Scatec

Third 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 500 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%
Mexico		9	100%
Total		**159**	**76%**
Projects in backlog			
India		900	50%
South Africa		540	51%
Tunisia		360	55%
Bangladesh		62	65%
Mali		33	64%
Lesotho		20	48%
Total		**1,915**	**52%**
Grand total		**5,429**	**52%**
Projects in pipeline		**13,930**	

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 of corporate services, management and group finance.

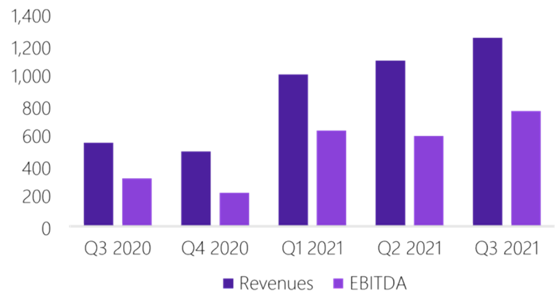
1) Asset portfolio as per reporting date.
2) Scatec's share of the total estimated economic return from its subsidiaries. For projects under development the economic interest may be subject to change.
3) Projects are equity consolidated, for further details see page 16. All other projects in the table are fully consolidated.

Q3'21 – Strong operational performance

- Solid plant performance and grid connection of new solar plants led to power production of 1,065 GWh up 2.5x from the same quarter last year
- Proportionate revenues of NOK 1,254 million (556)[1] and EBITDA of NOK 767 million (319)
- Adjusted timelines of financial close for project backlog
- Scatec partnership with Fertiglobe and the Sovereign fund of Egypt to jointly develop a hydrogen facility
- Despite cost inflation, renewables continue to be a very competitive source energy in Scatec's core markets

Proportionate revenues and EBITDA

NOK million



Key figures

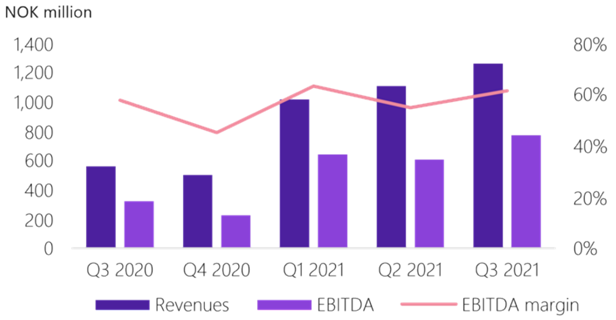
NOK million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Proportionate Financials [2]					
Revenues and other income	1,254	1,101	556	3,365	2,347
Power Production	1,130	969	457	3,023	1,306
Services	69	68	60	194	186
Development & Construction	43	51	30	118	827
Corporate	11	13	9	31	28
EBITDA [2]	767	601	319	2,004	1,082
Power Production	823	660	379	2,186	1,084
Services	22	24	22	63	72
Development & Construction	-53	-54	-27	-167	10
Corporate	-25	-28	-54	-79	-84
Operating profit (EBIT)	436	364	159	1,206	627
Net interest- bearing debt [2]	15,529	15,619	6,266	15,529	6,266
Scatec proportionate share of cash flow to equity [2]	302	177	80	1,050	345
Power Production (GWh)	1,065	860	430	2,778	1,185
Power Production (GWh) 100% [3]	2,691	2,318	793	7,156	2,155
Consolidated Financials					
Revenues and other income	1,059	874	724	2,764	2,075
EBITDA [2]	827	670	538	2,128	1,621
Operating profit (EBIT)	558	470	343	1,473	1,048
Profit/(loss)	169	110	-24	321	193
Net interest- bearing debt [2]	15,274	15,337	9,746	15,274	9,746
Basic earnings per share	0.83	0.59	-0.43	1.52	0.61

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	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Revenues and other income	**1,254**	1,101	556	3,365	2,347
Gross profit [1] [2]	**1,084**	897	530	2,888	1,624
Operating expenses	**-317**	-296	-211	-884	-541
EBITDA [2]	**767**	601	319	2,004	1,082
EBITDA margin [2]	**61%**	55%	57%	60%	46%
D&A and impairment	**-331**	-236	-161	-797	-455
EBIT	**436**	364	159	1,206	627
Cash flow to equity [2]	**302**	177	80	1,050	345

Proportionate revenues and EBITDA



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

The Group's revenues increased by NOK 698 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.

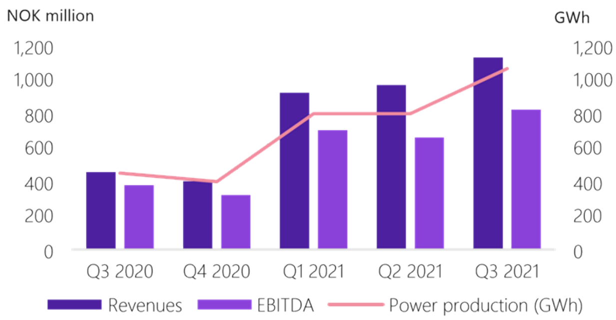
The increase in operating expenses and depreciation compared with the same quarter last year is mainly driven by the new power plants in the portfolio, acquisition of SN Power, and strengthened project development and corporate functions. In addition, an impairment charge of NOK 50 million related to discontinued development projects were recorded in the third quarter.

EBITDA, EBITDA-margin and cash flow to equity increased compared to the same quarter last year. This was mainly explained by increased revenues and EBITDA in the Power Production segment, whereas activity in the other segments was relatively stable. See page 11 for further comments on cash flow to equity.

Power Production – Proportionate financials

NOK million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Revenues and other income	**1,130**	969	457	3,023	1,306
Net revenues [1]	**999**	808	457	2,651	1,306
Operating expenses	**-176**	-149	-78	-465	-222
EBITDA [1]	**823**	660	379	2,186	1,084
EBITDA margin [1]	**73%**	68%	83%	72%	83%
D&A and impairment	**-272**	-227	-149	-720	-417
EBIT	**551**	432	230	1,466	667
Cash flow to equity [1]	**377**	252	134	1,310	374

Proportionate revenues and EBITDA



1) See Alternative Performance Measures for definition.

Power production capacity increased by 1,814 MW compared to the end of last year mainly driven by the acquisition of SN Power. Power production reached 1,065 GWh in the third quarter, compared to 430 GWh in the same quarter last year. Revenues and EBITDA increased by NOK 673 million and NOK 444 million respectively driven by the SN Power acquisition and new solar plants in operation.

Compared with the previous quarter the EBITDA increased by NOK 163 million, mainly explained by stronger performance at the Philippine hydropower plants and new plants in operation in Ukraine and Argentina. Power production and EBITDA in the Philippines increased compared to the second quarter, although production ended about 10% below the 5-year seasonal average due to low inflows in the beginning of the quarter. Achieved power prices for energy sales remained fairly stable with around 80% of the expected year ahead production sold through bilateral contracts.

Depreciation and impairment for the third quarter increased by NOK 123 million compared to the same quarter last year and NOK 45 million compared to the second quarter. The increase compared to the previous quarter is related to depreciation of new solar plants in operation (NOK 30 million), and increased amortisation of excess values related to the SN Power purchase price allocation (NOK 15 million). See page 16 for a specification of financial performance for each country in the portfolio.

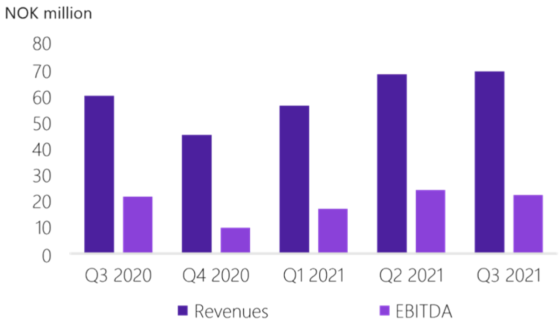
Services – Proportionate financials

NOK million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Revenues and other income	**69**	68	60	194	186
Operating expenses	**-47**	-44	-39	-130	-114
EBITDA [1]	**22**	24	22	63	72
EBITDA margin [1]	**32%**	35%	36%	33%	39%
D&A and impairment	**-1**	-1	-1	-4	-2
EBIT	**21**	23	21	60	70
Cash flow to equity [1]	**18**	19	17	51	57

Revenues in the Services segment remained steady from the previous quarter, with the increase from the third quarter last year driven by the expansion of the operational portfolio.

Operating expenses in the segment mainly constitute fixed expenses such as personnel and recurring maintenance cost, and were broadly in line with the previous quarter.

Proportionate revenues and EBITDA



1) See Alternative Performance Measures for definition.

Development & Construction (D&C) – Proportionate financials

NOK million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Revenues and other income	**43**	51	30	118	827
Gross Profit [1]	**4**	7	4	12	103
Gross Margin [1]	**10%**	14%	13%	10%	12%
Operating expenses	**-58**	-61	-31	-178	-94
EBITDA [1]	**-53**	-54	-27	-167	10
D&A and impairment	**-52**	-2	-7	-56	-21
EBIT	**-105**	-56	-33	-222	-11
Cash flow to equity [1]	**-30**	-37	-19	-118	13

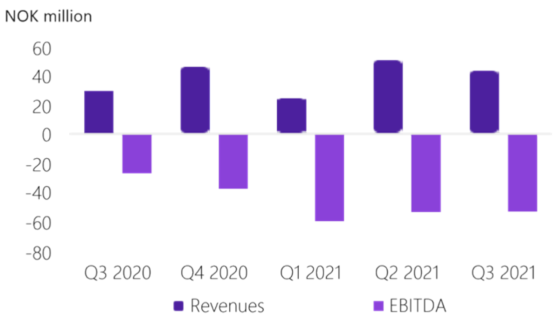
D&C revenues increased slightly compared to the same quarter last year and declined from the previous quarter. The limited revenues in the third quarter reflect that construction of the 150 MW Sukkur project in Pakistan was held back by an ongoing land demarcation process for the public land made available for the project.

Operating expenses comprised of approximately NOK 44 million for early-stage project development and NOK 14 million related to the construction business.

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

Depreciation, amortisation and impairment amounted to NOK 52 million, whereof NOK 50 million relates to impairment of discontinued development projects totaling 166 MW in Brazil and Ukraine.

Proportionate revenues and EBITDA



1) See Alternative Performance Measures for definition.

Corporate – Proportionate financials

NOK million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Revenues and other income	**11**	13	9	31	28
Operating expenses	**-36**	-42	-63	-110	-112
EBITDA [1]	**-25**	-28	-54	-79	-84
D&A and impairment	**-6**	-6	-5	-18	-14
EBIT	**-31**	-35	-59	-97	-98
Cash flow to equity [1]	**-62**	-57	-52	-192	-99

1) See Alternative Performance Measures appendix for definition.

Revenues in the corporate segment are earned through corporate services rendered to the Groups subsidiaries.

Operating expenses decreased by NOK 27 million compared to the same quarter last year. The decrease is mainly related to transaction costs in Q3 2020 related to the acquisition of SN Power.

Short term guidance

Power Production

The estimated production for fourth quarter and full year 2021 is based on production from a portfolio with a capacity of 3,355 GW in operation at the end of third quarter 2021.

GWh	Q3 2021	Q4 2021E	2021E
Proportionate	**1,065**	1,000 - 1,100	3,770 - 3,870
100% basis	**2,691**	2,550 - 2,750	9,700 - 9,900

Hydrology and production in Q4 in the Philippines are expected to be slightly above 5-year average, partly offset by higher-than-normal maintenance cost.

Services

Revenues in the Services segment are expected to reach approximately NOK 260 million in 2021 with an EBITDA margin of 30-35%.

Development & Construction

D&C revenues and margins are dependent on progress on development and construction projects.

At the end of third quarter the remaining not booked construction contract value was approximately NOK 450 million related to the Sukkur project in Pakistan. Due to delays related to the ongoing land demarcation process of the public land made available for the Sukkur project, construction on site is now expected to start in the first quarter 2022. No other power plant projects are expected to generate D&C revenues in the fourth quarter 2021, and fourth quarter revenues are expected to be broadly in line with the third quarter.

D&C revenues will increase when new projects move into construction in 2022.

Corporate

Full year 2021 EBITDA for Corporate is expected to be NOK -110 million.

ESG performance

Scatec tops ESG 100 rating

The Governance Group, in September 2021, published its annual analysis of ESG reporting – ESG 100 – rating the 100 largest companies on the Oslo Stock Exchange. Scatec was awarded with top rating (A+), placing the company as the leader in ESG reporting in Norway alongside Norsk Hydro. The extensive analysis evaluates information across 13 indicators related to environmental, social and governance topics reported by the companies. The full report can be downloaded at www.thegovgroup.org.

Climate risk

Scatec is performing an internal assessment of climate related risks and opportunities in the Company's entire value chain. Key long-term climate risks identified include extreme weather, such as lightning, flooding and extreme winds, in addition to changing precipitation patterns and higher temperatures that may lead to less overall water availability and stronger extreme rainfall. The Company is updating its approach to mapping risks at the project level to ensure climate risk is integrated into the general project development and risk management process.

Environmental policy

During the quarter, Scatec also published a new Environmental Policy statement detailing the Company's commitment, standards and ambitions towards climate change and energy, biodiversity, waste and resource management as well as water. The policy is available under the ESG resources section on the Company's corporate website.

Overdue receivables

Reference is made to Scatec's quarterly reports in 2020 and information on delayed payments in Honduras and Ukraine. Scatec has in the third quarter 2021 experienced increased delays in payments from the state-owned off-takers of power in these countries. Overdue payments have accumulated in these two markets to a varying degree since the second quarter 2020. At the end of the third quarter 2021, the accumulated overdue receivables amounted to NOK 191 million and represented 4% of proportionate Power Production revenues recognised over the last 18 months. Payments are secured by sovereign guarantees and Scatec's past experience is that delayed payments are being paid in full. The off-takers in both countries are in the process of securing new financing to settle outstanding debt to renewables operators. Scatec therefore expects the outstanding amounts to be paid in full and no allowance has hence been recognised in the third quarter financials.

In Ukraine and Honduras, the project companies have obtained waivers from the lenders, and the power plant companies were in compliance with the financial covenants set out under the non-recourse project finance agreement at the end of the third quarter.

COVID-19

Scatec has not experienced any material effects related to COVID-19 on its operations of power plants in the third quarter 2021. The COVID-19 situation is however influencing the markets where Scatec develops projects and is causing delays in government approvals for some of the projects in backlog and pipeline. It has further led to cost inflation and supply chain disruptions which led to a decision to not move forward with projects totalling 166 MW in Brazil and Ukraine.

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 for a total consideration of USD 1,200 million (NOK 10,371 million).

The transaction is structured so that the economic risk of the acquired companies was transferred to Scatec 1 January 2021, and SN Power is consequently included in the proportionate segment financials from 1 January 2021.

See note 1 – Organisation and basis for preparation regarding basis for preparation, note 2 - Operating segments for a full reconciliation between the proportionate and the IFRS financials and 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.

Outlook

Despite the pandemic, global investment in low-carbon energy transition reached USD 500 billion in 2020 according to Bloomberg New Energy Finance (BNEF), a 9% increase from the previous year. Investments are expected to remain at this level in 2021.

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 significantly over the last few months.

Bloomberg New Energy Finance (BNEF) expects global solar new build to accelerate and see new installations of around 191 GW in 2021, up from 141 GW in 2020. For wind, new installations reached a record-setting 97 GW in 2020 with an additional 88 GW expected in 2021. The global energy storage market also set new records in 2020 with 5.3 GW in new capacity, expected to more than double to 11 GW in 2021.

Global hydropower new build reached 20.6 GW in 2020, and the International Energy Agency (IEA) forecasts an increase of 28 GW in 2021. 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.

Around 75% of new capacity is expected to come from large-scale projects in Asia and Africa, with the Asia Pacific region outside of China expected to add more than 64 GW, and Africa to add more than 19 GW. Combined with wind and solar power, hydropower offers unmatched flexibility in renewable power production.

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

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.

Consolidated statement of profit and loss

Profit and loss

NOK million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Revenues	**846**	736	731	2,276	2,083
Net income/(loss) from JVs and associated	**212**	138	-7	489	-8
EBITDA	**827**	670	538	2,128	1,621
Operating profit (EBIT)	**557**	470	343	1,473	1,048
Net financial items	**-328**	-279	-333	-952	-705
Profit before income tax	**230**	191	10	521	343
Profit/(loss) for the period	**169**	110	-24	321	193
Profit/(loss) to Scatec	**131**	93	-57	242	80
Profit/(loss) to non-controlling interests	**38**	17	33	79	113

Revenues

Revenue from power sales was NOK 846 million (731) in the third quarter, an increase of 16% compared to the same quarter last year. The increase in revenues is explained by the commercial operation of new solar parks at Boguslav, Kamianka, Chigirin and Progressovka in Ukraine, the acquisition of the Dam Nai Wind power plant in Vietnam, and increase in production in South Africa and Malaysia.

Net income from joint venture investments and associated companies was NOK 212 million (-7) in the third quarter, an increase of 219 million compared to the same quarter last year due to net income from joint venture investments and associated companies acquired as part of the SN Power acquisition (investments in Philippines, Laos, Uganda, Madagascar and Rwanda). See note 9 for further description and break-down per country.

Operating profit

Following the enlarged portfolio from the acquisition of SN Power, the EBITDA was NOK 827 million (538), an increase of 54% compared to the same quarter last year. The growth in operating expenses compared with the third quarter last year is explained by the increased asset base in operation, higher cost related to development of new power plants and increased corporate cost mainly caused by the integration of SN Power and a strengthen corporate function to support the Company`s growth targets.

Consolidated operating expenses amounted to NOK 232 million (187|) in the third quarter. This consists of approximately NOK 155 million (121) for operation of existing power plants, NOK 28 million (21) for early-stage development of new projects, NOK 14 million (9) related to construction and NOK 28 million (60) of corporate expenses (excluding eliminated intersegment charges).

Depreciation amounted to NOK 212 million (195) in the third quarter, mainly related to solar and wind parks in operation. In the third quarter the company recognised an impairment of NOK 50 million (0) due to the decision not to move forward with certain backlog projects in Ukraine and Brazil.

Net financial items

NOK million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Financial income	**8**	9	11	32	39
Financial expenses	**-343**	-322	-275	-1,015	-826
Foreign exchange gains/(loss)	**6**	34	-69	31	82
Net financial items	**-328**	-279	-333	-952	-705

Financial expenses in the third quarter mainly consisted of interest expenses of NOK 325 million (261), primarily interest on non-recourse financing of NOK 268 million (248), and corporate funding of NOK 57 million (13). See note 4 and 5 for further information on financing.

The quarter's net foreign currency gain was NOK 6 million (-69) in the third quarter. The change of NOK 75 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 61 million (34) in the third quarter, corresponding to an effective tax rate of 26% (340%). For further details, refer to note 6.

Net profit for the third quarter was NOK 169 million (-24) while profit to Scatec was NOK 131 million (-57). 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 have shareholdings in the power plants, while Scatec also carries the cost of project development, construction, operation & maintenance and corporate functions.

Impact of foreign currency movements in the quarter

During the third quarter of 2021 NOK appreciated against all relevant currencies compared to the average rates for the second quarter of 2021. On a net basis this affected consolidated revenues positively by approximately NOK 19 million, while the net profit in the quarter was not materially affected by the currency movements.

Following the movements in currencies in the third quarter, the Group has recognised a foreign currency translation loss of NOK -157 million (-78) in other comprehensive income related to the conversion of the subsidiaries' statements of financial position from the respective functional currencies to the Group's reporting currency.

Consolidated statement of financial position

Assets

NOK million	30 September 2021	31 December 2020
Property, plant and equipment	16,428	16,086
Investments in JVs and associated companies	9,665	612
Other non-current assets	1,243	891
Total non-current assets	27,336	17,590
Other current assets	1,679	1,286
Cash and cash equivalents	4,332	7,788
Total current assets	6,012	9,074
Total assets	33,347	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 31% compared with 31 December 2020, mainly driven by working capital changes and increased outstanding receivables in Ukraine and Honduras[1]. The cash balance has decreased by NOK 3,456 million since 31 December 2020, primarily following the acquisition of SN Power. In addition, the Group had NOK 1,622 million in available undrawn credit facilities at the end of the third quarter. 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	30 September 2021	31 December 2020
Equity	9,688	9,467
Non-current non-recourse project financing	11,427	11,350
Corporate financing	7,272	-
Other non-current liabilities	1,520	1,575
Total non-current liabilities	21,054	13,701
Corporate financing	-	748
Current non-recourse project financing	908	913
Other current liabilities	784	852
Total current liabilities	2,605	3,495
Total liabilities	23,659	17,196
Total equity and liabilities	33,347	26,663
Book equity ratio	29%	36%

Total equity increased by NOK 221 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 balance sheet value related to the acquisition of SN Power.

Per 30 September 2021, Scatec was in compliance with all financial covenants for both the recourse and non-recourse debt. Refer to note 4 for further details.

The NOK 6,524 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 maturity in August 2025, which was listed on the Oslo Stock Exchange 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.

1) Refer to section on overdue receivables on page 7 for further details

Consolidated cash flow

Net cash flow from consolidated operating activities amounted to NOK 446 million (581) in the third quarter of 2021, compared to the EBITDA of NOK 827 million (538). 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 47 million (-128), 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 -348 million (-523), driven by 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	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Power Production	**377**	252	134	1,310	374
Services	**18**	19	17	51	57
Development & Construction	**-30**	-37	-19	-118	13
Corporate	**-62**	-57	-52	-192	-99
Total	**302**	177	80	1,050	345

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 the first nine months of 2021 includes NOK 397 million that stems from debt refinancing of assets in the Philippines. The refinancing is part of a long-term financing strategy for the Philippines that secures an attractive average leverage, which 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 328 million in the third quarter of 2021 and NOK 1,257 million (net of withholding taxes) in the first nine months of 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 risk 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

Project overview[1)]

NOK million	Q3 2021 Capacity (MW)	Q2 2021 Capacity (MW)
In operation	3,355	3,355
Under construction	159	159
Project backlog[2)]	1,915	2,081
Project pipeline[2)]	13,930	12,288
Total	19,359	17,883

Total annual production and revenues from the 5,429 MW in operation, under construction and in backlog is expected to reach about 13,800 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 and subsequent realisation.

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%
Torex Gold, Mexico [3)]	9	USD	N/A	N/A	N/A	100%
Total under construction	**159**	NOK [4)]	**877**	**300**	**75%**	**76%**
Backlog						
India	900	INR	29,600	1,600	75%	50%
South Africa	540	ZAR	16,000	900	80%	51%
Tunisia [5)]	360	EUR	240	900	70%	55%
Bangladesh [5)]	62	USD	68	85	70%	65%
Mali [5)]	33	EUR	50	60	75%	64%
Lesotho	20	ZAR	430	55	70%	48%
Total backlog	**1,915**	NOK [4)]	**16,600**	**3,600**	**77%**	**52%**
Total	2,074	NOK [4)]	17,477	3,900	77%	54%

1) Status per reporting date
2) See Other definitions for definition
3) Lease contract through Release by Scatec, hence other project data N/A
4) All exchange rates to NOK are as of 30 September 2021
5) Expected economic interest at financial close for projects in backlog

Under construction

Project	Capacity (MW)
Sukkur, Pakistan	150
Torex Gold, Mexico	9
Total	**159**

Construction of the 150 MW Sukkur project in Pakistan is held back by an ongoing land demarcation process for the public land made available for the project. Construction on site is now expected to start in the first quarter 2022.

Backlog

The COVID-19 situation is impacting the markets where Scatec develops projects, causing delays for some of the projects in backlog and pipeline. It has further led to cost inflation and supply chain disruptions which have impacted certain projects in the backlog. As a consequence, Scatec has decided not to move forward with the 101 MW San Pedro and Paulo (SPP) project in Brazil and the 65 MW Kherson project in Ukraine. Following these changes, the project backlog totals 1,915 MW.

Acme, India 900 MW

The Acme project is Scatec's first project in India and is developed in partnership with ACME, a leading solar developer in India. The project is located in the state of Rajasthan, on the north-western side of the country. The project holds a 25-year PPA with Solar Energy Corporation of India (SECI) secured in a tender in 2018. The estimated total capex for the project is USD 400 million (INR 29,600 million), with 75% debt financing from an Indian state-owned lender. Due to regulatory uncertainty related to a potential import duty for solar panels in India, expected financial close of the project has been moved to the first half of 2022.

Scatec will hold a 50% economic interest in the project, while ACME will retain 50%. ACME will be the turn-key EPC (Engineering, Procurement and Construction) provider and Scatec will ensure delivery according to international standards, HSSE and E&S, as well as optimisation of engineering, procurement and operations of the plants.

Kenhardt 1-3, 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 150MW (3x50MW) 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%.

At the end of the third quarter Scatec was notified by the IPP Office in South Africa that the government approval process for Kenhardt 1-3 was delayed and that timing of financial close was moved to the end of January 2022. Construction start is therefore expected in the first quarter 2022.

Tunisia portfolio, 360 MW

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

Scatec will be the lead equity investor in the projects. The company will also be the EPC provider and provide Operation & Maintenance as well as Asset Management services to the power plants.

All project agreements have been finalised and signed with the authorities and are now awaiting the documents to enter law of approval through a final ratification by the Parliament. With a dissolved parliament and an uncertain political situation in Tunisia, Scatec's best estimate is that financial close will be reached within the next 6-12 months.

Other backlog

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

Pipeline

Location	Q3 2021 Capacity (MW)	Q2 2021 Capacity (MW)
Latin America	2,317	2,017
Africa and the Middle East	5,678	5,761
Europe & Central/South Asia	640	280
Southeast Asia	5,295	4,230
Total pipeline	13,930	12,288

In addition to the projects in backlog Scatec holds a solid pipeline of projects totalling 13,930 MW across technologies. The increase in pipeline was 1,642 MW since the second quarter reporting date.

Solution	Q3 2021 Capacity (MW)	Q2 2021 Capacity (MW)
Solar	6,799	6,082
Wind	3,910	2,620
Hydro	2,305	2,428
Hybrid solutions	616	858
Release	300	300
Total	13,930	12,288

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 leverage on its market presence. Approximately 70% of the project backlog and pipeline is held in these markets.

Latin America (2,317 MW)

Scatec's development efforts for solar 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.

In Brazil, development of the 530 MW Mendubim solar project continues in partnership with Equinor and Hydro. The project is currently in the process of securing offtake agreements with a target to reach financial close in 2022.

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

Africa and the Middle East (5,678 MW)

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, a new tender ("round 5") under the Renewable Energy Independent Power Procurement Programme (REIPPP) for various renewable technologies was held in the third quarter, with results expected in the fourth quarter. Two more REIPPP tender round 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 and the next step is to finalise negotiation of PPAs to ensure bankability of the projects.

Hydropower project development 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 a development project in Malawi where Scatec is part of an exclusive tender consortium. The company pursues several other opportunities across the continent especially in West Africa.

In addition, Scatec is developing a broad pipeline of projects across several markets and technologies, including Egypt, Nigeria, Cameroon, Tunisia and several other countries on the continent. Some of the projects are based on bi-lateral negotiations with governments and state-owned utilities, while Scatec is also selectively participating in tenders.

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 this type of projects on the African continent.

On 13 October 2021, Scatec signed an agreement with Fertiglobe and the Sovereign Fund of Egypt to develop a 50 to 100 MW green hydrogen project related to the fertiliser plant in Ahn Sokhna in Egypt. 100 MW is included in the project pipeline.

Europe and Central/South Asia (640 MW)

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

India is expected to be one of the countries with highest renewable energy growth globally in the coming years. Expected investment returns have improved over the last couple of years and India is therefore becoming an 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.

In addition to developments in the South Asia market, hydropower projects are being evaluated in Central Asia and Eastern Europe primarily as a means to store energy and provide energy system stability support. The focus is on operating assets with potential to improve performance as well as greenfield projects.

Southeast Asia (5,295 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 also 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.

Following on from the acquisition of SN Power, Scatec is developing hybrid solutions by adding floating solar on the reservoirs of its hydropower assets and a greenfield hydropower project in Joint Venture with its partner Aboitiz in the Philippines. The partnership 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

Q3 2021

NOK million	Philippines	South Africa [2]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Other [3]	Total
Revenues	393	126	82	86	85	87	128	43	25	26	17	7	25	1,130
Cost of sales	-132	-	-	-	-	-	-	-	-	-	-	-	-	-132
Net revenues [1]	260	126	82	86	85	87	128	43	25	26	17	7	25	999
OPEX	-33	-26	-5	-16	-12	-10	-23	-3	-5	-3	-4	-5	-32	-176
EBITDA	228	100	77	71	73	78	104	40	20	24	13	2	-7	823
EBITDA margin	58%	79%	94%	82%	86%	89%	82%	93%	81%	90%	76%	31%	-26%	73%
Cash flow to equity	138	21	43	9	33	39	69	22	12	9	2	-8	-14	377
Scatec economic interest [4]	50%	45%	28%	100%	51%	20%	89%	100%	51%	62%	44%	100%		
Net production	214	104	110	84	136	189	104	8	20	19	30	9	38	1,065

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, Argentina, 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

Q3 2020 [3]

NOK million	Philippines	South Africa [1]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Other [2]	Total
Revenues	-	116	-	75	84	-	49	45	29	28	20	-	13	457
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OPEX	-	-21	-	-9	-14	-	-3	-3	-5	-3	-4	-	-16	-78
EBITDA	-	95	-	66	71	-	45	42	24	25	16	-	-5	379
EBITDA margin	-	82%	-	88%	84%	-	93%	93%	84%	90%	81%	-	-39%	83%
Cash flow to equity	-	31	-	9	30	-	17	24	15	9	10	-	-9	134
Scatec economic interest [4]	-	45%	-	100%	51%	-	91%	100%	51%	62%	44%	-		
Net production (GWh)	-	111	-	66	130	-	29	8	22	18	35	-	11	430

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

YTD 2021

NOK million	Philippines	South Africa [2]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Other [3]	Total
Revenues	1,100	363	234	264	240	226	196	107	77	72	52	38	54	3,023
Cost of sales	-371	-	-	-	-	-	-	-	-	-	-	-	-	-371
Net revenues [1]	729	363	234	264	240	226	196	107	77	72	52	38	54	2,651
OPEX	-109	-68	-14	-38	-34	-24	-37	-8	-13	-8	-12	-13	-88	-465
EBITDA	620	295	220	226	207	202	159	98	64	64	41	25	-34	2,186
EBITDA margin	56%	81%	94%	86%	86%	89%	81%	92%	83%	89%	78%	67%	-62%	72%
Cash flow to equity [4]	743	68	124	47	93	94	66	50	39	23	9	-1	-45	1,310
Scatec economic interest [5]	50%	45%	28%	100%	51%	20%	89%	100%	51%	62%	44%	100%		
Net production (GWh)	493	314	330	261	390	499	153	19	62	52	95	52	58	2,778

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, Argentina, 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

YTD 2020 [3]

NOK million	Philippines	South Africa [1]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Other [2]	Total
Revenues	-	318	-	256	248	-	95	116	89	79	60	-	45	1,306
Cost of sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OPEX	-	-54	-	-30	-36	-	-9	-9	-13	-16	-12	-	-42	-222
EBITDA	-	264	-	227	212	-	86	107	76	62	48	-	1	1,084
EBITDA margin	-	83%	-	88%	85%	-	91%	93%	85%	79%	79%	-	3%	83%
Cash flow to equity	-	79	-	52	83	-	32	57	46	15	26	-	-17	374
Scatec economic interest [4]	-	45%	-	100%	51%	-	91%	100%	51%	62%	44%	-		
Net production (GWh)	-	276	-	219	368	-	58	21	65	50	98	-	32	1,185

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

FY 2020 [3]

NOK million	Philippines	South Africa [1]	Uganda	Malaysia	Egypt	Laos	Ukraine	Czech Republic	Honduras	Jordan	Brazil	Vietnam	Other [2]	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) Includes Kalkbult, Linde, Dreunberg and Upington projects
2) Includes Rwanda, Mozambique, Release, and other asset ownership expenses in the Power Production segment
3) The acquisition of SN Power took place in January 2021, hence zero values for Philippines, Uganda, Laos and Vietnam in 2020
4) The project companies in Brazil are equity consolidated in the in the group's financial statements

Financial position and working capital breakdown
Proportionate financials

30 September 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]	1,418	221	703	550	288	549	1,512	160	635	225	173	133	225	90	6,881
Total assets [5]	4,294	2,401	2,263	2,954	2,065	934	3,231	548	812	687	489	530	594	467	22,270
PP&E	2,019	2,088	2,012	2,797	1,758	798	2,753	422	702	524	442	443	563	368	17,690
Cash	230	212	185	377	230	68	75	61	18	144	14	67	3	63	1,749
Gross interest bearing debt [2]	2,785	1,848	886	2,132	1,462	332	843	334	143	390	277	346	330	287	12,395
Net interest bearing debt [2]	2,555	1,636	701	1,755	1,232	264	768	273	125	246	263	279	327	223	10,646
Net working capital [2]	-56	-100	39	-357	-53	-71	-514	-15	56	-56	-15	-50	-311	-11	-1,514
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]	35	35
Total assets [5]	87	87
PP&E	71	71
Cash	13	13
Gross interest bearing debt [2]	-	-
Net interest bearing debt [2]	-13	-13
Net working capital [2]	-39	-39
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

30 September 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]	6,881	35	1,382	-3,068	4,457	9,688
Total assets	22,270	87	6,808	1,090	3,091	33,347
PP&E power plants	17,690	71	5,754	-5,835	-1,644	16,036
Cash	1,749	13	697	-501	2,373	4,332
Gross interest bearing debt [2]	12,395	-	4,550	-4,610	7,272	19,607
Net interest bearing debt [2]	10,646	-13	3,853	-4,110	4,899	15,274
Net working capital [2]	-1,514	-39	-194	414	524	-808

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	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Revenues	2	846	731	2,276	2,083	2,771
Net gain/(loss) from sale of project assets		-	-	-	-	-
Net income/(loss) from JV and associated companies	9	212	-7	489	-8	-16
Total revenues and other income		1,059	724	2,764	2,075	2,754
Personnel expenses	2	-98	-71	-280	-184	-262
Other operating expenses	2	-134	-116	-357	-270	-423
Depreciation, amortisation and impairment	2	-268	-195	-655	-573	-777
Operating profit (EBIT)		558	343	1,473	1,048	1,292
Interest and other financial income	4	8	11	32	39	57
Interest and other financial expenses	4	-343	-275	-1,015	-826	-1,189
Net foreign exchange gain/(losses)	4	6	-69	31	82	-398
Net financial expenses		-328	-333	-952	-705	-1,530
Profit/(loss) before income tax		230	10	521	343	-238
Income tax (expense)/benefit	6	-61	-34	-200	-150	-130
Profit/(loss) for the period		169	-24	321	193	-368
Equity holders of the parent		131	-57	242	80	-478
Non-controlling interest		38	33	79	113	110
Basic earnings per share (NOK) 1)		0.83	-0.43	1.52	0.61	-3.51
Diluted earnings per share (NOK) 1)		0.82	-0.43	1.52	0.60	-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	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Profit/(loss) for the period		169	-24	321	193	-368
Other comprehensive income:						
Items that may subsequently be reclassified to profit or loss		-	-	-	-	-
Net movement of cash flow hedges		47	72	311	-407	-376
Income tax effect	6	-12	-19	-79	102	98
Foreign currency translation differences		-157	-78	-32	61	-116
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		-121	-25	200	-245	-394
Total comprehensive income for the period net of tax		48	-49	521	-51	-762
Attributable to:						
Equity holders of the parent		-14	-71	316	3	-698
Non-controlling interest		62	22	205	-55	-65

Interim consolidated statement of financial position

NOK million	Notes	As of 30 September 2021	As of 31 December 2020
Assets			
Non-current assets			
Deferred tax assets	6	800	722
Property, plant and equipment - power plants	3	16,036	15,861
Property, plant and equipment – other	3	392	225
Goodwill	8	245	25
Investments in JVs and associated companies	9	9,665	612
Other non-current assets		188	144
Total non-current assets		27,336	17,590
Current assets			
Trade and other receivables		823	623
Other current assets		857	663
Cash and cash equivalents	5	4,332	7,788
Total current assets		6,012	9,074
Total assets		33,347	26,663

Interim consolidated statement of financial position

NOK million	Notes	As of 30 September 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		-645	-708
Other reserves		-143	-221
Total other equity		-787	-929
Non-controlling interests		696	673
Total equity		9,688	9,467
Non-current liabilities			
Deferred tax liabilities	6	549	205
Non-recourse project financing	4	11,427	11,350
Corporate financing	5	7,272	-
Financial liabilities		287	572
Other non-current liabilities		1,520	1,575
Total non-current liabilities		21,054	13,701
Current liabilities			
Corporate financing	5	-	748
Trade and other payables		769	760
Income tax payable	6	27	90
Non-recourse project financing	4	908	913
Financial liabilities		119	131
Other current liabilities		782	852
Total current liabilities		2,605	3,495
Total liabilities		23,659	17,196
Total equity and liabilities		33,347	26,663

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The Board of Directors Scatec ASA

Interim consolidated statement of changes in equity

NOK million	Share capital	Share premium	Retained earnings	Other reserves: Foreign currency translation	Other reserves: Hedging reserves	Total	Non-controlling interests	Total equity
At 1 January 2020	3	3,108	-134	128	-130	**2,975**	665	**3,640**
Profit for the period	-	-	80	-	-	**80**	113	**193**
Other comprehensive income	-	-	-1	94	-170	**-77**	-168	**-245**
Total comprehensive income	-	-	79	94	-170	**3**	-55	**-51**
Share-based payment	-	10	-	-	-	**10**	-	**10**
Share capital increase	-	1,994	-	-	-	**1,994**	-	**1,994**
Transaction cost, net after tax	-	-32	-	-	-	**-32**	-	**-32**
Share purchase program	-	-1	-	-	-	**-1**	-	**-1**
Dividend distribution	-	-	-131	-	-	**-131**	-148	**-280**
Sale of shares in group companies to NCIs	-	-	35	-	-	**35**	-	**35**
Capital increase from NCI	-	-	-	-	-	**-**	170	**170**
At 30 September 2020	3	5,078	-150	222	-300	**4,853**	632	**5,485**
At 1 October 2020	3	5,078	-150	222	-300	**4,853**	632	**5,485**
Profit for the period	-	-	-558	-	-	**-558**	-3	**-561**
Other comprehensive income	-	-	1	-182	39	**-143**	-7	**-150**
Total comprehensive income	-	-	-557	-183	39	**-701**	-10	**-711**
Share-based payment	-	4	-	-	-	**4**	-	**4**
Share capital increase	1	4,749	-	-	-	**4,750**	-	**4,750**
Transaction cost, net after tax	-	-112	-	-	-	**-112**	-	**-112**
Capital increase from NCI	-	-	-	-	-	**-**	51	**51**
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	-	-	242	-	-	**242**	79	**321**
Other comprehensive income	-	-	1	-47	120	**73**	126	**200**
Total comprehensive income	-	-	243	-47	120	**316**	205	**521**
Share-based payment	-	12	-	-	-	**12**	-	**12**
Share capital increase	-	42	-	-	-	**42**	-	**42**
Dividend distribution	-	-	-173	-	-	**-173**	-200	**-373**
Capital increase from NCI	-	-	-	-	-	**-**	18	**18**
At 30 September 2021	4	9,775	-638	-7	-141	**8,992**	696	**9,688**

Interim consolidated statement of cash flow

NOK million	Notes	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Cash flow from operating activities						
Profit before taxes		231	10	521	343	-238
Taxes paid	6	-122	-16	-181	-148	-214
Depreciation and impairment	3	268	195	655	573	777
Proceeds from disposal of fixed assets	3	1	-	4	-	26
Net income from JVs and associated companies	9	-212	7	-489	8	16
Interest and other financial income	4	-1	-11	-32	-39	-57
Interest and other financial expenses	4	336	275	1,015	826	1,189
Unrealised foreign exchange (gain)/loss	4	-6	69	-31	-82	398
Increase/(decrease) in other assets and liabilities 1)		-49	54	-22	29	-262
Net cash flow from operating activities		446	581	1,440	1,510	1,636
Cash flow from investing activities						
Interest received	4	1	11	32	39	57
Consideration paid for SN Power, net of cash acquired 2)	8	-	-	-7,560	-	-
Investments in property, plant and equipment	3	-186	-139	-957	-1,518	-1,774
Net investments in, and distributions from, JVs and associated companies	9	232	-	446	64	12
Net cash flow from investing activities		47	-128	-8,039	-1,414	-1,704
Cash flow from financing activities						
Net proceeds and repayment from non-controlling interests 3)		-1	32	-10	221	159
Interest paid	4	-226	-147	-779	-591	-894
Proceeds from non-recourse project financing		2	-	43	77	135
Repayment of non-recourse project financing		-81	-237	-460	-293	-678
Net proceeds from corporate financing 4)	5	-	-	4,699	-	-
Share capital increase		-	-	42	1,954	6,576
Dividends paid to equity holders of the parent company and non-controlling interests		-42	-169	-373	-280	-279
Net cash flow from financing activities		-348	-523	3,162	1,089	5,020
Net increase/(decrease) in cash and cash equivalents		145	-69	-3,436	1,184	4,951
Effect of exchange rate changes on cash and cash equivalents		-5	2	-19	-7	13
Cash and cash equivalents at beginning of the period		4,192	4,069	7,788	2,824	2,824
Cash and cash equivalents at end of the period	5	4,332	4,001	4,332	4,002	7,788

1) Payments on lease liabilities are presented under cash flow from operating activities in the quarterly reports, and reclassified to cash flow from financing activities in the annual report.

2) Consideration paid for SN Power comprise of payment made at the transaction date, excluding NOK 826 million of cash in acquired companies.

3) Net proceeds from non-controlling interests include both equity contributions and shareholder loans.

4) 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 first quarter 2021 were authorised by the Board of Directors for issue on 29 April 2021.

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

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements

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 owning the power plants. To be able to utilise the business model fully, 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 as defined by IFRS 10 Consolidated Financial Statements, 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. SN Power AS was acquired from Norfund for a total consideration of USD 1,200 million (NOK 10,371 million). 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.

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.

Estimates and assumptions

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 estimate is 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.

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 maker, 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 power plant companies with a non-recourse finance structure. This implies that the project debt is only secured and serviced by project assets and the cash flows generated by 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.

Q3 2021

	Proportionate financials								
NOK million	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 [5]	1,130	1	1	2	1,133	304	-591	-	846
Internal revenues	-	69	43	9	121	7	-8	-121	-
Net income from JV and associates	-	-	-	-	-	-	212	-	212
Total revenues and other income	1,130	69	43	11	1,254	311	-386	-121	1,059
Cost of sales	-132	-	-39	-	-170	-	135	36	-
Gross profit [6]	999	70	4	11	1,084	311	-252	-85	1,059
Personnel expenses	-23	-25	-36	-22	-106	-2	10	-	-98
Other operating expenses	-153	-23	-21	-14	-211	-49	48	78	-134
EBITDA	823	22	-53	-25	767	261	-194	-7	827
Depreciation and impairment [4]	-272	-1	-52	-6	-331	-85	111	36	-268
Operating profit (EBIT)	551	21	-105	-31	436	176	-83	29	558

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) 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 NOK 50 million related to discontinued development of projects in Brazil and Ukraine
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) Equivalent to Net revenues

Q3 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	457	-	5	2	463	290	-19	-2	731
Internal revenues	-	60	25	7	93	6	-4	-95	-
Net income from JV and associates	-	-	-	-	-	-	-7	-	-7
Total revenues and other income	457	60	30	9	556	296	-30	-97	724
Cost of sales	-	-	-26	-	-25	-	-	25	-
Gross profit	457	60	4	9	530	296	-30	-72	724
Personnel expenses	-9	-18	-21	-24	-71	-1	2	-1	-71
Other operating expenses	-69	-21	-10	-40	-140	-50	6	68	-116
EBITDA	379	22	-27	-54	319	245	-22	-4	538
Depreciation and impairment	-149	1	-7	-5	-161	-82	7	41	-195
Operating profit (EBIT)	230	21	-33	-59	159	163	-16	37	343

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

YTD 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) 5)	Consolidated financials
External revenues 7)	3,023	3	3	8	3,036	863	-1,623	-1	2,276
Internal revenues	-	191	116	22	329	20	-15	-335	-
Net income fra JV and associates 6)	-	-	-	-	-	-	489	-	489
Total revenues and other income	3,023	194	118	31	3,365	884	-1,149	-336	2,764
Cost of sales	-371	-	-106	-	-477	-	376	101	-
Gross profit 8)	2,651	194	12	31	2,888	884	-772	-235	2,764
Personnel expenses	-70	-70	-112	-66	-317	-6	33	10	-280
Other operating expenses	-395	-61	-67	-44	-567	-143	138	216	-357
EBITDA	2,186	63	-167	-79	2,004	735	-602	-9	2,128
Depreciation and impairment 4)	-720	-4	-56	-18	-797	-249	275	116	-655
Operating profit (EBIT)	1,466	60	-222	-97	1,206	486	-327	107	1,473

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) 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 NOK 50 million related to discontinued development of projects in Brazil and Ukraine
5) 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
6) Refer to note 9 – Investments in joint venture and associated companies for details on Net income from JV and associates
7) 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
8) Equivalent to Net revenues

YTD 2020

NOK million	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
	Proportionate financials								
External revenues	1,306	-	11	4	1,321	831	-59	-9	2,083
Internal revenues	-	186	816	24	1,026	304	-21	-1,309	-
Net income from JV and associates	-	-	-	-	-	-	-9	-	-8
Total revenues and other income	1,306	186	827	28	2,347	1,135	-89	-1,318	2,075
Cost of sales	-	-	-724	-	-723	-271	15	980	-
Gross profit	1,306	186	103	28	1,624	864	-75	-338	2,075
Personnel expenses	-20	-56	-60	-52	-188	-1	5	1	-184
Other operating expenses	-202	-58	-34	-60	-354	-142	18	207	-270
EBITDA	1,084	72	10	-84	1,082	720	-52	-130	1,621
Depreciation and impairment	-417	-2	-21	-14	-455	-239	23	99	-573
Operating profit (EBIT)	667	70	-11	-98	627	481	-30	-31	1,048

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 2020

NOK million	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
	Proportionate 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 30 September 2021.

In the third quarter 2021 an impairment charge of NOK 50 million for "Power plant under development" was recorded related to development projects in Brazil and Ukraine. Total impairments charges per 30 September 2021 was NOK 56 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	45	76	233	39	**393**
Disposals	-	-	-2	-2	**-4**
Transfer between asset classes [3]	1,780	-1,775	-5	-	**-**
Depreciation	-563	-	-	-36	**-599**
Impairment losses	-6	-	-50	-	**-56**
Effect of foreign exchange currency translation adjustments	50	-28	7	14	**43**
Carrying value at 30 September 2021	15,483	95	458	392	**16,428**
Estimated useful life (years)	20-25	N/A	N/A	3-20	

1) Power plants includes NOK 46 million of capitalised right to transmit electricity
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 September 30, 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 668 million on 30 September 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, exclusively using as guarantee the assets and cash flows of the power plants carrying out the activities financed. 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 908 million 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.

On 30 September 2021, Scatec was in compliance with all financial covenants for both the recourse and non-recourse debt.

In the second quarter 2021, Scatec and co-sponsors reached an in-principle agreement with the lenders for Kamianka and Boguslav, where debt service and covenants were adapted to the updated forecast of future cash flows of the power plants. The same adjustments are in process of being implemented on the remaining projects in Ukraine.

The Rengy, Chigrin, Kamianka and Boguslav projects in Ukraine that failed to meet certain loan covenants on 31 March 2021 are compliant with all covenants on 30 September 2021. The non-recourse debt of NOK 921 million in Ukraine which was classified as current on 31 March 2021 are classified as non-current in the statement of financial position on 30 September 2021.

During the third quarter of 2021 the Group has drawn a total of NOK 193 million on the non-recourse financing for the construction projects in the Group.

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	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Interest income	8	10	24	34	48
Other financial income	-	1	8	5	8
Financial income	8	11	32	39	57
Interest expenses	-325	-261	-971	-789	-1,131
Forward exchange contracts	-	-1	2	-8	-7
Other financial expenses	-18	-13	-46	-30	-51
Financial expenses	-343	-275	-1,015	-826	-1,189
Foreign exchange gains/(losses)	6	-69	31	82	-398
Net financial expenses	-328	-333	-952	-705	-1,530

Note 5 Cash, cash equivalents and corporate funding

NOK million	As of 30 September 2021	As of 31 December 2020
Cash in power plant companies in operation	1,928	1,741
Cash in power plant companies under development/construction	20	11
Other restricted cash	63	87
Free cash	2,321	5,949
Total cash and cash equivalents	4,332	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-re-course 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	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Free cash at beginning of period	2,361	1,933	5,949	758	758
Free cash in acquired SN Power entities at 1 January 2021	-	-	491	-	-
Proportionate share of cash flow to equity [1] Services	18	17	51	57	65
Proportionate share of cash flow to equity [1] D&C	-30	-19	-118	13	-15
Proportionate share of cash flow to equity [1] CORP	-62	-52	-192	-99	-153
Project development capex	-130	-67	-236	-175	-156
Equity contributions to power plant companies [2]	-21	-104	-481	-673	-756
Distributions from power plant companies [3]	328	70	1,257	233	346
Share capital increase, net after transaction cost	-	-	-	1,953	6,575
Dividend distribution	-	-131	-173	-131	-131
Net cash considerations from acquisition of SN Power	-8	-	-3,709	-	-
Working capital / Other	-134	237	-518	-52	-584
Drawn on credit facilities	-	-	-	-	-
Free cash at end of the period	**2,321**	**1,885**	**2,321**	**1,885**	**5,949**
Available undrawn credit facilities	1,622	1,600	1,622	1,600	813
Total free cash and undrawn credit facilities at the end of the period	3,943	3,485	3,943	3,485	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 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 30 September 2021.

Acquisition Finance related to the SN Power transaction

The following financing package in the total amount of USD 1,030 million was signed in the fourth quarter of 2020, to cater for the SN Power acquisition:

- USD 150 million Green Term Loan provided by Nordea, Swedbank and DNB with maturity in the first quarter of 2025.
- USD 400 million bridge to bond facility provided by Nordea, Swedbank and DNB with maturity in June 2022 with option of automatic extension of six months until December 2022. USD 207 million of the facility was repaid following the EUR 250 million bond issue in the first quarter of 2021.
- USD 300 million bridge to equity facility provided by Nordea, Swedbank and DNB with maturity in June 2022. The facility was repaid in full following the private placement in October 2020.
- 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.

Per 30 September 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 11,042 million per quarter end.

During the third quarter of 2021, interest amounting to NOK 57 million (NOK 52 million in 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 61 million (NOK 34 million) in the third quarter, corresponding to an effective tax rate of 26% (340%). The tax expense for the first nine months was NOK 200 million.

The difference between effective tax expense for the quarter and calculated tax expense based on the Norwegian tax rate of 22% is 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	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Profit before income tax	**230**	10	**521**	343	-238
Income tax (expense)/benefit	**-61**	-34	**-200**	-150	-130
Equivalent to a tax rate of (%)	26%	340%	38%	44%	-55%

Movement in deferred tax

NOK million	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
Net deferred tax asset at beginning of period	**275**	432	**517**	343	343
Recognised in the consolidated statement of profit or loss	**-14**	-3	**-161**	-83	25
Deferred tax on financial instruments recognised in OCI	**-12**	-19	**-79**	102	98
Deferred tax on excess values from acquisition of SN Power	**-**	-	**-19**	-	-
Recognised in the consolidated statement of changes in equity	**-**	-	**-**	9	41
Translation differences	**3**	5	**-6**	41	9
Net deferred tax asset at end of period	**251**	414	**251**	414	517

Note 7 Related parties

Scatec has related party transactions and balances with equity consolidated companies in Argentina, Brazil, Laos, Madagascar, Uganda, Philippines and Rwanda, 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 1,200 million (NOK 10,371 million). 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. 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.

Financing of the SN Power acquisition includes the following debt facilities:

- USD 200 million Vendor Financing provided by Norfund with a tenor of 7 years from closing
- USD 150 million Green Term Loan provided by Nordea, Swedbank and DNB with maturity 4 years from closing
- USD 400 million acquisition finance provided by Nordea, Swedbank and DNB with a tenor of 18 months from closing, with option of automatic extension of six months until December 2022

The remaining financing of the acquisition was cash.

The purchase price of the acquisition could still be subject to certain adjustments which have not been finalised prior to the release of this report, including adjustments for working capital in the acquired companies based on the audited financial statements of SN Power for 2020. Consequently, the table below which shows the fair value of the identifiable assets and liabilities of SN Power and the purchase price allocation, must be considered preliminary.

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.

Scatec recognised NOK 219 million in goodwill related to the acquisition of SN Power. Goodwill is recorded in functional currency and as a result, changes in currency exchange rates affect the value of goodwill in NOK. Goodwill arising from the acquisition relates mainly to the portfolio of identified project development opportunities and assembled workforce. 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.

Preliminary 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	352
Investments in JV and associated companies	9,172
Other non-current assets	71
Total non-current assets	10,026
Current assets	
Trade and other receivables	101
Cash and cash equivalents	826
Total current assets	927
Total assets	10,953
Total equity	10,371
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	10,953

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 first nine months of 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 30 September 2021.

Company	Registered office	30 September 2021	31 December 2020
Kube Energy AS	Oslo, Norway	25%	25%
Scatec Solar Brazil BV	Amsterdam, Netherlands	50%	50%
Apodi I Energia SPE S.A	Jaboatão dos Guararapes, Brazil	43.75%	43.75%
Apodi II Energia SPE S.A	Jaboatão dos Guararapes, Brazil	43.75%	43.75%
Apodi III Energia SPE S.A	Jaboatão dos Guararapes, Brazil	43.75%	43.75%
Apodi IV Energia SPE S.A	Jaboatão dos Guararapes, Brazil	43.75%	43.75%
Scatec Solar Solutions Brazil BV	Amsterdam, Netherlands	50%	50%
Scatec Solar Brasil Servicos De Engenharia LTDA	Recife, Brazil	50%	50%
Scatec Equinor Solutions Argentina S.A	Buenos Aires, Argentina	50%	50%
Cordilleras Solar VIII S.A (Argentina)	Buenos Aires, Argentina	50%	50%
Theun-Hinboun Power Company	Vientiane, Laos	20%	-
SN Aboitiz Power – Magat Inc	Manila, Phillippines	50%	-
Manila-Oslo Reneweable Enterprise	Manila, Phillippines	16.7 %	-
SN Aboitiz Power – Benguet Inc	Manila, Phillippines	50%	-
SN Aboitiz Power – RES Inc	Manila, Phillippines	50%	-
SN Aboitiz Power – Generation Inc	Manila, Phillippines	50%	-
SN Power Uganda Ltd. 1)	Kampala, Uganda	51%	-
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	20.4 %	-
Ruzizi Energy Ltd 1)	Kigali, Rwanda	20.4 %	-

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 30 September 2021
Brazil and Argentina	610	-18	-12	-	-	1	581
Laos	-	1,571	108	-112	-	33	1,599
Philippines	-	6,596	297	-350	-	-233	6,311
Uganda	-	1,080	96	-79	26	22	1,145
Other	2	27	-	-	-	-	29
Total	612	9,256	489	-540	26	-178	9,665

Note 10 Subsequent events

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

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 third quarter of 2021 Scatec reports a proportionate operating profit of NOK 436 million compared with an operating profit of NOK 558 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 35 million [1],

2. removed the non-controlling interests share of the operating profit of NOK 176 million to only leave the portion corresponding to Scatec's ownership share,

3. replaced the consolidated net profit from joint venture companies of NOK 212 million with Scatec's share of the Operating profit from the joint venture companies with NOK 300 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 18.

1) Where NOK 4 million comprise Scatec's share of gross profit on D&C contracts, NOK -36 million comprise increased depreciation charges from internal gains and NOK -3 million comprise other items.

Reconciliation of Alternative Performance Measures (consolidated figures)

NOK million	Notes	Q3 2021	Q3 2020	YTD 2021	YTD 2020	FY 2020
EBITDA						
Operating profit (EBIT)		558	343	1,473	1,048	1,292
Depreciation, amortisation and impairment		268	195	655	573	777
EBITDA		827	538	2,128	1,621	2,069
Total revenues and other income		1,059	724	2,764	2,075	2,754
EBITDA margin		78%	74%	77%	78%	75%
Gross profit						
Total revenues and other income		1,059	724	2,764	2,075	2,754
Cost of sales		-	-	-	-	-
Gross profit		1,059	724	2,764	2,075	2,754
Gross interest-bearing debt						
Non-recourse project financing		11,427	11,455	11,427	11,455	11,350
Corporate financing		7,272	747	7,272	747	748
Non-recourse project financing-current		908	1,545	908	1,545	913
Gross interest-bearing debt		19,607	13,748	19,607	13,748	13,011
Net interest-bearing debt						
Gross interest-bearing debt		19,607	13,748	19,607	13,748	13,011
Cash and cash equivalents		4,332	4,002	4,332	4,002	7,788
Net interest-bearing debt		15,274	9,746	15,274	9,746	5,223
Net working capital						
Trade and other receivables		823	781	823	781	623
Other current assets		857	672	857	672	663
Trade and other payable		-769	-806	-769	-806	-760
Income tax payable		-27	-24	-27	-24	-90
Other current liabilities		-782	-927	-782	-927	-852
Non-recourse project financing-current		-908	-1,545	-908	-1,545	-913
Net working capital		-806	-1,850	-806	-1,850	-1,329

Break-down of proportionate cash flow to equity

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
Proceeds from refinancing 1)	-	-	-	-	-
Normalised income tax payment	-42	-5	23	19	-5
Cash flow to equity	377	18	-30	-62	302

1) Refer to Note 5 Cash and cash equivalents.

Q2 2021

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	660	24	-54	-28	601
Net interest expenses	-182	-	5	-46	-223
Normalised loan repayments	-193	-	-	-	-193
Proceeds from refinancing 1)	-	-	-	-	-
Normalised income tax payment	-32	-5	11	18	-8
Cash flow to equity	252	19	-37	-57	177

1) Refer to Note 5 Cash and cash equivalents.

Q3 2020

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	379	22	-27	-54	319
Net interest expenses	-128	-	-	-13	-141
Normalised loan repayments	-99	-	-	-	-99
Normalised income tax payment	-19	-5	7	16	-
Cash flow to equity	134	17	-19	-52	80

YTD 2021

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	2,186	63	-167	-79	2,004
Net interest expenses	-573	1	-1	-172	-745
Normalised loan repayments	-593	-	-	-	-593
Proceeds from refinancing 1)	397	-	-	-	397
Normalised income tax payment	-107	-13	49	59	-12
Cash flow to equity	1,310	51	-118	-192	1,050

1) Refer to Note 5 Cash and cash equivalents.

YTD 2020

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	1,084	72	10	-84	1,082
Net interest expenses	-381	1	1	-47	-427
Normalised loan repayments	-280	-	-	-	-280
Normalised income tax payment	-50	-15	2	32	-31
Cash flow to equity	374	58	13	-99	345

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 power plant 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.

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