

ASX RELEASE

5 December 2024

STRATEGIC ACQUISITION OF NEOEN VICTORIA PORTFOLIO TO SEED ENERGY TRANSITION PLATFORM & GROW AUM TO ~\$19BN

HMC Capital Limited (**ASX: HMC**) today announces it has entered into agreements to acquire Neoen's Victorian portfolio (**Acquisition**), a leading Australian renewable generation and storage portfolio, with 4 operational assets totalling 652MW and 6 development assets with total capacity of >2,800MW, for purchase consideration of \$950m.

The Acquisition will further seed HMC's inaugural Energy Transition Platform for which fundraising is on track for first close in 1H CY25 ahead of financial close of the Acquisition. HMC has secured senior debt asset-level financing of ~\$550m and deferred settlement terms, with \$750m due on financial close in Jul-25 and the remaining \$200m payable in Dec-25.

KEY HIGHLIGHTS

- Acquisition of Neoen Victoria portfolio
 - Acquisition price of \$950m on deferred settlement terms with \$750m due on financial close in Jul-25 and the remaining \$200m payable in Dec-25
 - Purchase price is below replacement cost of the operating assets and Acquisition includes a significant embedded growth pipeline
 - Event driven, highly opportunistic acquisition secured due to HMC's ability to provide speed and certainty to the vendor free from FIRB or financing conditionality and allowing vendor to comply with its ACCC undertaking
 - Rare opportunity to acquire a technologically diverse, high quality 652MW operating portfolio, immediately providing a top 10 position in renewable generation and storage in the National Energy Market (**NEM**)
 - Growth pipeline of 6 identified projects with 2.8GW total wind and battery energy storage system (**BESS**) development pipeline capacity, including 600MW BESS with development approval and >1,200MW mid-stage wind developments
 - ~\$550m senior debt asset-level facility secured from domestic and global banking syndicate to support the acquisition
 - Portfolio will be integrated into and managed by the high calibre Stor Energy management team, led by Gerard Dover
- HMC Energy Transition Fund raising update
 - HMC is well advanced with multiple institutional cornerstone investors with first close of the inaugural Energy Transition Platform on track for 1H CY25, with an initial raise up to A\$2bn+
 - The strategy has received strong interest from domestic superannuation funds as HMC is seeking to become a national champion supporting Australia's decarbonisation targets
 - HMC has structured the Acquisition to align with fund capitalisation from third-party institutional investors. HMC is well capitalised to underwrite the acquisition with over \$1.9bn of liquidity and tangible assets net of the ~\$550m senior debt asset-level facility secured
 - The Acquisition increases HMC's Energy Transition Platform's total operational and development capacity to ~6.2GW, which on a fully built-out basis represents a ~\$12bn AUM opportunity
- HMC Capital update
 - Acquisition increases AUM to ~\$19bn with HMC on-track to exceed \$20bn AUM target in FY25
 - HMC intends to make a \$100m equity investment in the Energy Transition Platform and expects to achieve a 20%+ ROIC
 - Acquisition expected to be immediately earnings accretive post financial close in FY26

HMC Capital Managing Director and CEO, David Di Pilla, said: *“Our move into the Energy Transition sector reflects the significant level of investment required both in Australia and globally to achieve decarbonisation targets. We have received a significant level of interest from domestic superannuation funds to be foundation investors in HMC’s Energy Transition platform who are attracted to both long-term transition fundamentals & HMC’s capability.”*

HMC Capital Chair of Energy Transition, The Hon. Julia Gillard AC, said: *“Today is an exciting and significant step in our ambition to be a national champion of Australia’s transition to a net zero carbon economy by 2050. This is a marquee acquisition to further seed HMC’s Energy Transition platform, encompassing a diversified range of renewable energy generation and storage assets. We look forward to partnering with some of Australia’s leading institutional investors in creating a clean energy future and fighting against climate change.”*

HMC Capital Head of Energy Transition, Angela Karl, said: *“Today’s announcement represents a significant milestone in the development of HMC’s leading national Energy Transition platform. The acquisition of Neoen’s Victoria portfolio represents an extremely unique, event driven opportunity, to secure a high quality technologically diversified operating portfolio with a significant long-term development pipeline together with an accomplished development team. This will cement our Top 10 position in renewable energy and storage in the National Energy Market from Day 1 and we look forward to working collaboratively with Neoen, our customers, our landowners and other key stakeholders to implement a smooth transition.”*

Macquarie Capital acted as financial advisor to HMC Capital on the Acquisition.

NEOEN VICTORIAN PORTFOLIO ACQUISITION

A unique, event-driven opportunity to secure a high quality, diversified portfolio of operational and development assets in the state of Victoria which currently has 59.2%¹ of energy from coal generators and has a significant decarbonisation task. Key highlights and portfolio details include:

- 652MW of installed wind, solar and BESS capacity across 4 operational assets
- De-risked core cash flow generation with ~85% contracted offtake position² at operating assets, ~10 year weighted average remaining contract life³, and a diverse book of ~85% investment grade counterparties underpinning significant cash flow generation available to fund growth opportunities
- Located in an attractive region of the NEM underpinned by supportive transition fundamentals, near-term legislated renewable targets of 65% by 2030 and 95% by 2035⁴, and a Government backed strategy to enhance the transmission network⁵
- Quality, young (<5yrs) operating fleet with tier 1 Engineering Procurement Construction (EPC) and Operations and Maintenance (O&M) contractors
- Pipeline of ~1.5GW in wind development projects and ~1.3GW in storage development projects with development, environmental and planning studies or approval processes and grid connection preparation underway for pipeline projects
- All development projects strategically located with respect to existing connection points into the network. Assets do not rely on but will benefit from planned and anticipated network investments in the AEMO Integrated System Plan 2024 Optimal Development Pathway, including those to unlock Victorian Renewable Energy Zones (REZs)
- Conditions precedent to the transaction completing include completion of the Brookfield block acquisition of approximately 53% of Neoen SA, ACCC approval of HMC as an approved purchaser under the Brookfield enforceable undertaking requiring divestment of the Neoen Victorian assets, and limited key counterparty consents required

¹ Victorian Renewable Energy Target Progress Report 2023-24.

² 2025 generation weighted as at 30 June 2024.

³ Capacity weighted by black electricity offtake tenor

⁴ Victorian Renewable Energy Target implemented in 2024.

⁵ VicGrid established in 2021 to coordinate planning and development of Victorian Renewable Energy Zones.

Neoen Victorian Portfolio Overview

Installed capacity	652MW (maximum)
Growth pipeline	~2.8GW
Contracted capacity	~558MW / 85%
Average age of operating fleet	~3yrs
Weighted average contract life remaining	~10 years
FY23 generation output ⁶	759GWh

The Neoen Victorian portfolio is highly complementary to HMC's seed asset investment in Stor Energy, which has a high-quality management team with deep operational and development expertise. Stor Energy has a portfolio of 6 utility-scale BESS development assets across 4 NEM states totalling 1.5GW of capacity. These are expected to reach Final Investment Decision (FID) by 2027 with a further identified pipeline of 1.2GW across 7 projects also now under development.

For further information on the Neoen Victorian Portfolio, please refer to the attached presentation.

This announcement is approved for release by the HMC Capital Board.

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About HMC Capital

HMC Capital is a leading ASX-listed diversified alternative asset manager focused on real estate, private equity, energy transition, digital infrastructure and private credit. We manage approximately ~\$19bn on behalf of institutional, high net worth and retail investors. We have a highly experienced and aligned team with deep investment and operational expertise. Our point of difference is our ability to execute large, complex transactions. This has underpinned our rapid FUM growth and track record of generating outsized returns for our investors

⁶ Per OpenNEM FY23 data

Forward Looking Statements

This announcement contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance”, “continue” and other similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of HMC Capital. The forward looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of HMC Capital, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. HMC Capital, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. The forward looking statements are based on information available to HMC Capital as at the date of this announcement. To the maximum extent permitted by law, HMC Capital and its directors, officers, partners, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions. Except as required by law or regulation (including the ASX Listing Rules), HMC Capital undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.



HM Capital

Acquisition of Neoen Victorian Portfolio

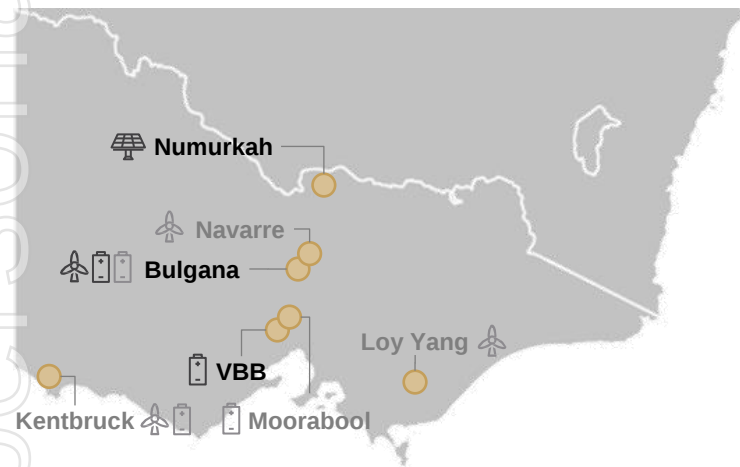
5 December 2024

Neoen Victorian portfolio

One of Australia's largest renewable generation and storage portfolios

Overview

- Portfolio consisting of **652MW installed wind, solar and BESS capacity** across 4 operational assets:
 - 204MW Bulgana Wind Farm
 - 20MW Bulgana BESS
 - 128MW Numurkah Solar (overbuilt nameplate)¹
 - 300MW Victorian Big Battery (boost mode)²
- Growth pipeline of 6 identified projects with **2.8GW total unrisks wind and BESS development pipeline capacity** including **600MW fully-approved BESS** and **>1,200MW late-stage wind developments**
 - Acquisition will **increase HMC's Energy Transition platform to 6.2GW total** in operations and development³



652MW
installed capacity
(maximum)

2.8GW
growth pipeline
across 6 wind and
BESS assets



~558MW / 85%
contracted⁴

~10 years
weighted average
contract life
remaining⁵



759GWh
FY23 generation
output⁶

~3yrs
average age of
operating fleet⁵



~\$90m
LTM revenue⁷

~\$60m
LTM EBITDA⁷

Notes: 1. Numurkah's export limit is 100MW_{AC}, with a nameplate capacity of 128MW_{DC} potentially unlocked through future network augmentation. 2. Victorian Big Battery is capable of operating at a "boost mode" maximum capacity of 300MW for approximately 1.5hrs, enhancing operational flexibility and allowing it to meet the AEMO SIPS contract (refer later slides). Nameplate capacity of 240MW / 2H. 3. Including Stor-Energy 2.7GW BESS development pipeline. 4. During 7-month SIPS period. 5. 2025 generation weighted as at 30 June 2024. 6. Per OpenNEM FY23 data. 7. Unaudited management accounts LTM to Sep-24.

652MW operating portfolio plus >1.5GW advanced growth assets

Young fleet with average age of ~3 years¹, ~85% contracted revenues with ~12 year weighted average contract term

Operational portfolio

Asset	Type	MW	COD	OEM	Counterparty	O&M
Numurkah Solar Farm		128MW _{DC} 112MW _{AC} 100MW _{AC} (export)	Aug 2019	LONGi	 	
Bulgana Wind Farm		204MW	Oct 2021	SIEMENS Gamesa RENEWABLE ENERGY	 	SIEMENS Gamesa RENEWABLE ENERGY
Bulgana Battery Storage		21MW / 34MWh	Oct 2021	TESLA	n/a	TESLA
Victorian Big Battery		300MW ³ (boost) 240MW 470MWh	Dec 2021	TESLA	 	TESLA

Development portfolio

Asset	Type	MW	Stage
Moorabool Battery Storage		600MW ⁵ / 1,200MWh	Advanced & tender ready
Kentbruck Wind Farm		605MW	Advanced & tender ready
Navarre Wind Farm		677MW	Advanced & tender ready
Kentbruck Battery Storage		600MW / 1,200MWh	Early-stage prospective
Loy Yang Wind Farm		230MW	Early-stage prospective
Bulgana X Battery Storage Expansion		100MW / 200MWh ⁶	Early-stage prospective

Notes: 1. Based on asset COD date, weighted by operational project capacity. 2. PPA term from commencement to expiry date. 3. Operating at 300MW (boost mode) until the end of the SIPS contract, after which the capacity will run at 240MW. 4. Company target date for development pipeline projects. 5. Reflects maximum capacity in Moorabool DA. 6. 110MW installed / 100MW connection capacity

652MW operating portfolio plus >1.5GW advanced growth assets

Young fleet with average age of ~3 years¹, ~85% contracted revenues with ~12 year weighted average contract term

Bulgana Windfarm & BESS



Overview

- Located 220km west-northwest of Melbourne
- Practical completion achieved in 2021 for both wind farm and BESS with final completion to be certified in late 2024
- Two network upgrades are underway which will materially benefit Bulgana
 - Western Renewables Link: additional 500kV double circuit expected to be completed Jul 2027
 - VNI West: additional 500kV double circuit lining connecting WRL (from Bulgana) to Project EnergyConnect and HumeLink (NSW) expected to be completed by Dec 2030

Installed Capacity

Wind farm: 204MW
BESS: 21MW installed capacity, 20MW GPS Approved Capacity

Capacity Factor

35% (P50 Net Capacity Factor)

Numurkah Solar Farm



Overview

- Located 6km south of Numurkah and 220km north-northeast of Melbourne
- Practical completion achieved in 2019 with final completion to be certified in late 2024
- Resilient, dual-connection layout with capacity overbuild to 112MW_{AC} relative to 100MW_{AC} connection export capacity
- Agrisolar operations, with sheep grazing on site and research partnership with Agriculture Victoria

Installed Capacity

128MW_{DC} / 112MW_{AC} / 100MW_{AC} (export limit)

Capacity Factor

30% (P50 Net Capacity Factor)

Victorian Big Battery



Overview

- Located 13km north-west of Geelong and 64km south-west of Melbourne
- Contracted to provide System Integrity Protection Scheme (SIPS) services for 10 years to AEMO starting Oct 2021
 - Battery was designed and built including “boost mode” to facilitate provision of SIPS services
 - However, SIPS has never been triggered since the start of the contract and the battery has cycled well below warranted levels (also underpinned by 20yr capacity maintenance agreement from Tesla)

Installed Capacity

240MW / 470MWh
300MW capacity in boost mode

Practical Completion

December 2021

Disclaimer

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