

Maputo, Mozambique, December 19th, 2019

Neoen launches construction of a 41 MWp solar power plant in Mozambique

Neoen and its partner Electricidade de Moçambique (EDM) have completed the financial close and launched construction of Central Solar Metoro, a 41 MWp solar photovoltaic power plant located in northern Mozambique.

The power generated by the facility, which is due to enter service in late 2020, will be delivered at the strategic location of Metoro (Ancuabe district), the main transmission and distribution substation in northern Mozambique. It will supply the national grid, providing a boost for the power grid in the Provinces of Cabo Delgado and Nampula, which are currently the driving force behind the country's industrial development.

The project represents a \$56 million investment, of which \$40 million will be provided in the form of debt by Agence Française de Développement (AFD) and its subsidiary Proparco. Efacec, a Portuguese group established in Mozambique for several decades, will build the facility.

Construction is due to take 11 months, creating up to 370 jobs, the vast majority of which will be filled by local employees, with professional training being provided. Throughout the facility's scheduled service life of 25 years, it will provide around 30 permanent jobs, delivering a sustained boost to the Metoro village economy.

During development of the project, the population's needs were surveyed and a community development plan was drawn up in conjunction with the local authorities. The plan is geared towards delivering wider access to education and will be funded by a portion of the revenue generated by the solar power plant.

Cyril Perrin, Neoen's regional director in southern Africa based in Maputo, commented: *"I would like to thank our partners at EDM for the trust they have shown in Neoen. The power provided by the plant is vital in ensuring the stability of the power grid in northern Mozambique and contributing to the rapid economic growth of this region. We are especially pleased that the project has been designed in consultation with the local authorities and communities. Special attention will be paid to its local impact during the construction phase and 25-year service life in terms of access to employment, training and via a community development plan."*

Xavier Barbaro, Neoen's Chairman and chief executive officer, added: *"Just a few months after we commissioned our first 54 MWp photovoltaic power plant in Africa, we are proud to be investing in Mozambique. Neoen is again demonstrating its ability to generate not just green, but also very cost-competitive electricity, which will help support the Metoro region's economic and social development. I would like to express our gratitude to our partners in Mozambique and to AFD and Proparco, which have now provided us with support for projects in four countries built on our shared values."*

Aly Sicola Impija, Chairperson of the Board of Directors of EDM, commented: *"The 41 MWp solar power plant, which represents an investment of close to \$56 million, will deliver increased capacity in northern Mozambique, thereby helping to curb losses. The partnership in which EDM has a 25% and Neoen a 75% interest is the second solar power project on this scale to go ahead in Mozambique and will diversify the country's power sources. The Metoro power plant will increase the region's generating capacity to meet demand there, while enabling EDM to reach the most outlying of areas. The initiative will mark a step forward under the Energy for all ("Energia para todos") program, which aims to give Mozambique's entire population access to electricity by 2030. We wish to congratulate the partners who are helping to make this project become a reality, and we sincerely hope that it meets its goal on schedule."*

Ariane Ducreux, Head of Energy and Infrastructure at Proparco, concluded: *"Proparco further illustrates its commitment to supporting the energy sector in Mozambique through the development of the country's significant potential for renewable energy production. The AFD Group granted a \$40 million financing to the Metoro project,*

Contact

Neoen

communication@neoen.com

Media

Florian Khichane
florian.khichane@havas.com
+33 6 33 92 86 47

including a concessional tranche aiming at optimizing the proposed tariff and supporting positive environmental and social benefits locally. The project will also lead to greenhouse gas emissions reduction, amounting to 49,000 tons of CO2 avoided per year (and 1,221 ktms over the project's life), as estimated by the AFD Group considering Mozambique's current energy mix."

About Neoen

Neoen is one of the world's most dynamic independent producers of renewable energy. With a capacity close to 3 GW in operation or under construction, Neoen is a high-growth company. Neoen is notably active in France, Australia, Mexico, El Salvador, Argentina, Finland, Portugal, Ireland, Zambia and Jamaica. In particular, Neoen operates Europe's most powerful solar PV farm (300 MWp) in Cestas, France, and the world's largest lithium-ion power reserve (100 MW/129 MWh storage capacity) in Hornsdale, Australia. Neoen is targeting more than 5 GW capacity in operation or under construction by 2021. Neoen (ISIN Code: FR0011675362, ticker: NEOEN) is listed in Compartment A of the regulated market of Euronext Paris.

For more information: www.neoen.com

Contact

Neoen

communication@neoen.com

Media

Florian Khichane
florian.khichane@havas.com
+33 6 33 92 86 47