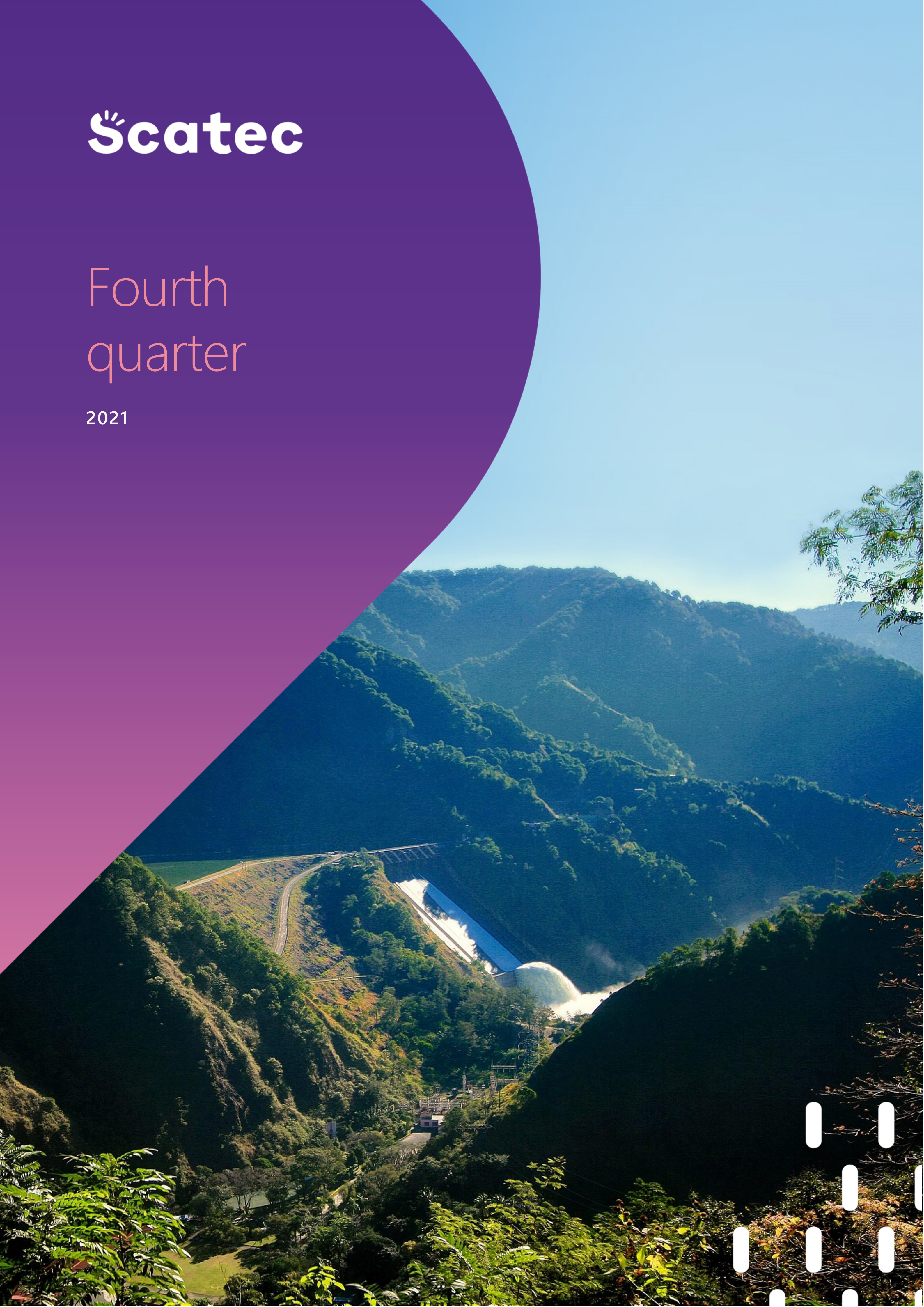
Scatec

Fourth quarter

2021



About Scatec

Scatec is a leading renewable power producer, delivering affordable and clean energy worldwide. As a long-term player, Scatec develops, builds, owns and operates solar, wind and hydro power plants and storage solutions. Scatec has more than 3.5 GW in operation and under construction on four continents and more than 600 employees. The company is targeting 15 GW capacity in operation or under construction by the end of 2025. Scatec is headquartered in Oslo, Norway and listed on the Oslo Stock Exchange under the ticker symbol 'SCATC'. To learn more, visit www.scatec.com.

Asset portfolio[1)]

	Technology	Capacity MW	Economic interest [2)]
In operation			
Philippines [3)]		642	50%
Laos [3)]		525	20%
South Africa		448	45%
Egypt		380	51%
Ukraine		336	89%
Uganda [3)]		255	28%
Malaysia		244	100%
Brazil [3)]		162	44%
Argentina [3)]		117	50%
Honduras		95	51%
Jordan		43	62%
Mozambique		40	53%
Vietnam		39	100%
Czech Republic		20	100%
Rwanda		9	54%
Total		**3,355**	**52%**
Under construction			
Pakistan		150	75%
Release		45	100%
Total		**195**	**61%**
Projects in backlog			
South Africa		813	51%
Tunisia		360	55%
Brazil		530	33%
Bangladesh		62	65%
Mali		33	64%
Lesotho		20	48%
Total		**1,818**	**47%**
Grand total		**5,368**	**51%**
Projects in pipeline		**14,775**	

Segment overview

Development & Construction

The Development & Construction segment derives its revenues from the sale of development rights and construction services delivered to power plant companies where Scatec has economic interests.

Power Production

The power plants produce electricity for sale primarily under long term power purchase agreements (PPAs), with state owned utilities or corporate off-takers, or under government-based feed-in tariff schemes. The weighted average remaining PPA duration for power plants in operation is 18 years. The electricity produced from the power plants in the Philippines is sold on bilateral contracts and in the spot market under a renewable operating license, and as ancillary services.

Services

The Services segment comprises Operations & Maintenance (O&M) and Asset Management services provided to power plants where Scatec has economic interests. O&M revenues are generated on the basis of fixed service fees with additional profit-sharing arrangements. Asset Management services typically include financial reporting to sponsors and lenders, regulatory compliance, environmental and social management, as well as contract management on behalf of the power plant companies.

Corporate

Corporate consists of activities such as corporate services, management, and group finance.

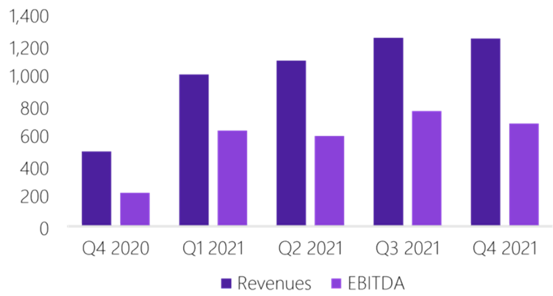
1) Asset portfolio as per reporting date
2) Scatec's share of the total estimated economic return from its subsidiaries. For projects under development the economic interest may be subject to change
3) Projects are equity consolidated, for further details see page 18. All other projects in the table are fully consolidated

Q4'21 – High development activity and robust cash flow

- Proportionate revenues of NOK 1,250 million (497)[1] and EBITDA of NOK 683 million (223)
- Stable plant performance led to power production of 1,047 GWh up 2.5x from the same quarter last year
- 803 MW in Brazil and South Africa added to project backlog while 900 MW in India was put on hold
- Release by Scatec started delivery of 45 MW redeployable solar to Cameroon, Chad and South Africa
- Building pipeline and pursing several new Power to X opportunities
- The Board proposes dividends of NOK 2.54 per share, totaling NOK 401 million to be paid out in 2022.

Proportionate revenues and EBITDA

NOK million



Key figures

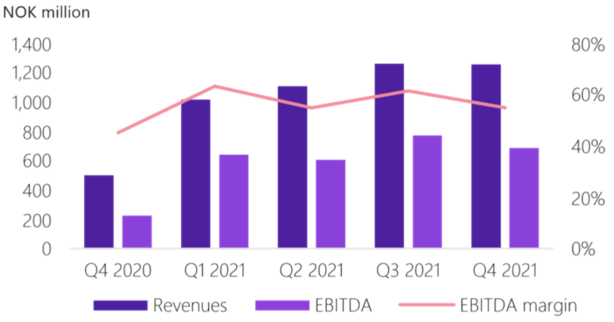
NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Proportionate Financials [2]					
Revenues and other income	1,250	1,254	497	4,615	2,844
Power Production	1,154	1,130	402	4,176	1,708
Services	66	69	45	260	232
Development & Construction	18	43	46	137	873
Corporate	11	11	5	42	33
EBITDA [2]	683	767	223	2,686	1,306
Power Production	763	823	320	2,949	1,404
Services	11	22	10	75	82
Development & Construction	-57	-53	-38	-223	-28
Corporate	-35	-25	-69	-114	-153
Operating profit (EBIT)	399	436	63	1,606	690
Net interest- bearing debt [2]	15,175	15,529	1,851	15,175	1,851
Scatec proportionate share of cash flow to equity [2]	234	302	-22	1,284	324
Power Production (GWh)	1,047	1,065	407	3,823	1,602
Power Production (GWh) 100% [3]	2,588	2,691	756	9,729	2,911
Consolidated Financials					
Revenues and other income	1,039	1,059	679	3,803	2,754
EBITDA [2]	775	827	448	2,903	2,069
Operating profit (EBIT)	539	558	244	2,012	1,292
Profit/(loss)	136	169	-561	456	-368
Net interest- bearing debt [2]	14,949	15,274	5,223	14,949	5,223
Basic earnings per share	0.92	0.83	-4.10	2.45	-3.51

1) Amounts from same period last year in brackets
2) See Alternative Performance Measures appendix for definition
3) Production volume on a 100% basis from all entities, including JV companies

Group – Proportionate financials

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Revenues and other income	**1,250**	1,254	497	4,615	2,844
Gross profit [1) 2)]	**1,051**	1,084	457	3,939	2,080
Operating expenses	**-368**	-317	-234	-1,252	-775
EBITDA [2)]	**683**	767	223	2,686	1,306
EBITDA margin [2)]	**55%**	61%	45%	58%	46%
D&A and impairment	**-283**	-331	-160	-1,081	-615
EBIT	**399**	436	63	1,606	690
Cash flow to equity [2)]	**234**	302	-22	1,284	324

Proportionate revenues and EBITDA



1) Equivalent to Net revenues
2) See Alternative Performance Measures for definition

The Group's revenues increased by NOK 752 million compared with the same quarter last year, reflecting the inclusion of the SN Power hydro assets in January 2021 and new solar power plants that started operation during the year.

The increase in operating expenses and depreciation compared with the same quarter last year is mainly driven by the new power plants in the portfolio, acquisition of SN Power, and strengthened project development and corporate functions. The fourth quarter includes an impairment charge of NOK 20 million related to capitalised development expenses.

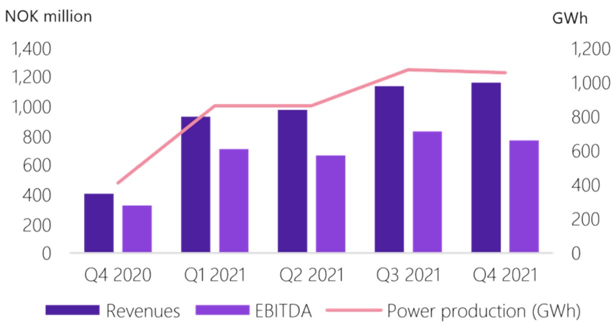
EBITDA, EBITDA margin and cash flow to equity increased compared to the same quarter last year, mainly driven by increased revenues and EBITDA in the Power Production segment. See page 13 for further comments on cash flow to equity.

For the full year 2021, the development in revenues and operating expenses are explained by the above.

Power Production – Proportionate financials

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Revenues and other income	**1,154**	1,130	402	4,176	1,708
Net revenues [1)]	**968**	999	402	3,620	1,707
Operating expenses	**-205**	-176	-81	-671	-304
EBITDA [1)]	**763**	823	320	2,949	1,404
EBITDA margin [1)]	**66%**	73%	80%	71%	82%
D&A and impairment	**-252**	-272	-149	-972	-566
EBIT	**511**	551	171	1,977	838
Cash flow to equity [1)]	**330**	377	53	1,640	427

Proportionate revenues and EBITDA



1) See Alternative Performance Measures for definition

Power production capacity increased by 1,814 MW compared to the end of 2020 mainly driven by the acquisition of SN Power but also new solar plants placed in operation. Power production reached 1,047 GWh in the fourth quarter compared to 407 GWh in the same quarter last year. Revenues and EBITDA increased by NOK 752 million and NOK 443 million respectively explained by the SN Power acquisition and new solar plants in operation.

Compared with the previous quarter the EBITDA decreased by NOK 60 million, mainly explained by seasonal lower production in Ukraine and Czech Republic partly offset by higher production in South Africa and the Philippines. Power production in the Philippines ended in line with the 5-year seasonal average.

Depreciation and impairment for the fourth quarter increased by NOK 103 million compared to the same quarter last year. The increase is related to depreciation of new solar plants in operation and SN Power, including amortisation of excess values related to the acquisition of SN Power.

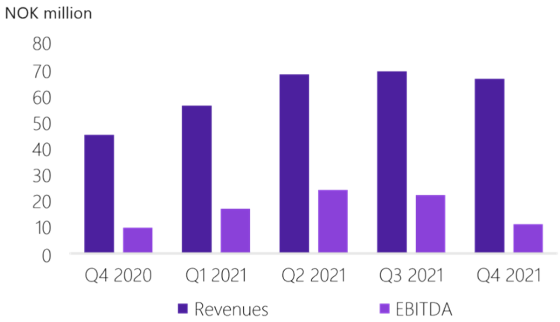
See page 18 for a specification of financial performance for each country in the portfolio.

For the full year 2021, the development in revenues and operating expenses are explained by the above.

Services – Proportionate financials

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Revenues and other income	**66**	69	45	260	232
Operating expenses	**-55**	-47	-36	-186	-150
EBITDA [1]	**11**	22	10	75	82
EBITDA margin [1]	**17%**	32%	22%	29%	35%
D&A and impairment	**-1**	-1	-1	-5	-3
EBIT	**10**	21	9	70	79
Cash flow to equity [1]	**9**	18	8	60	65

Proportionate revenues and EBITDA



1) See Alternative Performance Measures for definition

The increase in revenues and operating expenses in the Services segment compared to the same quarter last year is driven by the expansion of the operational portfolio. The margin decline in Q4 compared to same quarter last year is explained by non-recurring cost items amounting to NOK 5 million.

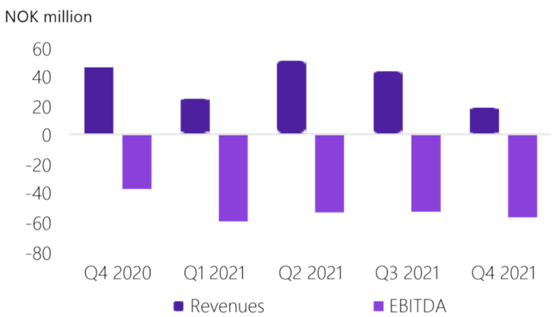
Operating expenses in the segment mainly constitute fixed expenses such as personnel and recurring maintenance cost. The increase in operating expenses compared to last quarter is explained by adjustments of annual service costs.

For the full year 2021, the development in revenues and operating expenses are explained by the above.

Development & Construction (D&C) – Proportionate financials

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Revenues and other income	18	43	46	137	873
Gross Profit [1]	4	4	6	16	109
Gross Margin [1]	**24%**	10%	12%	12%	12%
Operating expenses	**-61**	-58	-43	-239	-137
EBITDA [1]	**-57**	-53	-38	-223	-28
D&A and impairment	**-22**	-52	-5	-78	-26
EBIT	**-79**	-105	-43	-301	-54
Cash flow to equity [1]	**-46**	-30	-27	-164	-15

Proportionate revenues and EBITDA



1) See Alternative Performance Measures for definition

D&C revenues decreased compared to the same quarter last year due to lower activity. The revenues in the fourth quarter reflect that construction of the 150 MW Sukkur project in Pakistan was held back by an ongoing land demarcation process for the public land made available for the project.

Operating expenses comprised of approximately NOK 43 million for early-stage project development and NOK 19 million related to the construction business.

The reduction in EBITDA compared to the same quarter last year is primarily due to increase in project development expenses after the acquisition of SN Power, and a strong pipeline growth.

Depreciation, amortisation and impairment amounted to NOK 22 million which mainly relates to the impairment of capitalised development expenses.

For the full year 2021, the reduced revenues compared to last year is explained by lower construction activity. The increase in operating expenses is due to increase in project development activities across all technologies, while the increase in D&A and impairment is explained by higher impairment charges.

Corporate – Proportionate financials

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Revenues and other income	**11**	11	5	42	33
Operating expenses	**-46**	-36	-74	-156	-186
EBITDA [1)]	**-35**	-25	-69	-114	-153
D&A and impairment	**-8**	-6	-5	-26	-20
EBIT	**-42**	-31	-74	-140	-173
Cash flow to equity [1)]	**-61**	-62	-55	-252	-153

1) See Alternative Performance Measures appendix for definition

Revenues in the corporate segment are earned through corporate services rendered to the Groups subsidiaries, and the increase for the fourth quarter 2021 compared with the same period last year is mainly driven by higher activities in the group.

Operating expenses in the fourth quarter was impacted by non-recurring expenses of about NOK 4 million. Operating expenses decreased by NOK 27 million compared to the same quarter last year. The decrease is mainly related to transaction costs in Q4 2020 related to the acquisition of SN Power. For the full year 2021 the development in revenues and operations expenses are explained by the above.

Short term guidance

Power Production

From the fourth quarter 2021 and onwards we will provide a forecast on proportionate full-year EBITDA in NOK million for the current year, in addition to guidance on power production in GWh for the upcoming quarter and the current year. The estimates for the first quarter and full year 2022 is based on production from 3,355 GW of assets in operation at the end of 2021.

GWh	Q4 2021	Q1 2022E	2022E
Proportionate	**1,047**	850-950	3,900-4,300
100% basis	**2,588**	2,100-2,300	9,600-10,400

NOK million	2021	2022E
Proportionate EBITDA	2,949	2,700 - 3,000

EBITDA guidance is based on currency rates as of year end 2021.

In the Philippines production is expected to be 25% lower than the 5-year average for the first quarter of 2022 due to weak hydrology, in contrast to the first quarter of 2021 when production was 25% higher than the 5-year average due to strong hydrology.

Development & Construction

D&C revenues and margins are dependent on progress on development and construction projects. At the end of the fourth quarter the remaining not booked construction contract value was approximately NOK 445 million related to the Sukkur project in Pakistan. The D&C activity level and revenues for the first quarter 2022 are expected to be broadly in line with the previous quarter. More details on projects under construction and in backlog can be found on page 14 in the report.

Service & Corporate

2022 EBITDA for Services is expected to be slightly above 2021. 2022 EBITDA for Corporate is expected to be slightly below 2021.

ESG performance

This section covers ESG highlights, results and performance from the quarter and the full year. More detailed information will be available in the Company's annual ESG Performance Report upon publication on 25 March 2022.

EU Taxonomy update

All Scatec's revenues, operating expenses and investments are derived from EU Taxonomy eligible activities. In 2021, third-party assessments were carried out to evaluate the Company's alignment to the EU Taxonomy. The solar PV projects were considered EU Taxonomy aligned through an external assessment early in 2021. The hydropower and wind assets were assessed during the third and fourth quarter against the criteria for lifecycle greenhouse gas (GHG) emissions and the Do No Significant Harm (DNSH) principle.

The assessment of the lifecycle GHG emissions for the operating hydropower assets confirmed that emissions are significantly below the threshold set out in the EU Taxonomy (100gCO2/kWh). The assessment of the DNSH principle as per the Annex 1 Technical screening criteria confirmed that the assets are aligned with the EU Taxonomy DNSH criteria, but lack a detailed site-specific climate risk assessment. Such assessments are currently being implemented in order for the assets to be EU Taxonomy aligned by year end 2022.

The third-party verification statement summarising key findings from the assessments will be published on the corporate website during the first quarter 2022.

Human rights training

Scatec rolled-out a standardised human rights training to all security personnel at its project locations globally during the quarter. The training was developed in collaboration with a third party and is in line with the Voluntary Principles on Security and Human Rights, International Bill of Human Rights, UN Guiding Principles and OECD Guidance for Responsible Business. The training was conducted at 90% of all operational project sites. Remaining locations will be covered during the first quarter 2022.

The Norwegian Transparency Act

On 1 July 2022, the Norwegian Transparency Act will enter into force in Norway. The purpose of the Act is to ensure that larger companies comply with fundamental human rights and decent working conditions in their supply chain. The Act requires Companies to carry out due diligence on human rights activities and make the information publicly available.

Scatec is currently assessing its existing human rights due diligence process against the Transparency Act to ensure full compliance. The Company plans to publish detailed information on its due diligence activities in line with the Transparency Act during the second quarter 2022.

Bi-annual ESG reporting

	Indicator [1]	Unit	2021	2020	2021 targets
E	E&S impact assessments	% completed in new projects	**100**	100	100
	GHG emissions avoided	mill tonnes	**4.8**	1.6	4.4
	Water consumption	mill litres (water-stressed areas)	**11** [2]	5.9	N/A
S	Lost Time Incident Frequency [3]	per mill hours	**1.9**	0.6	0.6
	Hours worked [3]	mill hours (12 months rolling)	**2.5**	3.7	N/A
	Female managers	% of females in mgmt. Positions	**27**	33	35
G	Number of grievances	total received in all projects	**28**	79	N/A
	Grievances resolved [4]	% of grievances resolved	**75**	82	100
	Anti-corruption training	% completed - all employees	**82**	100	100

1) See ESG Performance Indicators under other definitions on page 46 for a definition of each indicator in the table.
2) As per the Aqueduct Water Risk Atlas, Scatec reports on water usage by source in South Africa and Jordan. The 2021 figure includes full operation of three new power plants grid connected in South Africa during 2020.
3) Data reported includes all solar power projects.
4) Grievances resolved are defined as assigned, addressed and closed out by the Company.

Scatec reports on the Company's results and performance across material ESG topics on a bi-annual basis.

During 2021, Scatec conducted Environmental and Social Impact Assessments (ESIAs) and due diligence or baseline studies in close dialogue with project and financing partners for all new projects under development with a certain level of maturity. This includes projects located in Brazil, Malaysia, Tunisia, India, Cameroon, Madagascar and the Philippines. All projects are Category B projects according to the IFC Performance Standards, with potential limited adverse social or environmental impact.

The GHG emissions avoided from Scatec's power plants in operation reached 4.8 mill tonnes (1.6 mill) by the end of 2021. The increase from 2020 mainly comes from the addition of six hydropower plants in Laos, the Philippines and Uganda.

Scatec reports on water extraction by source and volume for projects located in water-stressed areas. South Africa and Jordan are defined as areas of medium or high-water risk by the World Resources Institute's "Aqueduct Water Risk Atlas". The water usage in South Africa and Jordan reached 11 mill litres (5.9 mill) in 2021. The water usage for 2021 includes full operation of three new power plants grid connected in South Africa during 2020.

The Company delivered more than 2.5 mill working hours (3.7 mill) with no fatalities or serious injuries during 2021. The lost time incident frequency rate (LTIF) was 1.9 (0.6) per million working hours. The figure is based on five incidents which resulted in lost time. All the lost time incidents were investigated, and preventive actions have been implemented and communicated. Scatec had ambitious targets for 2021 and even though all targets were not met, the Company takes pride in good performance across its remaining HSSE targets.

The percentage of female employees in management positions globally was 27% (33%) at the end 2021. Scatec set an ambitious target to increase this number to 35%. Several key initiatives were implemented during the year across hiring processes, performance and reward programmes, and learning and development initiatives. This target remains critical for Scatec and initiatives to achieve the target will continue to be a focus in 2022.

The total number of grievances received from projects in operation and under site construction amounted to 28 (79). Of the total grievances registered, 75% (82%) were resolved as of 31 December 2021. The unresolved grievances relate to a flooding incident earlier this year at the Company's Agua Fria project site in Honduras. The Company received grievances relating to the incident last quarter, which were resolved. The unresolved grievances from this quarter are additional grievances related to the same incident, which are all being addressed with the affected households. Scatec is working to establish long term solutions with all relevant stakeholders to prevent the flooding issue in future.

Scatec provides mandatory anti-corruption and code of conduct training to all employees. At the end of 2021, 82% (100%) of all employees had completed the training. The Company continues to raise awareness of its commitment to a zero-tolerance policy for corruption.

Overdue receivables

Reference is made to Scatec's quarterly reports in 2020 and the third quarter report of 2021 regarding information on delayed payments in Honduras and Ukraine.

Scatec has in previous periods experienced increased delays in payments from the state-owned off-taker of power in Ukraine and increased overdue payments. In the fourth quarter 2021, the off-taker secured new financing and paid a significant amount of the debt and the overdue receivables decreased with NOK 102 million. Scatec expects that the remaining outstanding amount of NOK 63 million will be paid in full and no bad debt allowance has hence been recognised in the fourth quarter 2021.

Scatec has also experienced increased delays in payments from the state-owned off-takers of power in Honduras. Overdue payments have accumulated in Honduras to a varying degree since the second quarter 2020. At the end of the fourth quarter 2021, the accumulated overdue receivables from Honduras amounted to NOK 79 million compared to NOK 73 million in the third quarter report of 2021. Payments are secured by sovereign guarantees and Scatec's experience is that delayed payments in Honduras are being paid in full. Scatec therefore expects the outstanding amounts to be paid in full and no bad debt allowance has hence been recognised in the fourth quarter.

Covenants

Due to the previously announced tariff reductions by the authorities in Ukraine, the project level debt for Scatec's solar power plants has been, or are in the process of being, restructured.

For the Boguslav, Rengy and Kamianka projects, Scatec has completed the restructuring and is compliant with all covenants on 31 December 2021. For the Chigrin project, Scatec is not in compliance with all financial covenants on 31 December 2021 but has an in-principal agreement with the lenders of key terms for a restructuring that is expected to be finalized within the first half of 2022. The project level debt amount of NOK 275 million for the Chigrin project has therefore been classified as current liabilities in the statement of financial position on 31 December 2021.

In all other countries, Scatec was in compliance with financial covenants for both the recourse and non-recourse debt on 31 December 221.

Geopolitical risk in Ukraine

The geopolitical situation in Ukraine has worsened during the fourth quarter 2021. Scatec is closely monitoring the situation and preparing for several scenarios with dedicated teams with the primary focus to safeguard our personnel.

COVID-19

Scatec has not experienced any material effects related to COVID-19 on its operations of power plants in the fourth quarter 2021. In December 2021 Scatec had an Omicron outbreak at the headquarters in Oslo following a Christmas party despite taking rigorous pre-cautions and attending to all prevailing rules and regulations. The outbreak had minimal impact on Scatec's operations.

The COVID-19 situation is however influencing the markets where Scatec develops projects and has been causing delays in government approvals for some of the development projects. It has further led to cost inflation and supply chain disruptions which is expected to be resolved in the medium term.

Dividends

Scatec received distributions from operating power plant companies of NOK 1,603 million in 2021. In line with the dividend policy, the Board of Directors have resolved to propose to the Annual General Meeting that a dividend of NOK 2.54 per share, totaling NOK 401 million, to be paid in 2022.

Acquisition of SN Power

In January 2021, Scatec ASA completed the acquisition of 100% of the shares of SN Power AS, a leading hydropower developer and Independent Power Producer (IPP), from Norfund. See note 8 - Business combination for further information about the acquisition and the fair value of the identifiable assets and liabilities of SN Power and the Purchase Price Allocation.

Market outlook

Global new installation of renewable energy capacity reached 315 GW in 2021 according to Bloomberg New Energy Finance (BNEF).

Although global cost inflation is impacting the renewables industry the cost impact on other energy sources is even stronger. Consequently, the relative competitiveness of the fuel independent electricity form solar, wind and hydropower has strengthened over the last few quarters.

Bloomberg New Energy Finance (BNEF) expects global solar new build to accelerate and see new installations of around 228 GW in 2022, up from an estimated 183 GW in 2021. For wind, new installations reached an estimated 93 GW in 2021 and is expected to grow by 9% each year up to 2030, cumulative capacity surpassing 1,000 GW already in 2023. The global energy storage market grows at unprecedented rates, with an estimated 11 GW of new capacity installed in 2021 and 345 GW to be added up to 2030.

Global hydropower new build reached an estimated 28 GW in 2021, according to the International Energy Agency (IEA). In a recent report, IEA highlights that around half of the economically viable potential of hydropower globally is yet untapped. The potential is particularly high in emerging and developing economies. To reach IEA's net-zero emission by 2050, significant investments are required to build an estimated additional 477 GW of hydropower capacity globally by 2030.

Long term, BNEF expects all renewables to see massive growth and to supply 85% of energy in 2050 in a green scenario[1]. In its latest New Energy Outlook 2021 report, BNEF highlights that the following milestones would need to be achieved every year on average through 2030 to be on track to reach net zero by 2050:

- New wind power of 505 GW
- Solar PV of 455 GW
- Batteries of 245 GW

Green hydrogen and green ammonia are set to play a major role in decarbonisation of hard-to-abate sectors globally in the coming years, driven by volatile gas prices, cheap renewables, ambitious net zero targets and an increasing number of national hydrogen strategies being adopted. IRENA's 1.5°C scenario envisages that clean hydrogen could meet up to 12% of final energy consumption by 2050.

Scatec mid-term growth target[2]

In March 2021, Scatec announced a new target to reach 15 GW by the end of 2025 and a NOK 100 billion investment plan to fund the growth target. The business plan is supported by Scatec's track record of strong growth and the solid project pipeline across solar, wind, hydro and storage in high-growth markets globally.

The 15 GW target implies 12 GW of new capacity, with NOK 15-20 billion of a total NOK 100 billion in investments to be funded by Scatec equity. Solid long term cash flows from operating power plants and margins from development and construction of new plants are expected to fund the bulk of Scatec's equity investments.

1) Green Scenario is a clean-electricity and green-hydrogen net-zero pathway. Here, hydrogen produced from water using electrolyzers powered by wind and solar is applied in sectors such as industry and heavy transport, as well as in power generation to complement electrification.
2) Please see section "Overview of project portfolio" for details over Scatec's backlog and pipeline

Consolidated statement of profit and loss

Profit and loss

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Revenues	**762**	846	688	3,038	2,771
Net income/(loss) from JVs and associated	**276**	212	-8	765	-16
EBITDA	**775**	827	448	2,903	2,069
Operating profit (EBIT)	**539**	557	244	2,012	1,292
Net financial items	**-301**	-328	-825	-1,253	-1,530
Profit before income tax	**238**	230	-581	759	-238
Profit/(loss) for the period	**136**	169	-561	456	-368
Profit/(loss) to Scatec	**146**	131	-558	388	-478
Profit/(loss) to non-controlling interests	**-11**	38	-3	68	110

Revenues

Revenue from power sales was NOK 762 million (688) in the fourth quarter, an increase of 11% compared to the same quarter last year. The increase in revenues is explained by the commercial operation of new solar parks at Kamianka, Chigrin and Progressovka in Ukraine, and the acquisition of the Dam Nai Wind power plant in Vietnam.

Net income from joint venture investments and associated companies was NOK 276 million (-8) in the fourth quarter, an increase of 285 million compared to the same quarter last year. The increase is explained by net income from joint venture investments and associated companies that were part of the SN Power acquisition (operating power plants in the Philippines, Laos, and Uganda), and commercial operation of the new solar park Cordillera in Argentina. See note 9 for further description and break-down per country.

For the full year the production revenues increased to NOK 3,038 million (2,771) while net profit from the equity consolidated investments increased to NOK 765 million (-16). The increase is mainly explained by increased asset base in operation.

Operating profit

Following the enlarged portfolio from the acquisition of SN Power, the EBITDA was NOK 775 million (448), an increase of 73% compared to the same quarter last year.

Consolidated operating expenses amounted to NOK 264 million (232) in the fourth quarter. This consists of approximately NOK 171 million (112) for operation of existing power plants, NOK 36 million (35) for early-stage development of new projects, NOK 18 million (10) related to construction and NOK 34 million (75) of corporate expenses. The growth in operating expenses is explained by the increased asset base in operation and lower corporate expenses.

Depreciation, amortisation and impairment amounted to NOK 236 million (204) in the fourth quarter, mainly related to solar and wind parks in operation. In the fourth quarter the company recognised an impairment of NOK 20 million (0) related to development projects.

For the full year the EBITDA increased to NOK 2,903 million (2,069) and the operating expenses increased to NOK 900 million (685). The increase in EBITDA is explained by increase in net income from joint venture investments. The growth in operating expenses is mainly driven by increased asset base in operation.

Net financial items

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Financial income	**15**	8	18	47	57
Financial expenses	**-353**	-343	-363	-1,368	-1,189
Foreign exchange gains/(loss)	**37**	6	-480	69	-398
Net financial items	**-301**	-328	-825	-1,253	-1,530

Financial expenses in the fourth quarter mainly consisted of interest expenses of NOK 332 million (341), primarily interest on non-recourse financing of NOK 272 million (330), and corporate funding of NOK 60 million (11). See note 4 and 5 for further information on financing.

The quarter's net foreign currency gain/(loss) was NOK 37 million (-480) in the fourth quarter. The change of NOK 517 million is primarily explained by change of functional currency in Scatec ASA from NOK to USD from 1 January 2021, which reduced the currency exposure of Scatec ASA's shareholder loans to project companies provided in the respective projects' currencies.

Profit before tax and net profit

The Group recognised a tax expense of NOK 102 million (-19) in the fourth quarter, corresponding to an effective tax rate of 43% (3%). For the full year, the group had a tax expense of NOK 303 million, corresponding to an effective tax rate of 40% (-55%). The difference between the Group's actual tax expense and a calculated tax expense based on the Norwegian tax rate of 22% is explained by different tax rates in the jurisdictions in which the companies operate, withholding taxes paid on dividends, revised assessment of deferred tax assets and currency effects. Further, the profit/loss from JVs and associates are reported net after tax which also impacts the effective tax rate. For further details, refer to note 6.

Net profit for the fourth quarter was NOK 136 million (-561) while profit to Scatec was NOK 146 million (-588). Net profit for the year was NOK 456 million (-368) while profit to Scatec was NOK 388 million (-478). Non-controlling interests (NCI) represent financial investors in the power plants. The allocation of profits between NCI and Scatec is impacted by the fact that NCI only represent shareholdings in the power plants that are fully consolidated and not includes net income from JVs and associates.

Impact of foreign currency movements in the quarter

On a net basis in the quarter the foreign currency movements affected consolidated revenues negatively by NOK 19 million, while the net profit was affected negatively by NOK 4 million.

Following the movements in currencies in the fourth quarter, the Group has recognised a foreign currency translation gain (loss) of NOK 71 million (-176) in other comprehensive income related to the conversion of the subsidiaries' statements of financial position from the respective functional currencies to the Group's presentation currency.

Consolidated statement of financial position

Assets

NOK million	31 December 2021	31 December 2020
Property, plant and equipment	16,361	16,086
Investments in JVs and associated companies	9,745	612
Other non-current assets	1,279	891
Total non-current assets	27,385	17,590
Other current assets	1,474	1,286
Cash and cash equivalents	4,171	7,788
Total current assets	5,645	9,074
Total assets	33,030	26,663

The 55 % net increase of non-current assets year-to-date is mainly driven by the acquisition of SN Power and increased investments in joint ventures and associated companies. See note 9 for an overview of investments in joint ventures and associated companies and split per country.

Other current assets increased by 20% compared with 31 December 2020, mainly driven by the SN Power acquisition, working capital changes and an increase in outstanding receivables in Honduras[1].

The cash balance has decreased by NOK 3,617 million since 31 December 2020, primarily following the acquisition of SN Power. In addition to the cash balance as of year-end at NOK 4,171 million, the Group had NOK 1,632 million in available undrawn credit facilities. See note 5 for a detailed breakdown of cash balances as well as an overview of movement of cash at the Recourse Group level.

In the consolidated statement of financial position, the power plant assets are valued at the Group's cost, reflecting elimination of gross margins generated through the project development and construction phase. At the same time, the ring-fenced non-recourse debt held in power plant assets is consolidated at full value. Scatec has not hedged the currency exposure on the expected cash distributions from the power plant companies.

Equity and liabilities

NOK million	31 December 2021	31 December 2020
Equity	9,919	9,467
Non-current non-recourse project financing	10,708	11,350
Corporate financing	7,264	-
Other non-current liabilities	2,224	2,351
Total non-current liabilities	20,197	13,701
Corporate financing	-	748
Current non-recourse project financing	1,147	913
Other current liabilities	1,766	1,834
Total current liabilities	2,913	3,495
Total liabilities	23,110	17,196
Total equity and liabilities	33,030	26,663
Book equity ratio	30%	36%

Total equity increased by NOK 452 million compared with 31 December 2020, driven by the profit and other comprehensive income in the period. The decreased book equity ratio is explained by the increase in total equity and liabilities following the acquisition of SN Power.

The NOK 6,516 million increase in corporate financing compared with 31 December 2020 mainly relates to financing of the acquisition of SN Power which, at closing date of the acquisition, comprised of a USD 400 million bridge to bond facility, a USD 150 million Green Term Loan and a USD 200 million Vendor Financing. In the first quarter 2021, Scatec successfully completed a EUR 250 million senior unsecured green bond issue with

1) Refer to section on overdue receivables on page 8 for further details

maturity in August 2025, which was listed on the Oslo Stock Exchange on 23 June 2021. Proceeds from the bond issue were used for repayment of USD 207 million of the bridge to bond facility, redemption of the NOK 750 million senior unsecured green bond issued in 2017, and other eligible activities as set out in Scatec's Green Financing Framework. See note 5 for further details.

Consolidated cash flow

Net cash flow from consolidated operating activities amounted to NOK 602 million (74) in the fourth quarter of 2021, compared to the EBITDA of NOK 775 million (448). The difference is primarily explained by increased net income from JVs and associated companies and changes in other assets and liabilities.

Net cash flow from consolidated investing activities was NOK -42 million (-229), driven by net investments in, and distributions from JVs, partly offset by investments in property, plant and equipment.

Net cash flow from financing activities was NOK -719 million (3 922). The change from last year is mainly due to the share capital increase in Q4 last year, partly offset by increases in payments of interest and loan repayments.

See also note 5 for a detailed cash overview.

Proportionate cash flow to equity

Scatec's "proportionate share of cash flow to equity" [1], is an alternative performance measure that seeks to estimate the Group's ability to generate funds for equity investments in new power plant projects and/or for shareholder dividends over time.

NOK million	Q4 2021	Q3 2021	Q4 2020	FY 2021	FY 2020
Power Production	**330**	377	53	1,640	427
Services	**9**	18	8	60	65
Development & Construction	**-46**	-30	-27	-164	-15
Corporate	**-61**	-62	-55	-252	-153
Total	**234**	302	-22	1,284	324

The cash flow to equity in the Power Production segment increased compared to the same quarter last year, primarily explained by new power plants included following the acquisition of SN Power. Cash flow to equity in 2021 includes NOK 397 million from debt refinancing of assets in the Philippines. The refinancing is part of a long-term financing strategy for the Philippines to secure an attractive average leverage and was successfully concluded in the local banking market at favorable terms.

The cash flow to equity in Services is stable compared to the same quarter last year.

The cash flow to equity in the D&C segment is impacted by low construction activity and currently limited revenues.

The cash flow to equity for the Corporate segment primarily relates to operating expenses and interest expenses on corporate funding.

The power plant companies have distributed a total of NOK 346 million in the fourth quarter of 2021 and NOK 1,603 million (net of withholding taxes) in 2021 to Scatec ASA.

Risk and forward-looking statements

Scatec has extensive policies and procedures in place as part of its operating system to actively manage risks related to the various parts of the Company's operations. Key policies are reviewed and approved by the Board of Directors annually. The regular follow up of these policies is carried out by Scatec's Management Team, Finance, Legal and other relevant functions. For further information refer to the 2020 Annual Report (the Board of Directors' report and note 5).

Forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. Although Scatec believes that these assumptions were reasonable when made, the Group cannot assure that the future results, level of activity or performances will meet these expectations.

1) See Alternative Performance Measures appendix for definition

Overview of project portfolio[1)]

NOK million	Q4 2021 Capacity (MW)	Q3 2021 Capacity (MW)
In operation	3,355	3,355
Under construction	195	159
Project backlog[2)]	1,818	1,915
Project pipeline[2)]	14,775	13,930
Total	20,144	19,359

Total annual production from the 5,368 MW in operation, under construction and in backlog is expected to reach about 14,100 GWh (on 100% basis).

Projects under construction and backlog[1)]

Project backlog is defined as projects with a secure off-take agreement and assessed to have more than 90% likelihood of reaching financial close. When financial close is obtained the project moves into construction generally with Scatec as the turn-key Engineering, Procurement & Construction (EPC) provider. During construction Scatec is compensated for early-stage development expenditures and construction services through a Development & Construction (D&C) margin. The D&C margin is used as a funding source for Scatec's equity investment in the project company.

The table below shows the projects under construction and in backlog with details on capital expenditure and annual production. For extensive information about the projects under construction and in backlog, refer to our website www.scatec.com/asset-portfolio-overview/.

Location	Capacity (MW)	Currency	CAPEX (100%, million)	Annual production (100%, GWh)	Debt leverage	Scatec economic interest
Under construction						
Sukkur, Pakistan	150	USD	100	300	75%	75%
Release [3)4)]	45	USD	50	N/A	N/A	100%
Total under construction	195	NOK [5)]	1,323	300	75%	61%
Backlog						
South Africa, RMIPPP (solar + storage)[4)]	540	ZAR	16,000	900	80%	51%
Brazil	530	USD	375	1,180	60%	33%
Tunisia [6)]	360	EUR	240	900	70%	55%
South Africa, REIPPPP Round 5	273	ZAR	3,300	700	80%	51%
Bangladesh [6)]	62	USD	68	85	70%	65%
Mali [6)]	33	EUR	50	60	75%	64%
Lesotho	20	ZAR	430	55	70%	48%
Total backlog	1,818	NOK [5)]	17,713	3,880	74%	47%
Total	2,013	NOK [5)]	19,036	4,180	74%	49%

1) Status per reporting date
2) See Other definitions
3) Includes all lease contract through Release by Scatec, hence other project data N/A
4) Note that capex figures include battery energy storage systems
5) All exchange rates to NOK are as of 31 December 2021
6) Expected economic interest at financial close for projects in backlog

Under construction

Project	Capacity (MW)
Sukkur, Pakistan	150
Release	45
Total	**195**

The ongoing land demarcation process related to the 150 MW Sukkur project in Pakistan is delayed. Construction start on site is therefore expected later in 2022.

During the fourth quarter 2021, Release by Scatec started delivery under several new contracts. The largest contract is for 36 MW of solar and 20 MWh of battery storage capacity to be delivered to ENEO, the main utility of Cameroon.

Backlog

The COVID-19 situation is impacting the markets where Scatec develops projects.

Backlog changes in the fourth quarter 2021:

- 530 MW Mendubim project in Brazil included
- 273 MW REIPPPP Round 5, South Africa included
- 900 MW Acme, India moved to pipeline

Scatec and Acme have decided to put the 900 MW project in India on hold due to lack of supply of domestic solar panels and a 40 percent import duty on solar panels to be imposed from 1 April 2022. Due to the above, the project has been moved from backlog to pipeline.

Construction start of the backlog projects relies on final governmental approval processes, completion of the project finance processes and component market development. Based on the current status of these processes it is expected that construction start for all backlog projects will be in 2022.

Mendubim, Brazil 530 MW solar

In Brazil, development of the 530 MW Mendubim solar project in partnership with Equinor and Hydro is moving forward. During the fourth quarter 2021 the partners signed commitment letters outlining commercial terms for 20-year PPAs. The partners are further in the final stage of concluding the remaining commercial agreements for the project.

REIPPPP Round 5, South Africa, 273 MW solar

In October 2021, Scatec was awarded preferred bidder status on three solar projects totalling 273 MW by the Department of Mineral Resources and Energy in South Africa under the Renewable Energy Independent Power Producers Procurement Programme (REIPPPP).

The power will be sold under 20-year PPAs. Scatec will own 51% of the equity in the projects with H1 Holdings, our local Black Economic Empowerment partner owning 46,5% and a Community Trust holding 2.5%. Scatec will be the Engineering, Procurement and Construction (EPC) provider and provide Operation & Maintenance as well as Asset Management services to the power plants.

RMIPPP, South Africa, 540 MW solar with 225 MW/1,140 MWh battery storage

In June 2021, Scatec was awarded preferred bidder status on three projects totaling 150 MW (3 x 50 MW) of Contracted Capacity by the Department of Mineral Resources and Energy in South Africa under the technology agnostic Risk Mitigation Power Procurement Programme. The three projects, with a total of 540 MW solar and 225 MW/1,140 MWh battery storage were the only projects with preferred bidder status exclusively making use of renewable energy technology, making them one of the largest single-site solar + storage hybrids in the world. The projects have a total estimated capex of about USD 1 billion (ZAR 16 billion).

The power will be sold under a 20-year PPA with a paid capacity charge. The project will be funded by project finance debt from a consortium of commercial banks and Development Finance Institutions with expected debt leverage of 80%. Scatec will own 51% of the equity, and H1 Holdings, Scatec's local Black Economic Empowerment partner will hold the remaining 49%.

Tunisia portfolio, 360 MW solar

In December 2019, Scatec was awarded three solar projects in Tunisia totalling 360 MW. The three projects will hold 20-year PPAs with Société Tunisienne de l'Electricité et du Gaz (STEG).

Scatec will be the lead equity investor in the projects and provide EPC-, Operation & Maintenance- and Asset Management services to the project company.

Other backlog

In addition to the above projects, Scatec's backlog also includes Bangladesh (62 MW solar), Mali (33 MW solar) and Lesotho (20 MW solar). Additional information is available on www.scatec.com.

Pipeline

Location	Q4 2021 Capacity (MW)	Q3 2021 Capacity (MW)
Latin America	2,147	2,317
Africa and the Middle East	5,389	5,678
Europe & Central/South Asia	1,690	640
Southeast Asia	5,549	5,295
Total pipeline	**14,775**	13,930

In addition to the projects in backlog Scatec holds a solid pipeline of projects totalling 14,775 MW across technologies. The net increase of the pipeline was 749 MW in the fourth quarter adjusted for inclusion of the Acme project in India and transfer of the Mendubim project in Brazil and the REIPPPP project in South Africa to backlog.

Solution	Q4 2021 Capacity (MW)	Q3 2021 Capacity (MW)
Solar	6,644	6,799
Wind	4,910	3,910
Hydro	2,305	2,305
Hybrid solutions	616	616
Release	300	300
Total	**14,775**	13,930

Historically, about 50% of projects in pipeline have been realised. The pipeline projects are in different stages of development and maturity, but they are all typically in markets with an established government framework for renewables and where project finance is available (from commercial banks or multilateral development banks). The project sites and concessions have been secured and negotiations related power sales and other project implementation agreements are in various stages of completion.

Scatec has strong focus on six core markets, South Africa, Egypt, Brazil, India, Philippines and Vietnam, with strong demand and growth opportunities and where the company can build on its market presence. Approximately 70% of the project backlog and pipeline is held in these markets.

Latin America (2,147 MW)

Scatec's development efforts for solar and wind in Latin America is mainly focused on Brazil, where Scatec has been partnering with Equinor over the last few years. Selected opportunities are also being pursued in other markets. Scatec has secured rights to a number of projects in Brazil and is seeking to secure power purchase agreements through upcoming tenders and negotiations with corporate off-takers.

A screening of hydropower opportunities is being performed across the continent. Interesting hydropower prospects in Ecuador associated with an announced privatisation programme are being evaluated.

Africa and the Middle East (5,389 MW)

In October 2021, Scatec signed an agreement with Fertiglobe and the Sovereign Fund of Egypt to develop a 100 MW green hydrogen project related to the fertiliser plant in Ain Sokhna in Egypt. Plug Power Inc has been chosen as the electrolyser technology provider by the consortium.

Scatec is in negotiations with the authorities of Egypt to develop, build and operate facilities for desalination of water, powered by renewable energy. Scatec has partnered with Orascom Construction and Metito, having significant experience in this field, for these projects. The facilities being discussed would require significant renewable energy and currently 400 MW is included in the pipeline figures.

In South Africa, Scatec holds solar and wind sites representing more than 3.0 GW ready to be bid, and Scatec is in the process of securing additional projects for upcoming tender rounds. In line with the new integrated Resource Plan, two new tender rounds under the Renewable Energy Independent Power Producers Procurement Programme for various renewable technologies are expected in 2022.

Scatec, together with local partners, have been awarded two solar projects, in total 630 MW in a tender in Iraq. The Implementation Contracts for the projects were signed in the third quarter of 2021 and the next step is to finalise negotiation of PPAs to ensure bankability of the projects.

Hydropower project development in Africa is undertaken in the 51/49 joint venture between Scatec and Norfund. Efforts are concentrated on the Ruzizi project in Rwanda/ DRC which has been upgraded from 153 MW to 206 MW, the 120 MW Volobe project in Madagascar and the 350 MW Mpatamanga project in Malawi. During the fourth quarter 2022 Scatec together with its consortium partner, Electricite de France, has received confirmation of being shortlisted for the Mpatamanga project.

Through its Release concept, Scatec has increased its efforts in securing agreements with private companies, smaller state-owned utilities and Non-Governmental Organisations, like the UN. These are typically smaller projects in the range of 5 to 20 MW and Scatec is currently actively working on a portfolio of about 300 MW of such projects on the African continent.

Europe and Central/South Asia (1,690 MW)

Scatec is currently mainly pursuing solar project opportunities in India and Poland in this region.

India is expected to be one of the countries with highest renewable energy growth globally. Expected investment returns have improved over the last couple of years and India is therefore becoming a more attractive renewables market. Scatec is working on several large solar and wind project opportunities in the country.

The Company is also pursuing hydropower opportunities in the northern Himalaya regions of India and Nepal

Poland has ambitious targets for renewable energy. The energy market is deregulated, and renewable energy projects are incentivised through auctions awarding contracts for difference and it is also possible to sell energy under PPAs to industrial companies. Scatec is working on a portfolio of renewable energy projects in the country.

Southeast Asia (5,549 MW)

Malaysia, Vietnam and the Philippines are the markets Scatec currently focus on in Southeast Asia.

In Malaysia it is expected that the new government will maintain the same level of ambition for the renewable energy sector as before and that there will be opportunities within solar through both tenders and bilateral negotiations.

Scatec is developing a range of projects in Vietnam, both solar and wind. These are projects that fit well with the stated objectives of the authorities in terms of the future implementation of renewable energy in the country.

In the Philippines, two major laws have incentivised growth in renewables and the country now aims for 15.3 GW of renewables capacity by 2030. A feed-in tariff has spurred over 1 GW of renewable energy installations, and it is expected that implementation of Renewable Portfolio Standards will be fast-tracked. Scatec is working on developing project opportunities across various renewable technologies in the country.

Based on the company's established positions in Vietnam and the Philippines, Scatec has initiated development of offshore wind projects in these two countries. Both countries hold attractive conditions for such projects. In the Philippines, Scatec has secured 1,750 MW of exclusive development rights through Wind Energy Service Contracts for four projects. In Vietnam, Scatec has with a local development partner secured the initial award of development rights from the Provincial Authorities for a total of 2 GW, of which 1 GW is currently in the pipeline. Final confirmation of these rights will come after the new Power Development Plan 8 has been approved.

In the Philippines, Scatec is also developing a 20 MW battery energy storage system (BESS) for the Magat dam, together with its Joint Venture partner Aboitiz, primarily to be used for ancillary services. Investment decision for the project is expected within first half of 2022. Additional hybrid solutions including BESS installations and floating solar on the reservoirs of its hydropower assets are also being pursued. The partnership with Aboitiz is being used as a vehicle to expand the scope of project development to take further advantage of the growth across renewables in the Philippines.

Proportionate financials
Break down of Power Production segment
Key financials

Q4 2021

NOK million	Philippines	South Africa [2]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Argentina	Other[3]	Total
Revenues	497	151	78	84	63	70	52	15	25	17	27	32	31	11	1,154
Cost of sales	-186	-	-	-	-	-	-	-	-	-	-	-	-	-	-186
Net revenues [1]	310	151	78	84	63	70	52	15	25	17	27	32	32	11	968
OPEX	-57	-30	-6	-16	-9	-10	-21	-4	-5	-3	-4	-6	-6	-28	-205
EBITDA	254	121	72	68	53	60	31	12	21	13	22	27	25	-18	763
EBITDA margin	51%	80%	92%	81%	84%	85%	60%	83%	82%	79%	81%	83%	80%	-169%	66%
Cash flow to equity	166	30	49	7	19	26	4	-	12	-	9	16	12	-20	330
Scatec economic interest [4]	50%	45%	28%	100%	51%	20%	89%	100%	51%	62%	44%	100%	50%		
Net production (GWh)	236	142	110	82	102	153	51	3	20	11	35	42	45	14	1,047

1) In addition to ancillary services and spot market sales, the reported revenues and cost of sales from the Philippines reflect the power market settlement mechanism for bilateral contracts – implying that both the sale and a buy transaction related to the gross contract business is included and not eliminated
2) Includes Kalkbult, Linde, Dreunberg and Upington projects
3) Includes Rwanda, Mozambique, Release and other asset ownership expenses in the Power Production segment
4) The project companies in Philippines, Uganda, Laos, Brazil and Argentina are equity consolidated in the in the group's financial statements

Q4 2020 [1]

NOK million	Philippines	South Africa [2]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Argentina	Other[3]	Total
Revenues	-	152	-	79	71	-	12	11	23	18	18	-	-	18	402
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OPEX	-	-22	-	-11	-15	-	-4	-3	-5	3	-5	-	-	-19	-81
EBITDA	-	130	-	68	57	-	8	8	18	20	13	-	-	-1	320
EBITDA margin	-	86%	-	86%	79%	-	66%	72%	76%	114%	74%	-	-	-8%	80%
Cash flow to equity	-	38	-	2	21	-	-13	-3	8	6	3	-	-	-9	53
Scatec economic interest [4]	-	45%	-	100%	51%	-	91%	100%	51%	62%	44%	-	-		
Net production (GWh)	-	142	-	75	105	-	12	2	17	12	32	-	-	10	407

1) Argentina started operation in July 2021 and the acquisition of SN Power took place in January 2021, hence zero values for Argentina, Philippines, Uganda, Laos and Vietnam in 2020.
2) Includes Kalkbult, Linde, Dreunberg and Upington projects
3) Includes Rwanda, Mozambique and Release, and other asset ownership expenses in the Power Production segment
4) The project companies in Brazil are equity consolidated in the in the group's financial statements

FY 2021

NOK million	Philippines	South Africa [2)]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Argentina	Other[3)]	Total
Revenues	1,597	514	312	348	303	296	248	122	102	89	79	70	31	65	4,176
Cost of sales	-556	-	-	-	-	-	-	-	-	-	-	-	-	-	-556
Net revenues [1)]	1,040	514	312	348	303	296	248	122	102	89	79	70	31	65	3,621
OPEX	-166	-98	-20	-54	-43	-34	-58	-12	-18	-11	-16	-19	-6	-116	-671
EBITDA	874	416	292	294	260	262	190	110	85	77	63	52	25	-52	2,949
EBITDA margin	55%	81%	94%	84%	86%	88%	77%	91%	83%	87%	79%	74%	80%	-80%	71%
Cash flow to equity [4)]	909	98	173	54	112	120	70	50	51	23	18	15	12	-65	1,640
Scatec economic interest [5)]	50%	45%	28%	100%	51%	20%	89%	100%	51%	62%	44%	100%	50%		
Net production (GWh)	729	456	440	343	492	652	204	22	82	63	130	94	73	42	3,823

1) In addition to ancillary services and spot market sales, the reported revenues and cost of sales from the Philippines reflect the power market settlement mechanism for bilateral contracts – implying that both the sale and a buy transaction related to the gross contract business is included and not eliminated.
2) Includes Kalkbult, Linde, Dreunberg and Upington projects
3) Includes Rwanda, Mozambique, Release and other asset ownership expenses in the Power Production segment
4) The amount in Philippines includes NOK 397 million from a refinancing of the projects
5) The project companies in Philippines, Uganda, Laos, Brazil and Argentina are equity consolidated in the in the group's financial statements

FY 2020 [1)]

NOK million	Philippines	South Africa [2)]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Argentina	Other[3)]	Total
Revenues	-	470	-	335	319	-	107	127	112	97	78	-	-	63	1,708
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OPEX	-	-76	-	-40	-51	-	-13	-12	-18	-14	-17	-	-	-63	-304
EBITDA	-	394	-	295	268	-	94	116	93	83	61	-	-	-	1,404
EBITDA margin	-	84%	-	88%	84%	-	88%	91%	84%	86%	78%	-	-	-	82%
Cash flow to equity	-	116	-	55	104	-	19	54	55	21	30	-	-	-26	427
Scatec economic interest [4)]	-	45%	-	100%	51%	-	91%	100%	51%	62%	44%	-	-		
Net production (GWh)	-	417	-	294	473	-	80	23	81	62	129	-	-	43	1,602

1) Argentina started operation in July 2021 and the acquisition of SN Power took place in January 2021, hence zero values for Argentina, Philippines, Uganda, Laos and Vietnam in 2020.
2) Includes Kalkbult, Linde, Dreunberg and Upington projects
3) Includes Rwanda, Mozambique, Release, and other asset ownership expenses in the Power Production segment
4) The project companies in Brazil are equity consolidated in the in the group's financial statements

Financial position and working capital

31 December 2021

NOK million	Power plants in operation														
	Philippines	South Africa [4]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Argentina	Other[3]	Total
Project equity [1]	1,403	243	673	560	227	593	1,501	137	640	226	172	116	242	80	6,815
Total assets [5]	4,333	2,253	2,192	2,889	1,991	981	3,139	514	811	697	478	533	593	465	21,870
PP&E	2,010	1,959	2,009	2,790	1,761	792	2,734	417	694	518	433	451	562	366	17,497
Cash	310	174	118	338	159	134	99	51	19	165	14	38	2	72	1,693
Gross interest bearing debt [2]	2,762	1,709	858	2,063	1,452	340	787	318	138	398	270	347	326	288	12,056
Net interest bearing debt [2]	2,452	1,535	739	1,725	1,293	205	688	266	119	233	255	310	323	216	10,359
Net working capital [2]	-176	-76	48	-333	-45	-88	-814	-34	64	-68	-6	-29	-26	-66	-1,650
Scatec economic interest	50%	45%	28%	100%	51%	20%	89%	100%	51%	62%	44%	100%	50%		

NOK million	Power plants under construction	
	Pakistan	Total
Project equity [1]	65	65
Total assets [5]	128	128
PP&E	101	101
Cash	25	25
Gross interest bearing debt [2]	-	-
Net interest bearing debt [2]	-25	-25
Net working capital [2]	-49	-49
Scatec economic interest	75%	

1) See Other definitions appendix for definition
2) See Alternative Performance Measures appendix for definition
3) Includes Rwanda, Mozambique and Release
4) Includes Kalkbult, Linde, Dreunberg and Upington projects
5) The above asset figures do not include group adjustments of internal margins or excess values related to the purchase price allocation of SN Power

Bridge from proportionate to consolidated financials

31 December 2021

NOK million	Power plants in operation	Power plants under construction	Residual ownership interest for fully consolidated entities	Elimination of equity consolidated entities [3]	PP overhead, D&C, Services, Corporate, Eliminations	Consolidated
Project equity [1]	6,815	65	1,361	-3,084	4,762	9,919
Total assets	21,870	128	6,549	1,167	3,316	33,030
PP&E power plants	17,497	101	5,590	-5,806	-1,694	15,688
Cash	1,693	25	605	-579	2,426	4,171
Gross interest bearing debt [2]	12,056	-	4,354	-4,554	7,265	19,120
Net interest bearing debt [2]	10,359	-25	3,749	-3,975	4,839	14,949
Net working capital [2]	-1,650	-49	-212	249	313	-1,351

1) See Other definitions appendix for definition
2) See Alternative Performance Measures appendix for definition
3) Elimination of the project companies in Philippines, Uganda, Laos and Brazil and Argentina, which are equity consolidated in the groups financial statements.

Condensed interim financial information

Interim consolidated statement of profit and loss

NOK million	Notes	Q4 2021	Q4 2020	FY 2021	FY 2020
Revenues	2	762	688	3,038	2,771
Net income/(loss) from JV and associated companies	9	276	-8	765	-16
Total revenues and other income		1,039	679	3,803	2,754
Personnel expenses	2	-118	-78	-397	-262
Other operating expenses	2	-146	-153	-503	-423
Depreciation, amortisation and impairment	2	-236	-204	-892	-777
Operating profit (EBIT)		539	244	2,012	1,292
Interest and other financial income	4	15	18	47	57
Interest and other financial expenses	4	-353	-363	-1,368	-1,189
Net foreign exchange gain/(losses)	4	37	-480	69	-398
Net financial expenses		-301	-825	-1,253	-1,530
Profit/(loss) before income tax		238	-581	759	-238
Income tax (expense)/benefit	6	-102	19	-303	-130
Profit/(loss) for the period		136	-561	456	-368
Profit/(loss) attributable to:					
Equity holders of the parent		146	-558	388	-478
Non-controlling interest		-11	-3	68	110
Basic earnings per share (NOK) [1]		0.92	-4.10	2.45	-3.51
Diluted earnings per share (NOK) [1]		0.91	-4.10	2.43	-3.51

1) Based on average 158.9 million shares outstanding for the purpose of earnings per share and average 159.9 million shares outstanding for the purpose of diluted earnings per share

Interim consolidated statement of comprehensive income

NOK million	Notes	Q4 2021	Q4 2020	FY 2021	FY 2020
Profit/(loss) for the period		136	-561	456	-368
Other comprehensive income:					
Items that may subsequently be reclassified to profit or loss					
Net movement of cash flow hedges		75	31	386	-376
Income tax effect	6	-30	-4	-108	98
Foreign currency translation differences		71	-176	40	-116
Net other comprehensive income to be reclassified		117	-150	317	-394
Total comprehensive income for the period net of tax		252	-711	773	-762
Attributable to:					
Equity holders of the parent		279	-701	595	-698
Non-controlling interest		-26	-10	178	-65

Interim consolidated statement of financial position

NOK million	Notes	As of 31 December 2021	As of 31 December 2020
Assets			
Non-current assets			
Deferred tax assets	6	748	722
Property, plant and equipment - power plants	3	15,687	15,861
Property, plant and equipment - other	3	674	225
Goodwill	8	321	25
Investments in JVs and associated companies	9	9,745	612
Other non-current assets		210	144
Total non-current assets		27,385	17,590
Current assets			
Trade and other receivables		740	623
Other current assets		734	663
Cash and cash equivalents	5	4,171	7,788
Total current assets		5,645	9,074
Total assets		33,030	26,663

Interim consolidated statement of financial position

NOK million	Notes	As of 31 December 2021	As of 31 December 2020
Equity and liabilities			
Equity			
Share capital		4	4
Share premium		9,775	9,720
Total paid in capital		9,779	9,724
Retained earnings		-493	-708
Other reserves		-16	-221
Total other equity		-508	-929
Non-controlling interests		649	673
Total equity		9,919	9,467
Non-current liabilities			
Deferred tax liabilities	6	589	205
Non-recourse project financing	4	10,708	11,350
Corporate financing	5	7,264	-
Financial liabilities		249	572
Other non-current liabilities		1,387	1,575
Total non-current liabilities		20,197	13,701
Current liabilities			
Corporate financing	5	-	748
Trade and other payables		812	760
Income tax payable	6	24	90
Non-recourse project financing	4	1,147	913
Financial liabilities		90	131
Other current liabilities		841	852
Total current liabilities		2,913	3,495
Total liabilities		23,110	17,196
Total equity and liabilities		33,030	26,663

Oslo, 2 February 2022

The Board of Directors Scatec ASA

Interim consolidated statement of changes in equity

				Other reserves				
NOK million	Share capital	Share premium	Retained earnings	Foreign currency translation	Hedging reserves	Total	Non-controlling interests	Total equity
At 1 January 2020	3	3,108	-134	128	-130	2,975	663	3,640
Profit for the period	-	-	-478	-	-	-478	110	-368
Other comprehensive income	-	-	-	-89	-131	-220	-174	-394
Total comprehensive income	-	-	-478	-89	-131	-698	-65	-762
Share-based payment	-	14	-	-	-	14	-	14
Share capital increase	1	6,743	-	-	-	6,744	-	6,744
Transaction cost, net after tax	-	-144	-	-	-	-144	-	-144
Share purchase program	-	-1	-	-	-	-1	-	-1
Dividend distribution	-	-	-131	-	-	-131	-148	-279
Sale of shares in group companies to NCIs	-	-	35	-	-	35	-	35
Capital increase from NCI	-	-	-	-	-	-	221	221
At 31 December 2020	4	9,720	-708	40	-261	8,794	673	9,467
At 1 January 2021	4	9,720	-708	40	-261	8,794	673	9,467
Profit for the period	-	-	388	-	-	388	68	456
Other comprehensive income	-	-	1	55	150	207	110	317
Total comprehensive income	-	-	390	55	150	595	178	773
Share-based payment	-	12	-	-	-	12	-	12
Share capital increase	-	42	-	-	-	42	-	42
Dividend distribution	-	-	-173	-	-	-173	-217	-390
Capital increase from NCI	-	-	-	-	-	-	14	14
At 31 December 2021	4	9,775	-493	95	-111	9,271	649	9,919

Interim consolidated statement of cash flow

NOK million	Notes	Q4 2021	Q4 2020	FY 2021	FY 2020
Cash flow from operating activities					
Profit before taxes		238	-581	759	-238
Taxes paid	6	-53	-30	-234	-214
Depreciation and impairment	3	236	204	892	777
Proceeds from disposal of fixed assets	3	5	25	9	26
Net income from JVs and associated companies	9	-276	8	-765	16
Interest and other financial income	4	-15	-18	-47	-57
Interest and other financial expenses	4	353	363	1,368	1,189
Unrealised foreign exchange (gain)/loss	4	-37	480	-69	398
Increase/(decrease) in other assets and liabilities		151	-378	158	-226
Net cash flow from operating activities		602	74	2,072	1,671
Cash flow from investing activities					
Interest received	4	15	18	47	57
Consideration paid for SN Power, net of cash acquired 1)	8	-288	-	-7,848	-
Investments in property, plant and equipment	3	-10	-256	-967	-1,774
Net investments in, and distributions from, JVs and associated companies	9	242	10	687	12
Net cash flow from investing activities		-42	-229	-8,081	-1,704
Cash flow from financing activities					
Net proceeds and repayment from non-controlling interests 2)		-2	-63	-12	159
Interest paid	4	-401	-303	-1,180	-894
Proceeds from non-recourse project financing		-	58	43	135
Repayment of non-recourse project financing		-290	-385	-750	-678
Payments of principal portion of lease liabilities		-6	-5	-25	-18
Interest paid on lease liabilities		-4	-5	-15	-18
Net proceeds from corporate financing 3)	5	-	-	4,699	-
Share capital increase		-	4,622	42	6,576
Dividends paid to equity holders of the parent company and non-controlling interests		-17	-	-390	-280
Net cash flow from financing activities		-719	3,922	2,413	4,984
Net increase/(decrease) in cash and cash equivalents		-160	3,767	-3,597	4,951
Effect of exchange rate changes on cash and cash equivalents		-1	19	-20	13
Cash and cash equivalents at beginning of the period		4,332	4,002	7,788	2,824
Cash and cash equivalents at end of the period	5	4,171	7,788	4,171	7,788

1) Consideration paid for SN Power comprise of payment made during the year, excluding NOK 826 million of cash in acquired companies
2) Net proceeds from non-controlling interests include both equity contributions and shareholder loans
3) Net proceeds from corporate financing include proceeds from issuance of EUR 250 million green bond, USD 400 million bridge to bond facility and USD 150 green term loan, as well as redemption of NOK 750 million green bond and partial repayment of the USD 400 million bridge to bond facility. See note 5 Cash, cash equivalents and corporate funding for further details

Notes to the condensed interim consolidated financial statements

Note 1 Organisation and basis for preparation

Corporate information

Scatec ASA is incorporated and domiciled in Norway. The address of its registered office is Askekroken 11, NO-0277 Oslo, Norway. Scatec ASA was established on 2 February 2007.

Scatec ASA ("the Company"), its subsidiaries and investments in associated companies ("the Group" or "Scatec") is a leading renewable power producer, delivering affordable and clean energy worldwide. As a long-term player, Scatec develops, builds and operates renewable power plants and integrates technologies.

The condensed interim consolidated financial statements for the fourth quarter 2021 were authorised by the Board of Directors for issue on 2 February 2022.

Basis of preparation

These condensed interim consolidated financial statements are prepared in accordance with recognition, measurement and presentation principles consistent with International Financing Reporting Standards as adopted by the European Union ("IFRS") for interim reporting under International Accounting Standard ("IAS") 34 Interim Financial Reporting. These condensed interim consolidated financial statements are unaudited.

These condensed interim consolidated financial statements are condensed and do not include all of the information and notes required by IFRS for a complete set of consolidated financial statements. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements.

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for 2020.

The functional currency of the companies in the Group is determined based on the nature of the primary economic environment in which each company operates. From 1 January 2021 the functional currency of Scatec ASA is determined to be US Dollars, being the currency which primarily affects the financials of the company. Up until 31 December 2020 the functional currency of Scatec ASA was Norwegian kroner (NOK).

The presentation currency of the Group is Norwegian kroner (NOK). All amounts are presented in NOK million unless otherwise stated.

As a result of rounding adjustments, the figures in some columns may not add up to the total of that column.

Significant estimates and judgements

In the preparation of the condensed interim consolidated financial statements in conformity with IFRS, management has made estimates and assumptions and applied judgements, that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and underlying assumptions are reviewed on an ongoing basis, considering the current and expected future market conditions. Changes in accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Group's accounting policies, management make judgements of which the following have the most significant effect on the amounts recognised in the condensed interim financial statements.

Consolidation of power plant companies

Scatec's value chain comprises all downstream activities such as project development, financing, construction and operations, as well as having an asset management role through ownership of the power plants. Normally Scatec enters into partnerships for the shareholding of the power plant companies. To be able to fully utilise the business model, Scatec normally seeks to obtain operational control of the power plant companies. Operational control is obtained through governing bodies, shareholder agreements and other contractual arrangements. Other contractual arrangements may include Scatec's role as the developer of the project, EPC provider (construction), operation and maintenance service provider and asset management service provider.

When assessing whether Scatec controls a power plant company, the Group’s roles and activities are analysed in line with the requirements and definitions in IFRS 10.

Refer to note 3 of the 2020 annual report for further information on judgements, including control assessments made in previous years.

Acquisition of SN Power

Scatec ASA acquired 100% of the shares of SN Power AS on 29 January 2021. Completion of the acquisition as defined in the Share Purchase Agreement (SPA) was made on 29 January 2021. At completion the control and legal ownership of SN Power were transferred to Scatec ASA and 29 January 2021 serves as the transaction date under IFRS from which SN Power has been included in the consolidated figures for of the group. See note 8 Business combination for further information about the acquisition and the fair value of the identifiable assets and liabilities of SN Power and the purchase price allocation.

Seasonality in operations

Interim period results are not necessarily indicative of results of operations or cash flows for an annual period. The Group’s operating results are impacted by external factors, such as seasonal variations and weather conditions.

Note 2 Operating segments

Operating segments align with internal management reporting to the Group's chief operating decision makers, defined as the Group management team. The operating segments are determined based on differences in the nature of their operations, products and services. Scatec manages its operations in four segments: Power Production (PP), Services, Development & Construction (D&C) and Corporate.

From January 2021, the group has incorporated the hydro and wind producing assets in the Power Production segment, other activities related to the development, construction and operations of the wind and hydro plants are incorporated in the different segments according to its nature, as defined below.

The management team assesses the performance of the operating segments based on a measure of gross profit and operating profit; hence interest income/expense is not disclosed per segment.

The acquisition of SN Power from January 2021 is structured so that the economic risk of the acquired companies is transferred to Scatec from 1 January 2021. Consequently, SN Power is included in the proportionate segment financials from 1 January 2021. In the Group consolidated IFRS financials the date of inclusion is 29 January 2021, which is the date of completion when Scatec obtained control over the project companies as defined by IFRS. A full reconciliation between the proportionate and the IFRS financials including the effect of January 2021 is provided in the tables below.

Power Production

The Power Production segment manages the Group's power producing assets and derives its revenue from the production and sale of solar, wind and hydro generated electricity. In addition, the segment includes revenues from the Release concept, and energy trading activities. The electricity is primarily sold on long-term Power Purchase Agreements or feed-in-tariffs except for in the Philippines where the electricity is sold on bilateral contracts, in the spot market and as ancillary services.

Finance and operation of the plants is ring-fenced in the power plant companies with a non-recourse finance structure. This implies that the project debt is secured and serviced only by project assets and cash flows generated in the project, and that there is no obligation for project equity investors to contribute additional funding in the event of a default. Free cash flows after debt service are distributed from these power plant companies to Scatec, and any other project equity investors in accordance with the shareholding and the terms of the finance documents.

Services

The Services segment comprises Operations & Maintenance (O&M) and Asset Management services provided to solar and hydro power plants where Scatec has economic interest. O&M revenues are generated on the basis of fixed service fees with additional profit-sharing arrangements. Asset Management services typically include financial reporting to sponsors and lenders, regulatory compliance, environmental and social management, as well as contract management on behalf of the power plant companies.

Development & Construction

The Development and Construction segment derives its revenue from the sale of development rights and construction services to power plant companies set up to operate the Group’s solar, wind and hydro power plants. These transactions are primarily made with companies that are under the control of the Group and hence are being consolidated. Revenues from transfer of development rights are recognised upon the transfer of title. Revenues from construction services are based on fixed price contracts and are accounted for using the percentage of completion method.

Corporate

Corporate consists of the activities of corporate services, management, and group finance.

No segments have been aggregated to form these reporting segments. Revenues from transactions between the D&C, Services and PP segments, where Scatec is deemed to hold a controlling interest, are presented as internal revenues in the segment reporting, and eliminated in the consolidated statement of profit or loss. These transactions are based on international contract standards and terms negotiated at arm's length with lenders and co-investors in each power plant company.

Use of proportionate financials

The segment financials are reported on proportionate basis. With proportionate financials Scatec reports its share of revenues, expenses, profits and cash flows from all its subsidiaries without eliminations based on Scatec's economic interest in the subsidiaries. The Group introduced proportionate financials as the Group is of the opinion that this method improves earnings visibility. Proportionate financials are further described in the APM section of this report.

Q4 2021

NOK million	Proportionate financials								
	Power Production	Services	Development & Construction	Corporate	Total	Residual ownership for fully consolidated entities 1)	Elimination of equity consolidated entities 2)	Other eliminations 3)	Consolidated financials
External revenues 4)	1,154	1	-	-2	1,153	299	-689	-	762
Internal revenues	-	65	18	14	97	13	-7	-103	-
Net income from JV and associates	-	-	-	-	-	-	276	-	276
Total revenues and other income	1,154	66	18	11	1,250	312	-420	-103	1,039
Cost of sales	-185	-	-14	-	-199	-10	184	25	-
Gross profit 5)	968	66	4	11	1,051	302	-236	-78	1,039
Personnel expenses	-29	-26	-50	-26	-132	-2	15	-	-118
Other operating expenses	-176	-29	-11	-20	-237	-65	70	86	-146
EBITDA	763	11	-57	-35	683	235	-150	8	775
Depreciation and impairment	-252	-1	-22	-8	-283	-82	94	35	-236
Operating profit (EBIT)	511	10	-79	-42	399	153	-56	43	539

1) Residual ownerships interests share of the proportionate financials in fully consolidated subsidiaries where Scatec do not have 100% economic interest
2) Elimination of proportionate financials from equity consolidated entities adjusted for Scatec's share of net income/(loss)
3) Other eliminations made in the preparation of the Groups IFRS consolidated financials
4) In addition to ancillary services and spot market sales, the reported revenues and cost of sales from the Philippines reflect the power market settlement mechanism for bilateral contracts – implying that both the sale and a buy transaction related to the gross contract business is included and not eliminated
5) Equivalent to Net revenues

Q4 2020

NOK million	Proportionate financials: Power Production	Services	Development & Construction	Corporate	Total	Residual ownership for fully consolidated entities [1]	Elimination of equity consolidated entities [2]	Other eliminations [3]	Consolidated financials
External revenues	402	1	1	1	406	301	-18	-1	688
Internal revenues	-	44	45	4	92	6	-4	-95	-
Net income from JV and associates	-	-	-	-	-	-	-8	-	-8
Total revenues and other income	402	45	46	5	497	307	-29	-96	679
Cost of sales	-	-	-40	-	-40	-	3	37	-
Gross profit	402	45	6	5	457	307	-27	-58	679
Personnel expenses	-8	-19	-25	-20	-71	-1	2	-7	-78
Other operating expenses	-74	-17	-18	-53	-163	-47	8	48	-153
EBITDA	320	10	-38	-69	223	259	-17	-17	448
Depreciation and impairment	-149	-1	-5	-5	-160	-82	7	31	-204
Operating profit (EBIT)	171	9	-43	-74	63	177	-10	14	244

1) Residual ownerships interests share of the proportionate financials in fully consolidated subsidiaries where Scatec do not have 100% economic interest
2) Elimination of proportionate financials from equity consolidated entities adjusted for Scatec's share of net income/(loss)
3) Other eliminations made in the preparation of the Groups IFRS consolidated financials

FY 2021

NOK million	Proportionate financials: Power Production	Services	Development & Construction	Corporate	Total	Residual ownership for fully consolidated entities [1]	Elimination of equity consolidated entities [2]	Other eliminations [3] [4]	Consolidated financials
External revenues [5]	4,176	5	3	6	4,189	1,162	-2,312	-1	3,038
Internal revenues	-	256	134	36	426	34	-22	-438	-
Net income from JV and associates [6]	-	-	-	-	-	-	765	-	765
Total revenues and other income	4,176	260	137	42	4,615	1,196	-1,569	-439	3,803
Cost of sales	-557	1	-120	-	-676	-10	560	126	-
Gross profit [7]	3,620	261	16	42	3,939	1,186	-1,009	-313	3,803
Personnel expenses	-99	-97	-162	-92	-449	-7	49	10	-397
Other operating expenses	-572	-90	-78	-65	-804	-208	208	302	-503
EBITDA	2,949	75	-223	-114	2,686	970	-752	-1	2,903
Depreciation and impairment [8]	-972	-5	-78	-26	-1,081	-330	369	151	-892
Operating profit (EBIT)	1,977	70	-301	-140	1,606	640	-383	149	2,012

1) Residual ownerships interests share of the proportionate financials in fully consolidated subsidiaries where Scatec do not have 100% economic interest
2) Elimination of proportionate financials from equity consolidated entities adjusted for Scatec's share of net income/(loss)
3) Other eliminations made in the preparation of the Groups IFRS consolidated financials
4) The proportionate amount of total revenues, EBITDA, EBIT and net profit included for the SN Power entities for January 2021 are NOK 184 million, NOK 119 million, NOK 92 million and NOK 45 million respectively. Of this a net profit of NOK 57 million from equity consolidated entities and NOK -12 million is from fully consolidated entities
5) In addition to ancillary services and spot market sales, the reported revenues and cost of sales from the Philippines reflect the power market settlement mechanism for bilateral contracts – implying that both the sale and a buy transaction related to the gross contract business is included and not eliminated
6) Refer to note 9 – Investments in joint venture and associated companies for details on Net income from JV and associates
7) Equivalent to Net revenues
8) Included in the Power Production segment is amortisation of excess values related to the acquisition of SN Power and included in Development & Construction segment is the impairment of discontinued development of projects.

FY 2020

NOK million	Proportionate financials: Power Production	Proportionate financials: Services	Proportionate financials: Development & Construction	Proportionate financials: Corporate	Total	Residual ownership for fully consolidated entities 1)	Elimination of equity consolidated entities 2)	Other eliminations 3)	Consolidated financials
External revenues	1,708	1	12	5	1,727	1,131	-77	-10	2,771
Internal revenues	-	231	861	28	1,118	310	-25	-1,403	-
Net income from JV and associates	-	-	-	-	-	-	-16	-	-16
Total revenues and other income	1,708	232	873	33	2,844	1,442	-119	-1,414	2,754
Cost of sales	-	-	-764	-	-764	-271	17	1,017	-
Gross profit	1,708	232	109	33	2,080	1,171	-102	-396	2,754
Personnel expenses	-28	-75	-85	-72	-259	-3	6	-7	-262
Other operating expenses	-276	-75	-52	-113	-517	-189	26	256	-423
EBITDA	1,404	82	-28	-153	1,306	979	-69	-147	2,069
Depreciation and impairment	-566	-3	-26	-20	-615	-321	29	131	-777
Operating profit (EBIT)	838	79	-54	-173	690	658	-40	-16	1,292

1) Residual ownerships interests share of the proportionate financials in fully consolidated subsidiaries where Scatec do not have 100% economic interest
2) Elimination of proportionate financials from equity consolidated entities adjusted for Scatec's share of net income/(loss)
3) Other eliminations made in the preparation of the Groups IFRS consolidated financials

Note 3 Property, plant and equipment

Scatec operates solar, wind and hydro power plants in Europe, South East Asia, Middle East, Africa and South America. The power plant companies in Argentina, Brazil, Phillipines, Laos and Uganda are equity consolidated and not included in the below table.

On 29 January 2021, Scatec ASA acquired 100% of the shares of SN Power AS, which had a portfolio of wind and hydro. The 39 MW Dam Nai Wind project in Vietnam is fully consolidated and included in the below table. The hydro power plants in Phillipines, Laos and Uganda are equity consolidated and not included in the below table.

In Ukraine the 32 MW Kamianka project started commercial operation from 1 January 2021. In July 2021, the 148 MW Progressovka and the 55 MW Chigrin started commercial operation. All plants were classified as "Power Plants" per 31 December 2021.

An impairment charge of NOK 20 million for "Power plant under development" was recorded related to development projects in the fourth quarter 2021. Total impairments charges per 31 December 2021 was NOK 76 million. In 2020, total impairments amounted to NOK 11 million.

NOK million	Power plants [1) 3)]	Power plants under construction [3)]	Power plants under development	Intangible assets, equipment and other assets	Total
Carrying value at 31 December 2020	13,765	1,822	275	225	16,086
Additions from consolidated SNP entities [2)]	412	-	-	152	**564**
Additions	208	123	313	57	**701**
Disposals	-	-	-2	-7	**-9**
Transfer between asset classes [3)]	1,572	-1,698	-158	284	-
Depreciation	-766	-	-	-50	**-816**
Impairment losses	-6	-	-70	-	**-76**
Effect of foreign exchange currency translation adjustments	-78	-28	6	13	**-87**
Carrying value at 31 December 2021	15,106	219	364	674	16,362
Estimated useful life (years)	20-25	N/A	N/A	3-20	

1) Capitalised right to transmit electricity assets of approximately 200 MNOK has been transferred from Power Plants to Intangible assets, equipment and other assets in Q4
2) Additions following the acquisition of SN Power, mainly related to assets in Dam Nai
3) Transfer between assets include reclassification of internal profit elimination of NOK 550 million between Power plants under construction to Power plants related to plants completed in previous years

The 117 MW Guanizuil IIA project started operation from 16 July 2021 and is classified as "Investments in JV and associated companies" in the interim consolidated statement of financial position per 31 December 2021. The plant is owned and operated 50% by Scatec and 50% by Equinor.

The Progressovka project has been a collaboration with PowerChina Guizhou Engineering Co. Ltd., who has provided construction financing and Engineering Procurement and Construction (EPC) services to the project. The Construction financing from PowerChina is classified as trade and other payables in statement of financial position, and amounts to NOK 638 million on 31 December 2021. The loan is due 1 June 2022 and Scatec is working on securing long term financing with a local or international bank group.

Note 4 Net financial expenses and liabilities and significant fair value measurements

Scatec uses non-recourse financing for constructing and/or acquiring assets in power plant companies. The assets and cash flows in the power plants carrying out the activities financed are exclusively used as guarantee. Compared to corporate financing, non-recourse financing has certain key advantages, including a clearly defined and limited risk profile. In this respect, the banks recover the financing solely through the cash flows generated by the projects financed. For four of the five solar power companies operating in the Czech Republic and three of the four solar power companies in Malaysia, the non-recourse financing agreements include a cross default clause within the Czech and Malaysian group respectively.

The power plant companies' assets are pledged as security for the non-recourse financing. The repayment plan for the debt is a sculpted annuity; hence the sum of loan and interest repayments are not stable from year to year. Repayments are normally made twice a year. The maturity date for the loans ranges from 2028 to 2038.

NOK 1,147 million (913) of the Group's total non-recourse debt is due within 12 months and is presented as current in the statement of financial position, together with accrued interest.

Due to the previously announced tariff reductions by the authorities in Ukraine, the project level debt for Scatec's solar power plants has been, or are in the process of being, restructured.

For the Boguslav, Rengy and Kamianka projects, Scatec completed the restructuring and is compliant with all covenants on 31 December 2021. For the Chigrin project, Scatec has an in-principle agreement with lenders of key terms for an restructuring and is expected to be complete the restructuring in the first half of 2022. Since the restructuring is in a final stage, the lenders did not issue a waiver for Chigrin on 31 December 2021. The project level debt amount of NOK 275 million for the Chigrin project has therefore been classified as current liabilities in the statement of financial position on 31 December 2021.

In all other countries, Scatec was in compliance with financial covenants for both the recourse and non-recourse debt on 31 December 2021.

Refer to note 5 – Cash, cash equivalents and corporate funding for information on the Group`s credit facilities and the new senior unsecured green bond issued in the first quarter of 2021.

Derivative financial instruments (including interest rate swaps and forward exchange contracts) are valued at fair value on Level 2 of the fair value hierarchy, in which the fair value is calculated by comparing the terms agreed under each derivative contract to the market terms for a similar contract on the valuation date. Note 7 in the annual report for 2020 provides details for each class of financial assets and financial liabilities, and how these assets and liabilities are grouped.

NOK million	Q4 2021	Q4 2020	FY 2021	FY 2020
Interest income	18	14	43	48
Other financial income	-4	4	4	8
Financial income	15	18	47	57
Interest expenses	-332	-341	-1,303	-1,131
Forward exchange contracts	-	-	2	-7
Other financial expenses	-21	-21	-67	-51
Financial expenses	-353	-363	-1,368	-1,189
Foreign exchange gains/(losses)	37	-480	69	-398
Net financial expenses	-301	-825	-1,253	-1,530

Note 5 Cash, cash equivalents and corporate funding

NOK million	As of 31 December 2021	As of 31 December 2020
Cash in power plant companies in operation	**1,711**	1,741
Cash in power plant companies under development/construction	**34**	11
Other restricted cash	**91**	87
Free cash	**2,335**	5,949
Total cash and cash equivalents	**4,171**	7,788

Cash in power plant companies in operation includes restricted cash in proceed accounts, debt service reserve accounts, disbursements accounts, maintenance and insurance reserve accounts and similar. These cash and cash equivalents are only available to the Group through distributions as determined by shareholder and non-recourse financing agreements.

Cash in power plant companies under development and construction comprises shareholder financing and draw down on loan facilities to settle outstanding external EPC invoices.

Other restricted cash comprises restricted deposits for withholding tax, guarantees, VAT and rent, NCI's share of free cash as well as collateralised shareholder financing of power plant companies not yet distributed to the power plant companies. Net cash effect from Working Capital/Other is mainly related to ongoing construction projects.

Movement in free cash at group level (in recourse group as defined in bond & loan facilities)

NOK million	Q4 2021	Q4 2020	FY 2021	FY 2020
Free cash at beginning of period	**2,321**	1,885	**5,949**	758
Free cash in acquired SN Power entities at 1 January 2021	**-**	-	**491**	-
Proportionate share of cash flow to equity 1) Services	**9**	8	**60**	65
Proportionate share of cash flow to equity 1) D&C	**-46**	-27	**-164**	-15
Proportionate share of cash flow to equity 1) CORP	**-61**	-55	**-252**	-153
Project development capex	**-71**	-31	**-307**	-156
Equity contributions to power plant companies 2)	**-83**	-83	**-564**	-756
Distributions from power plant companies 3)	**346**	114	**1,603**	346
Share capital increase, net after transaction cost	**-**	4,622	**-**	6,575
Dividend distribution	**-**	-	**-173**	-131
Net cash considerations from acquisition of SN Power	**-44**	-	**-3,753**	-
Working capital / Other	**-37**	-483	**-556**	-584
Drawn on credit facilities	**-**	-	**-**	-
Free cash at end of the period	**2,335**	**5,949**	**2,335**	**5,949**
Available undrawn credit facilities	**1,632**	813	**1,632**	813
Total free cash and undrawn credit facilities at the end of the period	**3,967**	6,762	**3,967**	6,762

1) Proportionate share of cash flow to equity is defined in Alternative Performance Measures Appendix.
2) Equity contributions to power plant companies consist of equity injections and shareholder loans. The amount for 2021 includes equity paid by SN Power before 29 January 2021 for the acquisition of the Dam Nai project in Vietnam.
3) The FY 2021 amount includes NOK 516 million - net of withholding taxes of NOK 62 million - paid by the project companies in Philippines before 29 January 2021, where NOK 397 million are additional distributions subsequent to a refinancing of the projects.

Guarantee facility

In the first quarter of 2021, Scatec amended the guarantee facility and intercreditor agreement that was established in 2017, to also include DNB as instrument lender. The guarantee facility has Nordea Bank as agent and issuer, Nordea Bank, Swedbank, BNP Paribas and DNB as guarantee instrument lenders. The guarantee facility is mainly used to provide advanced payment-, performance- and warranty bonds under construction agreements, as well as trade letter of credits. The intercreditor agreement is entered into by Scatec, the issuing banks under the guarantee facility and Eksfin. Eksfin can issue counter indemnity in favour of the issuing banks on behalf of the relevant instrument lenders.

Revolving credit facility

In the first quarter of 2021, at the closing of the SN Power acquisition, Scatec increased the existing revolving credit facility (RCF) to USD 180 million, with Nordea Bank as agent and Nordea Bank, Swedbank, DNB and BNP Paribas as equal Lenders. The facility can be drawn in USD, NOK, EUR or an optional currency agreed with the banks. The facility is ESG (Environmental, Social and Governance) linked and has a three year tenor. The facility margin is linked to the following ESG KPIs:

- A targeted level for LTIFR (Lost time incident frequency rate) for the Group
- Anti-Corruption training for all employees
- Environmental and social baseline studies and risk assessment on all power plants by external experts

Scatec has not drawn on the revolving credit facility per 31 December 2021.

Outstanding acquisition finance related to the SN Power transaction

The following facilities and amounts are currently outstanding of the initial USD 1,030 million financing package related to the acquisition of SN Power:

- USD 150 million Green Term Loan provided by Nordea, Swedbank and DNB with maturity in the first quarter of 2025.
- USD 193 million outstanding of a USD 400 million bridge to bond facility provided by Nordea, Swedbank and DNB. The first maturity date for the facility is July 2022 with an option for Scatec to extend maturity with six months to January 2023.
- USD 200 million Vendor Financing provided by Norfund with maturity in the first quarter of 2028.

Green bond

In the first quarter of 2021 Scatec issued a EUR 250 million senior unsecured green bond with maturity in August 2025. The bond carries a coupon of 3-months EURIBOR (with no floor) + 2.50%, to be settled on a quarterly basis. The bond was listed on the Oslo Stock Exchange 23 June 2021 with ticker SCATC03 ESG. The proceeds from the bond issue were used to

- redeem in whole the NOK 750 million senior unsecured green bond issued in 2017, with ticker SSO02 ESG, including any call premium and accrued interest.
- to partially refinance the bridge to bond facility that was committed in 2020 in relation to the acquisition of SN Power.
- cover for other eligible activities as set out in Scatec's Green Financing Framework.

Overdraft facility

In the second quarter of 2018 Scatec entered into a USD 5 million overdraft facility with Nordea Bank. Scatec has not drawn on the overdraft facility per 31 December 2021.

Per 31 December 2021, Scatec was in compliance with financial covenants related to the above facilities. The book equity of the recourse group, as defined in the facility agreements, was NOK 11,244 million per quarter end.

During the fourth quarter of 2021, interest amounting to NOK 59 million (NOK 57 million in the previous quarter) was expensed for the bond, overdraft- and revolving credit facility and the vendor note.

Refer to bond agreement available on https://scatec.com/investor/investor-overview/ for further information and definitions.

Note 6 Income tax expense

The Group recognised a tax expense of NOK 102 million (tax income NOK 19 million) in the fourth quarter, corresponding to an effective tax rate of 43% (3%). For the full year 2021 the income tax expense was NOK 303 million (NOK 130 million).

The difference between the Group's actual tax expense and a calculated tax expense based on the Norwegian tax rate of 22% is mainly due to different tax rates in the jurisdictions in which the companies operates, withholding taxes paid on dividends, revised assessment of deferred tax asset and currency effects. Further, the profit/loss from JVs and associates are reported net after tax which also impacts the effective tax rate.

The underlying tax rates in the companies in operation are in the range of 0% to 33%. In some markets, Scatec receives special tax incentives intended to promote investments in renewable energy. The effective tax rate will be impacted by the volume of construction activities as the tax rate in the construction companies normally is higher than in the power plant companies. This means that the full tax expense on the internal profit will not be eliminated and hence increase the effective tax rate during construction. The opposite effect will occur when the eliminated internal profit is reversed through lower depreciation at the tax rate of the power plant company.

Effective tax rate

NOK million	Q4 2021	Q4 2020	FY 2021	FY 2020
Profit before income tax	238	-581	759	-238
Income tax (expense)/benefit	-102	19	-303	-130
Equivalent to a tax rate of (%)	43%	3%	40%	-55%

Movement in deferred tax

NOK million	Q4 2021	Q4 2020	YTD 2021	YTD 2020
Net deferred tax asset at beginning of period	252	414	517	343
Recognised in the consolidated statement of profit or loss	-71	108	-232	25
Deferred tax on financial instruments recognised in OCI	-30	-4	-108	98
Deferred tax on excess values from acquisition of SN Power	-	-	-19	-
Recognised in the consolidated statement of changes in equity	-	32	-	41
Translation differences	9	-32	2	9
Net deferred tax asset at end of period	159	517	159	517

Note 7 Related parties

Scatec has related party transactions and balances with equity consolidated companies in Argentina, Brazil, Laos, Madagascar, Uganda, Philippines, Rwanda and Kenya, mainly loans which are included in the carrying value of the investments.

In addition, Scatec has transactions and balances with key management. Note 26 in the annual report for 2020 provides details of transactions with related parties and the nature of these transactions.

For further information on project financing provided by co-investors, refer to note 28 in the annual report for 2020.

All related party transactions have been carried out as part of the normal course of business and at arm's length.

Note 8 Business combinations

Acquisition of SN Power

On 29 January 2021, Scatec ASA acquired 100% of the shares of SN Power AS, a leading hydropower developer and Independent Power Producer (IPP), from Norfund for a total consideration of USD 1,211 million (NOK 10,405 million), which was finally agreed in the fourth quarter of 2021. The transaction included SN Power's portfolio of hydropower assets in the Philippines, Laos and Uganda with a total gross capacity of 1.4 GW (net 0.5 GW) and gross median production of 6.1 TWh (net 1.8 TWh) and the wind farm Dam Nai in Vietnam. Dam Nai was acquired by SN Power on 27 January 2021 and has a capacity of 39.4 MW.

The acquisition forms an important part of Scatec's broadened growth strategy, with an ambition to become a global large-scale player in solar, hydro, wind and storage solutions, and an integrator of high-value infrastructure solutions.

Scatec and SN Power have a unique and complementary portfolio of assets, geographical footprint and capabilities, and will together hold a large project pipeline across solar, hydro, wind and storage.

The acquisition of SN Power was financed by debt and available cash. Please see note 5 for more information.
The assessment of the preliminary purchase price allocation has been made using balance sheet figures at the transaction date 29 January 2021. The purchase price adjustments are further described in the prospectus which was published in connection with the financing of the transaction. The prospectus also includes a further description of the transaction, including pro forma financial information with a preliminary purchase price allocation. The prospectus is available on our website at www.scatec.com.

At the acquisition date, Scatec recognised USD 36 million in goodwill (NOK 307 million) mainly related to the portfolio of identified project development opportunities and assembled workforce. Goodwill is recorded in functional currency and as a result, changes in currency exchange rates affect the value of goodwill in NOK. The goodwill is not deductible for tax purposes.

Refer to note 1 – Organisation and basis for preparation and note 2 – Operating segments for details regarding how the SN Power figures are included in both the consolidated – and proportionate financials.

Purchase price allocation for the acquisition of SN Power

NOK million	29 January 2021
Assets	
Non-current assets	
Property, plant and equipment	431
Goodwill & other intangible assets	441
Investments in JV and associated companies	9,118
Other non-current assets	71
Total non-current assets	10,061
Current assets	
Trade and other receivables	101
Cash and cash equivalents	826
Total current assets	927
Total assets	10,987
Total equity	10,405
Liabilities	
Non-current liabilities	
Deferred tax liabilities	19
Non-recourse project financing	318
Financial liabilities	1
Other non-current liabilities	50
Total non-current liabilities	387
Current liabilities	
Non-recourse financing	57
Trade and other payables	7
Other current liabilities	131
Total current liabilities	195
Total equity and liabilities	10,987

Note 9 Investments in joint venture and associated companies

The consolidated financial statements include the Group's share of profit/loss from joint ventures and associated companies where the Group has joint control or significant influence, accounted for using the equity method. Under the equity method, the investment is initially recognised at cost and subsequently adjusted for further investments, distributions and the Group's share of the net income from the investment.

The tables below show the material joint ventures and associated companies recognised in the Group and the reconciliation of the carrying amount. For the full year 2021, net income from the newly acquired joint ventures in Laos, Philippines and Uganda includes the share of profit for the period from 29 January to 31 December 2021.

Company	Registered office	31 December 2021	31 December 2020
Kube Energy AS	Oslo, Norway	25.00%	25.00%
Scatec Solar Brazil BV	Amsterdam, Netherlands	50.00%	50.00%
Apodi I Energia SPE S.A	Quixeré, Brazil	43.75%	43.75%
Apodi II Energia SPE S.A	Quixeré, Brazil	43.75%	43.75%
Apodi III Energia SPE S.A	Quixeré, Brazil	43.75%	43.75%
Apodi IV Energia SPE S.A	Quixeré, Brazil	43.75%	43.75%
Mendubim Holding B.V.	Amsterdam, Netherlands	51.00%	-
Mendubim Geração de Energia Ltda.	Assu, Brazil	50.00%	-
Scatec Solar Solutions Brazil BV	Amsterdam, Netherlands	50.00%	50.00%
Scatec Solar Brasil Servicos De Engenharia LTDA	Recife, Brazil	50.00%	50.00%
Scatec Equinor Solutions Argentina S.A	Buenos Aires, Argentina	50.00%	50.00%
Cordilleras Solar VIII S.A	Buenos Aires, Argentina	50.00%	50.00%
Theun-Hinboun Power Company	Vientiane, Laos	20.00%	-
SN Aboitiz Power – Magat Inc	Manila, Phillippines	50.00%	-
Manila-Oslo Reneweable Enterprise	Manila, Phillippines	16.70%	-
SN Aboitiz Power – Benguet Inc	Manila, Phillippines	50.00%	-
SN Aboitiz Power – RES Inc	Manila, Phillippines	50.00%	-
SN Aboitiz Power – Generation Inc	Manila, Phillippines	50.00%	-
SN Power Uganda Ltd. 1)	Kampala, Uganda	51.00%	-
Bujagali Energy Ltd. 1)	Jinja, Uganda	28.28%	-
Campganie Générale D`Hydroelectrciite de Volobe SA 1)	Antananarivo, Madagascar	12.75%	-
Ruzizi Holding Power Company Ltd 1)	Kigali, Rwanda	20.40%	-
Ruzizi Energy Ltd 1)	Kigali, Rwanda	20.40%	-
SN Power Africa Ltd 1)	Nairobi, Kenya	51.00%	-

1) The ownership reflects that Norfund retains a 49% stake in these investments, as communicated in the acquisition announcement (16 October 2020). Refer to note 1 for further details.

Country	Carrying value 31 December 2020	Additions/ disposals	Net income from JV and associated companies	Dividends	Net movement of cash flow hedges recognized in OCI	Foreign currency translations	Carrying value 31 December 2021
Brazil and Argentina	611	-36	44	-	-	-3	616
Laos	-	1,568	133	-112	-	43	1,632
Philippines	-	6,663	451	-547	-	-202	6,366
Uganda	-	1,068	138	-160	26	29	1,101
Other	2	29	-	-	-	-	31
Total	612	9,293	765	-819	26	-133	9,745

Note 10 Subsequent events

No events have occurred after the balance sheet date with significant impact on the interim financial statements for the fourth quarter and the financial year 2021.

Responsibility statement

We confirm to the best of our knowledge, that the condensed interim financial statement for the period 1 January 2021 to 31 December 2021 has been prepared in accordance with IFRS as adopted by EU, and that the information gives a true and fair view of the Group's assets, liabilities, financial position and result for the period. We also confirm that presented information provides a fair overview of important events that have occurred during the period and their impact on the financial statements, key risk and uncertainty factors that Scatec is facing during the next accounting period.

Oslo, 2 February 2022

The Board of Directors Scatec ASA

John Andersen Jr. (Chairman)	Jørgen Kildahl	Maria Moræus Hanssen
Jan Skogseth	Gisele Marchand	Raymond Carlsen (CEO)

Alternative Performance Measures

Scatec discloses alternative performance measures (APMs) in addition to those normally required by IFRS. This is based on the Group's experience that APMs are frequently used by analysts, investors and other parties for supplemental information.

The purpose of APMs is to provide an enhanced insight into the operations, financing and future prospect of the Group. Management also uses these measures internally to drive performance in terms of long-term target setting. APMs are adjusted IFRS measures that are defined, calculated and used in a consistent and transparent manner over the years and across the Group where relevant.

Financial APMs should not be considered as a substitute for measures of performance in accordance with IFRS. Disclosures of APMs are subject to established internal control procedures.

Definition of alternative performance measures used by the Group for enhanced financial information

Cash flow to equity: is a measure that seeks to estimate value creation in terms of the Group's ability to generate funds for equity investments in new power plant projects and/or for shareholder dividends over time. Management believes that the cash flow to equity measure provides increased understanding of the Group's ability to create funds from its investments. The measure is defined as EBITDA less net interest expense, normalised loan repayments and normalised income tax payments, plus any proceeds from refinancing. The definition excludes changes in net working capital, investing activities and fair value adjustment of first-time recognition of joint venture investments. Normalised loan repayments are calculated as the annual repayment divided by four quarters for each calendar year. However, loan repayments are normally made bi-annually. Loan repayments will vary from year to year as the payment plan is based on a sculpted annuity. Net interest expense is here defined as interest income less interest expenses, excluding shareholder loan interest expenses, non-recurring fees and accretion expenses on asset retirement obligations. Normalised income tax payment is calculated as operating profit (EBIT) less normalised net interest expense multiplied with the nominal tax rate of the jurisdiction where the profit is taxed

EBITDA: is defined as operating profit adjusted for depreciation, amortisation and impairments.

EBITDA margin: is defined as EBITDA divided by total revenues and other income.

EBITDA and EBITDA margin are used for providing consistent information of operating performance which is comparable to other companies and frequently used by other stakeholders.

Gross profit: is defined as total sales revenue including net gain/loss from sale of project assets and net gain/loss from associates minus the cost of goods sold (COGS). Gross profit is used to measure project profitability in the D&C segment.

Net revenues: include energy sales revenues net of significant cost items directly linked to the energy sales volume (such as cost of energy purchase) in the PP segment. Refer to note 2 Operating Segments for further details.

Gross interest-bearing debt: is defined as the Group's total debt obligations and consists of non-current and current external non-recourse financing and external corporate financing, irrespective of its maturity as well as bank overdraft.

Net interest-bearing debt (NIBD): is defined as gross interest-bearing debt, less cash and cash equivalents. NIBD does not include shareholder loans.

Net working capital includes trade- and other receivables, other current assets, trade- and other payables, income tax payable and other current liabilities.

Proportionate Financials

The group's segment financials are reported on a proportionate basis. The consolidated revenues and profits are mainly generated in the Power Production segment. Activities in Services and Development & Construction segment mainly reflect deliveries to other companies controlled by Scatec (with from 39% to 100% economic interest), for which revenues and profits are eliminated in the Consolidated Financial Statements. With proportionate financials Scatec reports its share of revenues, expenses, profits and cash flows from all its subsidiaries without eliminations based on Scatec's economic interest in the subsidiaries. The Group introduced Proportionate Financials as the Group is of the opinion that this method improves earnings visibility. The key differences between the proportionate and the consolidated IFRS financials are that;

- Internal gains are eliminated in the consolidated financials but are retained in the proportionate financials. These internal gains primarily relate to gross profit on D&C goods and services delivered to project companies which are eliminated as a reduced group value of the power plant compared to the stand-alone book value. Similarly, the consolidated financials have lower power plant depreciation charges than the proportionate financials since the proportionate depreciations are based on power plant values without elimination of internal gain. Internal gain eliminations also include profit on Services delivered to project companies.

- The consolidated financials are presented on a 100% basis, while the proportionate financials are presented based on Scatec's ownership percentage/economic interest.

- In the consolidated financials joint venture companies (Brazil, Argentina, Phillipines, Uganda, Laos) are equity consolidated and are presented with Scatec's share of the net profit on a single line in the statement of profit or loss. In the proportionate financials the joint venture companies are presented in the same way as other subsidiaries on a gross basis in each account in the statement of profit or loss.

In the fourth quarter of 2021 Scatec reports a proportionate operating profit of NOK 399 million compared with an operating profit of NOK 539 million in the consolidated financials. To arrive at the proportionate operating profit from the consolidated operating profit the Group has;

1. added back to the proportionate statement of profit or loss the internal gain on transactions between group companies with a negative amount of NOK 46 million [1),]

2. removed the non-controlling interests share of the operating profit of NOK 153 million to only leave the portion corresponding to Scatec's ownership share,

3. replaced the consolidated net profit from joint venture companies of NOK 276 million with Scatec's share of the Operating profit from the joint venture companies with NOK 335 million.

See Note 2 for further information on the reporting of proportionate financial figures, including reconciliation of the proportionate financials against the consolidated financials.

A bridge from proportionate to consolidated key figures including APMs like gross interest-bearing debt, net interest-bearing debt and net-working capital is included on page 20.

1) Where NOK 4 million comprise Scatec's share of gross profit on D&C contracts, NOK -35 million comprise increased depreciation charges from internal gains and NOK -15 million comprise other items.

Reconciliation of Alternative Performance Measures (consolidated figures)

NOK million	Q4 2021	Q4 2020	FY 2021	FY 2020
EBITDA				
Operating profit (EBIT)	539	244	2,012	1,292
Depreciation, amortisation and impairment	236	204	892	777
EBITDA	775	448	2,903	2,069
Total revenues and other income	1,039	679	3,803	2,754
EBITDA margin	75%	66%	76%	75%
Gross profit				
Total revenues and other income	1,039	679	3,803	2,754
Cost of sales	-	-	-	-
Gross profit	1,039	679	3,803	2,754
Gross interest-bearing debt				
Non-recourse project financing	10,708	11,350	10,708	11,350
Corporate financing	7,264	748	7,264	748
Non-recourse project financing-current	1,147	913	1,147	913
Gross interest-bearing debt	19,120	13,011	19,120	13,011
Net interest-bearing debt				
Gross interest-bearing debt	19,120	13,011	19,120	13,011
Cash and cash equivalents	4,171	7,788	4,171	7,788
Net interest-bearing debt	14,949	5,223	14,949	5,223
Net working capital				
Trade and other receivables	740	623	740	623
Other current assets	734	663	734	663
Trade and other payable	-812	-760	-812	-760
Income tax payable	-24	-90	-24	-90
Other current liabilities	-841	-852	-841	-852
Non-recourse project financing-current	-1,147	-913	-1,147	-913
Net working capital	-1,351	-1,329	-1,351	-1,329

Break-down of proportionate cash flow to equity

Q4 2021

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	763	11	-57	-35	683
Net interest expenses	-203	-	-7	-46	-256
Normalised loan repayments	-197	-	-	-	-197
Normalised income tax payment	-33	-3	19	19	3
Cash flow to equity	330	9	-46	-61	234

Q3 2021

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	823	22	-53	-25	767
Net interest expenses	-205	-	-	-56	-261
Normalised loan repayments	-199	-	-	-	-199
Normalised income tax payment	-42	-5	23	19	-5
Cash flow to equity	377	18	-30	-62	302

Q4 2020

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	320	10	-38	-69	223
Net interest expenses	-161	-	1	-12	-172
Normalised loan repayments	-103	-	-	-	-103
Normalised income tax payment	-4	-2	9	26	29
Cash flow to equity	53	8	-27	-55	-22

YTD 2021

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	2,949	75	-223	-114	2,686
Net interest expenses	-776	1	-8	-217	-1,000
Normalised loan repayments	-790	-	-	-	-790
Proceeds from refinancing [1)]	397	-	-	-	397
Normalised income tax payment	-140	-16	68	78	-9
Cash flow to equity	1,640	60	-164	-252	1,284

1) Refer to Note 5 Cash and cash equivalents.

YTD 2020

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	1,404	82	-28	-153	1,306
Net interest expenses	-542	1	1	-58	-598
Normalised loan repayments	-382	-	-	-	-382
Normalised income tax payment	-53	-18	12	58	-2
Cash flow to equity	427	65	-15	-153	324

Other definitions

Backlog

Project backlog is defined as projects with a secure off-take agreement assessed to have more than 90% probability of reaching financial close and subsequent realisation.

Pipeline

Historically, about 50% of projects in pipeline have been realised. The pipeline projects are in different stages of development and maturity, but they are all typically in markets with an established government framework for renewables and for which project finance is available (from commercial banks or multilateral development banks). The project sites and concessions have been secured and negotiations related power sales and other project implementation agreements are in various stages of completion.

Lost time injury (LTI)

An occurrence that results in a fatality, permanent disability or time lost from work of one day/shift or more.

Scatec's economic interest

Scatec's share of the total estimated economic return from its subsidiaries. For projects in development and construction the economic interest is subject to change from the development of the financial model.

Cash in power plant companies in operation

Comprise restricted cash in proceed accounts, debt service reserve accounts, disbursements accounts, maintenance and insurance reserve accounts and similar. These cash and cash equivalents are only available to the Group through distribution as determined by shareholder and non-recourse financing agreements.

Cash in power plant companies under development/construction

Comprise shareholder financing and draw down on term loan facilities by power plant companies to settle outstanding external EPC invoices.

Project equity

Project equity comprise of equity and shareholder loans in power power plant companies.

Recourse Group

Recourse Group means all entities in the Group, excluding renewable energy companies (each a recourse group company).

Definition of project milestones

Commercial Operation Date (COD): A scheduled date when certain formal key milestones have been reached, typically including grid compliance, approval of metering systems and technical approval of plant by independent engineers. Production volumes have reached normalised levels sold at the agreed off-taker agreement price. This milestone is regulated by the off-taker agreement with the power off-taker. In the quarterly report grid connection is used as a synonym to COD.

Financial close (FC): The date on which all conditions precedent for drawdown of debt funding has been achieved and equity funding has been subscribed for, including execution of all project agreements. Notice to proceed for commencement of construction of the power plant will normally be given directly thereafter. Projects in Scatec defined as "backlog" are classified as "under construction" upon achievement of financial close.

Start of Production (SOP): The first date on which the power plant generates revenues through sale of power under the off-take agreement. Production volumes and/or the price of the power may be lower than when commercial operation date (COD) is reached. This milestone is regulated by the off-take agreement with the power off-taker. This milestone may be reached prior to COD if the construction of a power plant is completed earlier than anticipated in the off-take agreement.

Take Over Date (TOD): The date on which the EPC contractor hands over the power plant to the power plant company. COD must have been reached, in addition to delivery of training and all technical documentation before TOD takes place. The responsibility for Operations & Maintenance (O&M) of the plant is handed over from the EPC contractor to the O&M contractor at the TOD. This milestone will normally occur shortly after the COD date.

ESG Performance Indicators

E&S impact assessments (% completed in new projects): Environmental and Social Impact Assessments (ESIAs), due diligence or baseline studies to identify potential environmental and social risks and impacts of our activities (in accordance with the IFC Performance Standards and Equator Principles).

GHG emissions avoided (in mill tonnes of CO2): Actual annual production from projects (solar, hydro and wind power) multiplied by the country and region-specific emissions factor (source IEA).

Water consumption (in mill liters within water-stressed areas): As per the Aqueduct Water Risk Atlas, the Company reports on water usage by source in South Africa and Jordan.

Lost Time Incident Frequency (per mill hours): The number of lost time incidents per million hours worked for all renewable energy projects.

Hours worked (mill hours - 12 months rolling): The total number of hours worked by employees and contractors for all renewable energy projects for the last 12 months.

Female management (% of females in mgmt. positions): The total number of female managers as a percentage of all managers.

Number of grievances (total number received in all projects): The total number of grievances received for all projects globally in operation and under site construction. This includes grievances received via the Company's website, physical grievance boxes located on project sites, Community Liaison Officer (CLO) offices or in the local community.

Grievances resolved (% of grievances resolved): The total number of grievances addressed and resolved as a percentage of all grievances received in all projects in construction or operations phase. Grievances resolved are defined as assigned, addressed, and closed out by the Company. The final response must be shared to the filer(s) of the grievance with an explanation of action taken to resolve the grievance. Resolving grievances is an ongoing process and the percentage of resolved grievances will depend on the nature of the grievances, timing, and other factors.

Corruption incidents: The number of confirmed incidents of corruption received via Scatec's publicly available whistleblower function (Reporting Concerns on the Company's website) managed by an independent third party.

Anti-corruption training: The number of employees who successfully completed (certification of 80% pass rate required) Scatec's mandatory anti-corruption gamified training.

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