

## PRESS RELEASE

For immediate release

### **Boralex pursues vigorous execution of its Strategic Plan in the 1<sup>st</sup> quarter** **18% increase in operating income, contractual agreements for 465 MW and 348 MW addition to project portfolio**

#### Highlights

- **Increases in consolidated operating income and EBITDA(A)<sup>1</sup> in first quarter 2022**
  - Operating income of \$91 million (\$105 million)<sup>2</sup> for Q1-2022, up 18% (16%) from \$77 million (\$91 million) in 2021
  - EBITDA(A) of \$173 million (\$183 million) for Q1-2022, up 14% (13%) from \$151 million (\$162 million) in 2021
- **Partnership with Energy Infrastructure Partners (EIP) in France**
  - Investment agreement signed and closed with EIP for the acquisition of a 30% stake in Boralex's portfolio of operating assets and projects under development in France (recorded in Boralex's financial statements as of April 29, 2022).
  - Consideration received by Boralex totaling CAD \$717 million<sup>4</sup> (€532 million), of which \$23 million<sup>4</sup> (€17 million) related to the development of the French portfolio. Enterprise value multiple on EBITDA(A) 2021 of 20.3.
- **Significant contractual agreement announced and projects added to the portfolio**
  - Boralex, Hydro-Québec and Energir announced on April 19 equal partnership agreement to develop three 400 MW wind projects for a total of 1,200 MW at the Seigneurie de Beaupré site in Quebec.
  - Three wind projects totaling 65 MW selected in the announcement of the latest wind energy call for tender results in France on February 28
  - 348 MW added to the Company's project portfolio in Q1
- **Increase in cash flows from operations<sup>5</sup> and in discretionary cash flows<sup>5</sup>**
  - Cash flow from operations of \$136 million for Q1-2022, up \$21 million from Q1-2021
  - Net cash flow related to operating activities of \$137 million (\$144 million) for Q1-2022, up \$4 million (\$12 million) from Q1-2021.
  - Discretionary cash flow of \$77 million, up \$17 million or 28% over Q1-2021
- **Production 3% higher (2%) than in Q1-2021 and 4% (4%) above anticipated production<sup>3</sup>**
  - Wind: 2% (1%) higher than in Q1-2021 and 1% (—%) above anticipated production
  - Hydroelectric: 10% higher than in Q1-2021 and 5% above anticipated production
  - Solar: 15% above anticipated production

**Montreal, Quebec, May 11, 2022** — Boralex Inc. ("Boralex" or the "Company") (TSX: BLX) is pleased to report an increase in operating income and ongoing progress on development projects during the first quarter of 2022.

"We were particularly active at the start of the year, as Boralex entered into two major partnerships, one in France and the other in Quebec, which will allow us to accelerate our growth in these high-potential markets. In addition, three projects were selected during a call for tenders in France. These announcements, combined with the strong growth in our results, show that our teams are totally dedicated to implementing our 2025 Strategic Plan," said Patrick Decostre, Boralex's President and Chief Executive Officer.

<sup>1</sup> EBITDA(A) is a total of sector measures. For more details, see the *Non-IFRS financial measures and other financial measures* section of this press release.

<sup>2</sup> The figures in brackets indicated the results according to the Combined<sup>5</sup>, compared to those obtained according to the Consolidated.

<sup>3</sup> Anticipated Production is an additional financial measure. For more details, see the *Non-IFRS financial measures and other financial measures* section of this press release.

<sup>4</sup> Daily conversion rate of April 28, 2022.

<sup>5</sup> Combined, Cash Flow from operations and Discretionary Cash Flows are non-GAAP financial measures and do not have a standardized definition under IFRS. Therefore, these measures may not be comparable to similar measures used by other companies. For more details, see the *Non-IFRS financial measures and other financial measures* section of this press release.

“Several European countries have been grappling with major supply challenges and particularly high price levels in recent months. France is also affected by a historically low production of its nuclear power plants, mainly due to maintenance and corrosion problems affecting certain reactors. Land-based solar and wind farms can be commissioned quickly at low costs and at long-term fixed prices. This strategy would ensure that countries making this a priority would have greater energy independence and long-term price stabilization. With projects totalling 1,830 MW under development or construction in Europe and experienced development teams, Boralex is in an excellent position to contribute to the success of such a strategy and accelerate the implementation of solutions in regions affected by energy problems in Europe,” added Mr. Decoste.

## 1st quarter highlights

### Three-month periods ended March 31

(in millions of Canadian dollars, unless otherwise specified) (unaudited)	Consolidated				Combined <sup>1</sup>			
	2022	2021	Change		2022	2021	Change	
			\$	%			\$	%
Power production (GWh) <sup>2</sup>	1,681	1,630	51	3	1,875	1,830	45	2
Revenues from energy sales and feed-in premium	227	206	21	10	248	228	20	9
Operating Income	91	77	14	18	105	91	14	16
EBITDA(A) <sup>3</sup>	173	151	22	14	183	162	21	13
Net earnings	57	40	17	45	57	45	12	30
Net earnings attributable to shareholders of Boralex	50	36	14	42	50	41	9	25
Per share - basic and diluted	\$0.49	\$0.34	\$0.15	43	\$0.49	\$0.39	\$0.10	26
Net cash flows related to operating activities	137	133	4	3	144	132	12	9
Cash flows from operations <sup>1</sup>	136	115	21	17	—	—	—	—
Discretionary cash flows <sup>1</sup>	77	60	17	28	—	—	—	—

In the first quarter of 2022, Boralex produced 1,681 GWh (1,875 GWh) of power, up 3% (2%) over the 1,630 GWh (1,830 GWh) produced in the same quarter of 2021. For the three-month period ended March 31, 2022, revenues from energy sales and feed-in premiums were \$227 million (\$248 million), up 10% (9%) from Q1-2021, while EBITDA(A) reached \$173 million (\$183 million), up 14% (13%) from Q1-2021, and operating income was \$91 million (\$105 million), up 18% (16%) from the same quarter in 2021.

The increase in production stems from the commissioning of French wind farms, the increase in wind production in Canada and the increase in hydroelectric and solar generation in the United States resulting from favourable conditions. The increase in income, EBITDA(A) and operating income mainly stems from the accounting process used for higher energy sales income for sites benefiting from the feed-in premium due to high market prices in France. Given the structure of the feed-in premium contracts for operating farms, the Company is not required to reimburse the difference between the market price and reference price for the feed-in premium when the accumulation of the sums paid by the Company becomes equal to the accumulation of the sums received as a feed-in premium. The increase in production also accounts for a portion of the increase.

For the three months ended March 31, 2022, Boralex posted net earnings of \$57 million (\$57 million) compared to net earnings of \$40 million (\$45 million) for the corresponding period in 2021. The net earnings attributable to Boralex shareholders were \$50 million (\$50 million) or \$0.49 per share (basic and diluted), compared to \$36 million (\$41 million) or \$0.34 (\$0.39) per share (basic and diluted) for the corresponding period in 2021. The increase in net earnings is attributable to the increase in EBITDA(A).

<sup>1</sup> Combined, Cash Flow from operations and Discretionary Cash Flows are non-GAAP financial measures and do not have a standardized definition under IFRS. Therefore, these measures may not be comparable to similar measures used by other companies. For more details, see the *Non-IFRS financial measures and other financial measures* section of this press release.

<sup>2</sup> Power production includes the production for which Boralex received financial compensation following power generation limitations imposed by its clients since management uses this measure to evaluate the Corporation's performance. This adjustment facilitates the correlation between power production and revenues from energy sales and feed-in premium

<sup>3</sup> EBITDA(A) is a total of sector measures. For more details, see the *Non-IFRS financial measures and other financial measures* section of this press release.

## Outlook

On June 17, 2021, Boralex's management unveiled an updated strategic plan that will guide efforts to achieve its new corporate targets for 2025. Boralex's [2025 Strategic Plan](#) is built around the four strategic directions of the plan launched in 2019—growth, diversification, customers, and optimization—and six corporate targets. The details of this plan, which also incorporates Boralex's CSR strategy, are included in the Company's Annual report.

Highlights of the main achievements of the quarter ended March 31, 2022, in relation to the 2025 Strategic Plan can be found in the [2022 Interim Report 1](#) available in the Investors section of Boralex's website.

In the coming quarters, Boralex will continue to work on its various initiatives under this plan, including project development and acquisition target analysis.

To pursue its organic growth, the Company has a pipeline of projects at various stages of development defined on the basis of clearly identified criteria, totalling 3,591 MW in wind and solar projects and 177 MW in energy storage projects, as well as a 699 MW Growth Path in wind and solar projects and 3 MW in storage projects.

## Dividend declaration

The Company's Board of Directors has authorized and announced a quarterly dividend of \$0.1650 per common share. This dividend will be paid on June 15, 2022, to shareholders of record at the close of business on May 31, 2022. Boralex designates this dividend as an "eligible dividend" pursuant to paragraph 89(14) of the Income Tax Act (Canada) and all provincial legislation applicable to eligible dividends.

## About Boralex

At Boralex, we have been providing affordable renewable energy accessible to everyone for over 30 years. As a leader in the Canadian market and France's largest independent producer of onshore wind power, we also have facilities in the United States and development projects in the United Kingdom. Over the past five years, our installed capacity has more than doubled to 2.5 GW. We are developing a portfolio of more than 3,5 GW in wind and solar projects and nearly 200 MW in storage projects, guided by our values and our corporate social responsibility (CSR) approach. Through profitable and sustainable growth, Boralex is actively participating in the fight against global warming. Thanks to our fearlessness, our discipline, our expertise and our diversity, we continue to be an industry leader. Boralex's shares are listed on the Toronto Stock Exchange under the ticker symbol BLX.

For more information, go to [www.boralex.com](http://www.boralex.com) or [www.sedar.com](http://www.sedar.com). Follow us on [Facebook](#), [LinkedIn](#) and [Twitter](#).

# Non-IFRS measures

## Performance measures

In order to assess the performance of its assets and reporting segments, Boralex uses performance measures. Management believes that these measures are widely accepted financial indicators used by investors to assess the operational performance of a company and its ability to generate cash through operations. The non-IFRS and other financial measures also provide investors with insight into the Corporation's decision making as the Corporation uses these non-IFRS financial measures to make financial, strategic and operating decisions. The non-IFRS and other financial measures should not be considered as a substitute for IFRS measures.

These non-IFRS financial measures are derived primarily from the audited consolidated financial statements, but do not have a standardized meaning under IFRS; accordingly, they may not be comparable to similarly named measures used by other companies. Non-IFRS and other financial measures are not audited. They have important limitations as analytical tools and investors are cautioned not to consider them in isolation or place undue reliance on ratios or percentages calculated using these non-IFRS financial measures.

<b>Non-IFRS financial measures</b>			
<b><i>Specific financial measure</i></b>	<b><i>Use</i></b>	<b><i>Composition</i></b>	<b><i>Most directly comparable IFRS measure</i></b>
Financial data - Combined (all disclosed financial data)	To assess the operating performance and the ability of a company to generate cash from its operations.  The Interests represent significant investments by Boralex.	Results from the combination of the financial information of Boralex Inc. under IFRS and the share of the financial information of the Interests.  Interests in the Joint Ventures and associates, Share in earnings (losses) of the Joint Ventures and associates and Distributions received from the Joint Ventures and associates are then replaced with Boralex's respective share (ranging from 50% to 59.96%) in the financial statements of the Interests (revenues, expenses, assets, liabilities, etc.)	Respective financial data - Consolidated
Cash flows from operations	To assess the cash generated by the Company's operations and its ability to finance its expansion from these funds.	Net cash flows related to operating activities before changes in non-cash items related to operating activities.	Net cash flows related to operating activities
Discretionary cash flows	To assess the cash generated from operations and the amount available for future development or to be paid as dividends to common shareholders while preserving the long-term value of the business.  <i>Corporate objectives for 2025 from the strategic plan.</i>	Net cash flows related to operating activities before "change in non-cash items related to operating activities," less (i) distributions paid to non-controlling shareholders, (ii) additions to property, plant and equipment (maintenance of operations), (iii) repayments on non-current debt (projects) and repayments to tax equity investors; (iv) principal payments related to lease liabilities; (v) adjustments for non-operational items; plus (vi) development costs (from the statement of earnings).	Net cash flows related to operating activities

Other financial measures - Total of segments measure	
<i>Specific financial measure</i>	<i>Most directly comparable IFRS measure</i>
EBITDA(A)	Operating income

  

Other financial measures - Supplementary Financial Measures	
<i>Specific financial measure</i>	<i>Composition</i>
Anticipated production	Production that the Company anticipates for the oldest sites based on adjusted historical averages, commissioning and planned shutdowns and, for other sites, based on the production studies carried out.

## Combined

The following tables reconcile Consolidated financial data with data presented on a Combined basis:

(in millions of Canadian dollars) (unaudited)	2022			2021		
	Consolidated	Reconciliation <sup>(1)</sup>	Combined	Consolidated	Reconciliation <sup>(1)</sup>	Combined
<b>Three-month period ended March 31:</b>						
Power production (GWh) <sup>(2)</sup>	1,681	194	1,875	1,630	200	1,830
Revenues from energy sales and feed-in premium	227	21	248	206	22	228
Operating Income	91	14	105	77	14	91
EBITDA(A)	173	10	183	151	11	162
Net earnings	57	—	57	40	5	45
Net cash flows related to operating activities	137	7	144	133	(1)	132
		<b>As at March 31, 2022</b>			<b>As at December 31, 2021</b>	
Total assets	5,835	392	6,227	5,751	411	6,162
Debt - Principal balance	3,609	347	3,956	3,682	348	4,030

<sup>(1)</sup> Includes the respective contribution of Joint Ventures and associates as a percentage of Boralex's interest less adjustments to reverse recognition of these interests under IFRS.

<sup>(2)</sup> Includes financial compensation following electricity production limitations imposed by clients.

## EBITDA(A)

EBITDA(A) is a total of segment financial measures and represents earnings before interest, taxes, depreciation and amortization, adjusted to exclude other items such as acquisition costs, other gains, net loss (gain) on financial instruments and foreign exchange loss (gain), the last two items being included under *Other*.

Management uses EBITDA(A) to assess the performance of the Corporation's reporting segments.

EBITDA(A) is reconciled to the most comparable IFRS measure, namely, operating income, in the following table:

(in millions of Canadian dollars) (unaudited)	2022			2021			Variation 2022 vs 2021	
	Consolidated	Reconciliation <sup>(1)</sup>	Combined	Consolidated	Reconciliation <sup>(1)</sup>	Combined	Consolidated	Combined
<b>Three-month period ended March 31:</b>								
<b>Operating income</b>	91	14	105	77	14	91	14	14
Amortization	72	6	78	74	7	81	(2)	(3)
Impairment	1	—	1	1	—	1	—	—
Share in earnings of Joint Ventures and Associates	24	(24)	—	10	(10)	—	14	—
Excess of the interest over the net assets of Joint Venture SDB I	—	—	—	6	(6)	—	(6)	—
Change in fair value of a derivative included in the share of the Joint Ventures	(15)	15	—	(8)	8	—	(7)	—
Other gains	—	(1)	(1)	(9)	(2)	(11)	9	10
<b>EBITDA(A)</b>	173	10	183	151	11	162	22	21

<sup>(1)</sup> Includes the respective contribution of *Joint Ventures and associates* as a percentage of Boralex's interest less adjustments to reverse recognition of these interests under IFRS.

## Cash flow from operations and discretionary cash flows

The Corporation computes the cash flow from operations and discretionary cash flows as follows:

	<b>Consolidated</b>			
	Three-month periods ended		Twelve-month periods ended	
	March 31, <b>2022</b>	March 31, <b>2021</b>	March 31, <b>2022</b>	December 31, <b>2021</b>
<i>(in millions of Canadian dollars) (unaudited)</i>				
<b>Net cash flows related to operating activities</b>	<b>137</b>	<b>133</b>	<b>349</b>	<b>345</b>
Changes in non-cash operating items	(1)	(18)	35	18
<b>Cash flows from operations</b>	<b>136</b>	<b>115</b>	<b>384</b>	<b>363</b>
Repayments on non-current debt (projects) <sup>(1)</sup>	(58)	(59)	(221)	(222)
Adjustment for non-operating items <sup>(2)(3)</sup>	1	5	4	8
	79	61	167	149
Principal payments related to lease liabilities	(6)	(4)	(15)	(13)
Distributions paid to non-controlling shareholders	(1)	(2)	(19)	(20)
Additions to property, plant and equipment (maintenance of operations)	(2)	—	(10)	(8)
Development costs (from statement of earnings)	7	5	26	24
<b>Discretionary cash flows</b>	<b>77</b>	<b>60</b>	<b>149</b>	<b>132</b>

<sup>(1)</sup> Excluding VAT bridge financing and early debt repayments.

<sup>(2)</sup> For the three-month period ended March 31, 2022, favourable adjustment of \$1 million consisting mainly of acquisition costs. For the twelve-month period ended March 31, 2022, favourable adjustment of \$4 million consisting mainly acquisition costs. For the twelve-month period ended December 31, 2021, favourable adjustment of \$8 million consisting of \$5 million of expense payments and assumed liabilities related to acquisitions as well as \$3 million for previous financing or amount not related to operating sites.

### Disclaimer regarding forward-looking statements

Certain statements contained in this release, including those related to results and performance for future periods, installed capacity targets, EBITDA(A) and discretionary cash flows, the Company's strategic plan, business model and growth strategy, organic growth and growth through mergers and acquisitions, obtaining an investment grade credit rating, payment of a quarterly dividend, the Company's financial targets, the partnership with Énergir and Hydro-Québec for the elaboration of three 400 MW projects for which the development will depend on Hydro-Québec's changing needs, the portfolio of renewable energy projects, the Company's Growth Path and its Corporate Social Responsibility (CSR) objectives are forward-looking statements based on current forecasts, as defined by securities legislation. Positive or negative verbs such as "will," "would," "forecast," "anticipate," "expect," "plan," "project," "continue," "intend," "assess," "estimate" or "believe," or expressions such as "toward," "about," "approximately," "to be of the opinion," "potential" or similar words or the negative thereof or other comparable terminology, are used to identify such statements.

Forward-looking statements are based on major assumptions, including those about the Company's return on its projects, as projected by management with respect to wind and other factors, opportunities that may be available in the various sectors targeted for growth or diversification, assumptions made about EBITDA(A) margins, assumptions made about the sector realities and general economic conditions, competition, exchange rates as well as the availability of funding and partners. While the Company considers these factors and assumptions to be reasonable, based on the information currently available to the Company, they may prove to be inaccurate.

Boralex wishes to clarify that, by their very nature, forward-looking statements involve risks and uncertainties, and that its results, or the measures it adopts, could be significantly different from those indicated or underlying those statements, or could affect the degree to which a given forward-looking statement is achieved. The main factors that may result in any significant discrepancy between the Company's actual results and the forward-looking financial information or expectations expressed in forward-looking statements include the general impact of economic conditions, fluctuations in various currencies, fluctuations in energy prices, the Company's financing capacity, competition, changes in general market conditions, industry regulations, litigation and other regulatory issues related to projects in operation or under development, as well as other factors listed in the Company's filings with the various securities commissions.

Unless otherwise specified by the Company, forward-looking statements do not take into account the effect that transactions, non-recurring items or other exceptional items announced or occurring after such statements have been made may have on the Company's activities. There is no guarantee that the results, performance or accomplishments, as expressed or implied in the forward-looking statements, will materialize. Readers are therefore urged not to rely unduly on these forward-looking statements.

Unless required by applicable securities legislation, Boralex's management assumes no obligation to update or revise forward-looking statements in light of new information, future events or other changes.

Percentage figures are calculated in thousands of dollars.

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