

PRESS RELEASE

For immediate release

A Remarkable Year for Boralex in 2020

22% increase in discretionary cash flows, net earnings of \$61 million, 415 MW addition to production capacity and growing projects in development

Highlights

- **Strong growth in discretionary cash flow and combined EBITDA(A) in 2020**
 - Cash flow totaling \$146 million in 2020 and \$67 million in Q4 2020, a 22% increase for the fiscal year and a 2% decrease in the fourth quarter compared to corresponding periods in 2019
 - Combined EBITDA(A) of \$513 million in 2020 and \$155 million in Q4 2020, a 4% increase for the fiscal year and a 6% decrease in the fourth quarter compared to corresponding periods in 2019
- **Total combined production above 2019 production and anticipated production¹**
 - For the fiscal year 2020: 5% increase over 2019 and 4% higher than anticipated production
 - For the fourth quarter: 5% increase over 2019 and 7% higher than anticipated production
- **Two major acquisitions added 17% (354 MW) to installed capacity and 13% (\$66 million) to the annualized combined EBITDA(A)**
 - Closing of the acquisition of CDPQ's 49% equity stake in 3 Quebec wind farms at the beginning of December 2020
 - Closing of the acquisition of interests in seven solar plants in the United States at the beginning of February 2021
- **Project portfolio and *Growth Path* progressed in North America and Europe**
 - Three wind projects commissioned in France, adding 45 MW during the fourth quarter of 2020
 - 139 MW added to the solar project portfolio during the fourth quarter of 2020; 80 MW in the United States and 59 MW in France
 - The 200 MW Apuiat wind project (100 MW attributable to Boralex) in Québec and the 200 MW solar projects in the United States advanced to the secured phase of the *Growth Path* following signature of contracts at the beginning of 2021
- **Patrick Decostre took office as President and CEO, effective December 1, 2020, with the retirement of Patrick Lemaire**
- **First [Corporate Social Responsibility \(CSR\) report](#) published separately from the [2020 Annual Report](#)**

¹Calculated based on adjusted historical averages of commissioning and planned outages for experimental and other sites, based on producible material studies performed.

Montréal, February 25, 2021 - For the fiscal year ended December 31, 2020, Boralex Inc. (“Boralex” or the “Company”) (TSX: BLX) posted energy sales of \$619 million (\$738 million²), an increase of 10% (7%) over the fiscal year 2019, and EBITDA(A) of \$434 million (\$513 million), an increase of 8% (4%) over 2019. For the fourth quarter of 2020, Boralex posted energy sales of \$193 million (\$225 million), up 8% (6%) over the fourth quarter of 2019. The Company’s EBITDA(A) was \$137M (\$155M), a level comparable to 2019 excluding a gain on the sale of land in Scotland and other unusual items recorded in the fourth quarter of 2019.

“I’m very proud of our employees’ hard work during the unusual fiscal year in 2020. The 22% growth in our discretionary cash flows, the announcement of two major acquisitions and the addition of many projects to our Growth Path are perfectly aligned with our strategic plan and financial objectives for 2023,” said Boralex’s President and CEO, Patrick Decostre.

“The fiscal year 2020 also marks the beginning of a major project that will highlight our social responsibility business practices and approach to improving these practices.”

The social responsibility (CSR) and ESG criteria sections were added to the Company’s strategic plan during the third quarter of fiscal 2020. A detailed report was produced and is now available on Boralex’s website.

Regarding the Corporation’s outlook, Mr. Decostre added: “We continue to be very active in pursuing development and growth opportunities in our target markets, particularly in North America. We’re also seeing encouraging signs of a resumption of wind energy development in Québec following a 30-year electricity sale contract signed for the Apuiat project, which has an installed capacity of 200 MW, to be developed in collaboration with Innu communities in Québec. The Hydro-Québec Electricity Supply Plan published in October 2020 forecasting to take steps within the next year to acquire new energy supplies, as well as the Québec Government Plan for a Green Economy, released shortly after, are positive elements for the wind energy development on Québec’s territory.”

“Over the next two quarters, we’ll work to update our strategic plan to take into account greater opportunities arising from the energy transition’s acceleration following the publication of stimulus plans by various governments around the world. This review will feature an update of our 2023 financial objectives, given our strong performance over the past two years,” said Mr. Decostre.

² The figures in brackets reflect the combined EBITDA(A), versus those calculated according to the IFRS. See the “Combined EBITDA(A) — Non-IFRS Measures” section below.

Fourth quarter highlights

For quarters ended December 31

(in millions of Canadian dollars, unless otherwise specified)	IFRS				Combined ⁽¹⁾			
	2020	2019	Change		2020	2019	Change	
			\$	%			\$	%
Power production (GWh) ⁽²⁾	1,468	1,364	104	8	1,763	1,677	86	5
Revenues from energy sales and feed-in premium	193	179	14	8	225	212	13	6
EBITDA(A) ⁽¹⁾	137	143	(6)	(4)	155	165	(10)	(6)
Net earnings (loss)	30	(23)	53	>100	36	(15)	51	>100
Net earnings (loss) attributable to shareholders of Boralex	25	(26)	51	>100	31	(18)	49	>100
Per share - basic and diluted	\$0.24	(\$0.28)	\$0.52	>100	\$0.30	(\$0.19)	\$0.49	>100
Net cash flows related to operating activities	59	58	1	3	81	52	29	51
Cash flows from operations ⁽¹⁾	101	119	(18)	(16)	118	116	2	2

(in millions of Canadian dollars, unless otherwise specified)	Three-month periods ended				Twelve-month periods ended			
	December 31,	December 31,	Change		December 31,	December 31,	Change	
	2020	2019	\$	%	2020	2019	\$	%
Discretionary cash flows ⁽¹⁾ - IFRS	67	68	(1)	(2)	146	120	26	22

⁽¹⁾ For more details, see the Non-IFRS Measures section in the 2020 Annual Report available on the websites of Boralex (boralex.com) and SEDAR (sedar.com).

⁽²⁾ The production level for which NRWF wind farm was compensated following power generation limitations imposed by the IESO were included in power production, as management uses this measure to evaluate the Corporation's performance. This change facilitates the correlation between power production and revenues from energy sales and feed-in premium.

In Q4 2020, Boralex generated 1,468 GWh (1,763 GWh) of power, an increase of 8% (5%) compared to 1,364 GWh (1,677 GWh) in the same quarter in 2019. The increase stems from more favorable conditions for Canada's wind and hydroelectric sectors, as well as the acquisition of the CDPQ's equity interests in three wind farms in Québec. Canadian wind power generation was 34% (16%) higher than in the fourth quarter of 2019 and 27% (14%) higher than anticipated. Wind power production in France was comparable to the production in the fourth quarter of 2019, but 6% higher than anticipated production.

For the three-month period ended December 31, 2020, revenues from energy sales totalled \$193 million (\$225 million), up \$14 million (\$13 million) or 8% (6%) compared to the same quarter in 2019. This increase stems from higher production from Canadian activities, as previously mentioned.

For the fourth quarter of 2020, the Company recorded a consolidated EBITDA(A) of \$137 million (\$155 million), down \$6 million (\$10 million) or 4% (6%) from the same quarter in 2019. This decrease stems from a gain recorded in 2019 following the sale of land in Scotland, the increase in maintenance costs due to production well above expected levels in recent quarters, as well as an increase in compensation linked to a higher stock market price.

Overall, for the three-month period ended December 31, 2020, Boralex recorded earnings of \$30 million (\$36 million) versus a net loss of \$23 million (\$15 million) for the same period in 2019. As detailed in the above table, this results in net earnings for Boralex's shareholders of \$25 million (\$31 million) or \$0.24 (\$0.30) per share (base

and diluted), compared to a net loss for Boralex's shareholders of \$26 million (\$18 million) or 0.28 (\$0.19) per share (diluted) for the same period in 2019.

Fiscal year 2020 highlights

	IFRS				Combined ⁽¹⁾			
	2020	2019	Change		2020	2019	Change	
(in millions of Canadian dollars, unless otherwise specified)			\$	%			\$	%
Power production (GWh) ⁽²⁾	4,727	4,371	356	8	5,834	5,544	290	5
Revenues from energy sales and feed-in premium	619	564	55	10	738	687	51	7
EBITDA(A) ⁽¹⁾	434	402	32	8	513	492	21	4
Net earnings (loss)	61	(43)	104	>100	56	(43)	99	>100
Net earnings (loss) attributable to shareholders of Boralex	55	(39)	94	>100	50	(39)	89	>100
Per share - basic and diluted	\$0.55	(\$0.43)	\$0.98	>100	\$0.51	(\$0.43)	\$0.94	>100
Net cash flows related to operating activities	362	294	68	24	399	303	96	31
Cash flows from operations ⁽¹⁾	338	310	28	9	378	327	51	16
	As at Dec. 31	As at Dec. 31	Change		As at Dec. 31	As at Dec. 31	Change	
			\$	%			\$	%
Total assets	5,314	4,557	757	17	5,753	5,246	507	10
Debt ⁽³⁾	3,516	3,067	449	15	3,870	3,660	210	6
Projects ⁽⁴⁾	3,028	2,462	566	23	3,382	3,055	327	11
Corporate	488	605	(117)	(19)	488	605	(117)	(19)

(1) See "Combined - Non-IFRS measure" below.

(2) The production level for which NRWF wind farm was compensated following power generation limitations imposed by the IESO were included in power production, as management uses this measure to evaluate the Corporation's performance. This change facilitates the correlation between power production and revenues from energy sales and feed-in premium.

(3) Includes the current (less than one year) portion of debt and transaction expense, net of accrued amortization.

(4) Project loans are normally amortized over the term of the energy contracts for the related sites and are non-recourse loans on Boralex.

For the year ended December 31, 2020, Boralex generated 4,727 GWh (5,834 GWh) of electricity, which represents an 8% (5%) increase compared to the 4,371 GWh (5,544 GWh) in fiscal 2019. The increase was particularly high in wind power generation, which was 10% (6%) higher than fiscal 2019 and 8% (7%) higher than the expected production.

For the fiscal year ended December 31, 2020, revenue generated from energy sales amounted to \$619 million (\$738 million), up \$55 million (\$51 million) or 10% (7%) compared to the same period in 2019. This increase is due to both the expansion of the Company's operational base, including the resumption of production at the Buckingham hydroelectric power station in Québec, and increased wind farm production due to more favourable wind conditions than last year.

For the fiscal year ended December 31, 2020, the Company has a consolidated EBITDA(A) of \$434 million (\$513 million), which represents an increase of \$32 million (\$21 million) or 8% (4%) from last year. This increase stems from the same elements as those mentioned above relating to the increase in revenue from energy sales.

Overall, for the fiscal year ended December 31, 2020, Boralex posted earnings of \$61 million (\$56 million) versus a net loss of \$43 million (\$43 million) for the fiscal year 2019. As detailed in the above table, earnings for Boralex’s shareholders were \$55 million (\$50 million) or \$0.55 (\$0.51) per share (base and diluted), versus a net loss for Boralex’s shareholders of \$39 million (\$39 million) or \$0.43 (\$0.43) per share (base and diluted) for fiscal 2019. This increase is mainly due to the increase in the EBITDA(A) posted during the fiscal year, as described above, the decrease in impairment, the reduction in amortization costs resulting from changes in the lifespan of certain wind farm components, as well as interest savings related to recent refinancing.

Outlook

In 2019, Boralex’s Management unveiled the strategic plan that will guide its actions toward achieving its 2023 financial objectives. This plan is a continuation of actions undertaken to date in sectors with high growth potential in which the Company has developed solid expertise. It also includes additional initiatives to diversify and optimize activities and revenue streams.

The plan is structured around four main guidelines and three financial objectives. It stems from a rigorous market analysis and trends in the renewable energy sector. It’s also part of a process in which a deep and rapid industry transformation is underway, partly due to the high number of technological innovations.



To successfully implement its strategic plan and achieve its financial objectives, the Company relies on its strong expertise in small- and medium-sized project development. This is a key advantage for capitalizing on opportunities in increasingly competitive markets, including solar power.

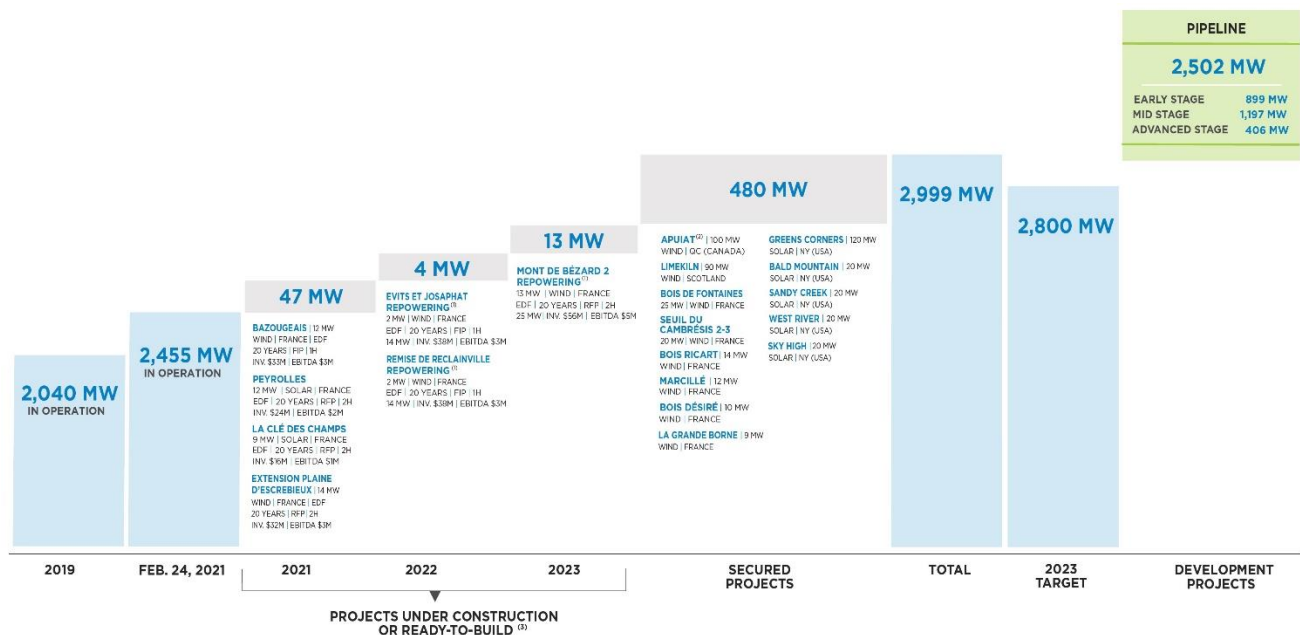
Boralex’s strategic plan builds on the growth potential of the markets in which it operates.

In Europe, the French wind power market has a growth potential of 1.85 GW per year by 2028, while the ground-based solar power sector also has strong growth potential, with an additional state capacity target of 2 GW per year by 2028 according to the Multi-Year Power Program published on April 23.

On the North American side, New York State in the United States has an increase target of 1.7 GW in 2019 to 6 GW in 2023 for solar industry development under the Green New Deal, averaging over 1 GW per year. Boralex targeted this market for its future development according to its diversification guideline, as mentioned in the table above. An *Issue Order* released in the Fall indicated that the volume of renewable energy is expected to be 40% higher than the volume currently projected in project applications from 2021 to 2026 in order to meet New York's 2030 targets. A new Auction program (Tier 4) was also introduced to promote exports to New York State. This should favor the development of Boralex wind projects in Québec.

In January, Boralex acquired a majority equity interest in a portfolio of seven solar farms in the United States with an installed capacity of 209 MW. The vast majority of these farms are located in California, a high development potential market in which installed capacity in solar power generation is expected to triple over the next 16 years, according to the latest studies by Wood Mackenzie, and for which a 10 GW storage demand is expected over the next 10 years according to the California Public Utilities Commission.

The Company has a portfolio of projects at various stages of development, based on clearly stated criteria, for a total of 2,502 MW, as well as a Growth Path of 544 MW, as illustrated below.



- (1) The Evits et Josaphat repowering project represents a total capacity of 14 MW with an increase of 2 MW while the Remise de Reclainville repowering project represents a total capacity of 14 MW with an increase of 2 MW, and the Mont de Bézard 2 repowering project represents a total capacity of 25 MW with an increase of 13 MW.
- (2) The project represents a total capacity of 200 MW. The Corporation is currently considering whether the project should be consolidated in its financial statements.
- (3) The total project investment and the estimated annual EBITDA for projects in France have been translated into Canadian dollars at the closing rate on December 31, 2020.

In order for the implementation of the strategic plan to translate into disciplined growth, while creating value for shareholders, Boralex's Management is monitoring the evolution of the three criteria retained as financial objectives.

For the fiscal year ended December 31, 2020, discretionary cash flow reached \$146 million, which aligns with the \$140 million to \$150 million target set by the Company's 2023 financial targets.

The dividend paid to shareholders in the fiscal year ended December 31, 2020, was equivalent to a dividend payout ratio of 45%, in line with the target dividend payout ratio of 40% to 60% set according to the 2023 financial objectives.

Finally, as of February 24, 2021, Boralex's installed capacity was 2,455 MW. By adding construction-ready projects and those under construction, as well as secure projects on the Company's *Growth Path*, installed capacity increases to 2,999 MW, exceeding the 2023 target of 2,800 MW. However, some secured projects may be commissioned after 2023.

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 March 15, 2021, to shareholders of record at the close of business on February 26, 2021. 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

Boralex develops, builds and operates renewable energy power facilities in Canada, France, the United Kingdom and the United States. A leader in the Canadian market and France's first independent onshore wind power producer, the Corporation is recognized for its solid experience in optimizing its asset base in four power generation types – wind, hydroelectric, thermal and solar. Boralex ensures sustainable growth by leveraging the expertise and diversification developed for 30 years. Boralex's shares are listed on the Toronto Stock Exchange under the ticker symbol BLX.

More information is available at www.boralex.com or www.sedar.com. Follow us on [Facebook](#), [LinkedIn](#) and [Twitter](#).

Disclaimer regarding forward-looking statements

Certain statements contained in this release, including those related to results and performance for future periods, the Company's strategic plan, business model and growth strategy, the Company's financial targets and portfolio of renewable energy projects, or the Company's *Growth Path* are forward-looking statements based on current forecasts, as defined by securities legislation.

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, 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 don't 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.

Combined - Measure not compliant with IFRS

The combined EBITDA(A) shown above and in the Company's management report results from the combination of Boralex Inc.'s ("Boralex" or the "Company") financial information, established in accordance with IFRS, and data relating to the share of Investments. The Investments represent significant investments by Boralex, and although IFRS don't allow for their financial information to be combined with Boralex's information, Management considers the combined EBITDA(A) to be useful data in assessing the Company's performance. In order to calculate the combined EBITDA(A), Boralex first prepared its financial statements and those of Investments, in accordance with IFRS. Next, the items Investments in Associates and Joint Ventures, Share of Profits (Losses) of Associates and Joint Ventures and Distributions Received from Associates and Joint Ventures are replaced with Boralex's respective share (ranging from 50.00% to 59.96%) in all items of the Investments' financial statements (i.e., revenue, expenses, assets, liabilities, etc.). For more information, please refer to the note Investments in Associates and Joint Ventures in the annual audited consolidated financial statements for the fiscal year ended December 31, 2020.

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