	*161,971*
2023 free shares currently vesting	*210,833*
2024 free shares currently vesting	*721,928*
Diluted number of Neoen shares (excluding OCEANEs)	**153,755,168**
2020 OCEANEs	4,327,272
2022 OCEANEs	6,354,242
Diluted number of Neoen shares after taking into account the conversion of OCEANEs	**164,436,681**

Sources: 2023 URD, Finexsi analysis

The diluted number of shares used in our analysis is 164,436,681.

7.3.2 Enterprise value to equity value bridge

The enterprise value to equity value bridge is based on cash and debt figures in Neoen's consolidated financial statements at June 30, 2024.

Table 12 - Neoen enterprise value to equity value bridge at June 30, 2024 (before IFRS 16)

€m	Jun-24
Cash and cash equivalents	512
Non-current financing	(3,265)
Current financing	(168)
Non-controlling investors and others	(52)
Net cash / (debt)	**(2,973)**
Other financial assets	146
Tax loss carryforwards	199
Derivative financial instruments (net of deferred tax liabilities recognized)	254
Disposal of the Metoro facility	3
Companies accounted for under the equity method	31
Other non-current liabilities	(13)
Non-controlling interests	(20)
Contingency and loss provisions (net of deferred tax assets recognized)	(119)
Disposal of the portfolio of assets and projects in the state of Victoria (enterprise value)	580
Adjustments	**1,061**
Bridge from enterprise value to equity value - cash / (debt)	**(1,912)**

Sources: Half-year financial report 2024, Finexsi analysis

Excluding financial liabilities and cash, which do not call for any particular comment on our part, we have included the following main items in Neoen's net debt:

- Other financial assets in an amount of €146 million, consisting of security deposits net of cash provided as collateral (€69 million), receivables due in more than one year (€72 million, mainly owed by equity-accounted companies) and non-consolidated securities (€5 million);
- Tax loss carryforwards (whether or not deferred tax assets have been recognized in respect of them) in an amount of €199 million. Those tax losses were modeled according to the timeframe over which they will be consumed based on the financial trajectory, according to French regulations in force. Their present value was then included in our enterprise value to equity value bridge. As a result, they are not deducted from the tax expense included in the cash flows used for the DCF method;
- The fair value of derivative financial instruments (€335 million) net of the related deferred tax (-€82 million), making €254 million;
- Investments in associates and joint ventures (€31 million), recognized at their carrying amount;
    - Non-controlling interests (-€20 million), recognized at their carrying amount;
    - Contingencies and loss provisions (-€119 million net of recognized deferred tax assets), mainly corresponding to provisions for the decommissioning of facilities in operation;
    - The enterprise value of the portfolio of assets in the state of Victoria, Australia (€580 million[31]), the disposal of which was announced on December 4, 2024. That disposal is taking place as part of undertakings given by the Offeror to obtain the necessary authorization from the Australian competition authority (ACCC) to complete the acquisition of the Controlling Block from Impala and Neoen's other shareholders. The debt related to that portfolio of assets is taken into account in the above debt figure.

Adjusted net debt therefore equals €1,912 million.

It should be noted that we did not include the OCEANEs that are the subject of the present Offer in the net debt figure, because we included them elsewhere, in the calculation of the diluted number of shares (see section 7.3.1).

In addition, for our various calculations and analyses, we used figures that do not take into account the application of IFRS 16[32], because (i) those pre-IFRS 16 figures are a better reflection of the Company's real assets and financial performance, particularly in terms of cash generation, and (ii) adjustments have been made for the impact of IFRS 16 based on information provided by Management in the financial trajectory on which our analysis was based. As a result, the net debt figure presented above does not include IFRS 16 lease liabilities of around €381 million at June 30, 2024 (see section 5.4). Similarly, adjustments were made to EBITDA in relation to lease payments, to ensure the consistency of the parameters used in the valuation.

7.4 Valuation of Neoen

7.4.1 Recent transactions involving the company's share capital (primary method)

This method consists of valuing a company with reference to significant recent transactions involving its equity, excluding changes taking place in the market that affect the share price and are

[31] Based on a figure of AUD 950 million and an exchange rate of 0.61.
[32] With the exception of the comparable transactions method, since we do not have sufficient information to make adjustments for the impact of IFRS 16 on the figures for the identified transactions.

reflected in the analysis of the share price, which is a separate valuation criterion that is examined elsewhere in this report.

On June 24, 2024, the Offeror formed a Share Purchase Agreement with Impala, Fonds Stratégique de Participations (managed by ISALT), Cartusia, Xavier Barbaro[33] and other shareholders in order to acquire 81,197,100 Neoen shares, representing around 53.12% of the Company's capital, at a price of €39.85 per share (the "Controlling Block").

On the same date, the Offeror also entered into an agreement with Bpifrance, via its ETI 2020 fund, under which Bpifrance undertook to tender all of its shares in Neoen, representing 4.36% of Neoen's share capital, to the public tender offer that the Offeror will make after completing the Block Purchase.

The purchase of the Controlling Block had not been completed by the time the present report was submitted.

The price per share paid in the purchase of the Controlling Block, consisting of around 53.12% of the Company's capital, is strictly identical to that offered to non-controlling shareholders through the Offer.

In addition, as executives of the Company and/or members of the Board of Directors, some sellers (collectively holding around 50.1%[34] of the Company's capital) have full access to information about the Company, its risks and opportunities, and so are in a position to make informed judgments about the price per share paid to acquire the Controlling Block, which is the same as that offered through the present Offer.

As a result, the price of €39.85 per share is a valuation reference for Neoen shares.

7.4.2 Share price analysis (primary method)

The Company's share price measures the price at which its Shares are freely traded in the market, subject to a sufficient free float and liquidity.

For the record, Neoen's IPO took place at a price of €16.50 per share on October 17, 2018, and the shares are admitted for trading on compartment A of Euronext Paris (ISIN: FR0011675362).

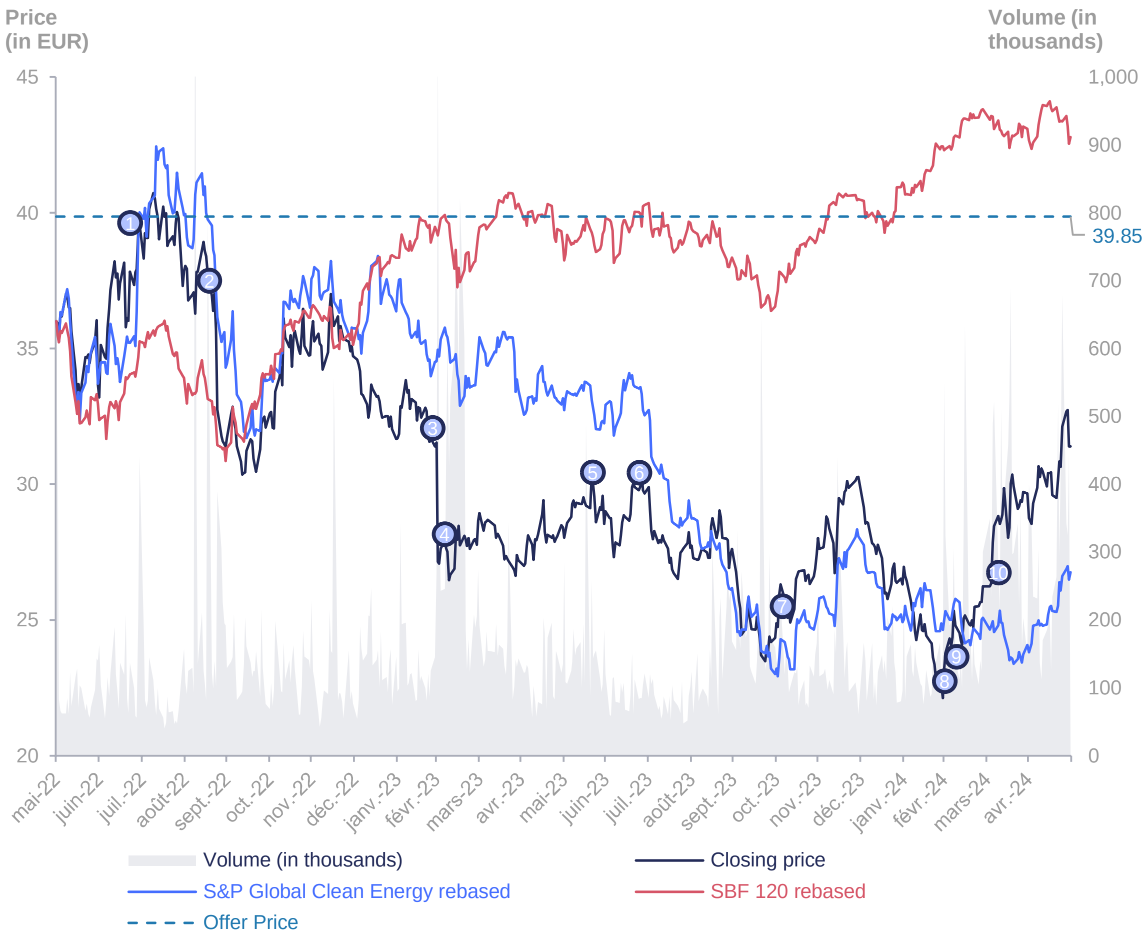
We analyzed movements in the share price before the Offer was announced, i.e. until the market close on May 29, 2024, since the Offer was announced to the market before the market open on May 30, 2024.

[33] Founder and CEO of Neoen.
[34] Xavier Barbaro, Cartusia, Impala and Fonds Stratégique de Participations.

7.4.2.1 Analysis of movements in Neoen's share price

Movements in the Company's share price in the 24 months preceding May 30, 2024 were as follows.

Figure 15 - Movements in Neoen's share price in the two years preceding May 30, 2024



Sources: Capital IQ, press articles, Finexsi analysis

__Comments__

1. **July 28, 2022:** The Company published its first-half 2022 results, showing a 36% increase in revenue compared to the first half of 2021;

2. **September 23, 2022:** Stockmarkets fell across the board because of investor concerns about a possible recession and a deterioration in the global economic environment. Against a background of inflation and the energy crisis arising from the war in Ukraine, the renewable energy sector was particularly badly affected, as shown by the 8.5% decline in the S&P Global Clean Energy index in the space of a week (as opposed to an 11.3% fall in Neoen's share price during the same period);

3. **March 1, 2023:** Publication of Neoen's full-year 2022 results. Revenue amounted to €503.2 million, an increase of 50.8% year-on-year. The Company's adjusted EBITDA was €414.0 million, higher than the initial range of €360-375 million announced to the market in

March 2022. However, Neoen's share price fell by 13.9% because the Company announced that it needed to raise an additional €750 million to fund its investments until 2025, the total amount of which was increased from €5.3 billion to €6.2 billion;

4. **March 7, 2023:** After the announcement on March 1, 2023, Neoen informed shareholders of a capital increase of around €750 million in order to increase its installed capacity by 50% while stepping up its storage investments;
5. **June 19, 2023:** The Company raised its adjusted EBITDA target for 2025 to over €700 million including farm-down transactions (versus €600 million initially announced in March 2023 excluding farm-down transactions);
6. **July 27, 2023:** The Company published its first-half 2023 results, showing a 44% increase in EBITDA compared to the first half of 2022. Neoen announced that its capacity in operation or under construction had reached 7 GW;
7. **November 2, 2023:** The Company announced a 12% increase in revenue in the first nine months of 2023 and confirmed its adjusted EBITDA target for 2023 (range of €460-490 million);
8. **February 26, 2024:** Neoen completed the financing of a portfolio of eight renewable energy assets (solar, wind and battery) in an amount of over AUD 1.1 billion (around €671 million), representing one of the largest-ever financing transactions for a portfolio of renewable assets in Australia;
9. **February 28, 2024:** Publication of Neoen's full-year 2023 results. Revenue rose by 4.2% to €524.4 million and adjusted EBITDA by 15% to €474.8 million compared to the previous year;
10. **March 28, 2024:** The Company's share price rose by 2.3% after Bloomberg published an article mentioning speculation about the potential sale of a 30% stake in Neoen's Australian assets for AUD 1.1 billion (around €671 million) to fund its growth in the country.

On **May 30, 2024,** Brookfield announced that it had entered into exclusive talks with Impala and other shareholders to acquire a majority stake in Neoen at a price of €39.85 per share[35]. After purchasing that block, Brookfield would make a mandatory public tender offer for the remaining Neoen shares and outstanding OCEANEs and, if the conditions were met at the end of the Offer, a squeeze-out would take place.

In the 24 months preceding the announcement of the Offer (i.e. starting on May 30, 2022), the Company's share price fell by 12.8% while the SBF 120 rose by 18.8%. However, that share-price performance should be compared to the decline in the share prices of renewable energy companies, as shown by the 25.7% fall in the S&P Global Clean Energy index over the same period.

After the announcement of the transaction on May 30, 2024, Neoen's closing share price moved between €36.10 on June 17, 2024 and €39.59 on December 18, 2024, i.e. below the offer price of €39.85 per share (ex-dividend).

[35] Excluding the €0.15 per share dividend approved by shareholders in the May 14, 2024 shareholders' meeting.

7.4.2.2 Analysis of the liquidity of Neoen shares

The table below shows volume-weighted average prices (VWAPs), trading volumes and the resulting turnover ratios in the 24 months before the Offer was announced on May 30, 2024:

Table 13 - VWAP and liquidity of Neoen shares up to May 29, 2024

Volume-weighted average prices	€ per share	Premium / (discount) arising from the Offer price of €40*	Trading volume (in thousands)		Value of shares traded (in thousands)		% of share capital		% of free float	
			Average	Cumulative	Average	Cumulative	Trading volume	Share turnover (relative to share capital)	Trading volume	Share turnover (relative to free float)
Spot (May 29, 2024)	31.40	+27.4 %	443	443	14,114	14,114	0.29 %	0.29 %	0.59 %	0.59 %
1-month VWAP	30.56	+30.9 %	294	6,165	8,972	188,406	0.19 %	4.06 %	0.39 %	8.26 %
60-day VWAP	28.83	+38.7 %	288	16,126	8,302	464,921	0.19 %	10.62 %	0.39 %	21.61 %
3-month VWAP	28.52	+40.2 %	284	17,344	8,109	494,674	0.19 %	11.43 %	0.38 %	23.24 %
6-month VWAP	27.90	+43.4 %	213	26,152	5,931	729,567	0.14 %	17.23 %	0.28 %	34.84 %
12-month VWAP	27.64	+44.7 %	173	44,167	4,787	1,220,695	0.11 %	29.10 %	0.23 %	58.03 %
24-month VWAP	30.87	+29.6 %	167	85,694	5,167	2,645,692	0.11 %	56.45 %	0.26 %	131.61 %
12-month high (May 28, 2024)	32.74	+22.2 %								
12-month low (February 28, 2024)	22.12	+80.8 %								
24-month high (August 8, 2022)	40.71	(1.8)%								
24-month low (February 28, 2024)	22.12	+80.8 %								

N.B. The premiums arising from the Offer price are expressed in relation to the price of €40.00, i.e. before the deduction of the dividend of €0.15 per share with respect to 2023 (ex-date: June 11, 2024).

Sources: Capital IQ, Finexsi analysis

In the 12 months before May 30, 2024, the cumulative trading volume of Neoen shares was 44.2 million (around 173,000 shares traded per trading day). Over the same period, the equity turnover ratio was 29.10% and the free float turnover ratio was 58.03%.

In the 24 months before May 30, 2024, the cumulative trading volume of Neoen shares was 85.7 million (around 167,000 shares traded per trading day). Over the same period, the equity turnover ratio was 56.45% and the free float turnover ratio was 131.61%.

In our view, these figures show that the stock is liquid and that the share price is a suitable reference for valuing the Company.

The Offer price of €40.00 per Neoen share (cum dividend) shows a premium of 27.4% to the closing price on May 29, 2024 and a premium of 38.7% to the 60-day VWAP.

7.4.3 Discounted cash flow valuation (primary method)

This method consists of determining the Company's intrinsic value by discounting cash flows forecast on the basis of its financial trajectory at a rate that reflects the rate of return demanded by the market.

The method recognizes the value attributable to the Company's business development prospects and we believe it is well suited to Neoen's situation. It is also representative of the Company's full value because it assumes access to and control of the cash flow generated by the Company.

7.4.3.1 Presentation of the financial trajectory

Management and its advisors sent to us a standalone financial trajectory for 2024E-2030E, representing an update of the business plan prepared in 2022 as part of a three-year forecasting process. The Company has not produced any bottom-up long-term forecasts since that date. Management also sent us the draft 2025 budget included in its financial trajectory.

The 2026E-2030E part of the financial trajectory was determined using a top-down approach by Management and its advisors, broken down by technology but with no distinction between the various geographical areas in which the Group operates.

In addition, the financial trajectory does not include any acquisitions or potential synergies with the Offeror, which stated in the draft offer document that it does not expect any cost or revenue synergies with the Company during the following 12 months.

The financial trajectory sent by Management has not been approved by the Company's governance bodies, although the 2022-2024 business plan, of which it is an update, was approved by them.

The main assumptions in the 2024E-2030E financial trajectory are as follows:

- 2024 EBITDA within the range disclosed to the market (€475-490 million).
- 2025B figures in line with the guidance disclosed to the market, i.e. capacity in operation or under construction that should reach 10 GW and adjusted EBITDA of over €700 million;
- The continuation of the Company's development in line with the ambitions disclosed to the market by Management, i.e. achieving installed capacity of 15 GW by 2030, which the Group believes it can fund on a standalone basis with recourse to debt alone (project financing and corporate financing) along with the cash it currently has and cash generated by farm-down transactions and assets in operation, without any new fund-raising. We have favored this scenario over the scenario involving installed capacity of 20 GW by 2030, which has also been mentioned by Management but would require one or more capital increases, the terms of which are not known and which cannot be simulated, particularly regarding the dilutive impact on shareholders;
- Total development investment of around €9.6 billion during the period (excluding maintenance costs included in operating expenses), estimated by the Company based on a €/MW figure for each technology and inflation-linked, allowing it to achieve the 15 GW installed capacity target by 2030. 75% of investments are allocated to the wind and solar businesses and 25% to the storage business. Their capex EBITDA yields[36] are determined such that project IRRs are in line with the guidance disclosed to the market (7.5% in Europe, 8.5% in Australia and other OECD countries and over 10% in countries that are not OECD members[37]);
- An annual contribution from farm-down transactions limited to 20% of adjusted EBITDA;

[36] The capex EBITDA yield is the EBITDA generated by underlying assets divided by the capital expenditure that they represent.
[37] See press release of March 1, 2023.

- Strong growth in adjusted EBITDA (CAGR of 13.3%) until 2032E (with the last facilities commissioned in 2031E), reflecting investments and changes in installed capacity. Adjusted EBITDA should reach around €1.3 billion (excluding farm-down transactions) by that date;
- No change in the WCR over the financial trajectory period.

We also took into account the disposal of the portfolio of assets in the state of Victoria, Australia[38] announced on December 4, 2024, which is expected to complete in June-July 2025. That portfolio consists of four assets in operation (652 MW of installed capacity) and 2.8 GW of assets under development. We excluded this portfolio's cash flows from the financial trajectory from the second half of 2025. The enterprise value resulting from that transaction (€580 million) was included in the bridge from enterprise value to equity value (see section 7.3.2). Taking that disposal into account has a positive impact on the Company's value.

The financial trajectory, prepared on a standalone basis for the 2024E-2030E period, reflects Management's growth ambitions until 2030, with an installed capacity target of 15 GW, financed without any new fund-raising. It is based on Management's ability to continue developing its portfolio at a sustained pace without any deterioration in financial performance, and factors in the full effect of the Company's strategy implemented and disclosed to the market.

We reiterate that the ambition disclosed to the market of having installed capacity of 20 GW by 2030, would require one or more capital increases, the terms of which are not known and which cannot be simulated.

[38] The disposal is taking place as part of undertakings given by the Offeror to obtain the necessary authorization from the Australian competition authority (ACCC) to complete the acquisition of the Controlling Block from Impala and Neoen's other shareholders.

Extrapolation

From 2031E (when the last facilities are due to come into service), we assumed that the installed base will remain stable. Cash flows are modeled until the end of facilities' useful lives, based on when they came into service and on their expected useful lives (30 years for wind and solar facilities and 20 years for storage facilities), i.e. until 2060 for the last facilities (end-of-life scenario).

During that period, no additional development capex or farm-down transactions have been taken into account, so capacity is regarded as fixed at around 15 GW until the first facilities come to the end of their lives, expected in 2050.

Income tax

We have assumed a corporate income tax rate of 28.0%, corresponding to the weighted average rate across the Group's geographical locations. We have also taken into account long-term capital gains tax on asset disposals as part of farm-down activities.

Tax loss carryforwards were not taken into account as deductions from tax expense, but were modeled separately and their present value was included in our bridge from enterprise value to equity value (see section 7.3.2).

Discounted cash flows

In accordance with the enterprise value to equity value bridge, based on the most recent interim financial statements to June 30, 2024, the first cash flows we considered in the DCF valuation were those of the second half of 2024. Given the date of the present report, those cash flows have not been updated in our work.

We then discounted mid-year cash flows from 2025 onwards to their present value.

Standardized cash flows

We did not include any terminal value at the end of the extrapolation period, because cash flows were modeled until the end of the lives of all facilities in service.

However, we did take into account an exit value. At the end of the facilities' lives, they will either be closed permanently and decommissioning costs will arise, or it may be possible to build new facilities on their sites after decommissioning the old facilities ("repowering"). In the latter case, it is necessary to assess the potential value creation attributable to the new facilities (after the decommissioning of the old facilities). In our valuation, we considered the second scenario, which is favorable to shareholders.

The exit value was estimated on the basis of figures per MW for each technology as provided by Management, taking the view that 50% of the capacity in operation (around 7.5 GW) could be subject to repowering when the existing facilities come to the end of their lives. The Company has not yet carried out a repowering operation, because its facilities in operation are relatively recent.

Decommissioning costs were assessed on the basis of the provisions set aside by the Group, included in our enterprise value to equity value bridge at their carrying amount at June 30, 2024.

However, those provisions were estimated by the Group on the basis of its current asset portfolio, and we have not taken into account any additional provisions that may be set aside in relation to the large increase in installed capacity over the financial trajectory period.

7.4.3.2 Discount rate

We used the Company's weighted average cost of capital (WACC) to discount future cash flows. We estimated a WACC of 5.4% based on:

- A risk-free rate of 3.04%, corresponding to the average 10-year OAT TEC yield (6-month average calculated on November 29, 2024 - source: Banque de France);
- An equity market risk premium of 5.58% (6-month average at end-November 2024 - source: Finexsi);
- A peer-based unlevered beta of 0.48 (source: Capital IQ);
- A pre-tax cost of debt of 4.2%, as reported in the Company's interim financial report;
- The Company's gearing of 59.9% before the Offer was announced (as of May 27, 2024);
- A tax rate of 28%, corresponding to the weighted average rate across the Group's geographical locations.

It should be noted that this rate of 5.4% is at the lower end of the discount rates used by analysts who cover Neoen (5.4-6.5%).

7.4.3.3 Valuation results

On that basis, the resulting central enterprise value for Neoen is €6,829 million. Based on the enterprise value to equity value bridge, Neoen's central equity value is €4,955 million or €30.13 per share.

The sensitivity of Neoen's value per share to a combined variation in (i) the discount rate (from -0.5% to +0.5%) and the proportion of MW undergoing repowering (from 0% to 100%) and (ii) the discount rate (from -0.5% to +0.5%) and the capex EBITDA yield of underlying assets (from -20% to +20%) is set out below.

Table 14 - Sensitivity to a combined change in the discount rate and the proportion of MW undergoing repowering

Value per share		Discount rate (%)				
		4.9%	5.2%	5.4%	5.7%	5.9%
% of repowering	*100.0%*	37.62	34.96	32.43	30.03	27.75
	75.0%	36.31	33.73	**31.28**	28.95	26.73
	50.0%	35.00	**32.50**	**30.13**	**27.87**	25.72
	25.0%	33.68	31.27	**28.98**	26.79	24.71
	0.0%	32.37	30.05	27.83	25.71	23.70

Source: Finexsi analysis

Table 15 - Sensitivity to a combined change in the discount rate and the capex EBITDA yield of underlying assets

Value per share		Discount rate (%)				
		4.9%	5.2%	5.4%	5.7%	5.9%
Variation in the capex EBITDA yields of underlying projects (%)	*20.0%*	41.34	38.62	36.04	33.57	31.23
	10.0%	38.17	35.56	**33.08**	30.72	28.47
	0.0%	35.00	**32.50**	**30.13**	**27.87**	25.72
	-10.0%	31.82	29.44	**27.18**	25.02	22.97
	-20.0%	28.65	26.38	24.22	22.17	20.22

Source: Finexsi analysis

Based on our analysis, we have selected a value range of €27.18 to €33.08 per Neoen share, with a central value of €30.13. The Offer price (ex-dividend) therefore shows a 20.5% premium to the upper end of our range and a 46.6% premium to the lower end.

7.4.4 Listed peers method (secondary method)

The listed peers method consists of determining the value of a company by taking multiples shown by a sample of other listed companies in the same business sector and applying them to the relevant figures.

Given the Neoen group's specific characteristics, we did not identify any listed companies that are fully comparable to it, due in particular to its geographical footprint, its energy mix (wind, solar and storage), its project pipeline, its scale and its margins. For those reasons, we present this as a secondary valuation method.

However, we did identify nine companies operating in Neoen's sector, i.e. the development of onshore wind and solar renewable energies, some of which also have storage capabilities, and we present them below:[39]

- Voltalia (2023 revenue: €495.2 million; 2023 EBITDA: €241.1 million) is a French company specializing in the development, construction, operation and maintenance of wind, solar, hydroelectric, biomass and storage facilities. The company has installed capacity of 2.9 GW;

[39] The EBITDA figures shown below are those reported in 2023 annual reports and are not adjusted for IFRS 16, unlike those we used to calculate multiples.

- EDP Renovaveis (2023 revenue: €2,238.8 million; 2023 EBITDA: €1,835 million) is a Spanish company specializing in renewable energies. It builds, operates and maintains wind and solar facilities. The company has capacity in operation and/or under construction of 21.0 GW in the United States, Europe and Asia;
- ERG (2023 revenue: €740.7 million; 2023 EBITDA: €529 million) is an Italian company that generates energy from renewable sources (wind, solar, hydroelectric and thermoelectric). The company has installed capacity of 3.3 GW and operates mainly in Europe;
- Solaria Energía y Medio Ambiente (2023 revenue: €230.1 million; 2023 EBITDA: €199.9 million) is a Spanish company specializing in solar power. It has capacity of 3.2 GW in Europe and Latin America;
- Grenergy Renovables (2023 revenue: €400.2 million; 2023 EBITDA: €104.5 million) is a Spanish company specializing in the design, development, construction, operation and maintenance of renewable energy facilities. The company has installed capacity of 2.7 GW;
- Enefit Green (2023 revenue: €230.1 million; 2023 EBITDA: €105.9 million) is an Estonian company specializing in producing renewable energy from wind, solar, hydro and biomass facilities. The company has capacity in operation of 1.2 GW;
- Boralex (2023[40] revenue: €681.2 million; 2023 EBITDA: €369.2 million) is a Canadian company specializing in the development and operation of renewable energies. The company operates wind, hydroelectric, thermal and solar assets and has capacity in operation of 3.1 GW;
- Clearway Energy[41] (2023 revenue: €1,215.3 million; 2023 EBITDA: €756.6 million) is an American company that has capacity in operation and/or under construction of 8.5 GW in projects that generate power from wind, solar and natural gas, and are mainly located in the United States;
- Corporación Acciona Energías Renovables (Acciona Energia) (2023 revenue: €3,547 million; 2023 EBITDA: €1,285.0 million) is a Spanish company specializing in the design, development, construction, operation and maintenance of renewable energy projects. The company operates onshore wind farms, photovoltaic, thermal, biomass and hydro facilities, and storage facilities, and has 15.1 GW of capacity in operation and/or under construction;

We did not take into account Ørsted (revenue: €10,633.2 million EBITDA: €2,900.1 million), which is a major player in renewable energies, since most of its revenue comes from operating offshore wind farms, which is a market segment from which Neoen is absent.

In applying this method, we used EBITDA as our reference indicator because it reflects the profitability of sector players and is commonly used by them in their financial communication and by analysts covering the sector.

We also adjusted the forecast EBITDA figures of companies in the sample for the impact of IFRS 16 (or equivalent standards) as the case may be.

We set out below the 2025E and 2026E revenue growth and EBITDA margin forecasts of analysts who cover the selected peers and Neoen.

[40] Based on an average 2023 CAD/EUR exchange rate of 0.685.
[41] Based on an average 2023 USD/EUR exchange rate of 0.925.

Table 16 - Analyst consensus revenue growth and EBITDA margin forecasts

Peers	Country	CA (m)	EV (€ m)	Revenue growth		EBITDA margin	
				2025e	2026e	2025e	2026e
Neoen SA	**France**	**524**	**8,999**	40 %	17 %	79 %	79 %
Voltalia SA	France	495	2,634	17 %	15 %	43 %	44 %
EDP Renováveis SA	Spain	2,008	21,070	13 %	7 %	75 %	76 %
ERG SpA	Italy	741	4,675	12 %	4 %	69 %	68 %
Solaria Energía y Medio Ambiente SA	Spain	230	2,134	11 %	29 %	83 %	80 %
Grenergy Renovables SA	Spain	400	1,456	84 %	(22)%	29 %	47 %
Enefit Green AS	Estonia	230	1,166	5 %	5 %	56 %	58 %
Boralex Inc.	Canada	681	4,473	3 %	12 %	76 %	74 %
Clearway Energy Inc.	United States	1,215	12,193	5 %	5 %	81 %	82 %
Corporación Acciona Energías Renovables SA	Spain	3,989	10,346	(0)%	2 %	44 %	40 %
Mean (excluding Neoen)		**1,110**	**6,683**	**17%**	**6%**	**62%**	**63%**
Median (excluding Neoen)		**681**	**4,473**	**11%**	**5%**	**69%**	**68%**

Source: Capital IQ, December 3, 2024

In general, companies in the sample are of varying sizes and profitability levels.

The consensus analyst forecast of Neoen's EBITDA margin appears to be higher than that of its peers.

The 2025E and 2026E multiples of companies in the sample are as follows:

Table 17 - Peer group multiples

Peers	Country	CA (m)	EV (€ m)	xEBITDA 2025e	xEBITDA 2026e
Voltalia SA	France	495	2,634	9.5x	8.1x
EDP Renováveis SA	Spain	2,008	21,070	10.4x	9.5x
ERG SpA	Italy	741	4,675	7.8x	7.6x
Solaria Energía y Medio Ambiente SA	Spain	230	2,134	9.6x	7.8x
Grenergy Renovables SA	Spain	400	1,456	6.5x	5.1x
Enefit Green AS	Estonia	230	1,166	9.2x	8.5x
Boralex Inc.	Canada	681	4,473	9.4x	8.6x
Clearway Energy Inc.	United States	1,215	12,193	10.5x	9.8x
Corporación Acciona Energías Renovables SA	Spain	3,989	10,346	7.4x	8.1x
Mean		**1,110**	**6,683**	**8.9x**	**8.1x**
Median		**681**	**4,473**	**9.4x**	**8.1x**

N.B.: Multiples calculated using (i) an enterprise value based on the 3-month VWAP and the average number of shares over a 3-month period and (ii) the EBITDA figures of peers over a 12-month period to the accounts closing date of the company being valued.

Source: Capital IQ, December 3, 2024

We applied the average 2025E and 2026E multiples to the sample of adjusted EBITDA forecasts for the same years resulting from Neoen's financial trajectory (excluding the contribution of the Victoria assets currently being divested, the enterprise value of which is included in adjusted net debt).

To be consistent with the Company's adjusted net debt calculation (€1,912 million before IFRS 16 - see section 7.3.2), we made adjustments, as the case may be, for the impact of IFRS 16 (or equivalent standards) in the calculation of peers' net debt and future EBITDA figures.

Applying the average multiples to the Company's 2025E and 2026E figures, we get a valuation range of €24.40 to €25.04 per share. The Offer Price (ex-dividend) therefore shows a premium of 63.3% to the lower end of that range and a 59.1% premium to the upper end.

7.4.5 Comparable transactions (secondary method)

This method involves analyzing the multiples arising from total or partial acquisitions of companies in the same business sector as the company being assessed. The use of this approach is limited by the difficulty of obtaining comprehensive and reliable information on targets and transaction terms.

We analyzed transactions in the five years before the Offer was announced, involving a significant portion of the target's capital (over 50%) and therefore including a control premium, along with the estimated value of synergies to be achieved by the buyer as the case may be. However, the identified transactions do not appear to be fully comparable, due in particular to differences in market position, energy or geographical mix, and profitability. For those reasons, we present this as a secondary valuation method.

We identified the following 11 transactions for which information[42] was available:

- The acquisition of Encavis AG (revenue: €469.6 million; EBITDA: €332.7 million), a German company, by KKR & Co Inc, closed on June 18, 2024 based on an enterprise value of around €4.9 billion. At the end of the public tender offer on December 4, 2024, KKR owned 87.73% of Encavis' equity. On December 6, 2024, KKR announced its intention to initiate a squeeze-out at the same price. Encavis has capacity in operation and/or under construction of 3.5 GW, consisting of solar and wind farms;
- Terna Energy (revenue: €327.8 million; EBITDA: €177.8 million) is a Greek company that produces power from renewable energy sources. Masdar announced that it had completed the acquisition of a 70% stake in Terna Energy on November 28, 2024 after its public tender offer. Terna Energy's portfolio consists of 1.2 GW of assets in operation, and the Company has a target of increasing that to 6 GW in 2029.
- The acquisition of Enerfin (revenue: €193.8 million; EBITDA: €125.0 million), a Spanish company, by Statkraft, closed on May 23, 2024 based on an enterprise value of €1.8 billion. The acquisition strengthens Statkraft's leading position in renewable energy production in Europe by adding a 1.5 GW portfolio of wind and solar projects in operation or under construction;
- The acquisition of OPDEnergy Holding SA (revenue: €111.8 million; EBITDA: €95.6 million), a Spanish company, by Antin Infrastructure Partners SAS, closed on March 22, 2024 based on an enterprise value of around €1.4 billion. At the end of the public tender offer, Antin Infrastructure Partners SAS owned 100% of the company's equity. The target has capacity in operation and/or under construction of 1.9 GW, consisting of solar and wind farms;
- The acquisition of Greenvolt (revenue: €385.5 million; EBITDA: €103.1 million), a Portuguese company, by KKR based on an enterprise value of around €1.8 billion. At the end of the public tender offer, KKR owned 97.64% of Greenvolt's equity, and subsequently initiated a squeeze-out. Greenvolt has a 9.3 GW pipeline of solar, wind and storage projects and a secured portfolio of 3.6 GW including 305 MW in operation;
- The acquisition of an 82% stake in Tion Renewables AG (revenue: €34.1 million; EBITDA: €19.8 million), a German company, by EQT AB, closed on October 24, 2023 based on an enterprise value of €303 million. The target operates in renewable energies (wind and solar) and its portfolio has capacity in operation and under construction of 167 MW;
- The acquisition of Reden Solar (EBITDA: €153.0 million), a French company, by a consortium led by Macquarie Asset Management, closed on July 6, 2022 based on an enterprise value of €2.5 billion. The target is a photovoltaic energy company that operates in Europe and Latin America, with 762 MW of capacity in operation and a pipeline of 15 GW;
- The acquisition of Falck Renewables (revenue: €568.4 million; EBITDA: €207.6 million), an Italian company, by The Infrastructure Investment Fund, closed on May 18, 2022 based on an enterprise value of €3,381 billion. The target builds and operates wind, solar and biomass facilities and had capacity of 1.5 GW in operation and under construction at the time of the transaction;

[42] The revenue and EBITDA figures presented are those of the last accounting period before the transaction closing date.

- The acquisition of a 97.33% stake in Eolia Renovables (EBITDA: €156.6 million), a Spanish company, by Engie and Crédit Agricole Assurances, closed on March 31, 2022 based on an enterprise value of €2.055 billion. The target is a Spanish renewable energies pure play, with 0.9 GW of capacity in operation and a 1.2 GW project pipeline;
- The acquisition of Solarpack Corp Tecnologica SA (revenue: €149.1 million; EBITDA: €65.4 million), a Spanish company, by EQT Partners AB, closed on November 25, 2021 based on an enterprise value of €1.272 billion. The target is a pure play in solar power with 1 GW of capacity in operation and under construction;
- The acquisition of Sirocco Wind Holding AB (revenue: €29.1 million; EBITDA: €22.0 million), a Swedish company, by Renewables Infrastructure Group Ltd, closed on March 31, 2019 based on an enterprise value of €359 million. The target operates an onshore wind farm with capacity of 213 MW in Sweden.

The multiples shown by the comparable transactions sample are set out below:

Table 18 - Comparable transactions in the six years before the Offer was announced

Date	Target	Country	Buyer	% acquired	EV (€m)	xEBITDA
Dec-24	Encavis AG	Germany	KKR & Co Inc; Viessmann Group GmbH & Co KG	88 %	4,899	14.7x
Nov-24	Terna Energy	Greece	Masdar	70 %	3,200	16.5x
May-24	Enerfin	Spain	Statkraft	100 %	1,800	14.4x
Mar-24	OPDEnergy Holding SA	Spain	Antin Infrastructure Partners SAS	100 %	1,416	15.5x
Apr-24	Greenvolt	Portugal	KKR	100 %	1,160	15.1x
Oct-23	Tion Renewables AG	Germany	EQT AB	82 %	303	14.2x
Jul-22	Reden Solar	France	Consortium led by Macquarie	100 %	2,500	18.0x
May-22	Falck Renewables	Italy	The Infrastructure Investments Fund	100 %	3,381	20.4x
Mar-22	Eolia	Spain	Engie, Crédit Agricole Assurances	97 %	2,055	13.1x
Nov-21	Solarpack Corp Tecnologica SA	Spain	EQT Partners AB	100 %	1,272	21.7x
Mar-19	Sirocco Wind Holding AB	Sweden	Renewables Infrastructure Group Ltd	100 %	359	16.4x
Mean					**2,031**	**16.4x**
Median					**1,800**	**15.5x**

Sources: MergerMarket, Capital IQ, public data

For the same reasons as in the listed peers method (see section 7.4.4), we used EBITDA as the reference indicator. It should be noted that EBITDA multiples were calculated on the basis of post-IFRS 16 figures, since we do not have the information required to adjust for the effects of IFRS 16.

The average EBITDA multiple shown by the sample of comparable transactions is 16.4x. We applied that average multiple to the Company's post-IFRS 16 adjusted EBITDA for 2023 and the 12 months to June 30, 2024, adjusted for the Victoria assets currently being divested (the enterprise value of which is included in adjusted net debt).

On that basis, and ensuring consistency with the Neoen's group's post-IFRS 16 adjusted net debt (€2,293 million including IFRS 16 liabilities of €381 million), Neoen's value per share is in a range of €27.92 to €29.77. The Offer Price (ex-dividend) therefore shows a premium of 42.7% to the lower end of that range and a 33.9% premium to the upper end.

7.4.6 Analyst price targets (secondary method)

The analysis of financial analysts' price targets is not a valuation method as such, but a summary of opinions regarding a company's value. The method therefore consists of observing a company's value based on the price targets published by financial analysts who cover the stock.

There are 16 analysts who regularly cover Neoen[43], and they provide forecasts involving varying amounts of detail regarding the Company's operating performance and other parameters used in their valuation work.

The most recent price targets published at the time of the Offer (i.e. before May 30, 2024) are set out below.

Table 19 - Most recent price targets before Brookfield's announcement

Date	Analyst	Target price (€)	Premium arising from the Offer price of €39.85	Opinion
22/05/2024	Berenberg	34.00	+ 17.2 %	Neutral
09/05/2024	HSBC	28.00	+ 42.3 %	Neutral
07/05/2024	Morgan Stanley	30.00	+ 32.8 %	Neutral
03/05/2024	ODDO BHF	35.50	+ 12.3 %	Outperform
03/05/2024	Mediobanca	28.00	+ 42.3 %	Neutral
02/05/2024	Stifel	35.00	+ 13.9 %	Buy
02/05/2024	Bernstein / SG	26.20	+ 52.1 %	Neutral
02/05/2024	Barclays	32.00	+ 24.5 %	Overweight
02/05/2024	J.P Morgan	28.50	+ 39.8 %	Neutral
02/05/2024	Deutsche Bank	30.00	+ 32.8 %	Neutral
02/05/2024	Portzamparc BNPP	30.80	+ 29.4 %	Add
02/05/2024	CIC Market Solutions	34.00	+ 17.2 %	Buy
02/05/2024	Kepler Cheuvreux	38.00	+ 4.9 %	Buy
08/04/2024	Morningstar	31.50	+ 26.5 %	Neutral
29/03/2024	Citi	27.40	+ 45.4 %	Neutral
29/02/2024	Kempen	30.00	+ 32.8 %	Neutral
Mean		**31.18**	**+ 27.8 %**	
Median		**30.40**	**+ 31.1 %**	
Min		*26.20*	*+ 52.1 %*	
Max		*38.00*	*+ 4.9 %*	

Sources: analyst research notes, Capital IQ

The most recent price targets published by analysts before the Offer was announced ranged from €26.20 to €38.00, with an average of €31.18.

The Offer price of €40.0 per Neoen share (cum dividend) therefore shows a premium of 28.3% to the average price target. We noted the following main comments in the most recently published notes at the time the Offer was announced:

- In its note of May 9, 2024, HSBC changed its price target to €28.00 and stated that Neoen was examining several options to fund its post-2025 growth, including the possibility of selling a

[43] Barclays, Berenberg, CIC Market Solutions, Citigroup, Deutsche Bank, HSBC, JP Morgan, Kempen, Kepler Cheuvreux, Mediobanca, Morgan Stanley, Oddo BHF, Portzamparc, Société Générale, Stifel and Morningstar.

minority stake in its Australian operations as mentioned by Bloomberg on March 28, 2024 (see section 7.4.2);

- In its note of May 2, 2024, Stifel maintained its buy recommendation and price target of €35.00 after the publication of Neoen's revenue for the first quarter of 2024. The analyst stated that in his view, the potential sale of a 30% stake in the Australian operations would allow Neoen to fund an increase in capacity in operation to 20 GW by 2030 without raising new capital;
- In its note of May 2, 2024, Bernstein (Société Générale) published a price target of €26.20, with a neutral rating. The analyst stated that the *"target of achieving 20 GW of capacity by 2030 is flexible. It is an ambition, not an obligation. To achieve its 20 GW target, Neoen would need to raise additional capital through capital increases or other sources";*
- In its note of April 8, 2024, Morningstar raised its price target from €26.50 to €31.50. The analyst mentioned that developers of renewable energy projects were undervalued, and that this was prompting bids, such as KKR's public offer for German operator Encavis;
- In its note of March 29, 2024, Citi changed its price target to €27.40 (neutral rating) and mentioned the rumor regarding the disposal of a 30% stake in the Group's Australian operations which, according to the analyst, would allow Neoen to fund the development of its capacity until 2030 while limiting the dilutive impact of a possible capital increase.

Analyst reactions after the Offer was announced

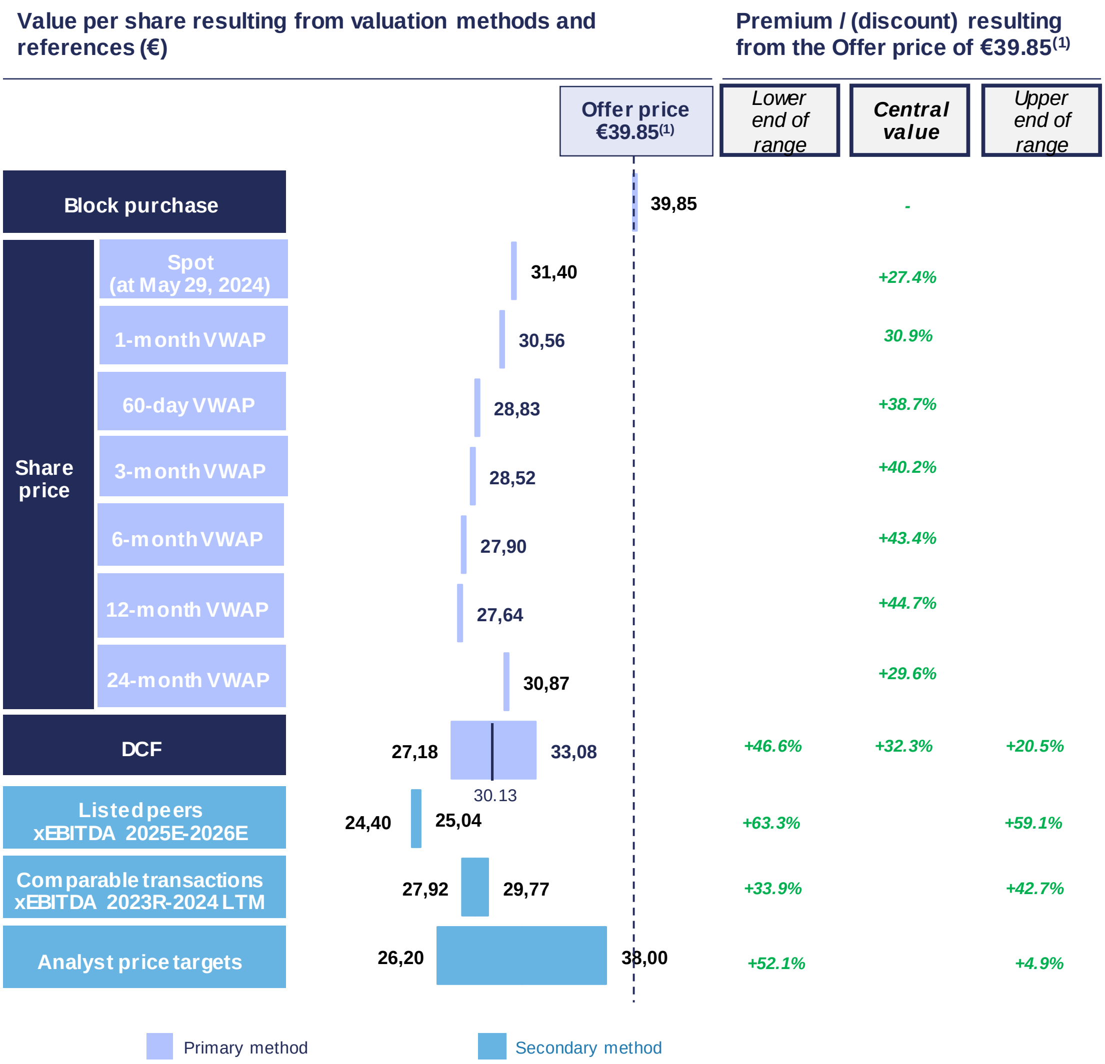
After the Offer was announced, several analysts published updates to give their view of the Offer. The main comments were as follows:

- JP Morgan and Morgan Stanley did not adjust their price targets (€28.50 and €30.00 respectively) in line with the Offer price, but considered the Offer to be "attractive" (JP Morgan, note of May 30, 2024), and expected "a strongly positive reaction in Neoen's share price" (Morgan Stanley, note of May 30, 2024);
- Kepler Cheuvreux (note of June 4, 2024) considered that "the offer is fairly valued, in line with our pre-announcement price target of €38".
- HSBC stated that "the offer is highly likely to succeed given the large premium and the support of the board of directors" (note of May 31, 2024).

7.5 Summary of our valuation work

Depending on the valuation methods and references used, Neoen's value per share is as follows:

Figure 16 - Summary of values per Neoen share



(1) *N.B.* The premiums stated relate to the Offer price of €40.00 (cum dividend) for methods referring to the share price, i.e. before the deduction of the dividend of €0.15 per share with respect to 2023 (ex-date: June 11, 2024). For the DCF, peer group, comparable transaction and analyst price target methods, the premiums and discounts relate to the Offer price after the deduction of the €0.15 dividend, i.e. €39.85 per Neoen share.

Source: Finexsi analysis

8 Valuation of the OCEANEs issued by Neoen

On June 2, 2020, Neoen issued €170 million of green bonds convertible into new shares and/or exchangeable for existing shares (hereinafter the "2020 OCEANEs[44]") with an annual coupon of 2.0% and a five-year maturity (maturing on June 2, 2025).

On September 14, 2022, the Group issued a further €300 million of OCEANEs (hereinafter the "2022 OCEANEs[45]") with an annual coupon of 2.875% and a five-year maturity (maturing on September 14, 2027).

We set out below the main characteristics of the 2020 and 2022 OCEANEs as featured in the terms and conditions (T&Cs) of the issues taking place on June 2, 2020 and September 14, 2022 respectively, to which reference should be made:

[44] Euronext ISIN: FR0013515707
[45] Euronext ISIN: FR001400CMS2

Table 20 - Recap of the main characteristics of the 2020 OCEANEs

Main characteristics of the 2020 OCEANEs	
Issue date	02/06/2020
Nominal amount (€ m)	170
Number of OCEANEs (units)	3,679,653
Par value (€ per OCEANE)	46.20 €
Issue price (€ per OCEANE)	46.20 €
Status	Senior, unsecured
Coupon (%)	2% (payable half-yearly)
Maturity date (5 years)	02/06/2025
Initial conversion ratio	1.000
Current conversion ratio (since June 11, 2024)	1.176
Initial conversion premium (%)	40%
Dividend adjustment	Adjustment of the conversion ratio in the event of a dividend payment
Early redemption at Neoen's discretion	Possible from June 23, 2023, subject to the market price being over 130% of par Also possible to redeem all bonds in issue if the total number of bonds in issue is less than 15% of the total number of bonds originally issued.
Early redemption at the holder's discretion	In the event of a change of control, an event affecting the free float or the delisting of Neoen, provided that all bonds are redeemed and not just a portion of them.
Early redemption price	Par value plus accrued interest since (and including) the interest payment date immediately preceding the early redemption date.

Source: Terms and conditions of the 2020 OCEANEs

Table 21 - Recap of the main characteristics of the 2022 OCEANEs

Main characteristics of the 2022 OCEANEs	
Issue date	14/09/2022
Nominal amount (€ m)	300
Number of OCEANEs (units)	3,000
Par value (€ per OCEANE)	100,000.00 €
Issue price (€ per OCEANE)	100,000.00 €
Status	Senior, unsecured
Coupon (%)	2.875% (payable half-yearly)
Maturity date (5 years)	14/09/2027
Initial conversion ratio	1941.7513
Current conversion ratio (since June 11, 2024)	2118.0805
Initial conversion premium (%)	35%
Dividend adjustment	Adjustment of the conversion ratio in the event of a dividend payment
Early redemption at Neoen's discretion	Possible from October 5, 2025, subject to the market price being over 130% of par, and when 80% or more of the OCEANEs originally issued have been converted and/or redeemed and/or repurchased by Neoen.
Early redemption at the holder's discretion	In the event of a change of control, an event affecting the free float or the delisting of Neoen, provided that all bonds are redeemed and not just a portion of them.
Early redemption price	Par value plus accrued interest since (and including) the interest payment date immediately preceding the early redemption date.

Source: Terms and conditions of the 2022 OCEANEs

Brookfield's Offer is for all shares of the Company at a price of €39.85 per share (ex-dividend) and all of the 2020 OCEANEs at a price of €48.14 each and the 2022 OCEANEs at a price of €101,382 each. The OCEANE Offer prices were based on the assumption that the Offer would open on January 30, 2025. They may therefore change depending on the Offer's final timetable.

As a result, in accordance with Article 262-1 of the AMF's General Regulation, we carried out our own multi-criteria valuation of the OCEANEs, the results of which are set out below.

8.1 Valuation methods used

For the 2020 and 2022 OCEANEs, we used a multi-criteria approach, based primarily on the following valuation methods:

- The contractual adjusted conversion value, which corresponds to the value implied by the Offer according to the terms and conditions of the OCEANEs;
- Reference to the clause providing for early redemption in the event of a change of control;
- An analysis of the market prices of the 2020 and 2022 OCEANEs;
- The intrinsic value of the securities using an option-based model (Black-Scholes) and based on a value per Neoen share before the Offer was announced.

For information only, we also present:

- The intrinsic value of the securities using an option-based model (Black-Scholes) and based on the Offer price of €39.85 (ex-dividend).

8.2 Valuation of Neoen's 2020 and 2022 OCEANEs

8.2.1 Contractual adjusted conversion value

The terms and conditions of the 2020 and 2022 OCEANEs set out the formula[46] for adjusting the conversion ratio in the event of a public offer for Neoen's shares. We therefore adopted this as our primary method, given the present Offer.

The conversion ratios for the 2020 and 2022 OCEANEs have been 1.176 and 2,118.0805 respectively since the dividend with respect to 2023 was paid on June 11, 2024.

The new conversion ratios resulting from the Offer are calculated below, in accordance with the terms and conditions of the 2020 and 2022 OCEANEs, along with the adjusted intrinsic conversion values that result, assuming that the Offer opens on January 30, 2025.

[46] NCER = CER x (1+ICEP x (c/t).

Table 22 - Calculation of the contractual adjusted conversion value in the event of a public offer according to the terms and conditions of the 2020 OCEANEs

NCER = CER x (1+ ICEP x (c/t))

CER	Conversion/exchange ratio applicable before the Offer	1.1760
ICEP	Initial conversion/exchange premium	40.00%
c	Number of days between the date on which the Offer opens and the maturity date of the OCEANEs	123
	Date on which the public offer opens	*30/01/2025*
	Maturity date of the OCEANEs	*02/06/2025*
t	Number of days between the issue date and maturity date of the OCEANEs	1826
	Issue date of the OCEANEs	*02/06/2020*
	Maturity date of the OCEANEs	*02/06/2025*
NCER	New conversion/exchange ratio (rounded to three decimal places in accordance with the T&Cs)	**1.208**
	Offer price per share (€)	39.85 €
	Contractual adjusted conversion value	**48.139 €**
	Offer price per 2020 OCEANE (€)	48.140 €

Source: OCEANE terms and conditions and Finexsi analysis

Table 23 - Calculation of the contractual adjusted conversion value in the event of a public offer according to the terms and conditions of the 2022 OCEANEs

NCER = CER x (1+ ICEP x (c/t))

CER	Conversion/exchange ratio applicable before the Offer	2118.0805
ICEP	Initial conversion/exchange premium	35.00%
c	Number of days between the date on which the Offer opens and the maturity date of the OCEANEs	957
	Date on which the public offer opens	*30/01/2025*
	Maturity date of the OCEANEs	*14/09/2027*
t	Number of days between the issue date and maturity date of the OCEANEs	1826
	Issue date of the OCEANEs	*14/09/2022*
	Maturity date of the OCEANEs	*14/09/2027*
NCER	New conversion/exchange ratio (rounded to three decimal places in accordance with the T&Cs)	**2506.608**
	Offer price per share (€)	39.85 €
	Contractual adjusted conversion value	**99,888 €**
	Offer price per 2022 OCEANE (€)	101,382 €

Source: OCEANE terms and conditions and Finexsi analysis

Given the Offer price of €39.85 per Neoen share and the new conversion ratio of 1.208 (rounded to three decimal places according to the terms and conditions) for the 2020 OCEANEs and

2,506.608 for the 2022 OCEANEs, the contractual adjusted conversion values are €48.14 and €99.888 respectively.

On that basis, the contractual adjusted conversion value per 2020 OCEANE corresponds to the Offer price of €48.14.

The Offer price of €101,382 per 2022 OCEANE shows a 1.5% premium to the contractual adjusted conversion value.

8.2.2 Clause providing for early redemption in the event of a change of control

If the Offeror acquires the Controlling Block, that will constitute a change of control over the Company according to the terms and conditions of the 2020 and 2022 OCEANEs.

If a change of control occurs, all holders of 2020 and 2022 OCEANEs may, if they wish, ask the Company to redeem early in cash all of the 2020 and/or 2022 OCEANEs they hold, at par value plus accrued interest from the last coupon payment date (including that day) to the date of the optional redemption date concerned (excluding that day). Based on information disclosed by the Offeror, it is assumed that if the Offer opens on January 30, 2025, the early redemption date will take place on March 7, 2025 at the latest (with the coupon included until March 6, 2025).

The early redemption price at March 7, 2025 would be €46.44 for the 2020 OCEANEs (based on a par value of €46.20 plus accrued interest of €0.24) and €101,382 for the 2022 OCEANEs (based on a par value of €100,000 plus accrued interest of €1,382), based on an early redemption date of January 30, 2025.

On that basis, the Offer price:

- Shows a premium of 3.7% to the 2020 OCEANE early redemption price of €46.44;
- Corresponds to the 2022 OCEANE early redemption price in the event of a change of control of €101,382.

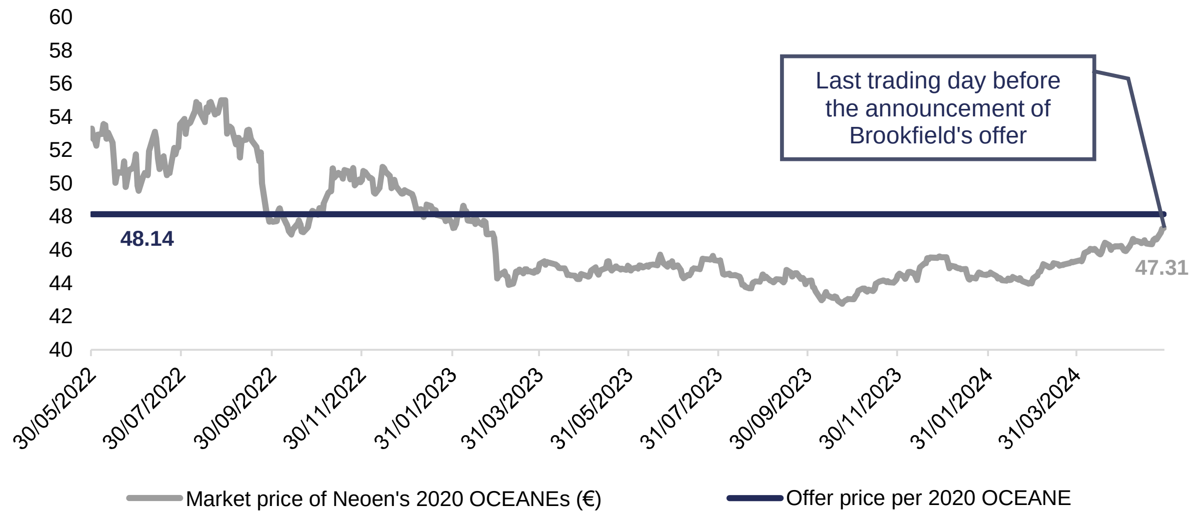
8.2.3 Reference to OCEANE market prices

Market prices measure the prices at which the Company's OCEANEs are freely traded in the market, subject to a sufficient free float and liquidity.

The 2020 and 2022 OCEANEs are listed on Euronext Access in Paris under ISINs FR0013515707 and FR001400CMS2.

We analyzed movements in the market price of the 2020 OCEANEs over a period of two years before the Offer was announced, i.e. from May 29, 2022 to May 29, 2024.

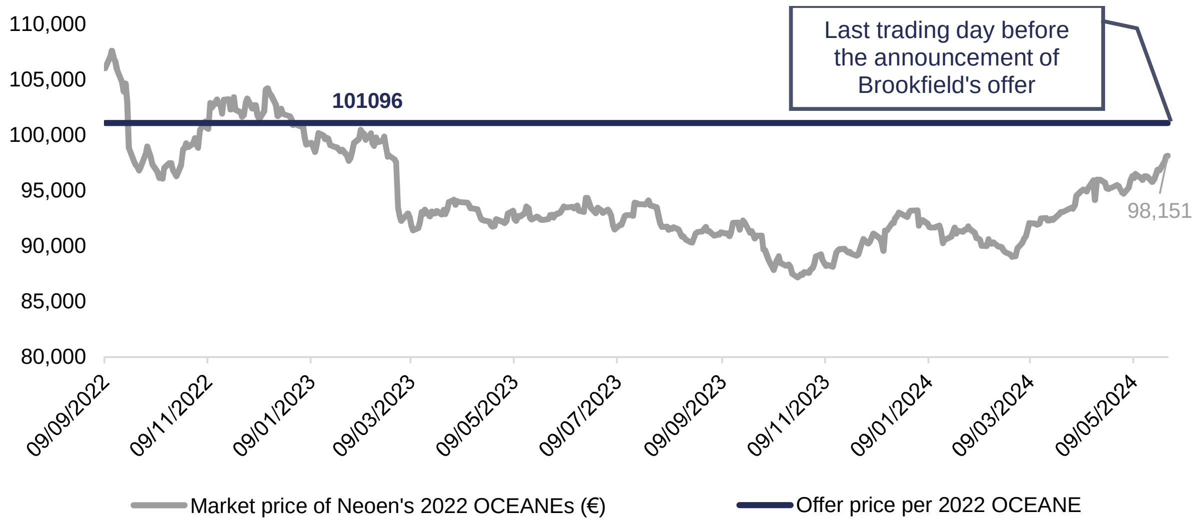
Figure 17 - Movements in the market price of the 2020 OCEANEs in the two years preceding May 29, 2024



Source: Capital IQ, Finexsi analysis

Regarding the 2022 OCEANEs, we analyzed movements in market prices from the date of their issue, i.e. between September 14, 2022 and May 29, 2024.

Figure 18 - Movements in the market price of the 2022 OCEANEs between September 14, 2022 and May 29, 2024



Source: Capital IQ, Finexsi analysis

Before the Offer was announced (i.e. at the close on May 29, 2024), the 2020 OCEANEs were trading at €47.31, i.e. at 102.4% of par, and the 2022 OCEANEs at €98,151, i.e. 98.2% of par.

Market trading volumes are not available in our databases, because transactions in the secondary market take place mainly over the counter (OTC). Accordingly, we are not able to assess the trading volumes of the 2020 and 2022 OCEANEs.

The respective average market prices of the 2020 and 2022 OCEANEs in the 24 and 21 months before the Offer date respectively are set out below:

Table 24 - Average market price of the 2020 OCEANEs up to May 29, 2024

Period	€ per 2020 OCEANE	Premium / (discount) arising from the Offer price of €48.14
Spot (May 29, 2024)	47.31	+1.8 %
1-month average	46.52	+3.5 %
60-day average	45.87	+4.9 %
3-month average	45.82	+5.1 %
6-month average	45.21	+6.5 %
12-month average	44.75	+7.6 %
24-month average	46.65	+3.2 %
24-month high (August 26, 2(	**55.03**	**(12.5)%**
24-month low (October 23, 2(	**42.77**	**+12.6 %**

Source: Capital IQ

Table 25 - Average market price of the 2022 OCEANEs up to May 29, 2024

Period	€ per 2022 OCEANE	Premium / (discount) arising from the Offer price of €101,096
Spot (May 29, 2024)	98,151	+3.3 %
1-month average	96,247	+5.3 %
60-day average	94,531	+7.2 %
3-month average	94,367	+7.4 %
6-month average	92,695	+9.4 %
12-month average	91,898	+10.3 %
21-month average	94,300	+7.5 %
21-month high (December 14, 2022)	**104,217**	**(2.7)%**
21-month low (October 23, 2023)	**87,165**	**+16.3 %**

Source: Capital IQ

Based on the spot price on May 29, 2024 (last market day before the announcement of the Offer) and the 60-day average price, the Offer price for the 2020 OCEANEs shows premiums of 1.8% and 4.9% respectively.

Based on the spot price on May 29, 2024 and the 60-day average price, the Offer price for the 2022 OCEANEs shows premiums of 3.3% and 7.2% respectively.

8.2.4 Intrinsic value

We assessed the value of each OCEANE based on its bond component (i.e. the value of a straight bond with the same characteristics) and the value attributable to the holder's conversion option:

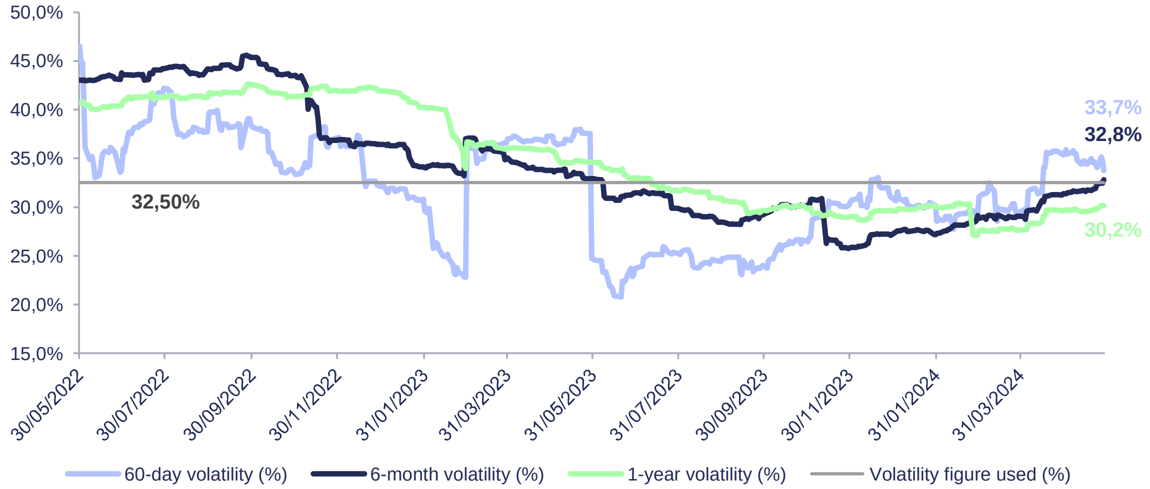
- As regards the bond component (or bond floor[47]) of the 2020 OCEANEs, we valued it on the basis of the par value of €46.20, an annual coupon of 2.0% and a credit spread[48] of 124bp. For the 2022 OCEANEs, we valued it on the basis of the par value of €100,000.00, an annual coupon of 2.875% and a credit spread of 124bp.
- The option component held by the bondholder is calculated using a Black-Scholes model. We also reiterate that the terms and conditions (see Table 20 and Table 21) of the 2020 and 2022 OCEANEs stipulate that Neoen may redeem the OCEANEs early in the event that their price i) rises above 130% of par or if ii) the total number of bonds issued is less than 15% of the total number originally issued for the 2020 OCEANEs and 20% for the 2022 OCEANEs. The possibility of Neoen exercising such right amounts to an option, the value of which must be deducted from the option component of the OCEANEs held by bondholders. Accordingly, the option component is calculated as the difference between the value of the option allowing bonds to be converted at the bondholder's discretion, and the value of the option resulting from the clause allowing early redemption at Neoen's discretion.

The intrinsic value of the OCEANEs was determined by taking into account the parameters of the OCEANEs and market data before the Offer was announced (i.e. on May 29, 2024), except for the risk-free rate and credit spread, which reflect market conditions in late November 2024 (period during which we determined the market parameters for the discount rates used to value Neoen's shares – see above).

As regards the volatility of the underlying shares, we assessed it over periods of 60 days, 6 months and 1 year, over the two years before the Offer was announced (i.e. before May 29, 2024):

[47] The bond floor of a convertible bond is its minimal value without the conversion right.
[48] Since Neoen does not have any other listed bonds, we analyzed the observed credit spreads of the following companies: Voltalia, ERG, Clearway Energie and Acciona Energias (which are included in our peer-group sample). On that basis, at the time each bond was issued, we calculate average credit spreads between 124bp and 130bp over periods of 6 months to 2 years. Accordingly, when using the Black-Scholes model we adopted a credit spread of 124bp, which is at the lower end of the range.

Figure 19 - 60-day, 6-month and 1-year volatility in Neoen's share price over a period of two years before the Offer was announced (%)



Source: Capital IQ, Finexsi analysis

According to our analysis, the 60-day volatility is 31.9% on average as opposed to 34.3% on average for the 6-month volatility and 35.1% for the 1-year volatility. At May 29, 2024, spot volatility figures were 33.7%, 32.8% and 30.2% respectively.
Accordingly, we used a volatility figure of 32.5%, which lies within the ranges established by our analysis.

We applied our Black-Scholes model primarily on the basis of Neoen's last share price before the Offer was announced (€31.40). We regarded that figure as the most appropriate, because it was the last share price unaffected by the announcement of the Offer. The share price is also at the upper end of our DCF valuation range.

For information purposes only, we also applied the model on the basis of the Offer price of €39.85. However, in our view, that figure is open to criticism for the following reasons:

- Reference should be made to figures that are not affected by the Offer price, in order to reflect the position of OCEANE holders before the Offer was announced, which is the position that must be taken to assess the offered prices on a standalone basis;
- The Offer is likely to reduce the volatility of Neoen's share price considerably (making it significantly lower than that seen before the Offer was announced, i.e. around 32.5%), reflecting the fact that the price of the shares is likely to rise above their full value potential for their remaining life, as shown by our multi-criteria valuation of Neoen, and this would have a negative impact on the value of the option. However, since it is relatively difficult to make a volatility estimate that corresponds to that position, we maintained the 32.5% figure in our calculations, which automatically increases the value of the OCEANEs.

With that in mind, we provide, for information only, the result of that calculation, which features methodological drawbacks and parameters likely to maximize the value of the OCEANEs.

The main assumptions used to calculate the intrinsic value of the OCEANEs according to the Black-Scholes model are as follows:

Table 26 - Main assumptions used in the intrinsic approach to calculating the value of the 2020 OCEANEs

PARAMETERS		COMMENTS	VALUE USED
Bond component	Nominal	▪ In June 2020, Neoen issued 3,679,653 OCEANEs with nominal value of €46.20 each, in a total amount of around €170 million.	✓ €46.20
	Credit spread	▪ A bond's spread corresponds to the difference between the instrument's yield to maturity and the risk-free rate for the same maturity. The better an issuer's solvency is perceived to be, the lower the spread.	✓ 124 bp based on a sample of listed debt instruments issued by comparable companies (Voltalia, ERG, Clearway Energie and Acciona Energias)
Option component	Neoen share price	▪ Our primary reference is Neoen's spot share price before the Offer was announced. This is higher than the central value produced by our DCF calculation, which is our primary valuation reference. ▪ For information only, we also used the Offer price of €39.85 per Neoen share as a reference.	✓ €31.40 at the close on May 29, 2024 ✓ €39.85 (Offer price)
	Conversion ratio	▪ When the dividend with respect to 2023 was paid, the conversion ratio was increased to 1.176 as of June 11, 2024.	✓ 1.176
	Exercise price	▪ Corresponds to the par value of the OCEANE divided by the aforementioned conversion ratio. ▪ Early redemption possible at Neoen's discretion from June 23, 2023, subject to the market price being over 130% of par. Also possible when 85% or more of the OCEANEs originally issued have been converted and/or redeemed and/or repurchased by Neoen.	✓ €39.29 ✓ €60.06, corresponding to the early redemption threshold (130% of par adjusted for the conversion ratio adopted)
	Volatility	▪ We use a historical volatility figure of 32.5% for Neoen's shares.	✓ 32.5%
	Risk-free rate	▪ We use the 6-month average of the OAT TEC 1-year bond yield as of May 29, 2024.	✓ 3.42%
	Option exercise period	▪ As a primary reference, since the option expires on June 2, 2025, we use the remaining time to expiry of 1 year starting just before the Offer was announced (May 29, 2024). ▪ For the valuation provided for information only (based on the Offer price of €39.85), the remaining time to expiry was around 5 months as of end-November 2024.	✓ 1 year ✓ 5 months
	Cost of carry Dividends	▪ The cost of carry represents the cost borne by OCEANE holders to maintain their positions. The rate mainly depends on the liquidity of the securities and the ability to find a counterparty in the market. In the present case, the cost represents the funding rate usually charged by prime brokers to hedge funds in a liquid market. ▪ No dividend included, since the conversion ratio is adjusted in the event of a dividend payment.	✓ 40bp (in view of the liquidity of the securities). There is no database that provides relevant references. ✓ No dividend included.

Source: Capital IQ, Banque de France, terms and conditions of the OCEANEs and Finexsi analysis

Table 27 - Main assumptions used in the intrinsic approach to calculating the value of the 2022 OCEANEs

PARAMETERS		COMMENTS	VALUE USED
Bond component	Nominal	▪ In September 2022, Neoen issued 3,000 OCEANEs with nominal value of €100,000.00 each, in a total amount of €300 million.	✓ €100,000.00
	Credit spread	▪ A bond's spread corresponds to the difference between the instrument's yield to maturity and the risk-free rate for the same maturity. The better an issuer's solvency is perceived to be, the lower the spread.	✓ 124 bp based on a sample of listed debt instruments issued by comparable companies (Voltalia, ERG, Clearway Energie and Acciona Energias)
Option component	Neoen share price	▪ Our primary reference is Neoen's spot share price before the Offer was announced. This is higher than the central value produced by our DCF calculation, which is our primary valuation reference. ▪ For information only, we also used the Offer price of €39.85 per Neoen share as a reference.	✓ €31.40 at the close on May 29, 2024 ✓ €39.85 (Offer price)
	Conversion ratio	▪ When the dividend with respect to 2023 was paid, the conversion ratio was increased to 2,118.0805 as of June 11, 2024.	✓ 2,118.0805
	Exercise price	▪ Corresponds to the par value of the OCEANE divided by the aforementioned conversion ratio. ▪ Early redemption possible at Neoen's discretion from October 5, 2025, subject to the market price being over 130% of par. Also possible when 80% or more of the OCEANEs originally issued have been converted and/or redeemed and/or repurchased by Neoen.	✓ €47.21 ✓ €130,000.00, corresponding to the early redemption threshold (130% of par adjusted for the conversion ratio adopted)
	Volatility	▪ We use a historical volatility figure of 32.5% for Neoen's shares.	✓ 32.5%
	Risk-free rate	▪ We use the 6-month average of the OAT TEC 3-year bond yield as of May 29, 2024.	✓ 2.70%
	Option exercise period	▪ As a primary reference, since the option expires on September 14, 2027, we use the remaining time to expiry of 3 years starting just before the Offer was announced (May 29, 2024). ▪ For the valuation provided for information only (based on the Offer price of €39.85), the remaining time to expiry was slightly less as of end-November 2024.	✓ 3.3 years ✓ 2.8 years
	Cost of carry Dividend	▪ The cost of carry represents the cost borne by OCEANE holders to maintain their positions. The rate mainly depends on the liquidity of the securities and the ability to find a counterparty in the market. In the present case, the cost represents the funding rate usually charged by prime brokers to hedge funds in a liquid market. ▪ No dividend included, since the conversion ratio is adjusted in the event of a dividend payment.	✓ 40bp (in view of the liquidity of the securities). There is no database that provides relevant references. ✓ No dividend included.

Source: Capital IQ, Banque de France, terms and conditions of the OCEANEs and Finexsi analysis

Primary method

Based on Neoen's spot share price before the Offer was announced (€31.40 at May 29, 2024), the value of a 2020 OCEANE is €45.81 and the value of a 2022 OCEANE is €91,884.

The sensitivity of the values of the 2020 and 2022 OCEANEs to a combined change in Neoen's share-price volatility (between -10% and +10%) and the risk-free rate (between -0.5% and +0.5%) is shown below:

Figure 20 - Sensitivity to a combined change in the discount rate and Neoen's share-price volatility

		Volatility of the Neoen share price (%)				
		12.5%	**22.5%**	**32.5%**	**42.5%**	**52.5%**
Risk-free rate (%)	**4.42%**	43.86	44.67	45.46	45.97	46.27
	3.92%	44.06	44.85	**45.63**	46.15	46.46
	3.42%	44.26	**45.03**	**45.81**	**46.34**	46.65
	2.92%	44.46	45.21	**45.99**	46.52	46.85
	2.42%	44.66	45.40	46.18	46.71	47.04

Source: Finexsi analysis

The resulting value range is €45.03-46.34 per 2020 OCEANE, with a central value of €45.81. On that basis, the Offer price shows a premium of between 3.9% and 6.9%, with a central value of 5.1%.

Figure 21 - Sensitivity to a combined change in the discount rate and Neoen's share-price volatility

		Volatility of the Neoen share price (%)				
		12.5%	**22.5%**	**32.5%**	**42.5%**	**52.5%**
Risk-free rate (%)	**3.70%**	86,022	88,115	89,362	89,878	89,982
	3.20%	87,280	89,324	**90,609**	91,162	91,294
	2.70%	88,576	**90,566**	**91,884**	**92,475**	92,633
	2.20%	89,911	91,841	**93,189**	93,815	94,000
	1.70%	91,284	93,149	94,524	95,185	95,397

Source: Finexsi analysis

The resulting value range is €90,566-93,189 per 2022 OCEANE, with a central value of €91,884. On that basis, the Offer price shows a premium of between 8.8% and 11.9%, with a central value of 10.3%.

For information only

If we use the Offer price (€39.85 per Neoen share) and all other things being equal, we obtain a value of €49.11 per 2020 OCEANE and €96,424 per 2022 OCEANE.

The sensitivity of the values of the OCEANEs to a combined change in Neoen's share-price volatility (between -10% and +10%) and the risk-free rate (between -0.5% and +0.5%) is shown below:

Figure 22 - Sensitivity to a combined change in the discount rate and Neoen's share-price volatility

		Volatility of the Neoen share price (%)				
		12.5%	**22.5%**	**32.5%**	**42.5%**	**52.5%**
Risk-free rate (%)	**4.42%**	47.47	48.43	48.97	49.24	49.35
	3.92%	47.51	48.49	**49.04**	49.31	49.44
	3.42%	47.54	**48.54**	**49.11**	**49.39**	49.52
	2.92%	47.58	48.60	**49.18**	49.48	49.61
	2.42%	47.63	48.66	49.25	49.56	49.70

Source: Finexsi analysis

The resulting value range is €48.54-49.39 per 2020 OCEANE, with a central value of €49.11. On that basis, the Offer price shows a discount of between 0.8% and 2.5%, with a central value of 2.0%.

Figure 23 - Sensitivity to a combined change in the discount rate and Neoen's share-price volatility

		Volatility of the Neoen share price (%)				
		12.5%	**22.5%**	**32.5%**	**42.5%**	**52.5%**
Risk-free rate (%)	**3.70%**	91,317	93,605	94,310	94,369	94,134
	3.20%	92,167	94,567	**95,357**	95,467	95,264
	2.70%	93,054	**95,551**	**96,424**	**96,585**	96,414
	2.20%	93,979	96,558	**97,513**	97,725	97,585
	1.70%	94,944	97,590	98,623	98,886	98,778

Source: Finexsi analysis

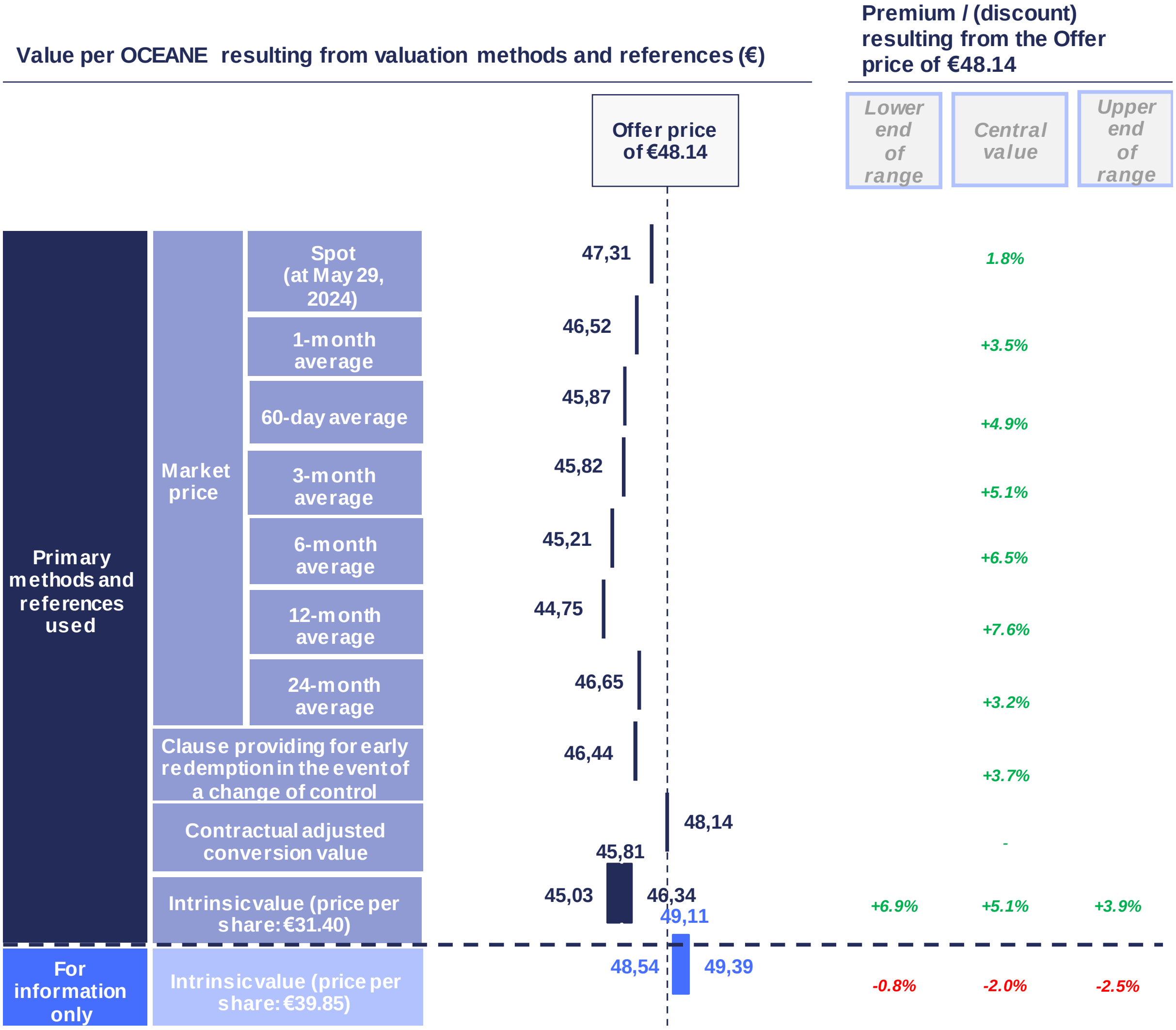
The resulting value range is €95,357-97,513 per 2022 OCEANE, with a central value of €96,424. On that basis, the Offer price shows a premium of between 4.0% and 6.3%, with a central value of 5.1%.

8.3 Summary of valuation work on the OCEANEs

The value of the 2020 and 2022 OCEANEs is as follows according to the valuation methods and references used, it being reiterated that the OCEANE Offer prices were based on the assumption that the Offer would open on January 30, 2025. They may therefore change depending on the Offer's final timetable.

8.3.1 2020 OCEANEs

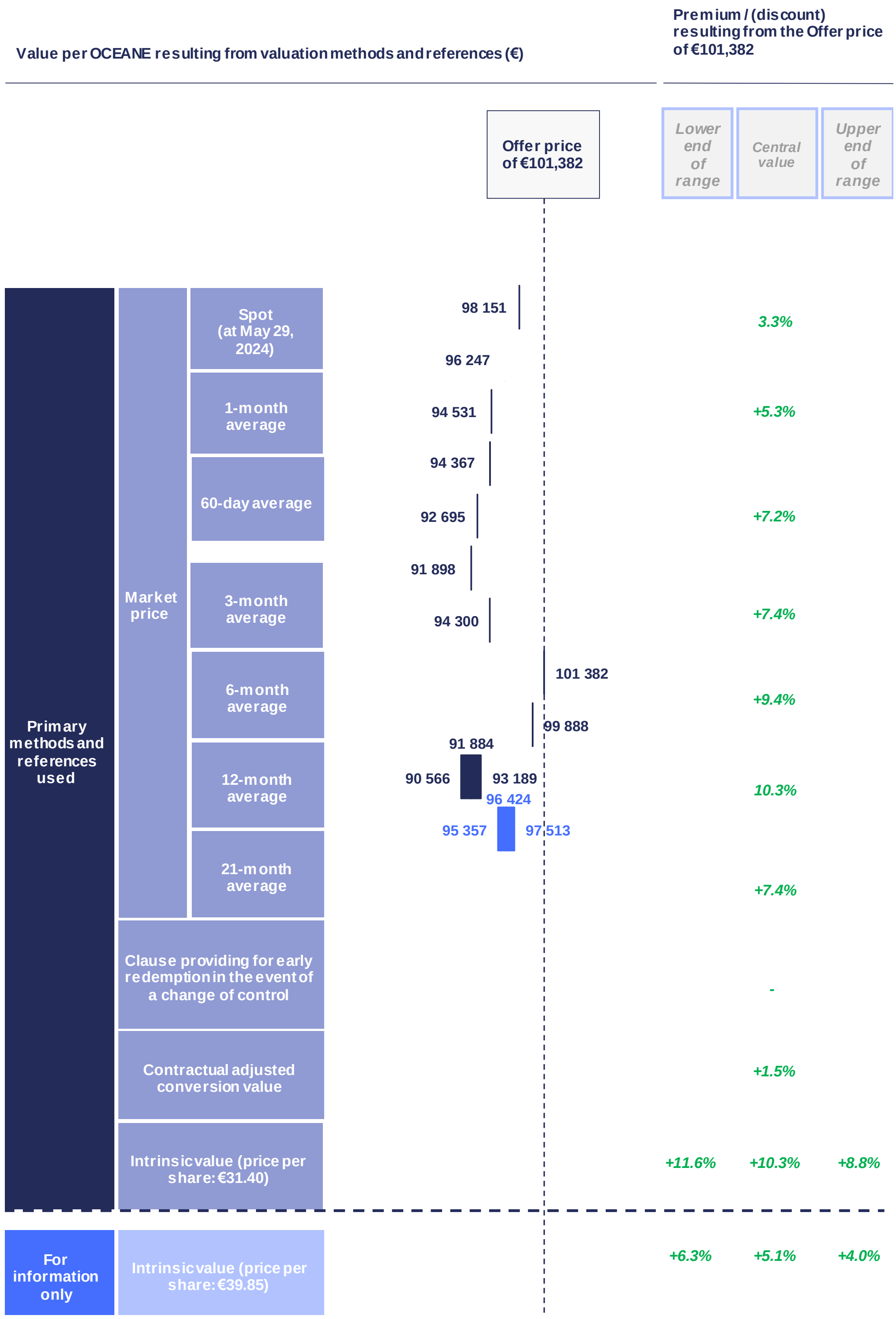
Figure 24 - Summary of values per 2020 OCEANE



Source: Finexsi analysis

8.3.2 2022 OCEANEs

Figure 25 - Summary of values per 2022 OCEANE



Source: Finexsi analysis

9 Analysis of price assessment information provided by the Presenting Banks

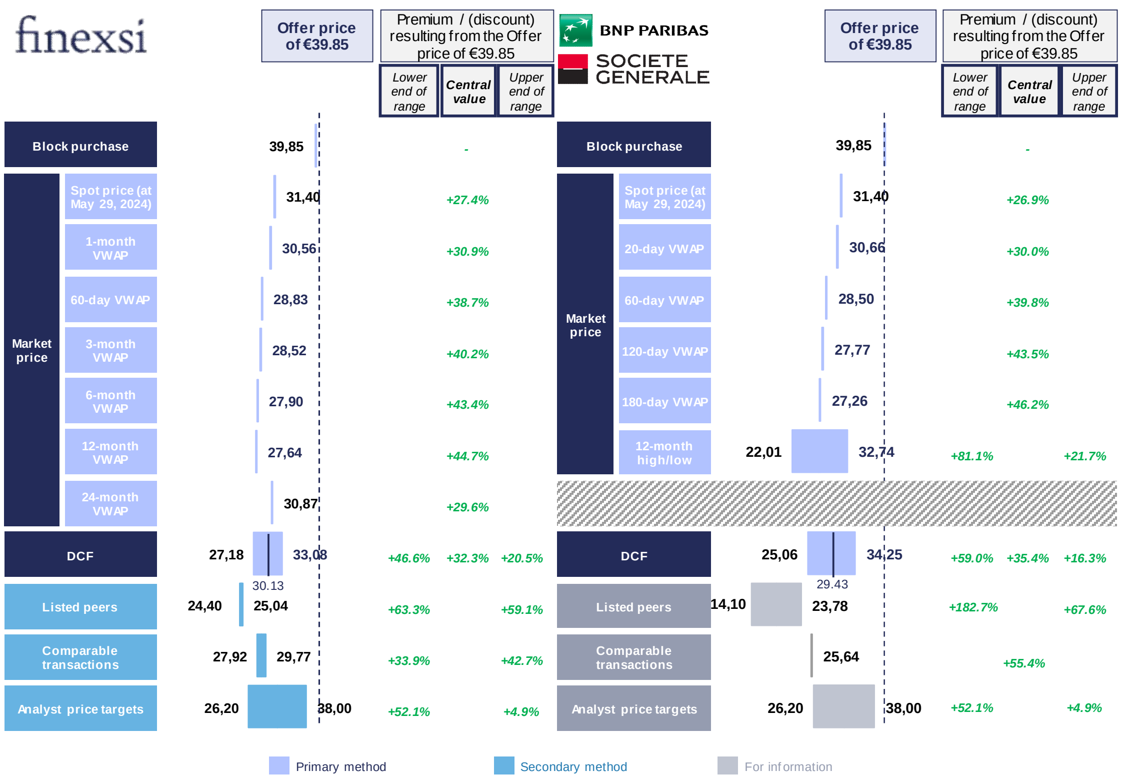
The Presenting Banks (BNP Paribas and Société Générale) have prepared information for assessing the Offer price per share and per 2020 and 2022 OCEANE, included in section 3 of the draft offer document of December 24, 2024.

We analyzed that information and approached representatives of the Presenting Banks to discuss the valuation methods and references used.

9.1 Neoen shares

The results of our work are summarized below:

Figure 26 - Comparison of values per Neoen share by Finexsi and the Presenting Banks



Sources: Finexsi analysis, draft offer document

9.1.1 Choice of valuation criteria

For Neoen's valuation, the Presenting Banks and Finexsi referred primarily to the acquisition of the Controlling Block, the share price and the intrinsic valuation method based on discounting forecast cash flows.

As a secondary method, Finexsi used the comparable transactions and listed peers methods, and referred to analyst share-price targets, whereas the Presenting Banks referred to those methods for information only.

Like Finexsi, the Presenting Banks ruled out the following methods and references: net book value, net asset value and discounted future dividends.

The application of the various methods calls for several comments on our part.

9.1.2 Application of the various valuation methods

9.1.2.1 Number of shares

As the diluted number of shares, the Presenting Banks used 153,755,168 whereas we used 164,436,681.

Like the Presenting Banks, Finexsi used a number of shares based on the number of 152,848,774 outstanding shares as of November 30, 2024, less the 188,338 treasury shares on the same date, plus the 1,094,732 free shares then vesting.

We also took into account the dilutive effect that would arise from the conversion of the 2020 and 2022 OCEANEs, i.e. the creation of 10,681,513 additional shares on the basis of the conversion ratios effective since June 11, 2024. The Presenting Banks, meanwhile, considered the OCEANEs in their bridge from enterprise value to equity value.

That difference in methodology explains the difference between the diluted number of shares adopted by the Presenting Banks and Finexsi.

9.1.2.2 Bridge from enterprise value to equity value

For the purposes of their work, the Presenting Banks used an adjusted net debt figure of €2,480 million (pre-IFRS 16 and post the Victoria disposal) as of June 30, 2024.

Finexsi, meanwhile, used an adjusted net debt figure of €1,912 million (pre-IFRS 16) as of June 30, 2024.

The difference stems mainly from the fact that the Presenting Banks took account of the 2020 and 2022 OCEANEs in their bridge from enterprise value to equity value (€473 million), while Finexsi reflected the dilutive effect of the OCEANEs in the number of shares used in its calculations, as mentioned above.

Finexsi and the Presenting Banks both considered the enterprise value resulting from the sale of assets in Victoria, Australia in the bridge from enterprise value to equity value. The Presenting Banks discounted the amount to be received to present value, whereas Finexsi did not.

9.1.3 Recent transactions involving the Company's share capital

The Presenting Banks and Finexsi factored in the acquisition of the Controlling Block by Brookfield at a price of €39.85 per share.

9.1.4 Share price analysis

The Presenting Banks and Finexsi analyzed the share price as of May 29, 2024 (last trading day before the announcement of the Transaction) and calculated the average share price over periods of varying length prior to that date.

This produced limited differences between the two analyses, stemming from differences in the periods used in the calculations (20 days, 60 days, 120 days and 180 days for the Presenting Banks and 1 month, 60 days, 3 months, 6 months, 12 months and 24 months for Finexsi) and in the VWAP calculation methods (based on closing prices for Finexsi and intraday prices for the Presenting Banks).

9.1.5 Discounted forecast cash flows

9.1.5.1 Forecasts used

Finexsi based its work on the financial trajectory disclosed by the Company for the 2024E-2030E period, whereas the Presenting Banks prepared their own business plan for the same period.

Both Finexsi and the Presenting Banks took into account Management's ambition, as disclosed to the market, to have 15 GW of capacity in operation by 2030, which the Company is apparently able to self-fund without any new fund-raising. The ambition of having capacity of 20 GW by 2030 was not considered, because it would require new fund-raising, the terms of which are not known and which cannot be simulated.

To achieve the 15 GW target, the Presenting Banks took into account the development of 2 GW per year between 2026E and 2030E and a farm-down program resulting in the sale of 1 GW per year.

We considered development of just over 1 GW per year until 2030E and an annual contribution from farm-down transactions limited to 20% of adjusted EBITDA.

Finexsi based its capex figures on the average cost per MW disclosed by Management, and applied inflation to that cost over the period. The Presenting Banks referred to information provided by the Company in its 2023 Capital Markets Day.

Like Finexsi, the Presenting Banks assumed that production capacity would be stable from 2031E/2032E onward, and that assets will be operated until the end of their useful lives, based on when they came into service and on their expected useful lives (30 years for wind and solar facilities and 20 years for storage facilities).

Finexsi and the Presenting Banks both assumed that the change in the WCR will be zero or near-zero over the forecast period until the facilities cease operating. The Presenting Banks assumed a corporate income tax rate of 29.4%, which is slightly higher than the 28.0% assumed by Finexsi.

In accordance with the date on which the enterprise value to equity value bridge was determined (June 30, 2024), the first cash flows considered by Finexsi and the Presenting Banks in the DCF valuation were those of the second half of 2024.

9.1.5.2 Financial assumptions

As regards the discount rate, the Presenting Banks used an estimated weighted average cost of capital (WACC) of 5.8%, whereas we used a figure of 5.4%.

9.1.5.3 Sensitivity analysis and results

The Presenting Banks analyzed the sensitivity of Neoen’s value per share to changes in the discount rate.

Finexsi analyzed the sensitivity of Neoen’s value per share to a combined variation in (i) the discount rate and the proportion of MW undergoing repowering and (ii) the discount rate and the capex EBITDA yield of underlying assets.

The Neoen value per share calculated by the Presenting Banks is between €25.06 and €34.25, with a central value of €29.43.

According to Finexsi, Neoen’s value per share lies within a range of €27.18 and €33.08, with a central value of €30.13.

The Presenting Banks present a sensitivity analysis involving discount rates that vary in steps of 0.5 points, whereas the steps used by Finexsi are 0.25 points, which explains the differences between the upper and lower ends of the ranges resulting from our work.

9.1.6 Listed peer-group method

The Presenting Banks used a sample of five companies: EDPR, Acciona Energia, ERG, Boralex and Solaria.

Finexsi also used the aforementioned companies, along with Voltalia, Grenergy Renovables, Enefit Green and Clearway Energy.

The Presenting Banks applied multiples to 2024E and 2025E adjusted EBITDA figures (post-IFRS 16), whereas Finexsi used 2025E and 2026E adjusted EBITDA figures (pre-IFRS 16). Those EBITDA figures do not factor in the contribution of the Victoria assets currently being divested.

The value per Neoen share produced by the Presenting Banks using that method is between €14.10 and €23.78. Finexsi obtains a value range of between €24.40 and €25.04 per Neoen share.

9.1.7 Comparable transactions method

The Presenting Banks used a sample of ten transactions since 2019, involving the following targets: Terna Energy (June 2024), Encavis (March 2024), Greenvolt (December 2023), Enerfin (November 2023), Opdenergy (June 2023), Reden Solar (March 2022), Falck Renewables (October 2021), Eolia (November 2021), Solarpack (June 2021) and Tilt Renewables (March 2021).

Finexsi also used the aforementioned transactions, with the exception of that involving Tilt Renewables.

In addition, Finexsi used the following transactions: Tion Renewables (October 2023), and Sirocco Wind Holding (March 2019).

The Presenting Banks used Neoen's adjusted EBITDA for the 12 months to June 30, 2024, whereas Finexsi used its adjusted EBITDA figure for the 12 months to December 31, 2023 and the 12 months to June 30, 2024. We both adjusted EBITDA figures for the contribution of the Victoria assets currently being divested, the enterprise value of which is included in the bridge from enterprise value to equity value.

The value per Neoen share produced by the Presenting Banks using that method is €25.64. Finexsi obtains a value range of between €27.92 and €29.77 per Neoen share.

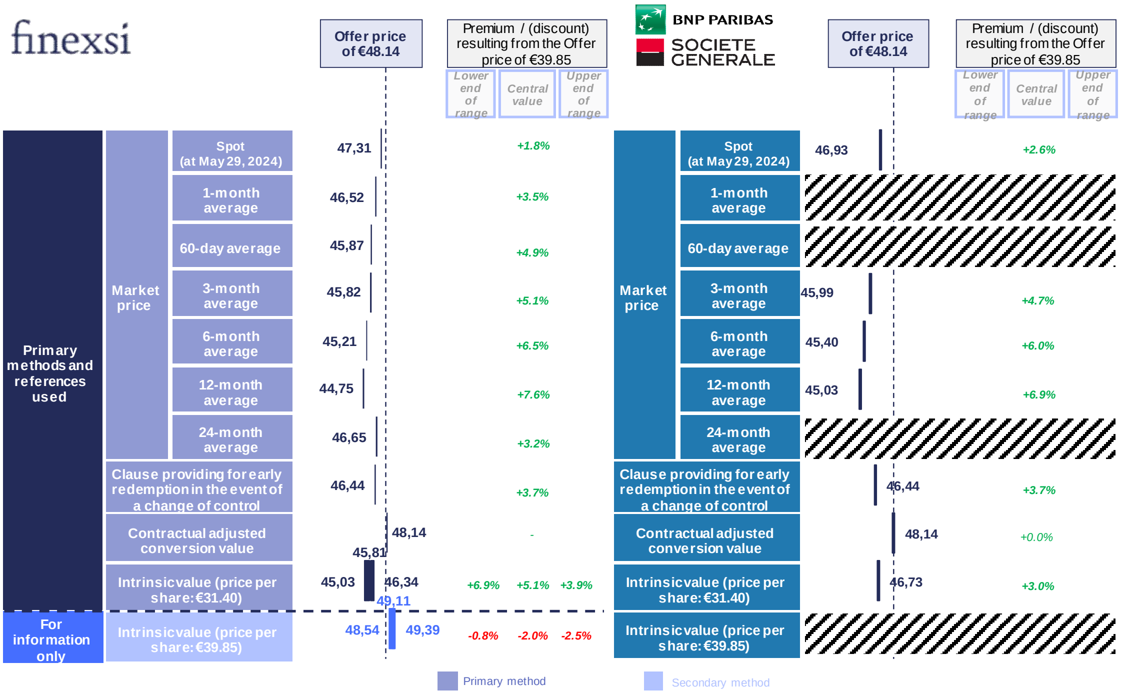
9.1.8 Analyst price targets

The reference to the share-price targets of analysts who cover Neoen does not call for any particular comment on our part, because the respective analyses are based on the same price targets.

9.2 2020 and 2022 OCEANEs

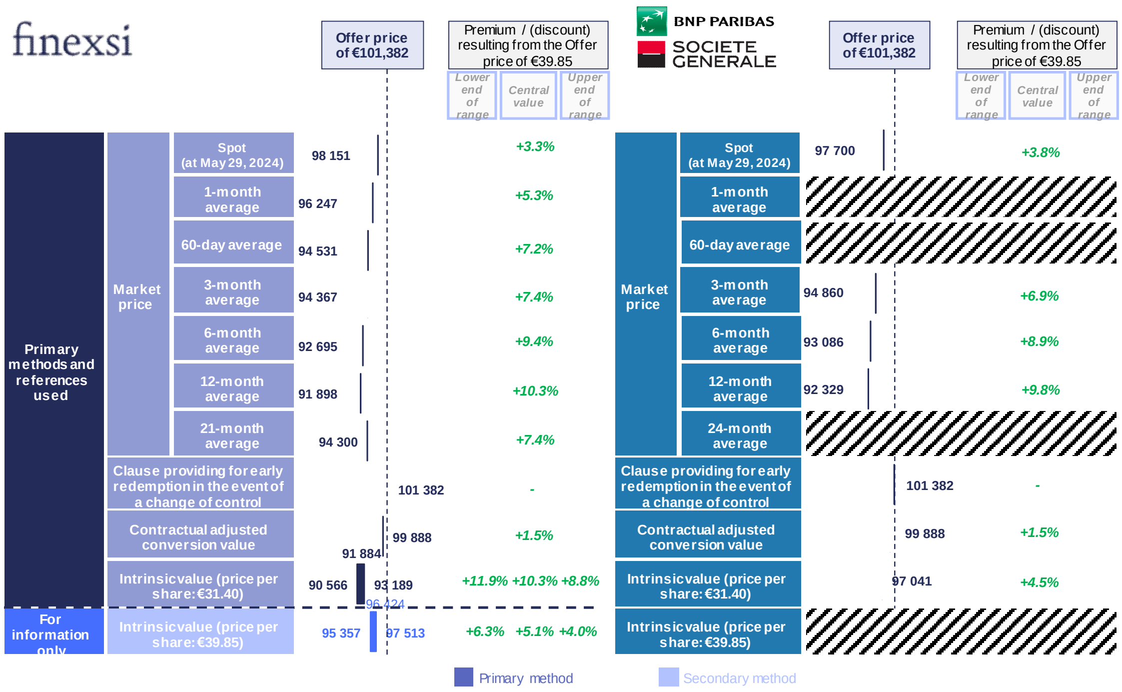
The results of our work are summarized below:

Figure 27 - Comparison of the 2020 OCEANE valuations by FINEXSI and the Presenting Banks



Sources: Finexsi analysis, draft offer document

Figure 28 - Comparison of the 2022 OCEANE valuations by FINEXSI and the Presenting Banks



Sources: Finexsi analysis, draft offer document

9.2.1 Criteria used to value the 2020 and 2022 OCEANEs

The Presenting Banks and Finexsi used the following methods and references:

- The market price of the OCEANEs;
- The clause providing for early redemption in the event of a change of control;
- The contractual adjusted conversion value in the event public tender offer ;
- The intrinsic value of the OCEANEs based on Neoen's share price at May 29, 2024 (€31.40).

We also present, for information only, the intrinsic value of the OCEANEs based on the Offer price of €39.85 per share.

9.2.2 Use of the various criteria

9.2.2.1 Contractual adjusted conversion value

The use of this approach, defined in the terms and conditions of the 2020 and 2022 OCEANEs, does not call for any comment on our part because we obtain the same values, i.e. €48.14 for the 2020 OCEANEs and €99,888 for the 2022 OCEANEs.

9.2.2.2 Clause providing for early redemption in the event of a change of control

The use of this approach, defined in the terms and conditions of the 2020 and 2022 OCEANEs, does not call for any comment on our part because we obtain the same values, i.e. €46.44 for the 2020 OCEANEs and €101,382 for the 2022 OCEANEs.

9.2.2.3 Share price analysis

The Presenting Banks and Finexsi analyzed the market price of the 2020 and 2022 OCEANEs as of May 29, 2024 (last trading day before the announcement of the Transaction) and calculated the average share price over periods of varying length prior to that date.

There are some limited differences in valuations over the calculation periods, because we used different databases (Bloomberg for the Presenting Banks and Capital IQ for Finexsi) and because those databases do not include all of the OCEANEs' trading volumes, since a significant portion of the trading in those securities takes place over the counter.

9.2.2.4 Intrinsic value

As regards the main assumptions used to calculate the option value according to the Black-Scholes model:

- Finexsi and the Presenting Banks used Neoen's share price at the close on May 29, 2024, i.e. €31.40. Finexsi also presents, for information only, a calculation based on the Offer price of €39.85 per Neoen share;
- For the risk-free rate, we used the 6-month average of the OAT TEC 1-year yield as of May 29, 2024 (3.42%) for the 2020 OCEANEs and the 6-month average of the OAT TEC 3-year yield as of May 29, 2024 (2.70%) for the 2020 OCEANEs given the respective maturities of the bonds. The Presenting Banks use a rate of 3.68% for the 2020 OCEANEs and 3.11% for the 2022 OCEANEs;
- The Presenting Banks use a credit spread of 250bp for the 2020 OCEANEs and 350bp for the 2022 OCEANEs, estimated on the basis of Neoen's credit quality for a specific maturity. We used a credit spread of 124bp, which corresponds to the average observed for the listed bonds of comparable companies;
- The cost of carry is assumed to be 40bp by Finexsi and the Presenting Banks;
- The Presenting Banks use a volatility figure of 30.0% for the 2020 and 2022 OCEANEs, in line with historical volatility figures, whereas we use 32.5%.

In our intrinsic calculations, we took into account the possibility available to Neoen to redeem the OCEANEs early in the event that:

- The price of the OCEANEs rises above 130% of par or if the total number of bonds issued is less than 15% of the total number of bonds originally issued for the 2020 OCEANEs;
- The price of the OCEANEs rises above 130% of par or if the total number of bonds issued is less than 20% of the total number of bonds originally issued for the 2022 OCEANEs.

The possibility of Neoen exercising such right amounts to an option, the value of which must be deducted from the option component of the OCEANEs. Accordingly, we calculate the option component as the difference between the value of the option allowing bonds to be converted at the bondholder's discretion, and the value of the option resulting from the clause allowing early redemption at Neoen's discretion. The latter option, which can be exercised at Neoen's discretion, was not taken into account by the Presenting Banks, which is the main reason for the differences in valuations.

The Presenting Banks calculated a value of €46.73 per 2020 OCEANE, whereas we get a range of €45.03-46.34, with a central value of €45.81.

As regards the 2022 OCEANEs, the Presenting Banks calculate a value of €97,041 per bond, whereas we get a range of between €90,566 and €93,189, with a central value of €91,884 per bond.

We also present, for information only, two ranges of values based on the Offer price of €39.85 per Neoen share, which are between €48.54 and €49.39 for the 2020 OCEANEs and between €95,357 and €97,513 for the 2022 OCEANEs.

10 Related agreements and other agreements that may have a material impact on the Offer price

We examined agreements that may have a material impact on the assessment of the Offer or on its outcome, as presented in the draft offer document, in order to assess whether those agreements include financial provisions that may call into question the fairness of the Offer price.

Those related agreements are described in section 1.3 of the draft offer document.

As part of that work, we examined:

- Bpifrance's undertaking to tender its shares;
- The liquidity agreement;
- The cash-based retention plan;
- The retention share plan;
- Romain Desrousseaux's liquidity agreement;
- Xavier Barbaro's liquidity agreement;
- The cash-based retention plan for Xavier Barbaro;
- The Synthetic Share Plan;
- The Shareholders' Agreement;
- The reinvestment by Xavier Barbaro and Romain Desrousseaux.

We emphasize that our analysis is based on the most recent versions of the related agreements provided to us, which are unsigned versions.

10.1 Bpifrance's undertaking to tender its shares

FCPI Fonds ETI 2020 represented by Bpifrance Investissement has given an undertaking to the Offeror to tender 6,674,470 shares, representing 4.36% of Neoen's capital, to the Offer.

As part of that undertaking, FCPI Fonds ETI 2020 undertook to tender to the Offer all of the Neoen shares it holds, and to tender those shares as soon as possible after the Offer opens and at the latest one day before the Offer closes.

FCPI Fonds ETI 2020 also undertook to keep the shares it currently holds, and to refrain from seeking, encouraging or facilitating any offer rivaling that of the Offeror, and to have its representative resign from their position as a director of the Company after the shares have been tendered to the Offer.

The undertaking stipulates that the shares will be tendered at the Offer price, and does not provide for any mechanism that could give rise to additional consideration.

As a result, the provisions of the undertaking to tender shares are not, in our view, of a kind that could call into question the fairness of the Offer price from a financial point of view.

10.2 Liquidity agreement

The intention is for a liquidity agreement (the "Liquidity Agreement") to be formed between the Offeror and the Company's employees who hold 2023 and/or 2024 free shares (hereinafter the "Beneficiaries"). The aim of this agreement is to ensure the liquidity of the 2023 and/or 2024 free shares as soon as they are delivered to beneficiaries at the end of their vesting period, or as the case may be at the end of their lock-up period (at which point the shares will become transferable, hereinafter "Transferable Shares") if an "Event of Liquidity Default" were to arise, i.e.:

- A squeeze-out has been implemented;
- A situation where the Offeror holds more than 90% of the Company's share capital or voting rights, independently of whether a squeeze-out has been initiated;
- A situation where the average volume of the Company's shares traded each day over the last 20 trading days is less than 0.055% of the Company's share capital.

The agreement will not apply in the absence of an Event of Liquidity Default.

It is also stipulated that this Liquidity Agreement is not applicable to Xavier Barbaro or Romain Desrousseaux, with whom it was intended that other liquidity agreements would be formed on the date on which the acquisition of the Controlling Block was completed (see sections 10.5 and10.6).

The liquidity agreement provides for cross call and put options. Under that agreement, the Beneficiaries make an irrevocable undertaking to transfer all of their Transferable Shares if the Offeror exercises its call option, while the Offeror makes an irrevocable undertaking to acquire them if the Beneficiaries exercise their put option.

The Offeror can exercise the call option at any time during a period of 20 days after the Beneficiaries have been notified that their free shares are transferable, provided that a Default Event has taken place beforehand.

The Beneficiaries can exercise the put option at any time during a period of 60 days from the expiry of the call option.

The exercise price of the options will equal:

- If exercised before December 31, 2025, the Offer price of €39.85 per share, subject to adjustment if a material acquisition takes place;
- If exercised after December 31, 2025, at the market value of the shares based on a valuation method consistent with that used to determine the Offer price.

If there is a disagreement about the exercise price of the options, there is a provision to use the services of an independent appraiser.

We have analyzed the liquidity agreement that will be formed with the Beneficiaries.

The exercise price of the call and put options will be fixed until December 31, 2025. After that date, the exercise price of the call and put options will be determined with reference to the market value of Neoen shares. The exercise price may therefore rise or fall depending on the Company's performance, and the Beneficiaries will bear the risk arising from their status as shareholders until the options are exercised.

We reiterate that the agreement will not apply in the absence of an Event of Liquidity Default.

As a result, the provisions of the liquidity agreement are not, in our view, of a kind that could call into question the fairness of the Offer price.

10.3 Cash-based retention plan

It is expected that in its meeting of December 26, 2024, Neoen's Board of Directors will amend the terms and conditions of the 2023 and 2024 free share plans, subject to the sale of the Controlling Block being completed, and in particular is likely to decide:

- As regards the 2023 free share plan (i) to consider the performance conditions are fully met and (ii) to offer each beneficiary the opportunity to have 50% of their 2023 free shares vest early on February 28, 2025 and, provided that an Event of Liquidity Default has occurred (as described above in relation to the Liquidity Agreement) and subject to a condition of the beneficiary's continuing service on February 28, 2026, to offer them a cash-based retention plan instead of the rights of the beneficiary concerned to receive their 2023 free shares that have not vested early;
- As regards the 2024 free share plan, to consider the performance conditions as fully met, with no change to the vesting period, which would end on March 1, 2027.

Against that background, the Offeror and the Company will offer holders of 2023 and/or 2024 free shares a cash-based retention plan in exchange for their agreement to waive the right to receive all of their currently unvested free shares, as follows:

- Each holder of 2023 free shares will be able, in the event of an Event of Liquidity Default, to receive a cash bonus ("2023 Bonus") instead of their 2023 free shares that have not vested early, which they will waive;
- Each holder of 2024 free shares will be able, in the event of an Event of Liquidity Default, to receive a cash bonus ("2024 Bonus") instead of their 2024 free shares, which they will waive.

Holders of 2023 and/or 2024 free shares will be able to retain their unvested free shares, to which the aforementioned liquidity agreement will be fully applicable, or to waive them in return for the cash-based retention plan. Those holders will have to make their decision known by February 7, 2025.

The cash-based retention plan will vest on February 28, 2026 for the 2023 free shares that have not vested early and on March 1, 2027 for the 2024 free shares, provided that an Event of Liquidity Default has occurred and subject to a condition of continuing service.

The 2023 and 2024 Bonuses will be paid in cash after the expiry of the vesting period, based on a price per unavailable free share that is equal to the Offer price, i.e. €39.85.

As a result of this cash-based retention plan, holders of 2023 and/or 2024 free shares who choose to sign up for the plan will receive a cash bonus based on a price per unavailable free share that is equal to the Offer price (multiplied by the number of unavailable free shares they hold). However, that bonus will not be paid until the expiry of the vesting period, i.e. in 2026 (for the 2023 Bonus) or in 2027 (for the 2024 Bonus), subject to certain conditions. Since the holders of the 2023 and/or 2024 free shares must make their choice by February 7, 2025, i.e. by a date close to the opening of the Offer according to the projected timetable, they will not be able to benefit from any increase in Neoen's value per share, but will be protected against any fall.

As a result, the provisions of the cash-based retention plan are not, in our view, of a kind that could call into question the fairness of the Offer price.

10.4 Retention share plan

The Offeror and the Company have decided to propose to some of the Group's managers (excluding Xavier Barbaro) who hold 2023 and/or 2024 free shares (the "Manager Beneficiaries") that they waive some or all of their 2023 and/or 2024 Bonuses in return for a new retention share plan, as follows:

- Each Manager Beneficiary qualifying for a 2023 Bonus will be able to receive retention shares (issued by BRHL MidCo) instead of their 2023 Bonus, which they will waive (in part or in full), provided an Event of Liquidity Default has occurred;
- Each Manager Beneficiary qualifying for a 2024 Bonus will be able to receive retention shares (issued by BRHL MidCo) instead of their 2024 Bonus, which they will waive (in part or in full), provided an Event of Liquidity Default has occurred;

The number of BRHL MidCo shares allotted to each Manager Beneficiary will be based on the value of the 2023 and/or 2024 free shares that they are waiving in view of the Offer price (the number of free shares waived multiplied by €39.85) relative to BRHL MidCo's equity value on the allotment date.

The vesting period for the retention shares will be one year. The vesting of the retention shares will also be subject to the occurrence of an Event of Liquidity Default, a condition of continuing service for the Manager Beneficiaries and their acceptance of a Shareholders' Agreement (as presented below).

The shares will then be subject to a one-year lock-up period.

The arrangements for transferring retention shares will be those defined in the Shareholders' Agreement as described below (see section 10.9 - Transfer of securities issued by BRHL MidCo).

The retention shares will be issued by BRHL MidCo, a holding company created for the purposes of the Transaction and holding 100% of the Offeror's shares (BRHL BidCo). BRHL MidCo is not intended to hold (directly or indirectly via BRHL BidCo) any assets other than shares in Brookfield Renewables Holding SAS (which will hold the Neoen shares acquired) and available cash.

As a result, the Manager Beneficiaries will be able to waive some or all of their 2023 and/or 2024 Bonuses in return for a new retention share plan involving shares issued by BRHL MidCo. The retention shares will be allotted on the basis of the value of the 2023 and/or 2024 free shares waived by the Manager Beneficiaries in view of the Offer price (corresponding to the number of shares waived) relative to BRHL MidCo's equity value on the date on which entitlements to BRHL MidCo shares are granted. The retention shares will be subject to a one-year vesting period, a one-year lock-up period and transfer arrangements in line with those defined in the Shareholders' Agreement.

As a result, the provisions of the retention share plan are not, in our view, of a kind that could call into question the fairness of the Offer price.

10.5 Romain Desrousseaux's liquidity agreement

The Neoen shares held by Romain Desrousseaux, Deputy Chief Executive Officer, include the following:

- 9,445 shares that will remain unavailable until the date on which Romain Desrousseaux's term of office as a corporate officer of Neoen ends;
- 120,555 2024 free shares, 85% of which will become available in March 2027, with the other 15% remaining unavailable until the date on which Romain Desrousseaux's duties at Neoen end.

The intention is to form a liquidity agreement between the Offeror and Romain Desrousseaux. The aim of that agreement is to ensure the liquidity of the shares at the end of their lock-up period (at which point the shares will become transferable) if an Event of Liquidity Default were to arise (as described above).

The provisions of Romain Desrousseaux's liquidity agreement are identical to those of the main liquidity agreement (see section 10.2) as regards its arrangements and the exercise price of the cross call and put options, and are not, in our view, of a kind that could call into question the fairness of the Offer price.

10.6 Xavier Barbaro's liquidity agreement

The Neoen shares held directly or indirectly by Xavier Barbaro, Chair and Chief Executive Officer of Neoen, include the following:

- 39,943 shares that will remain unavailable until the date on which Xavier Barbaro's term of office as a corporate officer of Neoen ends;
- 180,832 2024 free shares, 85% of which will become available in March 2027, with the other 15% remaining unavailable until the date on which Xavier Barbaro's duties at Neoen end;
- 545,672 Unavailable Holding Company Shares, which will become available from April 15, 2025, breaking down as follows:
  - 403,928 shares held by Cartusia[49];
  - 141,744 shares held by [50] Equinox, Kampen, Palancia and Hilaris.

[49] Company controlled by Xavier Barbaro.
[50] Companies controlled by Xavier Barbaro.

Xavier Barbaro, Cartusia, Equinox, Kampen, Hilaris and Palancia are together defined as the XB Beneficiaries.

The intention is to form a liquidity agreement between the Offeror and the XB Beneficiaries. The aim of this agreement is to ensure the liquidity of the shares as soon as they are delivered to Xavier Barbaro with respect to free shares currently vesting, or at the end of their lock-up period with respect to the other shares (at which point those shares will become transferable, hereinafter “Transferable Shares”).

The liquidity agreement provides for cross call and put options. Under that agreement, the XB Beneficiaries make an irrevocable undertaking to transfer all of their Transferable Shares if the Offeror exercises its call option, while the Offeror makes an irrevocable undertaking to acquire them if the Beneficiaries exercise their put option.

The Offeror can exercise the call option at any time during a period of 20 days after the XB Beneficiaries have been notified that their shares are transferable (i.e. after the end of the lock-up period).

The exercise of the call option will not be subject to the occurrence of an Event of Liquidity Default, for the following reasons:

- The proceeds from selling the 545,672 Unavailable Holding Company Shares will be reinvested in BRHL MidCo as described below (see section 10.10);
- The 2024 free shares will be covered by a cash-based retention plan offered by Brookfield to Xavier Barbaro, as described below (see section 10.7);
- The remaining shares will become when Xavier Barbaro’s term of office as a corporate officer of Neoen ends.

The XB Beneficiaries can exercise the put option at any time during a period of 60 days from the expiry of the call option.

The exercise price of the options is identical to that described with respect to the Liquidity Agreement (see section 10.2).

Under that liquidity agreement, the exercise price of the call and put options will be fixed until December 31, 2025. After that date, the exercise price of the call and put options will be determined with reference to the market value of Neoen shares. The exercise price may therefore rise or fall depending on the Company’s performance, and the XB Beneficiaries will bear the risk arising from their status as shareholders until the options are exercised. Under the reinvestment agreement described below, it is also intended that the disposal proceeds resulting from the exercise of the call option for the 545,672 Unavailable Holding Company Shares, which will become available from April 15, 2025, will be reinvested by Cartusia (of which Xavier Barbaro is the legal representative) in BRHL MidCo.

As a result, the provisions of Xavier Barbaro’s liquidity agreement are not, in our view, of a kind that could call into question the fairness of the Offer price.

10.7 Xavier Barbaro's cash-based retention plan

With respect to the 2024 free share plan put in place by the Company, Xavier Barbaro benefits from a specific clause regarding the vesting of his shares in proportion to the amount of time he remains with Neoen in the event of his departure during the vesting period.

We reiterate that in its meeting of December 26, 2024, Neoen's Board of Directors is likely to amend the terms and conditions of the 2024 free share plans, subject to the sale of the Controlling Block being completed, and to decide that the performance conditions for those shares have been met in full, with no change to the vesting period.

Against that background, Brookfield is planning to propose to Xavier Barbaro that he enters into the aforementioned liquidity agreement, along with a new cash-based retention plan (the "XB Bonus" plan) if his duties at Neoen were to end following a departure, in return for his waiving the portion of his 2024 free shares that have vested on the date of his departure. The 2024 free shares still unvested on the date of his departure will lapse.

The XB Bonus will vest on March 1, 2027 and its amount will be paid in cash after the end of the vesting period, based on the number of 2024 free shares vested on the date Mr. Barbaro's duties at Neoen end.

The aim of this cash-based employee retention plan is to grant Xavier Barbaro (subject to his resigning from his role as Chair and CEO of the company following a squeeze-out) a cash Bonus to compensate for his waiving the 2024 bonus shares vested on a prorata basis on the date his duties at Neoen come to an end. The XB Bonus vesting date and its payment in cash based on a share price equal to the Offer price (€39.85) are the same as the terms offered to the other holders of 2024 free shares under the cash-based retention plan offered to them.

As a result, the provisions of Xavier Barbaro's cash-based retention plan are not, in our view, of a kind that could call into question the fairness of the Offer price.

10.8 Synthetic Share Plan

We examined the Synthetic Share Plan that will be set up by BRHL MidCo for certain managers of the Group, including Cartusia, of which Xavier Barbaro is the legal representative (the "Managers").

The plan provides for the allotment of Synthetic Shares to the Managers, allowing their holders to receive exceptional remuneration (a bonus) corresponding to part of the value creation achieved, in the event of (i) the termination of a Manager's duties, (ii) an initial public offering by a Group company, (iii) a direct or indirect transfer of shares in BRHL MidCo, (iv) the liquidation of BRHL MidCo or (v) a significant distribution by BRHL MidCo (an "Exit"), subject to a condition of continuing service.

The sole purpose of the Synthetic Shares is to quantify the amounts that may be paid to the Managers, and they will not confer any entitlement to BRHL MidCo's capital or any voting rights to their holders.

Of the Synthetic Shares, 30% will be allotted to Cartusia (of which Xavier Barbaro is the legal representative), 20% to Romain Desrousseaux and 40% to the other Managers, and 10% will be retained for subsequent allotments.

The value of the Synthetic Shares will depend on the achievement of BRHL TopCo's target IRR on its investment in BRHL MidCo. If the target IRR is achieved, the value of the Synthetic Shares will correspond to 4.5% of the excess return (defined as the difference between the exit price and the value accruing to BRHL TopCo), subject to a limit of €400 million. The limit of €400 million appears relatively theoretical because it would require a very high IRR to be achieved.

If the target IRR is not achieved, the value of the Synthetic Shares will be zero.

There is also an intention to make adjustments in the event that BRHL TopCo provides new funding or receives amounts (e.g. dividends).

In other words, the Synthetic Shares organize the apportionment of the overall capital gain between BRHL TopCo and the Managers in the event of an Exit, depending on BRHL TopCo's IRR. This mechanism is an incentive through which BRHL TopCo will pass on part of any future value creation to the Managers, giving them a direct interest in future financial performance.

The value of the Synthetic Shares is not guaranteed in any way, since it may be zero if performance is insufficient (i.e. if the IRR does not reach a certain level).

The financial rights attached to the Synthetic Shares appear consistent with market practices in transactions of the same type, and do not call for any comments in view of the Offer Price.

10.9 Shareholders' Agreement

BRHL TopCo, BRHL MidCo, Cartusia and Xavier Barbaro intend to form a Shareholders' Agreement (the "Shareholders' Agreement") to govern their relationships with respect to BRHL MidCo, which indirectly holds 100% of the capital and voting rights of the Offeror. The main terms of the agreement are summarized below. The managers of the Company who are beneficiaries of a retention share plan will also have to sign up to the Shareholders' Agreement. Those managers, along with Cartusia, Xavier Barbaro and Romain Desrousseaux, are hereinafter referred to as the "Managers".

We have obtained a copy of the Shareholders' Agreement, which we have examined.

It includes provisions relating to BRHL MidCo's governance and to the transfer of securities issued by BRHL MidCo.

BRHL MidCo's governance

The provisions of the Shareholders' Agreement relating to BRHL MidCo's governance are standard and do not call for any particular comments from us.

Transfer of securities issued by BRHL MidCo

The main provisions regarding transfers of BRHL MidCo securities are as follows:

- BRHL TopCo will have a right of first refusal on the BRHL MidCo securities held by the Managers if a Manager wishes to sell their securities to a third party;

- The Managers will have a put option on a portion of the BRHL MidCo securities they hold, exercisable on certain dates. The sale price of the BRHL MidCo securities will be their market value on the date of sale, which may be determined by an independent appraiser in the event of a disagreement between the parties;
- The Managers will be required to sell their BRHL MidCo securities in the event of any breach of certain clauses of the Shareholders' Agreement. In that situation, the sale price of the BRHL MidCo securities will be 80% of their market value, which may be determined by an independent appraiser in the event of a disagreement between the parties;
- The Managers will have a proportional tag-along right in the event that BRHL TopCo transfers part of its BRHL MidCo securities to a third party without any change of control. In that situation, the Managers will be able to demand the sale of the same proportion of their BRHL MidCo securities to that third party, according to terms and conditions that are at least as favorable as those offered to BRHL TopCo;
- The Managers will have a total tag-along right in the event that BRHL TopCo transfers part of its BRHL MidCo securities to a third party resulting in a change of control. In that situation, the Managers will be able to demand the sale of all their BRHL MidCo securities to that third party, according to terms and conditions that are at least as favorable as those offered to BRHL TopCo;
- A drag-along right in the event that BRHL TopCo receives an offer from a third party to acquire a number of BRHL MidCo securities that would result in that third party owning a majority of BRHL MidCo's capital. In that situation, BRHL TopCo will be able to force the Managers to sell all their BRHL MidCo securities according to terms and conditions that are at least as favorable as those offered to BRHL TopCo.

Based on our analysis, the Shareholders' Agreement does not feature any financial clause that could be regarded as an additional consideration clause, a guaranteed price mechanism in the event of a sale or any guarantee granted by BRHL TopCo or BRHL MidCo for the benefit of the Managers (including Xavier Barbaro). In particular, there is no price or price formula to determine the value of the securities sold in the event of a transfer by any party.

As a result, the Shareholders' Agreement is not, in our view, of a kind that could call into question the fairness of the Offer price from a financial point of view.

10.10 Reinvestment by Xavier Barbaro and Romain Desrousseaux

It is intended that Xavier Barbaro will reinvest around €25 million by subscribing ordinary shares in BRHL MidCo. The number of BRHL MidCo shares to be issued as part of that reinvestment will be based on BRHL MidCo's equity value (net of any intervening distributions) on the subscription date.

That reinvestment will be funded in particular by the proceeds from selling the 545,672 Unavailable Holding Company Shares, which will become available from April 15, 2025.

It is also intended that Romain Desrousseaux will carry out a reinvestment in cash or by tendering Neoen shares he holds to BRHL MidCo, in an amount of around €6.2 million. That reinvestment is optional, since Romain Desrousseaux will have the right to decide whether or not to reinvest. The number of BRHL MidCo shares to be issued as part of that reinvestment will be based on BRHL MidCo's equity value (net of any intervening distributions) on the subscription date.

As we have seen, they will then bear the risk arising from their status as shareholders and will be exposed to increases and decreases in the value of their reinvestment.

The terms of these reinvestments, paid for in cash or through the transfer of Neoen shares, are not, in our view, of a kind that could call into question the fairness of the Offer price from a financial point of view.

11 Analysis and assessment of comments received from OCEANE holders

We have been contacted by an investment services management company that holds 2020 and 2022 OCEANEs, which sent us a letter dated October 17, 2024 and clarifications regarding that letter on December 16, 2024.

We approached the Offeror and the Presenting Banks, along with the Company's Management, to obtain their comments on the arguments raised by the OCEANE holder that contacted us.

In accordance with Article 3 of AMF instruction no. 2006-08, we set out below the comments made by the OCEANE holder, along with our analysis and assessments. We also refer to the relevant parts of the report.

In its letter, the management company that holds OCEANEs states that it is *"keen to ensure that the price offered for each security giving access to Neoen's capital as part of the public tender offer, possibly followed by a squeeze-out, to be made by Brookfield subject to the acquisition of the controlling block, is fair and complies with the principle of equal treatment between shareholders and convertible bondholders."*

The OCEANE holder adds that it has analyzed two previous public offers that included OCEANEs, in which *"the independent appraiser each time determined a range of values for the OCEANEs before making its statement on the fairness of the price offered. Those ranges of values were calculated using a multi-criteria approach, including a valuation resulting from the formulas provided for by the OCEANE terms and conditions, and a valuation based on the Black-Scholes option valuation model, and used data such as the share price, dividends, the volatility of security prices, the OCEANEs' remaining time to maturity and interest rates."*

The OCEANE holder takes the view that the OCEANE prices *"do not reflect the fair value of the 2020 and 2022 OCEANEs"* and determines a valuation range based on the Bloomberg[51] option-based models, taking two different approaches:

- The "*Recalc method*", which takes into account the Offer price of €39.85 per Neoen share as the value of the underlying asset, an Offer start date in December 2024 and assumptions regarding the volatility of Neoen's share price of between 30% and 40%;
- The "As of Method", which takes into account Neoen's share price before the Transaction was announced (i.e. €31.40 on May 29, 2024) or the highest analyst price target before the Transaction was announced (€38.00) as the value of the underlying asset, along with assumptions regarding the volatility of Neoen's share price of between 30% and 40%.

[51] Bloomberg OVCV.

The results of its valuation are as follows:

2020 OCEANEs

			Cb Price
1	Initial Tender Price = T&Cs method	CB @ 48.125	48.125
2	Recalc Method	Stk 39.85/Dec 24/30vol	50.0
3	Recalc Method	Stk 39.85/Dec 24/35vol	50.5
4	Recalc Method	Stk 39.85/Dec 24/40vol	51.0
5	As of Method	Stk 31.4/May 24 /30vol	46.6
6	As of Method	Stk 31.4/May 24 Mat/35vol	47.2
7	As of Method	Stk 31.4/May 24 Mat/40vol	48.0
8	As of Method	Stk 38/May 24/30vol	49.8
9	As of Method	Stk 38/May 24/35vol	50.7
10	As of Method	Stk 38/May 24/40vol	51.4
	Median		49.9
	Standard Deviation		1.7

2022 OCEANEs

		Cb Price
Initial Tender Price = T&Cs method	CB @ 101.09	101.09
Recalc Method	Stk 39.85/Dec 24/30vol	106.4
Recalc Method	Stk 39.85/Dec 24/35vol	107.6
Recalc Method	Stk 39.85/Dec 24/40vol	108.8
As of Method	Stk 31.4/May 24 /30vol	98.6
As of Method	Stk 31.4/May 24 Mat/35vol	100.1
As of Method	Stk 31.4/May 24 Mat/40vol	101.2
As of Method	Stk 38/May 24/30vol	103.0
As of Method	Stk 38/May 24/35vol	104.3
As of Method	Stk 38/May 24/40vol	108.3
Median		103.7
Standard Deviation		3.7

As regards the multi-criteria approach

We note that the OCEANE holder did not use a multi-criteria valuation approach, and only considered an option-based model.

We, meanwhile, did use a multi-criteria approach, based primarily on the following valuation methods:

- The contractual adjusted conversion value, which corresponds to the value implied by the Offer according to the terms and conditions of the OCEANEs;
- Reference to the clause providing for early redemption in the event of a change of control;
- An analysis of the market prices of the 2020 and 2022 OCEANEs;
- The intrinsic value of the securities using an option-based model (Black-Scholes) and based on a value per Neoen share before the Offer was announced.

For information only, we also present:

- The intrinsic value of the securities using an option-based model (Black-Scholes) and based on the Offer price of €39.85 (ex-dividend).

It is important to note that in the present case, the terms and conditions of the OCEANEs provide for adjusted conversion ratios (or contractual adjusted conversion values) in order to compensate bondholders for the loss of option value in the event of a public tender offer, by allowing them to convert their bonds into ordinary shares during the offer period based on an adjusted conversion ratio that takes into account the loss of option value.

The terms and conditions of the OCEANEs also provide for the possibility for bondholders, in the event of a change of control, to request for their bonds to be redeemed at par plus accrued interest.

The OCEANE holder did not analyze the values arising from the application of the terms and conditions, which are, however, central reference points in assessing the Offer prices because they correspond to the strict application of the contractual agreements on the basis of which OCEANE holders invested.

In particular, as regards the 2020 OCEANEs, the price offered corresponds to the value arising from the Offer price for Neoen shares after applying the adjusted conversion ratio. It protects OCEANE holders from losing out, because the price offered to them directly takes into account the price offered to shareholders.

As regards the 2022 OCEANEs, the price offered corresponds to the value arising from the clause providing for early redemption in the event of a change of control. That value was used by the Offeror because it is higher than the value arising from the application of the adjusted conversion ratio.

As regards average market prices calculated over a short period and a longer period before the Offer was announced, they are lower than the Offer prices for the 2020 and 2022 OCEANEs.

The intrinsic approach based on market prices before the Offer was announced produces value ranges that are lower than the valuation arising from applying the OCEANE terms and conditions.

<u>As regards the option-based approaches used by the OCEANE holder</u>

We note that the option-based calculations carried out by the OCEANE holder based on pre-announcement market prices are all lower than the Offer prices for the OCEANEs.

This calculation of intrinsic value based on the unaffected Neoen share price is the most appropriate one in our view.

Using the Offer price for Neoen shares does not reflect the position of OCEANE holders before the Offer was announced, which is the position that must be taken to assess the offered prices on a standalone basis.

It is also the same approach as that used for shareholders, for which the analysis of the Company's share price looks at the time before the announcement of the Offer, not afterwards.

We reiterate that our analysis (see section 7.4.2.2) shows that Neoen's shares are liquid and that its share price is a suitable reference for valuing the Company. We also find that the share price is at the upper end of our DCF valuation range.

In addition, using the highest analyst price target, which is far above the average price target among the 16 analysts covering the stock (which was close to the pre-announcement share price) does not appear to represent the consensus view regarding the unaffected value of Neoen's shares.

Furthermore, option-based models of the Black-Scholes type are theoretical market models intended to simulate potential upside based on a market indicator (the market price) as a function of other market parameters (volatility in particular). Volatility, which is an essential parameter of the model, is derived from the market price of the underlying asset. In our view, applying a stockmarket volatility figure to an offer price that is not a stockmarket or market parameter – particularly where there is a market price to which reference can be made – has the effect of overstating the value of the OCEANEs.

Finally, if the Offer price for Neoen shares were used in the intrinsic value calculations, account would have to be taken of the fact that the volatility of the share price would be significantly reduced, because the price of the shares is likely to rise above their full value potential for their remaining life, as shown by our multi-criteria valuation of Neoen, and this would have a negative impact on the value of the option.

With that in mind, we presented, for information purposes only, the result of that calculation, which in our view features biases and methodological drawbacks.

We would also note that this approach is not a primary assessment method in the two transactions to which the OCEANE holder refers, because it is either presented as a secondary method or not used at all.

To summarize, our analysis of the various points raised by the holder of 2020 and 2022 OCEANEs does not lead us to alter our assessment of the Offer price of €48.14 per 2020 OCEANE and €101,382 per 2022 OCEANE.

12 Summary of our work and opinion regarding the fairness of the Offer price

For Neoen shareholders

The present Simplified Public Tender Offer, which may be followed by a Squeeze-Out by the Offeror, is made to all shareholders at the Offer price of €39.85 per share (ex-dividend).

That Offer price corresponds to the price arising from the share purchase agreement formed by the Offeror with Impala, Fonds Stratégique de Participations managed by ISALT, Cartusia, Xavier Barbaro and other shareholders for the purchase of the Controlling Block, which had not been completed by the time the present report was submitted.

The Offer price shows a 32.3% premium to the central value obtained using the DCF method, which we regard as the most appropriate method. That value is based on the “standalone” financial trajectory provided by Management and extrapolated until the end of the facilities’ operational lives. That trajectory reflects Management’s growth ambitions until 2030E, with an installed capacity target of 15 GW financed without any new fund-raising, as disclosed to the market. It is based on Management’s ability to continue developing its portfolio at a sustained pace without any deterioration in financial performance, and factors in the full effect of the Company’s strategy implemented and disclosed to the market. Accordingly, based on our primary valuation method, shareholders are getting an Offer price that fully values Neoen’s shares.

The Offer provides immediate liquidity to Neoen shareholders who so wish, along with a premium of 27.4% over the last quoted price preceding the announcement of the Offer and 38.7% to the average share price during the 60 days preceding the announcement.

As regards the listed peers comparison method, presented as a secondary method, the Offer price shows premiums of 60.6% and 65.0% to the resulting range of values, although readers are reminded that the results of this method may be less relevant because of the limited comparability of the companies making up the sample.

As regards the comparable transactions method, the Offer price shows a premium of between 20.4% and 28.3%. Like the listed peers method, this is presented as a secondary method.

References to price targets published by analysts before the Offer was announced, also presented as a secondary method, show premiums ranging from 5.3% to 52.7%.

As regards holders of 2020 OCEANEs

The Offer also relates to all of the 2020 and 2022 OCEANEs issued by Neoen.

The Offer price for the 2020 OCEANEs, i.e. €48.14 per OCEANE assuming the Offer opens on January 30, 2025, corresponds to the contractual adjusted conversion value, which is our primary valuation method. That value results from taking into account the Offer price for Neoen’s shares and applying the conversion formula provided for in the terms and conditions of the OCEANEs in the event of a public offer.

We note that the Offer price for the 2020 OCEANEs shows premiums relative to the values obtained using all other primary methods, i.e. (i) a premium of 3.7% to the value based on the clause provided for early redemption in the event of a change of control, (ii) a premium of 1.8% to the last market price before the Offer was announced and (iii) a premium of 5.1% to the central value of the intrinsic method.

<u>As regards holders of 2022 OCEANEs</u>

The Offer price for the 2022 OCEANEs, i.e. €101,382 per OCEANE assuming the Offer opens on January 30, 2025, corresponds to the value obtained by applying the clause providing for early redemption in the event of a change of control, included in the terms and conditions of the OCEANEs, the amount of which is higher than the contractual adjusted conversion value (€99,888 per 2022 OCEANE). We used both of these two approaches as primary valuation methods.

We note that the Offer price for the 2022 OCEANEs shows premiums relative to the values obtained using the other primary methods, i.e. (i) a premium of 3.3% to the last market price before the Offer was announced and (ii) a premium of 10.3% to the central value of the intrinsic method.

<u>As regards related agreements</u>

We examined agreements that could materially influence the assessment or outcome of the Offer, as presented in the draft offer document, i.e. (i) Bpifrance's undertaking to tender shares to the offer, (ii) the liquidity agreement, (iii) the cash-based retention plan, (iv) the retention share plan, (v) Romain Desrousseaux's liquidity agreement, (vi) Xavier Barbaro's liquidity agreement, (vii) Xavier Barbaro's cash-based retention plan, (viii) the Synthetic Share Plan, (ix) the Shareholders' Agreement and (x) reinvestments by Xavier Barbaro and Romain Desrousseaux. These agreements do not contain any provision that could call into question, in our view, the fairness of the Offer from the financial point of view.

As a result, as of the date of the present report, our opinion is that the Offer price of €39.85 (ex-dividend) per share, €48.14 per 2020 OCEANE and €101,382 per 2022 OCEANE is fair from the financial point of view for holders of Neoen's shares and 2020 and 2022 OCEANEs, including in the event of a Squeeze-Out.

Paris, December 26, 2024

Finexsi Expert & Conseil Financier

Maxime Rogeon	Olivier Peronnet
Director	Partner

Enclosed: Appendices

13 Appendices

Presentation of Finexsi Expert & Conseil Financier and information about the assignment

The work done by Finexsi Expert & Conseil Financier (Finexsi) falls within the scope of activities regulated by the French Association of Chartered Accountants (Ordre des Experts Comptables) and the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes). It mainly consists of asset contribution and merger appraisals, appraisals of business acquisitions and disposals, company valuations in a variety of contexts and independent assessment work and assistance in relation to disputes.

In carrying out its work, most of the staff members employed by the firm have a high level of experience and expertise in each of these specialist areas.

Finexsi is independent and does not belong to any group or network.

List of independent appraisal assignments carried out by Finexsi in the last 18 months

Date	Target	Offeror	Presenting bank(s)	Transaction	Advisor bank(s)(1)
Feb-23	CS Group	Sopra Steria	Société Générale	Simplified public tender offer followed by a squeeze-out	Ulysse & Co
Mar-23	Lisi	Lisi	Degroof Petercam and BNP Portzamparc	Public tender offer for shares	-
May-23	Vilmorin & Cie	Limagrain	Lazard, CIC, Crédit Agricole, Société Générale	Simplified public tender offer followed by a squeeze-out	-
Jun-23	Olympique Lyonnais Groupe	Eagle Football Holdings Bidco Limited	Natixis	Simplified public tender offer	-
Jul-23	Rothschild & Co	Concordia	Natixis, Crédit Agricole Ile-de-France	Simplified public tender offer	-
Aug-23	Paragon ID	Genadier Holdings Plc	Banque Palatine	Simplified public tender offer followed by a squeeze-out	-
Nov-23	ESI Group	Keysight Technologies	JP Morgan, BNP Paribas	Simplified public tender offer followed by a squeeze-out	-
Dec-23	Altur Investissement	Suffren Holding	Invest Securities	Simplified public tender offer followed by a squeeze-out	-
Feb-24	Compagnie Industrielle et Financière d'Entreprises (C.I.F.E)	Spie batignolles	Oddo BHF	Simplified public tender offer	-
May-24	Sopra Banking Software	Axway Software	Société Générale	Public tender offer	-
May-24	Micropole	Miramar Holding	Société Générale	Public tender offer	-
Jul-24	Micropole	Talan holding SAS	Oddo BHF	Simplified public tender offer	-
Sep-24	Wedia SA	Mercure	Bryan, Garnier & Co	Simplified public tender offer	-
Oct-24	Esker SA	Boréal Bidco SAS	Société Générale, Morgan Stanley	Public tender offer	Deutsche Bank
Dec-24	Aures Technologies	Advantech Co., Ltd.	BNP Paribas Portzamparc	Public tender offer followed, as the case may be, by a squeeze-out	TPICAP MIDCAP

(1) *: if different from the presenting bank*

Membership of a professional association accredited by the Autorité des Marchés Financiers

Finexsi Expert & Conseil Financier is a member of APEI (French association of independent appraisers), a professional association accredited by the Autorité des Marchés Financiers in accordance with Article 263-1 of its General Regulation.

Finexsi Expert & Conseil Financier also applies procedures intended to safeguard the firm's independence, avoid conflicts of interest and, as part of each assignment, control the quality of work and reports before they are issued.

Remuneration received

Our remuneration for this assignment is €400,000 excluding VAT, fees and disbursements.

Description of work done

The following detailed schedule of work was implemented:

1. Familiarization with the transaction and acceptance of the assignment;
2. Identification of risks and definition of the assignment's general framework;
3. Collection of information and data required for the assignment;
4. Assessment of the background to the Offer:
    - Understanding the process that led to the Offer, including discussions with the Company and its advisors;
    - Reading sector analyses to get a better understanding of the Company's market and business;
5. Analysis of the Transaction and related legal documentation (the Share Purchase Agreement, the draft offer document, the draft response document, related agreements etc.);
6. Familiarization with the Company's accounting and financial documentation;
7. Analysis of the terms of the Block Purchase;
8. Analysis of Neoen's share price:
    - Analysis of price movements;
    - Analysis of the free float and liquidity;
9. Review of the Company's financial trajectory;
10. Valuation using the discounted cash flow method and sensitivity analyses;
11. Valuation using the listed peers comparison method;
12. Valuation using the comparable transactions method;
13. Analysis of analyst price targets;
14. Multi-criteria valuation of the 2020 and 2022 OCEANEs:
    - Analysis of the OCEANEs' market prices;
    - Analysis of the clause providing for early redemption in the event of a change of control;

- Analysis of the contractual adjusted conversion value in the event of a change of control;
- Assessment of the intrinsic value of the OCEANEs based on a Black-Scholes option model;

15. Analysis of the draft offer document and a critical and independent analysis of the valuation report prepared by the Presenting Banks;
16. Procurement of confirmation letters from the representative of the Company and Offeror;
17. Independent review;
18. Preparation of the report.

Assignment timetable

April 12, 2024	Appointment of Finexsi as Independent Appraiser
May 2, 2024	Kick-off meeting with the Company's financial advisors, presentation of the context and of the Transaction
May 16, 2024	Working meeting with the Company's Management and financial advisors
May 17, 2024	Working meeting with the Company's financial advisors
May 22, 2024	Working meeting with the Company's Management
May 24, 2024	Working meeting with the Company's Management and financial advisors
May 28, 2024	First progress review with the Ad-Hoc Committee
October 11, 2024	Working meeting with the Company's Management and financial advisors
October 22, 2024	Working meeting with the Company's Management and financial advisors
October 29, 2024	Working meeting with the Presenting Banks regarding valuation matters
October 30, 2024	Working meeting with the Company's legal advisors
November 21, 2024	Working meeting with the Company's Management and financial advisors
December 2, 2024	Working meeting with the Presenting Banks regarding valuation matters
December 16, 2024	Second progress review the Ad-Hoc Committee
December 18, 2024	Working meeting with the Presenting Banks regarding valuation matters
December 18-23, 2024	Independent review of Finexsi's report
December 26, 2024	Receipt of confirmation letters signed by Neoen and Brookfield
December 26, 2024	Presentation of our fairness opinion to the Ad-Hoc Committee

List of people met or contacted

Ad-Hoc Committee

- Bertrand Dumazy, independent director and Chairman of the Ad-Hoc Committee
- Helen Lee Bouygues, independent director and *administrateur référent*
- Christophe Gégout, independent director

Neoen

- Xavier Barbaro, Chairman and Chief Executive Officer
- Yves-Éric François, Group Chief Financial Officer
- Sébastien Murcia, Chief Financial Officer, France

Bank of America, the Company's financial advisor

- Stéphane Courbon, Chairman of Corporate & Investment Banking France
- Patrick De Loe, Managing Director
- David Ochoa, Managing Director
- David Ecot, Managing Director
- Victor Le Meur, Vice President
- Oluwafemi Lawal, Associate
- Sirrine Neggal, Associate
- Augustin Gick, Analyst
- Nicolas Redé, Analyst

BNP Paribas, Presenting Bank

- Marie-Charlotte Etienne, Co-Head of Advisory Finance
- Tigrane Zartarian, Managing Director
- John Martensson, Vice President
- Loïc Saint-Germain, Vice President
- Ricardo Castello, Vice President
- Pierre Caillet, Analyst
- Joan Gaspa, Analyst

Société Générale, Presenting Bank

- Patrick Perreault, Managing Director and Global Co-Head of M&A France and Head of M&A France
- Julien Benhamou, Managing Director
- Emmanuel Menger, Director
- Arnaud Girard, Vice President
- Loïc Delory, Associate
- Alexandre Sbaihi, Analyst

Bredin Prat, the Company's legal advisor

- Olivier Assant, Partner
- Clémence Fallet, Partner
- Fleur HAZEWINKEL, Senior Associate
- Paul Worms, Lawyer
- Louis Cochou, Lawyer
- Charles Saint-Gilles, Lawyer

CMS Francis Lefebvre, Management's legal advisor

- François Bosse-Cohic, Counsel
- Louise Paysant, Lawyer

Gide, legal advisor of the Ad-Hoc Committee

- Marcus Billam, Partner
- Olivier Diaz, Partner
- Alexandre Durand, Partner
- Gersende Renard, Associate

Clifford Chance, legal advisor of the Offeror

- Benjamin de Blégiers, Partner
- Gilles Lebreton, Partner
- Alexandre Merle, Senior Counsel

- Catherine Naroz, Counsel
- Alexandre Namoun, Associate

Sources of information used

We used several types of information sources in our assignment:

Information provided by the various stakeholders

- Financial and legal documentation relating to the Transaction;
- Legal, accounting and financial documentation from Neoen;
- The Company's 2024E-2030E financial trajectory;
- Market studies;
- Analyst notes regarding Neoen's shares;
- Minutes from meetings of the Board of Directors held in 2022, 2023 and 2024;
- Neoen valuation report prepared by the Presenting Banks;
- Draft offer document and draft response document.

Market information

- Financial communication by Neoen between 2019 and 2024;
- Communication by Neoen relating to the Transaction (press releases);
- Share price, listed peers, comparable transactions, market consensus forecasts: Capital IQ, Epsilon, MergerMarket, annual reports of comparable companies and analyst notes;
- Market data (risk-free rate, risk premium, beta etc.): Capital IQ, Banque de France, International Monetary Fund, Finexsi;
- Macroeconomic and sector data: IEA, IEA-PVPS, McKinsey, reports by France's Ministry of the Energy Transition, Global Wind Report, Wind Energy Europe.

Staff members involved in the assignment

The signatories Olivier Peronnet (Partner) and Maxime Rogeon (Director) were assisted in particular by Arthur Landes (Manager), Charles-Louis Navet (Associate) and Paul Cotton (Associate).

The independent review was carried out by Jean-Marc Brichet, a financial valuation specialist and Partner at Finexsi Expert & Conseil Financier, who did not take part in the valuation work.

He was appointed at the start of the assignment and was kept informed of areas for attention and difficulties identified during the assignment and until the report was released. His role is to ensure the quality of the work done and compliance with best practice in terms of valuation. His work consisted mainly of:

- Reviewing the procedure for accepting the assignment and assessing the firm's independence;
- Reviewing the valuation work done by the team and the conclusions of that work;
- Reviewing the documents on which the signatories' opinion is based and assessing the form and conclusion of the report.

His work was formally set out in writing and was subject to discussions with the signatories.

Engagement letter

10. OTHER INFORMATION ABOUT THE COMPANY

The other information relating to notably the legal, financial and accounting characteristics of the Company will be filed with the AMF by no later than the day preceding the opening of the Offer. Pursuant to Article 231-28 of the AMF General Regulation, such information will be available on the websites of the Company (www.neoen.com) and of the AMF (www.amf-france.org) on the day preceding the opening of the Offer and may be obtained free of charge from the registered office of Neoen, 22 rue Bayard, 75008 Paris, France.

11. PERSONS RESPONSIBLE FOR THE RESPONSE DOCUMENT

"*Pursuant to Article 231-19 of the AMF's General Regulation, to the best of my knowledge, the information contained in this response document is in accordance with the facts and does not omit anything likely to affect its import.*"

Xavier Barbaro, Chairman of the Board and CEO