News Release

For immediate distribution

INNERGEX Q2 2023
SIGNIFICANT PROGRESS ON GREENFIELD DEVELOPMENT AND FUNDING INITIATIVES

- Signed an agreement to form a partnership with Crédit Agricole Assurances for a 30% minority interest in Innergex's France portfolio to accelerate its growth
- Closed two construction financings for a total of US$583.1 million ($770.5 million) for the 330 MW Boswell Springs wind project and the 35 MW/175 MWh (5 hours) San Andrés battery energy storage project
- Signed a 30-year power purchase agreement with Hydro-Québec for the 102 MW Mesgi'g Ugju's'n 2 wind project
- Awarded first place in the Corporate Knights magazine's 2023 ranking of Best 50 Corporate Citizens in Canada
- Revenues and Production Tax Credits were up 13%

All amounts are in thousands of Canadian dollars, unless otherwise indicated.

LONGUEUIL, Quebec, August 8, 2023 – Innergex Renewable Energy Inc. (TSX: INE) ("Innergex" or the "Corporation") provides today an update on its funding initiatives, its development activities and its operating and financial results for the second quarter ended June 30, 2023.

The Corporation reached important milestones with many of its projects under construction and development and executed on its three funding initiatives to provide more financial flexibility and support its profitable growth strategy.

1. Closed the construction financing of the 330 MW Boswell Springs wind project closed on July 14, 2023. A portion of US$534 million ($704 million) will be applied towards Innergex's revolving credit facilities to repay the US$103 million ($136 million) already invested by the Corporation. The process of securing a tax equity commitment is well advanced and expected to close in Q3 2023.

   In addition, the Corporation closed a US$49.5 million ($66.7 million) 2-year non-recourse construction financing for the San Andrés battery energy storage project in Chile. This construction bridge loan is expected to be repaid with the proceeds from a future long-term non-recourse financing after the facility reaches commercial operation. The remaining US$12.4 million ($16.7 million) that makes up the total construction costs of the facility will be financed from Innergex's revolving credit facilities.

2. Signed an agreement to form a long-term partnership with Crédit Agricole Assurances for a 30% minority interest in Innergex's portfolio of operating facilities and projects under various stages of development in France. This €128.0 million ($188.4 million) investment, together with the partner's additional equity

commitment will support Innergex's development strategy and growth in France and reduce its revolving credit facilities. The transaction is expected to close in the second half of 2023.

3. The financing of three unlevered Canadian hydro assets is progressing well and is expected to be completed in the second half of 2023.

In addition to these funding initiatives, the Corporation is pleased with the progress made at its five construction projects, three of which to be commissioned in 2023 as planned.

PROJECTS UNDER CONSTRUCTION

Name (Location)	Type	Ownership %	Gross installed capacity (MW)	Gross estimated LTA[1] (GWh)	PPA term (years)	Expected COD
Innavik (QC, Canada)	Hydro	50	7.5	54.7	40	2023
Salvador Battery Storage (Chile)	Storage	100	Note [4]	—	—	2023
San Andrés Battery Storage (Chile)	Storage	100	Note [5]	—	—	2023
Hale Kuawehi (Hawaii, U.S.)	Solar	100	30.0 [2]	87.4 [3]	25	2024
Boswell Springs (Wyoming, U.S.)	Wind	100	329.8	1262.0	30	2024

1. This information is intended to inform readers of the projects' potential impact on the Corporation's results. Actual results may vary. These estimates are up-to-date as at the date of this press release.
2. Solar project with a battery storage capacity of 30 MW/120 MWh (4 hours).
3. PPA is a fixed lump sum capacity payment for the availability of dispatchable energy.
4. Battery storage capacity of 50 MW/250 MWh (5 hours).
5. Battery storage capacity of 35 MW/175 MWh (5 hours).

During the second quarter, the official ground-breaking ceremony was held for the Boswell Springs project in Wyoming, USA, and the contractor is mobilized on-site. The commissioning is anticipated in the fourth quarter of 2024. The amendment to the power purchase agreement ("PPA") to increase the selling prices by 56% for the Hale Kuawehi solar and battery storage project was approved by the Public Utilities Commission in Hawaii and limited construction activities resumed on site. The Corporation also made significant advancements with its projects under development, including signing a 30-year PPA for the Mesg'ig Ugju's'n 2 ("MU2") wind project in Quebec, Canada, owned in a 50-50 partnership, and successfully replaced its PPA for the Auxy Bois Régnier wind project in France at more favourable pricing conditions in July 2023.

Regarding the Corporation's portfolio of prospective projects, growth continues in all regions. The Canadian market teams are preparing for the request for proposals ("RFPs") with Hydro-Québec due in September and advancing other projects for the upcoming additional RFPs expected to commence in 2024. The province of British Columbia also announced their intention to launch an RFP process in Spring 2024 to procure 3,000 GWh per year of new clean or renewable generation to be online in Fall 2028 reinvigorating Innergex's initiatives to secure new prospective projects in the area.

“Our team continued to execute on operating, developing and prospecting renewable energy projects efficiently and in-line with our strategy. As expected, we delivered on the milestone of closing of the construction financing of our Boswell Springs wind project, concluded an agreement to form a long-term partnership with a new financial investor in our French activities and progressed with the financing of our portfolio of three Canadian hydro assets. The arrival of a solid and recognized financial partner in France confirms the value of our assets as well as of the development portfolio we have advanced, whose progress will be propelled by our partner's financial support and the French government's promises to accelerate the deployment of renewable energy projects in the country. It also provides us with greater flexibility to pursue our growth initiatives across all our markets," said Michel Letellier, President and Chief Executive Officer of Innergex. "We will remain focussed on delivering the financing of the hydro assets, on commissioning our assets under construction planned in 2023 and on participating in the upcoming RFPs in our markets with strong and profitable projects. We are well positioned to pursue our greenfield development strategy as the energy transition continues to unveil growing demand for our product."

FINANCIAL HIGHLIGHTS

The second quarter benefited from the contribution of the acquisitions recently executed, namely the three solar facilities in Sault Ste. Marie, Ontario, completed in Q1 2023 and the three Aela wind farms in Chile completed in Q2 2022, the higher production and revenues from the French wind facilities and increased production and revenues from the hydro facilities in British Columbia. Quarterly production was below the long-term average but compensated by higher prices.

On January 1, 2023, the Corporation amended the presentation of its consolidated statements of earnings (refer to Section 7- Significant Accounting Policies of the Management's Discussion and Analysis for the three- and six- months ended June 30, 2023 ("MD&A") for more information). Concurrently, certain Non-IFRS measures have been amended (refer to Section 5- Non-IFRS Measures of the MD&A for more information).

	Three months ended June 30		Six months ended June 30	
	2023	2022	2023	2022
Production (MWh)	2,951,098	2,855,891	5,263,754	5,160,494
Production as a percentage of LTA	90 %	92 %	89 %	93 %
Revenues and Production Tax Credits	269,541	238,513	487,869	446,283
Operating Income	93,322	92,526	156,291	161,868
Adjusted EBITDA[1]	186,989	159,310	332,089	309,153
Net Earnings (Loss)	24,805	(59,520)	11,769	(59,520)
Adjusted Net Earnings (Loss)[1]	11,260	(1,546)	(85)	(3,882)
Net Earnings (Loss) Attributable to Owners, $ per share - basic and diluted	0.10	(0.13)	0.02	(0.31)
Production Proportionate (MWh)[1]	3,123,901	2,991,550	5,483,869	5,349,579
Revenues and Production Tax Credits Proportionate[1]	285,127	251,457	509,582	467,571
Adjusted EBITDA Proportionate[1]	199,194	168,750	347,637	323,930

	Trailing twelve months ended June 30	
	2023	2022
Cash Flow from Operating Activities	392,250	308,384
Free Cash Flow[1,2]	115,342	173,640
Payout Ratio[1,2]	127 %	82 %

1. These measures are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Production and Production Proportionate are key performance indicators for the Corporation that cannot be reconciled with an IFRS measure. Please refer to the section 5- Non-IFRS Measures for more information.
2. For more information on the calculation and explanation, please refer to Section 4- CAPITAL AND LIQUIDITY | Free Cash Flow and Payout Ratio of the MD&A.

OPERATING PERFORMANCE

THREE-MONTH PERIOD ENDED JUNE 30, 2023

(compared with the same period last year unless otherwise indicated)

Production for the three-month period ended June 30, 2023, was 90% of LTA. Innergex's share of production of joint ventures and associates[1] was 110% of LTA, translating into a Production Proportionate[1] at 91% of LTA.

Revenues and Production Tax Credits ("PTCs") were up 13% at $269.5 million.

- Main contributors:
  - The Sault Ste. Marie and Aela acquisitions, closed respectively on March 9, 2023 and June 9, 2022;
  - Higher production at hydro facilities in British Columbia and at the Curtis Palmer facilities;
  - Higher wind regimes and revenues from new PPAs at wind facilities in France;
  - Favourable pricing at the Foard City facility; and
  - Higher production and selling prices at the wind facilities in Quebec.
- Main offsets:
  - Lower production and nodal prices at the Griffin Trail facility; and
  - Lower selling prices at the Phoebe facility.

Revenues and PTCs Proportionate[1] were up 13% at $285.1 million compared to the same period last year.

SIX-MONTH PERIOD ENDED JUNE 30, 2023

(compared with the same period last year unless otherwise indicated)

Production for the six-month period ended June 30, 2023, was 89% of LTA. Innergex's share of production of joint ventures and associates[1] was 107% of LTA, translating into a Production Proportionate[1] at 89% of LTA.

Revenues and Production Tax Credits ("PTCs") were up 9% at $487.9 million.

- Main contributors:
  - The Aela and Sault Ste. Marie acquisitions;
  - Higher production at the Curtis Palmer hydro facilities;
  - Higher spot prices from the Chilean hydro facilities;
  - Higher wind regimes and revenues from new PPAs at wind facilities in France; and
  - Favourable pricing at the Foard City facility.
- Main offsets:
  - Lower production due to lower wind regimes in Quebec;
  - The BC Hydro Curtailment Payment[2] recorded in Q1 2022;
  - Lower production and nodal prices at the Griffin Trail facility; and
  - Lower irradiation, economic curtailment and lower selling prices at the Phoebe, Salvador and San Andrés facilities.

Revenues and PTCs Proportionate[1] were up 9% at $509.6 million compared to the same period last year.

1. This is not a recognized measure under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the “Non-IFRS Measures” section for more information.

2. The BC Hydro Curtailment Payment refers to the curtailment notices sent by BC Hydro in May 2020 for six hydro facilities which were disputed by the Corporation on the basis that, under its Electricity Purchase Agreements with BC Hydro, BC Hydro can exercise this right but is required to compensate Innergex for energy that would have been produced at the facilities in the absence of the curtailment. For the period from May 22, 2020 to July 20, 2020, actual eligible energy revenue that would have been produced at the facilities in the absence of the curtailment amounts to $12.5 million ($14.2 million on a Revenues Proportionate[1] basis). The dispute was settled in the first quarter of 2022 to Innergex's satisfaction.

CASH FLOW FROM OPERATING ACTIVITIES, FREE CASH FLOW[3] AND PAYOUT RATIO[3]

THREE-MONTH PERIOD ENDED JUNE 30, 2023

(compared with the same period last year unless otherwise indicated)

Cash flows from operating activities decreased at $61.2 million, compared with $67.6 million.

- Main contributor:
  - Increase in finance costs related to the refinancing of the non-recourse debt in Chile in Q3 2022 following the Aela Acquisition.
- Main offsets:
  - Contribution to cash flows from operating activities stemming from the Aela and Sault Ste. Marie acquisitions; and
  - Decrease in realized loss mainly related to the decrease in the merchant power curves for the Phoebe power hedge.

SIX-MONTH PERIOD ENDED JUNE 30, 2023

(compared with the same period last year unless otherwise indicated)

Cash flows from operating activities decreased at $114.5 million, compared with $152.5 million.

- Main contributor:
  - Increase in finance costs related to the refinancing of the non-recourse debt in Chile in Q3 2022 following the Aela Acquisition.
- Main offsets:
  - Contribution to cash flows from operating activities stemming from the Aela and Sault Ste. Marie acquisitions; and
  - Decrease in realized loss mainly related to the decrease in the merchant power curves for the Phoebe power hedge.

TRAILING TWELVE MONTHS ENDED JUNE 30, 2023

(compared with the same period last year unless otherwise indicated)

Free Cash Flow[3] decreased at $115.3 million, compared with $173.6 million.

- Main contributors:
  - Decrease in cash flows from operating activities before changes in non-cash operating working capital items stemming from the exceptionally low production in British Columbia in Q4 2022 and Q1 2023 due to drier weather, and the BC Hydro Curtailment Payment received in Q1 2022;
  - Increase in the interest paid mainly related to the refinancing of the non-recourse debt in Chile in Q3 2022 following the Aela Acquisition, from the recent Sault Ste. Marie, Mountain Air and French acquisitions, and from the construction activities;
  - Increase in maintenance capital expenditures mainly due to recent acquisitions and from the recent weather-related damages at the Foard City facility; and

    - Decrease in cash flows from operating activities before changes in non-cash operating working capital items from the Phoebe facility, due mostly to an unfavourable difference between sales at the Phoebe node and purchases at the ERCOT South hub.
- Main offsets:
    - Contribution to cash flows from operating activities before changes in non-cash operating working capital items from the Aela, Curtis Palmer and Sault Ste. Marie acquisitions;
    - Increase in merchant prices on certain USA and Chilean facilities;
    - Decrease in Free Cash Flow attributed to non-controlling interests of the British Columbia hydro facilities, following exceptionally low production in British Columbia in Q4 2022 and Q1 2023, partly offset by an increase attributed to the Curtis Palmer Acquisition; and
    - Decrease in scheduled debt principal payments stemming from the Pay-go contribution from the Tax Equity Investors at Griffin Trail.

Payout Ratio[3]

For the trailing twelve months ended June 30, 2023, the dividends on common shares declared by the Corporation amounted to 127% of Free Cash Flow[3] compared with 82% for the corresponding period last year.

Assuming a normalized LTA, excluding the Chilean operations, the payout ratio would have been ranging from 75% to 80% for the trailing twelve-months.

3. This is not a recognized measure under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the “Non-IFRS Measures” section for more information.

SUBSEQUENT EVENTS

On August 7, 2023, the Corporation entered into an agreement to form a long-term partnership with Crédit Agricole Assurances, in connection with Crédit Agricole Centre-Est, for a 30% minority interest in Innergex's portfolio in France, representing a €128.0 million ($188.4 million) investment, subject to customary closing adjustments. The proceeds will be used to immediately reduce Innergex's revolving credit facilities at closing and to fund the Corporation's development activities over the coming years. The transaction is expected to close in the second half of 2023.

On July 17, 2023, the Corporation disposed of the 6 MW Kokomo and 10.5 MW Spartan solar facilities for a nominal amount. No significant income or expense were recognized pursuant to these transactions.

On July 14, 2023, the Corporation closed the construction financing of the Boswell Springs wind project totalling US$533.6 million ($703.8 million) bearing interest at 1-month SOFR + 1% maturing in 2025, which includes a construction loan of US$207.0 million ($273.0 million) and a tax equity bridge loan of US$326.6 million ($430.8 million), and a US$49.2 million ($64.9 million) letter of credit facility bearing interest at 1.31%. The construction loan will be repaid by a US$203.3 million ($268.1 million) 10-year non-recourse loan bearing interest at SOFR 180 days + 1.375% and it is expected that the tax equity bridge loan will be repaid with the proceeds from a Tax Equity Investor.

On July 17, 2023, the Corporation concluded three interest rate swaps to hedge a US$152.5 million ($201.9 million) portion of the construction financing that is subject to variable interest rates, for a total hedged notional of US$265.8 million ($351.9 million), including the interest rate swaps previously entered into.

DIVIDEND DECLARATION

The following dividends will be paid by the Corporation on October 16, 2023:

Date of announcement	Record date	Payment date	Dividend per common share	Dividend per Series A Preferred Share	Dividend per Series C Preferred Share
August 8, 2023	September 30, 2023	October 16, 2023	$0.1800	$0.2028	$0.3594

NON-IFRS MEASURES

Some measures referred to in this press release are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Innergex believes these indicators are important, as they provide management and the reader with additional information about Innergex's production and cash generation capabilities, its ability to sustain current dividends and its ability to fund its growth. These indicators also facilitate the comparison of results over different periods. Revenues and Production Tax Credits Proportionate, Adjusted EBITDA, Adjusted EBITDA Proportionate, Adjusted Net Loss, Free Cash Flow and Payout Ratio are not measures recognized by IFRS and have no standardized meaning prescribed by IFRS.

Revenues and Production Tax Credits Proportionate, Adjusted EBITDA and Adjusted EBITDA Proportionate

References in this document to "Revenues and Production Tax Credits Proportionate" are to Revenues and Production Tax Credits, plus Innergex's share of Revenues and Production Tax Credits of the joint ventures and associates.

References in this document to “Adjusted EBITDA” are to operating income, to which are added (deducted) depreciation and amortization, ERP implementation, impairment charges, and the realized portion of the change in fair value of power hedges. References in this document to "Adjusted EBITDA Proportionate" are to Adjusted EBITDA, plus Innergex's share of Adjusted EBITDA of the joint ventures and associates.

Innergex believes that the presentation of these measures enhances the understanding of the Corporation's operating performance. Adjusted EBITDA is used by investors to evaluate the operating performance and cash generating operations, and to derive financial forecasts and valuations. Revenues and Production Tax Credits Proportionate and Adjusted EBITDA Proportionate measures are used by investors to evaluate the contribution of the joint ventures and associates to the Corporation’s operating performance and cash generating operations, and the contribution of such for financial forecasts and valuations purposes. Readers are cautioned that Revenues and Tax Credits Proportionate, should not be construed as an alternative to Revenues and Production Tax Credits, as determined in accordance with IFRS. Readers are also cautioned that Adjusted EBITDA and Adjusted EBITDA Proportionate, should not be construed as an alternative to operating income, as determined in accordance with IFRS. Please refer to Section 3- Financial Performance and Operating Results of the MD&A for more information.

Below is a reconciliation of the non-IFRS measures to their closest IFRS measures:

	Three months ended June 30, 2023			Three months ended June 30, 2022		
	Consolidation	Share of joint ventures	Proportionate	Consolidation	Share of joint ventures	Proportionate
Revenues and Production Tax Credits	269,541	15,586	285,127	238,513	12,944	251,457
Operating income	93,322	8,136	101,458	92,526	5,218	97,744
Depreciation and amortization	93,594	4,069	97,663	79,113	4,222	83,335
ERP implementation	3,349	—	3,349	—	—	—
Realized loss on power hedges	(3,276)	—	(3,276)	(12,329)	—	(12,329)
Adjusted EBITDA	186,989	12,205	199,194	159,310	9,440	168,750

	Six months ended June 30, 2023			Six months ended June 30, 2022		
	Consolidation	Share of joint ventures	Proportionate	Consolidation	Share of joint ventures	Proportionate
Revenues and Production Tax Credits	487,869	21,713	509,582	446,283	21,288	467,571
Operating income	156,291	7,362	163,653	161,868	6,359	168,227
Depreciation and amortization	170,931	8,186	179,117	159,344	8,418	167,762
ERP implementation	5,918	—	5,918	—	—	—
Realized loss on power hedges	(1,051)	—	(1,051)	(12,059)	—	(12,059)
Adjusted EBITDA	332,089	15,548	347,637	309,153	14,777	323,930

Adjusted Net Earnings (Loss)

References to "Adjusted Net Earnings (Loss)" are to net earnings or losses of the Corporation, to which the following elements are added (subtracted): unrealized portion of the change in fair value of derivative financial instruments, realized loss on the termination of interest rate swaps, realized gain on foreign exchange forward contracts, impairment charges, items that are outside of the normal course of the Corporation's cash generating operations, the net income tax expense (recovery) related to these items, and the share of loss (earnings) of joint ventures and associates related to the above items, net of related income tax.

The Adjusted Net Earnings (Loss) seeks to provide a measure that eliminates the earnings impacts of certain derivative financial instruments and other items that are outside of the normal course of the Corporation's cash generating operations, which do not represent the Corporation's operating performance. Innergex uses derivative financial instruments to hedge its exposure to various risks. Accounting for derivatives requires that all derivatives are marked-to-market. When hedge accounting is not applied, changes in the fair value of the derivatives is recognized directly in net earnings (loss). Such unrealized changes have no immediate cash effect, may or may not reverse by the time the actual settlements occur and do not reflect the Corporation’s business model toward derivatives, which are held for their long-term cash flows, over the life of a project. In addition, the Corporation uses foreign exchange forward contracts to hedge its net investment in its French subsidiaries. Management therefore believes realized gains (losses) on such contracts do not reflect the operations of Innergex.

Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance. Adjusted Net (Loss) Earnings is used by investors to evaluate and compare Innergex’s profitability before the impacts of the unrealized portion of the change in fair value of derivative financial instruments and other items that are outside of the normal course of the Corporation's cash generating operations. Readers are cautioned that Adjusted Net Earnings (Loss) should not be construed as an alternative to net earnings, as determined in accordance with IFRS. Please refer to the section 3 - Adjusted Net Loss section of the MD&A for reconciliation of the Adjusted Net Earnings (Loss).

Below is a reconciliation of Adjusted Net Earnings (Loss) to its closest IFRS measure:

	Three months ended June 30		Six months ended June 30	
	2023	2022	2023	2022
Net earnings (loss)	24,805	(24,590)	11,769	(59,520)
Add (Subtract):				
Share of unrealized portion of the change in fair value of financial instruments of joint ventures and associates, net of related income tax	(315)	(345)	(439)	(1,005)
Unrealized portion of the change in fair value of financial instruments	(16,812)	27,712	(16,468)	68,497
Realized gain on foreign exchange forward contracts	(1)	—	(34)	(487)
Income tax expense related to above items	3,946	(4,323)	2,881	(11,367)
Adjusted Net Earnings (Loss)	11,260	(1,546)	(85)	(3,882)

Free Cash Flow and Payout Ratio

References to "Free Cash Flow" are to cash flows from operating activities before changes in non-cash operating working capital items, less prospective projects expenses, maintenance capital expenditures net of proceeds from disposals, scheduled debt principal payments, the portion of Free Cash Flow attributed to non-controlling interests, and preferred share dividends declared, plus or minus other elements that are not representative of the Corporation's long-term cash-generating capacity, such as gains and losses on the Phoebe basis hedge due to their limited occurrence, realized gains and losses on contingent considerations related to past business acquisitions, transaction costs related to realized acquisitions, expenses related to the implementation of a cloud-based Enterprise Resource Planning solution, realized losses or gains on refinancing of certain borrowings or derivative financial instruments used to hedge the interest rate on certain borrowings or the exchange rate on equipment purchases, and tax payments related to fiscal strategies for the purpose of improving the long-term cash generating capacity of Innergex. Free Cash Flow is a measure of the Corporation's ability to sustain current dividends as well as its ability to fund its growth from its cash generating operations, in the normal course of business.

Innergex believes that the presentation of this measure enhances the understanding of the Corporation's cash generation capabilities, its ability to sustain current dividends and its ability to fund its growth. Free Cash Flow is used by investors in this regard. Readers are cautioned that Free Cash Flow should not be construed as an alternative to cash flows from operating activities, as determined in accordance with IFRS. Please refer to the section 4- Free Cash Flow and Payout Ratio section of the MD&A for the reconciliation of Free Cash Flow.

References to "Payout Ratio" are to dividends declared on common shares divided by Free Cash Flow. Innergex believes that this is a measure of its ability to sustain current dividends as well as its ability to fund its growth. Payout Ratio is used by investors in this regard.

Free Cash Flow and Payout Ratio calculation	Trailing twelve months ended June 30	
	2023	2022
Cash flows from operating activities[1]	392,250	308,384
Add (Subtract) the following items:		
Changes in non-cash operating working capital items	4,231	45,659
Prospective projects expenses	26,333	24,652
Maintenance capital expenditures, net of proceeds from disposals	(18,649)	(9,095)
Scheduled debt principal payments	(167,262)	(161,411)
Free Cash Flow attributed to non-controlling interests[2]	(28,652)	(35,900)
Dividends declared on Preferred shares	(5,632)	(5,632)
Chile portfolio refinancing - hedging impact[3]	4,830	—
Add (subtract) the following specific items[4]:		
Realized (gain) loss on termination of interest rate swaps[3]	(71,735)	(377)
Realized (gain) loss on termination of foreign exchange forwards[5]	(43,458)	—
Principal and interest paid related to pre-acquisition period	1,312	—
Acquisition and integration costs	21,774	9,660
Realized gain on the Phoebe basis hedge	—	(2,300)
Free Cash Flow	115,342	173,640
Dividends declared on common shares	146,993	142,824
Payout Ratio	127 %	82 %

1. Cash flows from operating activities for the trailing twelve months ended June 30, 2022 include the one-time BC Hydro Curtailment Payment received during Q1 2022.
2. The portion of Free Cash Flow attributed to non-controlling interests is subtracted, regardless of whether an actual distribution to non-controlling interests is made, in order to reflect the fact that such distributions may not occur in the period they are generated.
3. The Free Cash Flow for the trailing twelve months ended June 30, 2023 excludes the $71.7 million realized gain on settlement of the interest rate hedges entered into to manage the Corporation's exposure to the risk of increasing interest rates during the negotiations surrounding the refinancing of the non-recourse debt assumed in the Aela Acquisition and at Innergex's existing Chilean projects. Instead, the gain is amortized in the Free Cash Flow using the effective interest rate method over the period covered by the unwound hedging instruments.
4. These items are excluded from the Free Cash Flow and Payout Ratio calculations as they are deemed not representative of the Corporation's long-term cash-generating capacity, and include items such as gains and losses on the Phoebe basis hedge due to their limited occurrence (maturity attained on December 31, 2021), realized gains and losses on contingent considerations related to past business acquisitions, transaction costs related to realized acquisitions, realized losses or gains on refinancing of certain borrowings or derivative financial instruments used to hedge the interest rate on certain borrowings or the exchange rate on equipment purchases, and tax payments related to fiscal strategies for the purpose of improving the long-term cash generating capacity of Innergex.
5. The Free Cash Flow for the trailing twelve months ended June 30, 2023 excludes the $43.5 million realized gain on settlement of the foreign exchange forward contracts concurrent with the closing of the French Acquisition.

ADDITIONAL INFORMATION

Innergex's 2023 second quarter condensed interim consolidated financial statements, the notes thereto and the Management's Discussion and Analysis can be obtained on SEDAR at www.sedar.com and in the "Investors" section of the Corporation's website at www.innergex.com.

CONFERENCE CALL AND WEBCAST

The Corporation will hold a conference call and webcast on Wednesday, August 9, 2023 at 9 AM (EDT). Investors and financial analysts are invited to access the conference by dialing 1 888 390-0605 or 416 764-8609 or via https://app.webinar.net/GRxvVx0V4oJ or the Corporation's website at www.innergex.com. Journalists, as well as the public, can access this conference call via a listen mode only. A replay of the conference call will be available after the event on the Corporation's website.

About Innergex Renewable Energy Inc.

For over 30 years, Innergex has believed in a world where abundant renewable energy promotes healthier communities and creates shared prosperity. As an independent renewable power producer which develops, acquires, owns and operates hydroelectric facilities, wind farms, solar farms and energy storage facilities, Innergex is convinced that generating power from renewable sources will lead the way to a better world. Innergex conducts operations in Canada, the United States, France and Chile and manages a large portfolio of high-quality assets currently consisting of interests in 85 operating facilities with an aggregate net installed capacity of 3,676 MW (gross 4,226 MW) and an energy storage capacity of 159 MWh, including 40 hydroelectric facilities, 35 wind facilities, 9 solar facilities and 1battery energy storage facility. Innergex also holds interests in 13 projects under development with a net installed capacity of 760 MW (gross 849 MW) and an energy storage capacity of 605 MWh, 5 of which are under construction, as well as prospective projects at different stages of development with an aggregate gross installed capacity totaling 9,352 MW. Its approach to building shareholder value is to generate sustainable cash flows, provide an attractive risk-adjusted return on invested capital and to distribute a stable dividend.

Cautionary Statement Regarding Forward-Looking Information

To inform readers of the Corporation's future prospects, this press release contains forward-looking information within the meaning of applicable securities laws (“Forward-Looking Information”), including the Corporation’s growth targets, power production, prospective projects, successful development, construction and financing (including tax equity funding) of the projects under construction and the advanced-stage prospective projects, sources and impact of funding, project acquisitions, execution of non-recourse project-level financing (including the timing and amount thereof), and strategic, operational and financial benefits and accretion expected to result from such acquisitions, business strategy, future development and growth prospects (including expected growth opportunities under the Strategic Alliance with Hydro-Québec), business integration, governance, business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. Forward-Looking Information can generally be identified by the use of words such as “approximately”, “may”, “will”, "could”, “believes”, “expects”, “intends”, "should”, "would”, “plans”, “potential”, "project”, “anticipates”, “estimates”, “scheduled” or “forecasts”, or other comparable terms that state that certain events will or will not occur. It represents the projections and expectations of the Corporation relating to future events or results as of the date of this press release.

Forward-Looking Information includes future-oriented financial information or financial outlook within the meaning of securities laws, including information regarding the Corporation's targeted production, the estimated targeted revenues and production tax credits, targeted Revenues and Production Tax Credits Proportionate, targeted Adjusted EBITDA and targeted Adjusted EBITDA Proportionate, targeted Free Cash Flow, targeted Free Cash Flow per Share and intention to pay dividend quarterly, the estimated project size, costs and schedule, including obtainment of permits, start of construction, work conducted and start of commercial operation for Development Projects and Prospective Projects, the Corporation's intent to submit projects under Requests for Proposals, the qualification of U.S. projects for PTCs and ITCs and other statements that are not historical facts. Such information is intended to inform readers of the potential financial impact of expected results, of the expected commissioning of Development Projects, of the potential financial impact of completed and future acquisitions and of the Corporation's ability to sustain current dividends and to fund its growth. Such information may not be appropriate for other purposes.

Forward-Looking Information is based on certain key assumptions made by the Corporation, including, without restriction, those concerning hydrology, wind regimes and solar irradiation; performance of operating facilities, acquisitions and commissioned projects; project performance; availability of capital resources and timely performance by third parties of contractual obligations; favourable market conditions for share issuance to support growth financing; favourable economic and financial market conditions; the Corporation's success in developing and constructing new facilities; successful renewal of PPAs; sufficient human resources to deliver service and execute the capital plan; no significant event occurring outside the ordinary course of business such as a natural disaster, pandemic or other calamity; continued maintenance of information technology infrastructure and no material breach of cybersecurity.

For more information on the risks and uncertainties that may cause actual results or performance to be materially different from those expressed, implied or presented by the forward-looking information or on the principal assumptions used to derive this information, please refer to the "Forward-Looking Information" section of the Management's Discussion and Analysis for the three months ended June 30, 2023.

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For more information

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