

The Scatec logo, featuring a stylized sun icon above the word "Scatec" in a white, sans-serif font, is positioned in the upper left corner of a purple circular graphic that overlaps the background image.

Scatec

First quarter 2021

**Strong growth and
solid cash flow**





Disclaimer

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The following presentation contains unaudited pro forma financial information which has been prepared solely for illustrative purposes to show how the acquisition of SN Power might have affected the financials of the group if the acquisition had occurred at an earlier date. All pro forma financials in this presentation are unaudited.

Alternative performance measures (APM) used in this presentation are described and presented in the fourth quarter report of the group for 2020.





Agenda

- **Highlights and project update**
Raymond Carlsen, CEO
- **Financial review**
Mikkel Tørud, CFO
- **Market & outlook**
Raymond Carlsen, CEO





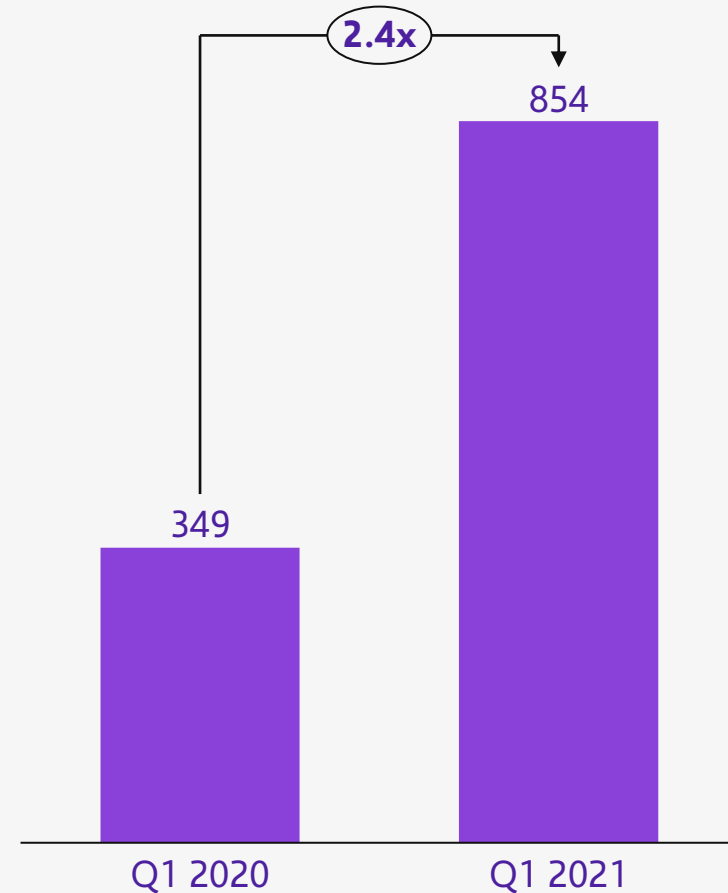
Q1'21 Strong growth and solid cash flow

- Acquisition of SN Power completed – hydro assets contributing with strong growth
- Power production of 854 (349) GWh and EBITDA¹ of NOK 636 (346) million
- Power Production cash flow to equity of NOK 681² (105) million
- Started construction of 150 MW in Pakistan
- 2025 growth target: 15 GW installed
- capex of NOK 100 billion

1) EBITDA and other alternative performance measures (APMs) are defined and reconciled as a part of the APM section of the first quarter report on pages 37-40.

4 2) including refinancing proceeds of NOK 397 million

Power production (GWh)





A broad and growing asset portfolio

Scatec in brief



Develop, build, own and operate renewable energy



3.5 GW in operation and under construction




More than 500 employees in 23 countries

Latin America
383 MW 



Europe & Central Asia
506 MW 






Africa & Middle East
1,175 MW  



Rest of Asia
1,450 MW   



 2,053 MW
 1,422 MW
 39 MW



Mature projects expected to start construction in 2021



Pakistan, 150 MW

- Financial Close in Q1
- 75% leverage
- 75% equity stake
- Construction started in April



Tunisia*, 360 MW

- Backlog
- Tariff awarded
- 75% leverage
- 50-60% target equity stake



South Africa, 600 MW

- Pipeline
- Bid into RMIPP**
- 80% leverage
- 51% equity stake



Brazil, 101 MW

- Backlog
- Blended off-take
- Kroma and Equinor partners
- 60% leverage
- 40% equity stake



Brazil, 530 MW

- Pipeline
- Equinor and Hydro partners
- Negotiating off-take
- 70% leverage
- 33% equity stake



India, 900 MW

- Pipeline
- Tariff awarded
- 75% leverage
- 50% equity stake
- No EPC

* Tozeur and Sidi Bouzid, 60 MWp each and Tataouine, 240 MWp

** RMIPP: Risk Mitigation IPP Procurement Program. REIPPP: Renewables IPP Procurement Program



ESG: Maintaining our strong presence in local communities



Ukraine: Online training courses

Virtual education courses for about 200 teenagers

Argentina: Women empowerment programme

Garment manufacturing to make fleece ponchos

Honduras: Installation of a water tank

Installed water tank for 52 families

Jordan: School heating project in Ma'an

Solar systems totalling 111.7 KWp for 9 schools



ESG ambitions

32 ESG targets
for 2021



Key focus areas



Lifecycle management

Strategy for lifecycle management of equipment



Climate target

Climate roadmap to reach 2050 targets



Responsible supply chain

ESG risk and close engagement with key suppliers



Human rights

Strengthen due diligence and training to exposed groups

Financial review

Mikkel Tørud, CFO

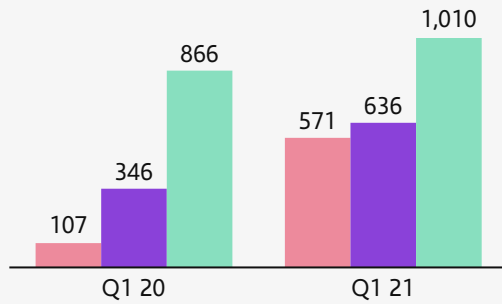


Strong growth in revenues and EBITDA

Proportionate financials

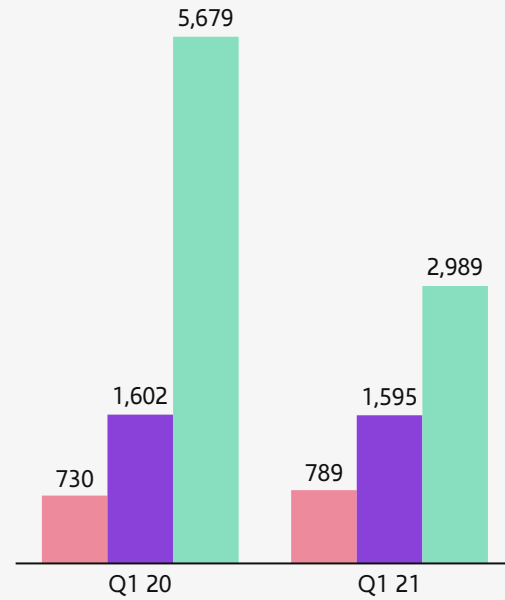
Quarterly (NOK million)

- EBITDA
- Revenues
- Cash Flow to Equity



EBITDA margin	Q1 20	Q1 21
	40%	63%

Last 12 months (NOK million)



EBITDA margin	Q1 20	Q1 21
	28%	53%





Growth in Power Production partly offset by D&C

Proportionate financials

NOK million

Revenues	Q1'21	Q1'20	FY2020
Power Production	924	391	1,708
Services	56	52	232
Development & Construction	24	414	873
Corporate	6	8	33
Total	1,010	866	2,844
EBITDA			
Power Production	704	331	1,404
Services	17	16	82
Development & Construction	-60	15	-28
Corporate	-25	-16	-153
Total	636	346	1,306

Comments

- Strong growth in Power Production after SN Power acquisition
- Growth despite currency headwinds
- Stable performance in Services
- D&C revenues down with low construction activity and opex increased with development of large project pipeline
- Corporate cost increased moderately with the inclusion of SN Power

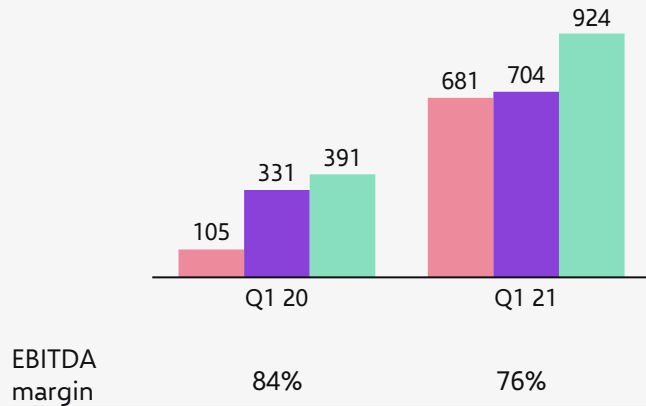


Power Production

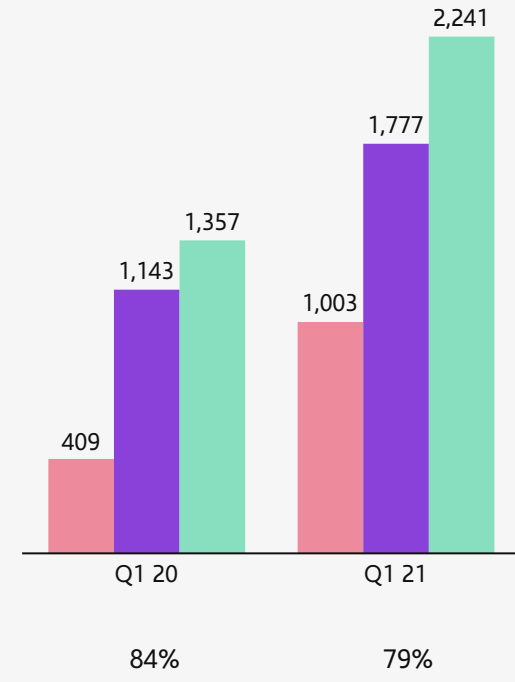
Strong increase in power production

Quarterly (NOK million)

EBITDA Revenues
CF to equity



Last 12 months (NOK million)



Comments

- New hydro assets adding NOK 367 million of EBITDA from last year
- Strong performance on the Philippines, EBITDA of NOK 243 million - up NOK 117 million from last year
- Solar assets with stable EBITDA generation year on year
- Debt refinancing on the Philippines released cash of NOK 397 million to Scatec



Power Production A well diversified power plant portfolio

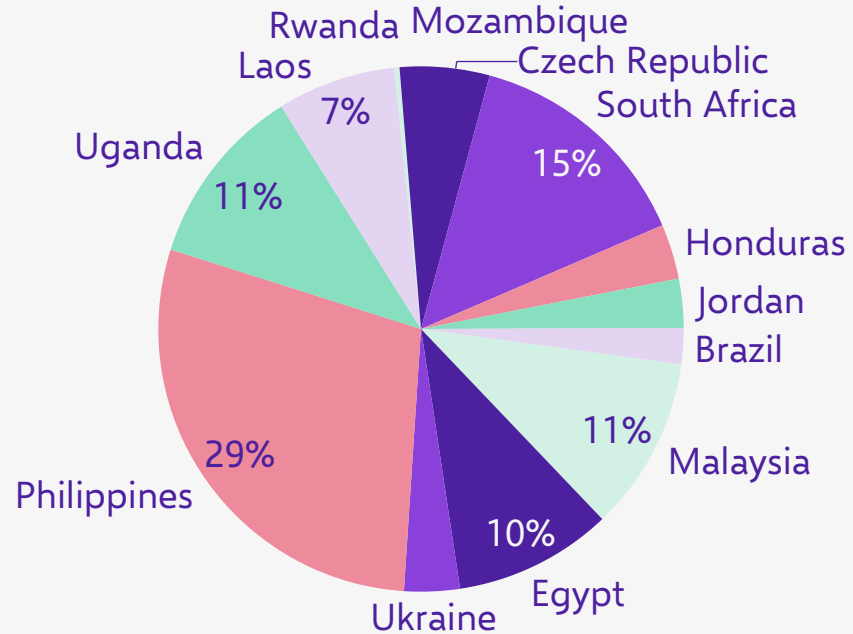
2020 Pro forma Power Production:

EBITDA:
NOK 2,706 million

Cash flow to Equity
NOK 1,067 million

**Remaining contract
duration***
18+ yrs

Pro forma 2020 EBITDA distribution:



(*) Perpetual concession for the hydro assets on the Philippines.

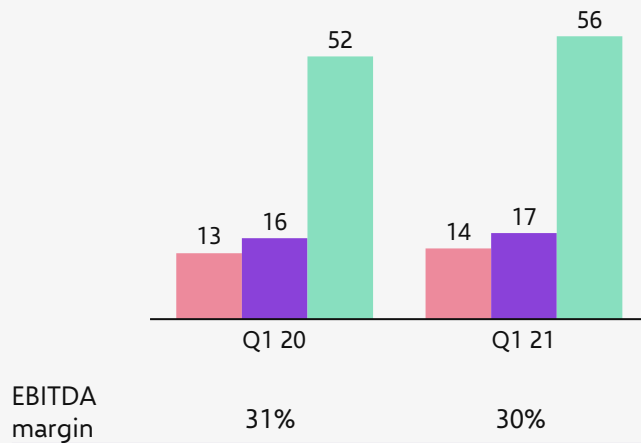


Services

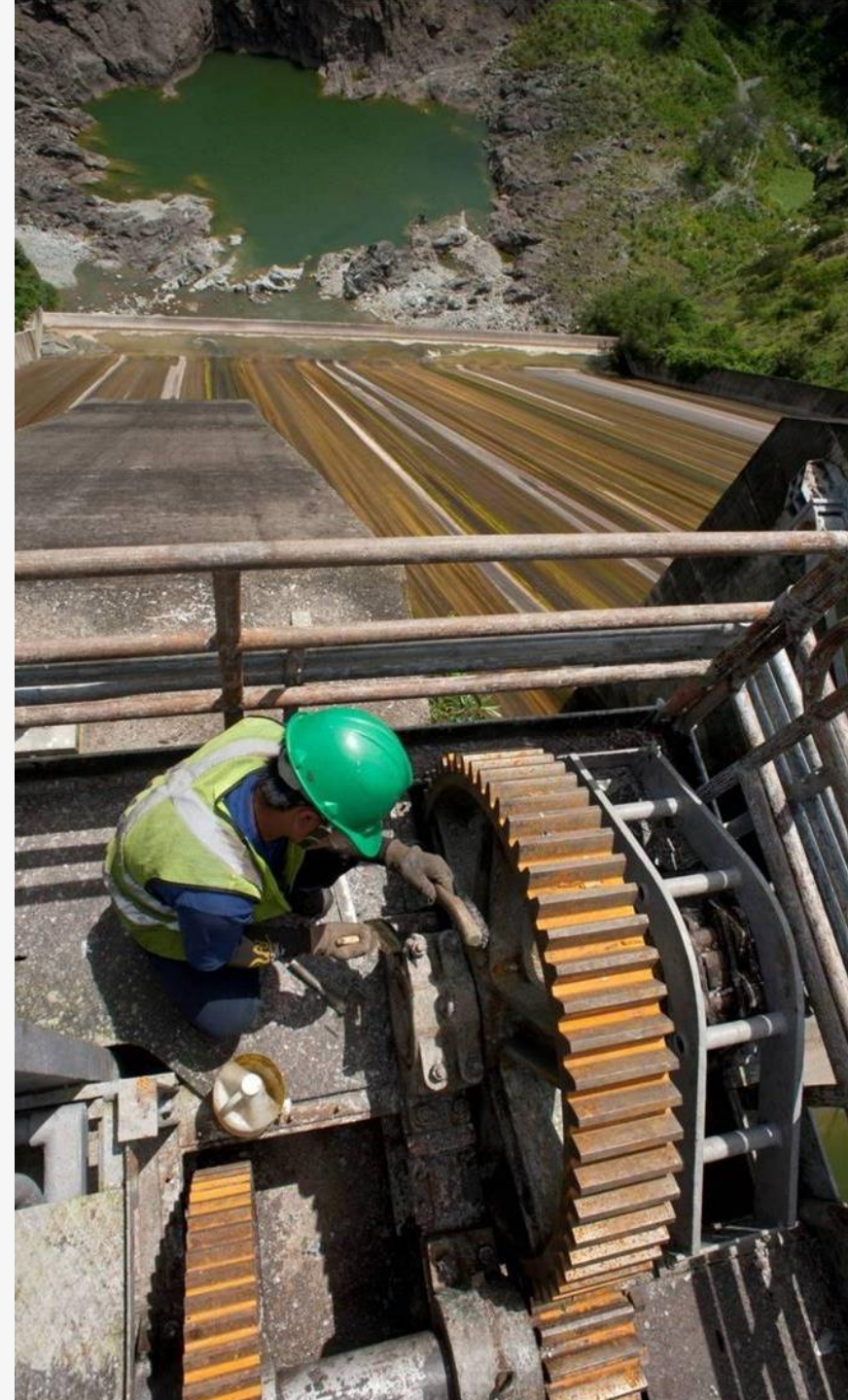
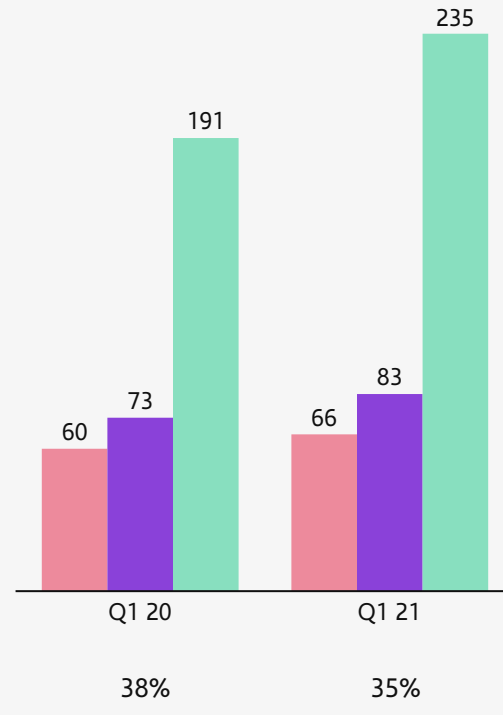
Stable financial performance

Quarterly (NOK million)

EBITDA Revenues
CF to equity



Last 12 months (NOK million)



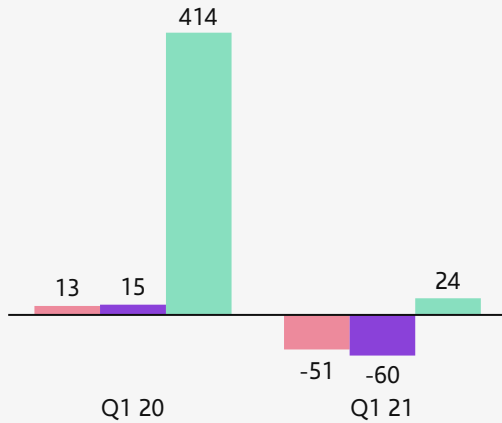


Development & Construction

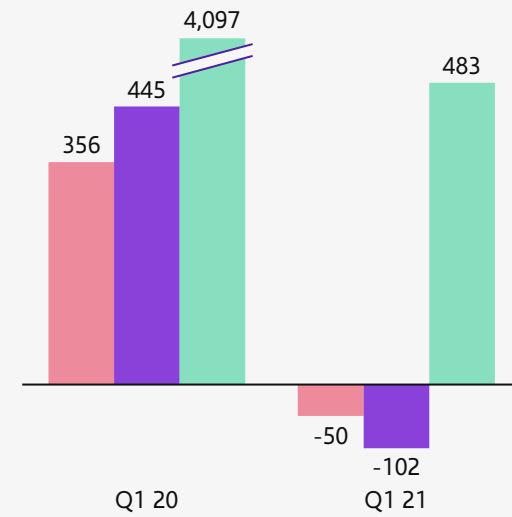
Increased project development efforts

Quarterly (NOK million)

EBITDA Revenues
CF to equity



Last 12 months (NOK million)



Gross margin	11%	1%
EBITDA margin	4%	NA

Gross margin	14%	13%
EBITDA margin	11%	NA





Bridging proportionate to consolidated P&L

	Prop- ortionate	Residual Ownership fully consolidated entities	Elimination of equity consolidated entities	Other Eliminations	Consolidated
External revenues	925	279	-511	-	693
Internal revenues	85	6	-3	-88	-
Net income from JV and associates	-	-	138	-	138
Total revenues and other income	1,010	284	-376	-87	831
Cost of sales	-103	-	79	23	-
Gross profit	907	284	-295	-64	831
Personnel expenses	-99	-2	12	7	-82
Other operating expenses	-172	-50	43	60	-118
EBITDA	636	232	-240	3	631
Depreciation and impairment	-230	-78	77	44	-187
EBIT	406	153	-162	47	444

Proportionate

- Financials across operating segments – based on Scatec’s ownership in power plants

Residual ownership

- Adding financials of non-controlling interest for fully consolidated power plants (solar & wind)

Elimination of equity consolidated entities

- Deducting revenues, EBITDA and EBIT for equity consolidated entities – and adding net income from the same
- Net income from hydro, in IFRS consolidated financials, is reported from 29 January 2021 - control transferred under IFRS

Other eliminations

- Eliminating internal gross profit in D&C and internal revenues and related opex in Services and Corporate segments
- Eliminating depreciation charges from historic internal gains – mostly related to D&C



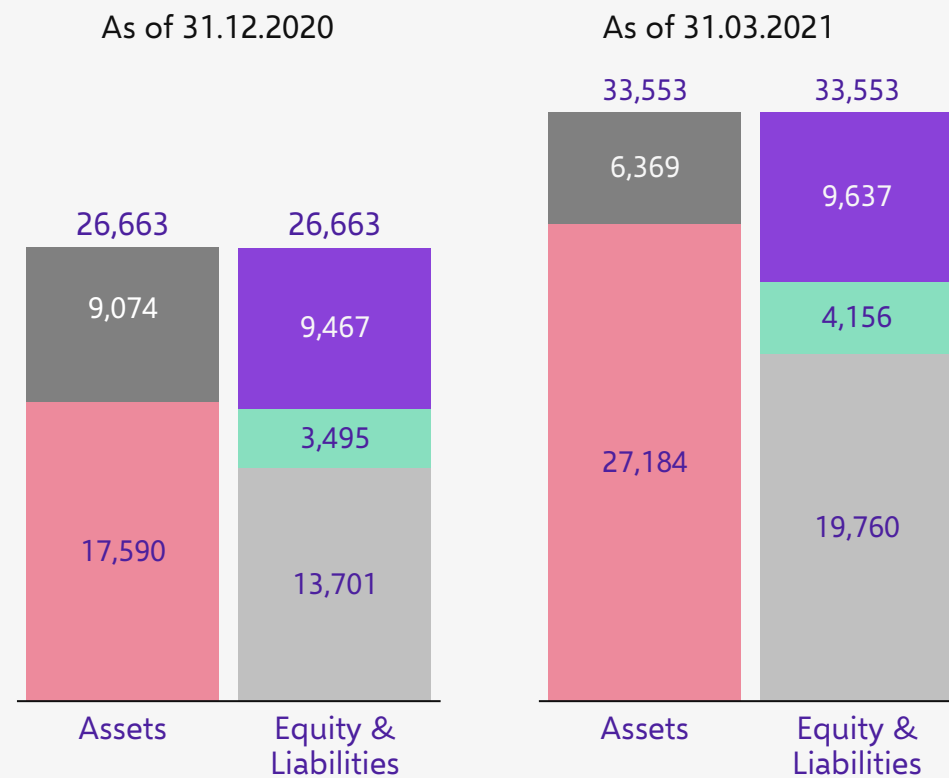
A solid financial position

- Group free cash of NOK 2,918 million
- Investments in JVs and associated companies of NOK 9,750 million, increased from NOK 612 million in 2020
- Group* book equity of NOK 11,190 million

(NOK million)	Consolidated	Project level	Group level*	Total prop.
Cash	4,783	1,698	2,918	4,616
Debt	-19,527	-11,277	-7,114	-18,392
Net debt	-14,744	-9,580	-4,196	-13,776

(*) Defined as 'recourse group' in the corporate bond and loan agreements, where restricted cash is excluded.

Consolidated financial position (NOK million)



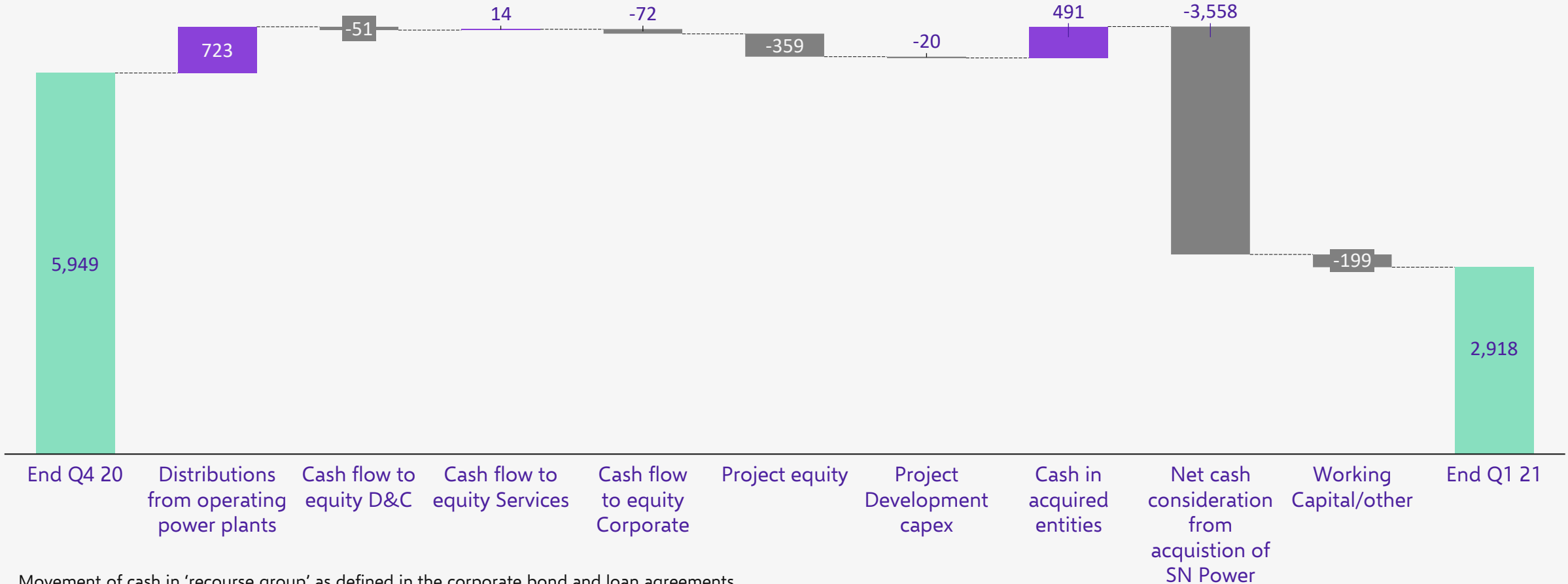
Current assets
 Equity
 Non-current liabilities

Non-current assets
 Current liabilities



Q1'21 movement of the Group's free cash

NOK million



Movement of cash in 'recourse group' as defined in the corporate bond and loan agreements.



Staying selective when investing

- Focus on capital discipline
- Power Production: **Avg. Equity IRR on investments: 12-16%**
 - 30-year cash flows
 - Average across technologies, regions & currencies
- Development & Construction gross margin: **10-12%**
 - D&C revenues expected to average 50-70% of project capex dependent on Scatec's role in the project

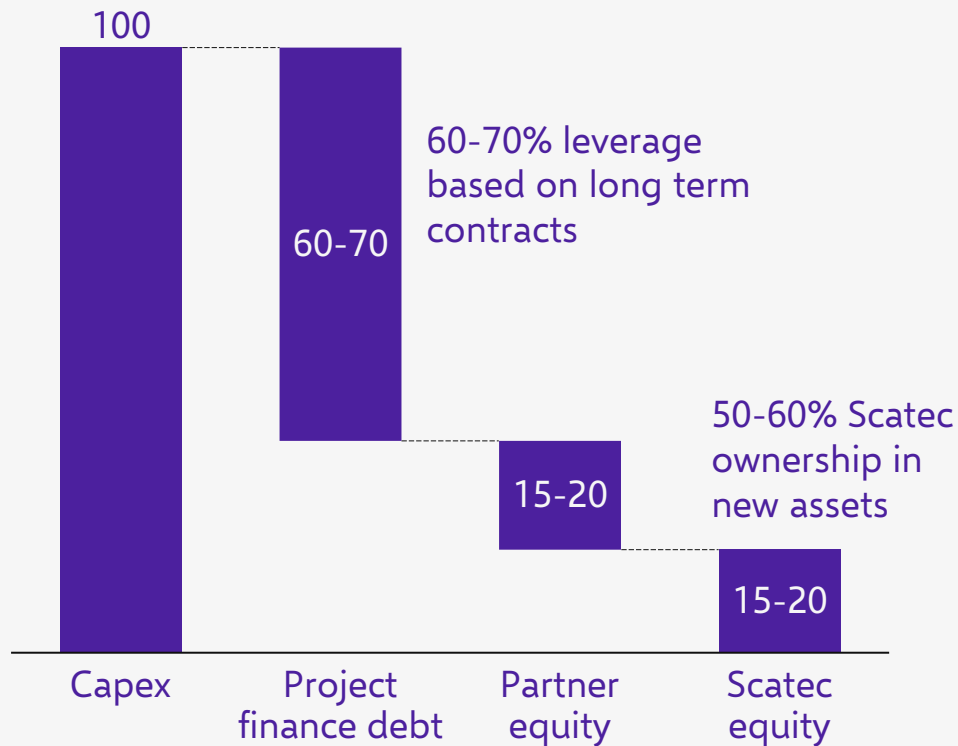




Target of 15 GW by end 2025 representing NOK 100 billion of capex

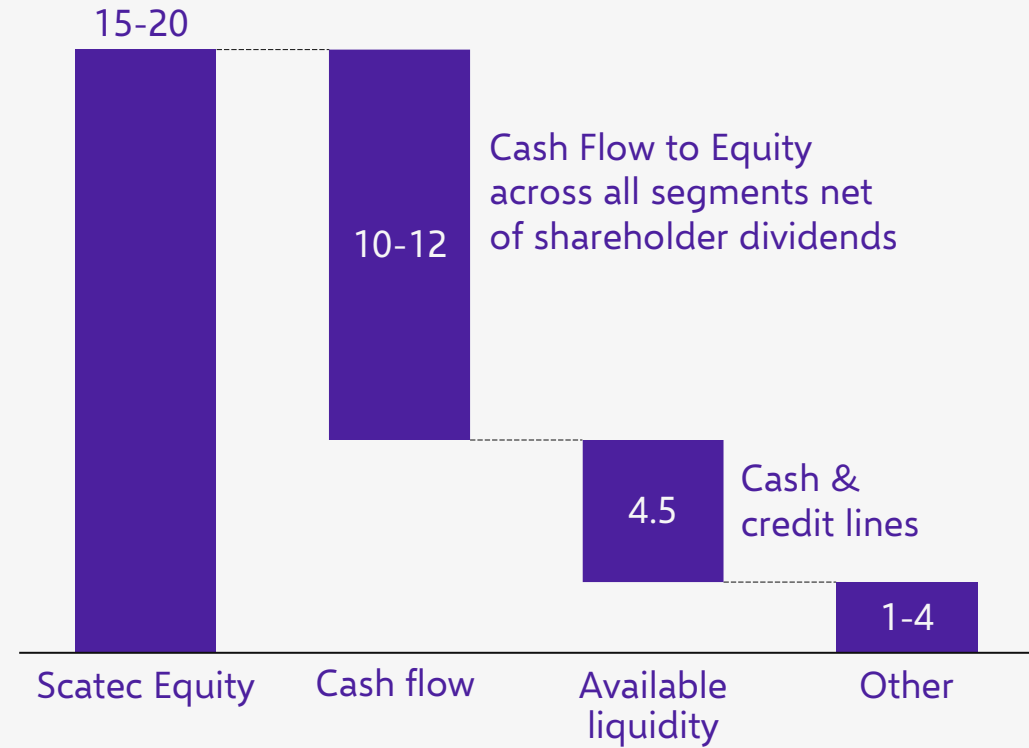
Capital structure for 12 GW new capacity towards 2025

NOK billion



Scatec Equity funded by cash & operating cash flow

NOK billion





Scatec - 2021 Guidance

Power Production (GWh) Proportionate production volume*	Development & Construction	FY2021 Services	FY2021 Corporate
<p>Q2 2021: 815-865</p> <p>Up from 406 in Q2 2020</p> <p>FY 2021: 3,500 - 3,700</p> <p>Up from 3,045 in 2020</p>	<p>End of Q1'21: Remaining, not booked, construction contract value NOK 513 million</p>	<p>Revenues NOK 280 million</p> <p>EBITDA margin: 30-35%</p>	<p>EBITDA NOK -110 million</p>

(*) Guidance based on production from plants in operations at the end of first quarter 2021.



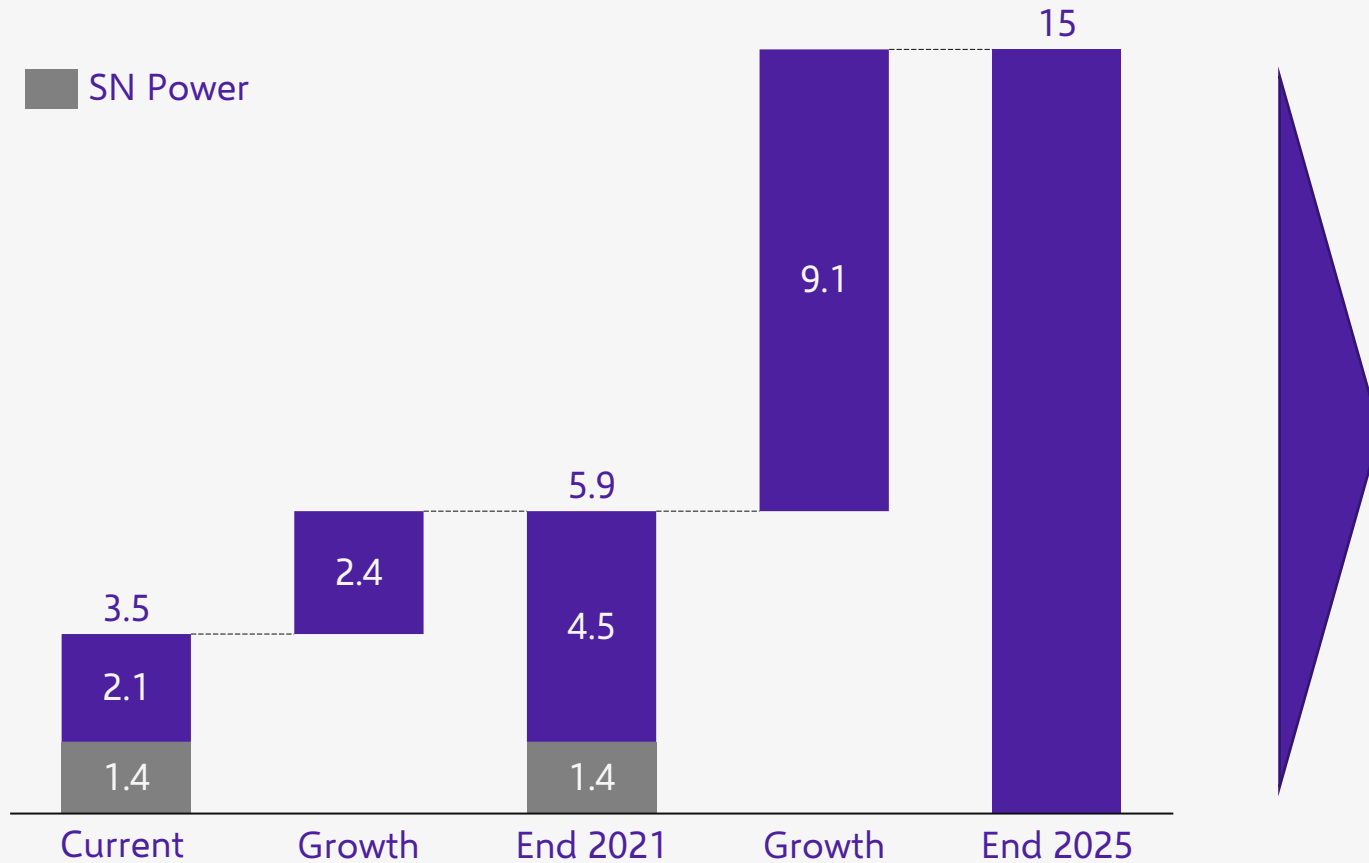
Market & outlook

Raymond Carlsen, CEO



4.5 GW by end 2021 and 15 GW by end 2025

GW – In operation and under construction – 100% basis



2021

Delivery of large solar projects in India, Brazil, Tunisia, South Africa & Pakistan

2025

Continued growth in pipeline and conversion of projects across key regions and technologies

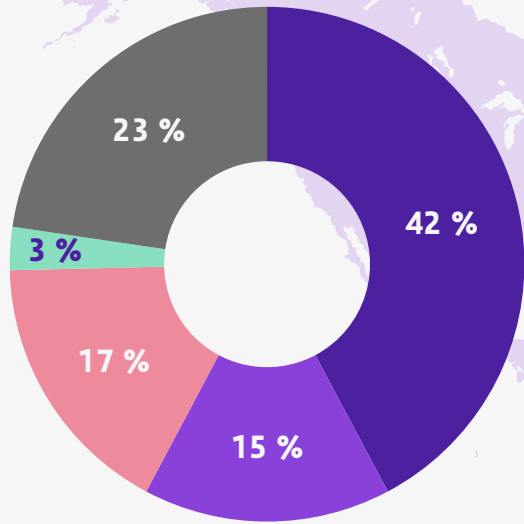
Our renewables universe





Project backlog & pipeline of almost 12 GW

Pipeline



- Solar
- Wind
- Hydro
- Hybrid solutions
- Release

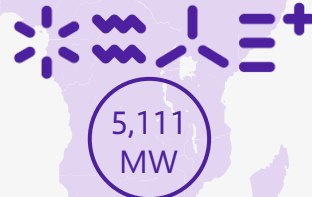
Latin America



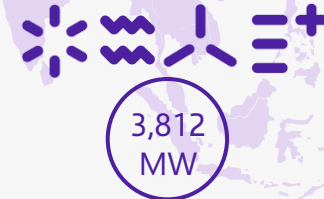
Europe & Central/ South Asia



Africa & Middle East



Southeast Asia



All figures are as of Q1 2021 reporting date..



Milestone for Release 8.5 MW flexible lease agreement

- Lease agreement with Torex Gold for 8.5 MW solar plant for two projects in Mexico
- Initial contract of 10 years
- The plant can be expanded at any time, including adding battery storage
- Estimated completion in fourth quarter 2021





Hydropower development

– Building on key strengths from SN Power and Scatec

Hydro project development focus:

- Brownfield projects with upgrade potential
- Greenfield with regulation capability
- Hybridisation

Building on key strengths:

- Hydropower competence
 - Project development
 - Hydropower engineering and construction
 - Structuring and financing
 - Market operations
- Strong ESG focus and high HSSE standards
- Applying Scatec's integrated business model

Project opportunity in Africa:

Existing hydro portfolio of 260 MW

Opportunity to add 220 MW:
Upgrade plant, add hydro capacity, and
add floating solar on reservoir





Realising 15 GW by end of 2025

- NOK 100 billion investments
- Proven **business model**
- Team with a **growth track record**
- **Solid cash flow** to fund growth
- **ESG** at the center



The logo for Scatec features the word "Scatec" in a bold, purple, sans-serif font. The letter "S" is stylized with three short, upward-pointing lines above it, resembling a hand or a signal. Below "Scatec" is the tagline "improving our future" in a smaller, lowercase, purple, sans-serif font. The entire logo is positioned on the left side of a white background, with a large, semi-circular graphic on the right side that transitions from a light pink at the top to a dark purple at the bottom.

Scatec
improving our future



Our asset portfolio

- 3,035 MW in operation

Under construction

	Capacity MW	Economic interest
Sukkur, Pakistan	150	75%
Progressovka, Ukraine	148	100%
Guanizuil IIA, Argentina	117	50%
Chigirin, Ukraine	55	100%
Torex Gold, Mexico	9	100%
Total	479	78%

Project backlog

	Capacity MW	Economic interest
Tunisia	360	100%
Brazil	101	40%
Ukraine	65	65%
Bangladesh	62	65%
Mali	33	64%
Lesotho	25	48%
Total	646	55%

Project pipeline

	Capacity MW	Share in %
Solar	4,686	42%
Hydro	2,516	23%
Wind	1,871	17%
Hybrid solutions	1,726	15%
Release	300	3%
Total	11,098	100%

