



Third quarter 2022

**Strong performance
driven by the Philippines**

CEO, Terje Pilskog & CFO, Mikkel Tørud





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Alternative performance measures (APM) used in this presentation are described and presented in the third quarter 2022 report for the group.





Strong performance driven by the Philippines

- All-time high proportionate EBITDA of NOK 850 million (767)
- Philippines EBITDA increased 64% to NOK 375 million (228) driven by high production and power prices
- Construction activities progressing well in South Africa, Brazil and Pakistan
- Submitted net zero targets to SBTi and awarded A rating on ESG reporting from Position Green
- Announced sharpened strategy and new growth targets

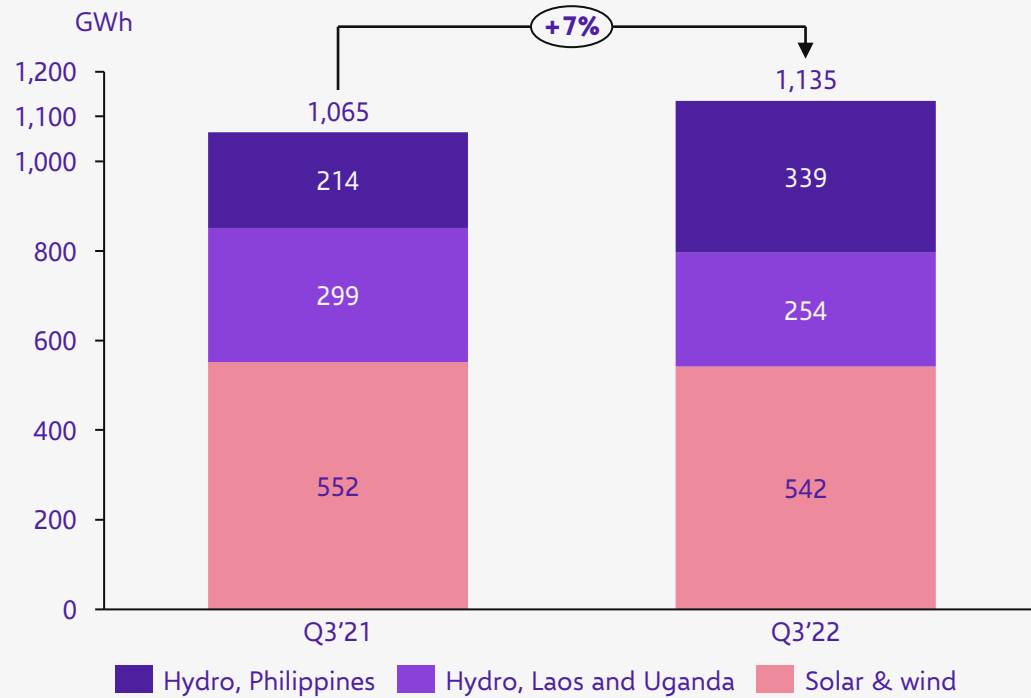




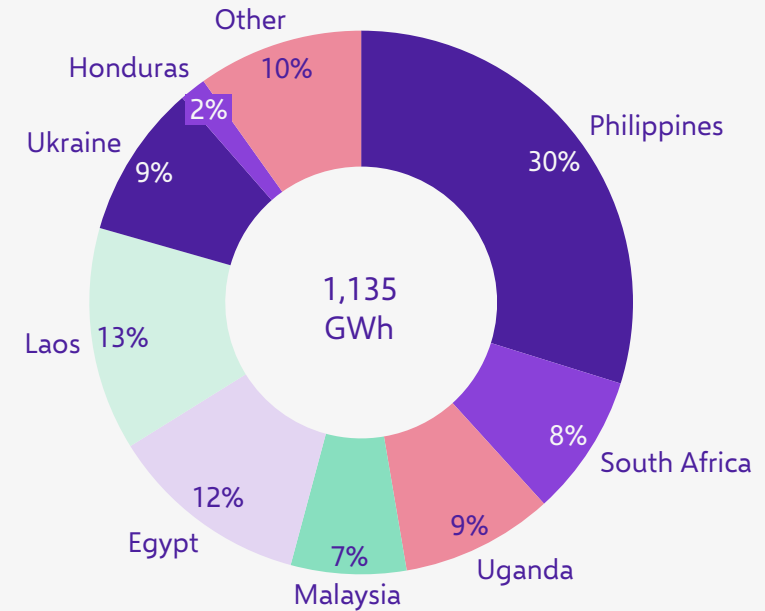
Production increased 7% from last year - driven by the Philippines

- high availability across all operating power plants

Power production, GWh



Share of power production Q3'22

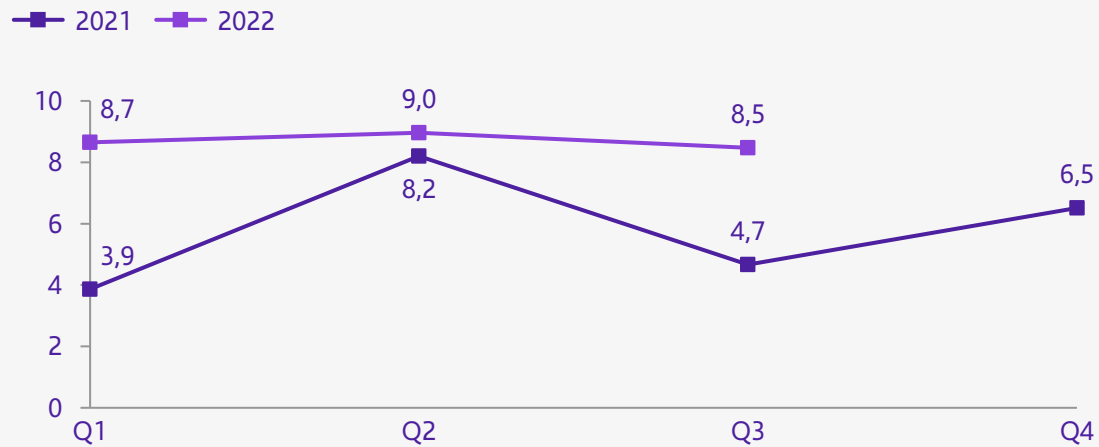




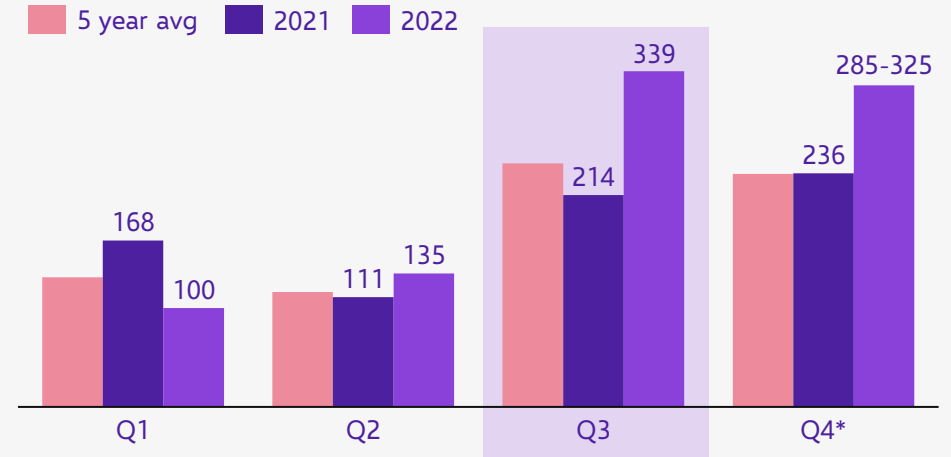
High production and power prices in the Philippines

- Production 37% above 5-year avg – continued high spot prices
- Quarterly changes driven by hydrology and spot price variability
- Q4 production 30% above 5-year average at favourable prices
- 2H'22 EBITDA catching up for 1H'22 as expected

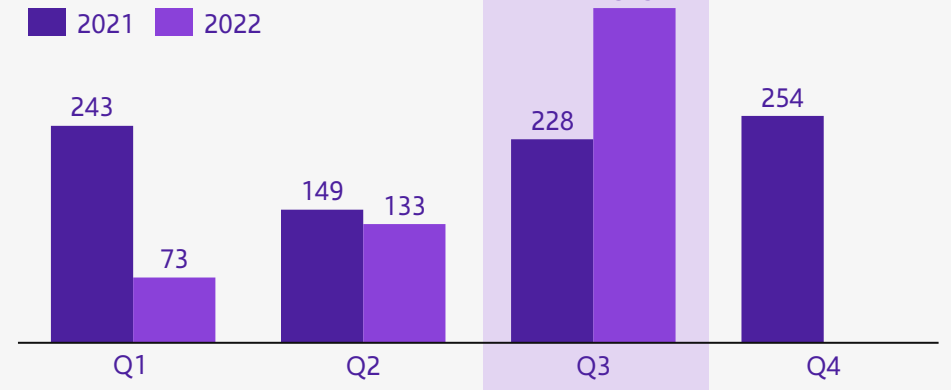
Average realised spot prices (PHPk/MWh)



Power production, GWh



EBITDA, NOK million



(*) Q4'22 guidance



Construction progressing well in South Africa, Brazil and Pakistan - main purchase orders placed and high activity on sites



- Groundworks and construction of grid connection started
- +200 people on site



- Site clearance, levelling and fencing
- +500 people on site



- Site levelling, piling and roadworks
- +600 people on site

- **Q3 D&C revenues of NOK 412 million representing 4% of initial contract value**
- **D&C gross margin of 10% in the quarter**
- **Remaining not recognised D&C revenues of NOK 9 billion***



Our strategy:

Develop, build, own and operate renewable energy in emerging markets

**Grow
Renewables**

**Advance
Green Hydrogen**

**Optimise
Portfolio**



We target to invest NOK 10 billion and double Power Production EBITDA

Targets towards 2027

NOK 10 billion
Equity investments¹

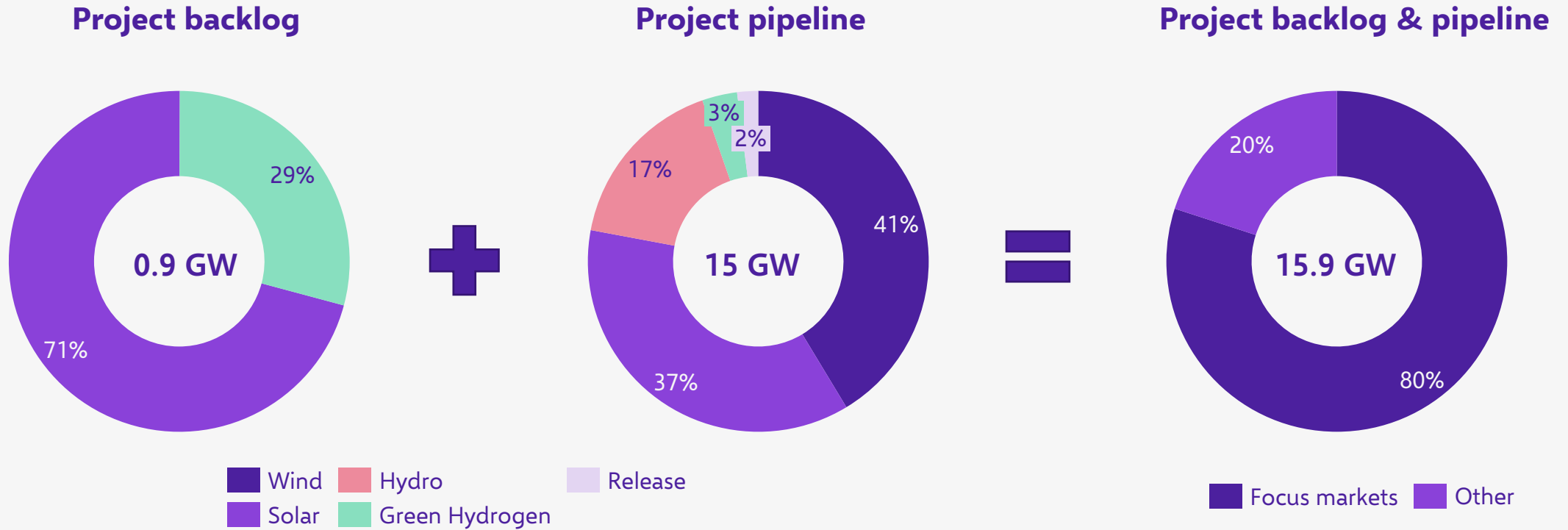
1.2x CoE²
Project equity IRR

NOK+3 billion
Power Production EBITDA³

1.5 GW
Avg annual capacity
additions⁴



Project pipeline and backlog of 16 GW across renewable technologies - 80% held in our focus markets



Focus on larger projects

- Average pipeline project size 350 MW
- Target average equity investment of NOK 500 million in projects



Financial review

Mikkel Tørud, CFO



Proportionate financials – all segments

NOK million

Revenues	Q3'22	Q3'21	YTD'22	YTD'21
Power Production	1,311	1,072	3,259	2,816
Services	82	69	227	194
Development & Construction	412	43	441	118
Corporate	13	11	35	31
Total	1,818	1,196	3,962	3,158
EBITDA				
Power Production	907	823	2,014	2,186
Services	22	22	58	63
Development & Construction	-45	-53	-201	-167
Corporate	-34	-25	-107	-79
Total	850	767	1,764	2,004
EBIT				
Power Production	616	551	402	1,466
Services	21	21	54	60
Development & Construction	-63	-105	-337	-222
Corporate	-40	-31	-128	-97
Total	534	436	-8	1,206

Q3'22 vs Q3'21

- **Revenues** increase based on higher power sales in the Philippines and D&C revenues from construction activity in South Africa, Brazil and Pakistan
- **EBITDA** increased based on improved Power Production and D&C performance partly offset by increased cost in Corporate
- **EBIT** increased with lower impairment of development projects in D&C partly offset by higher depreciation in Power Production driven by currency effects



Proportionate financials – Power Production

NOK million	Q3'22	Q3'21	YTD'22	YTD'21
Power production (GWh)	1,135	1,065	2,919	2,778
Revenues	1,311	1,072	3,259	2,816
Cost of sales	-210	-74	-622	-164
Gross Profit	1,101	999	2,637	2,651
EBITDA	907	823	2,014	2,186
EBIT	616	551	402	1,466
Cash flow to Equity	469	377	1,130	1,310
Cash flow to Equity % of EBITDA	52%	46%	56%	60%

Inflation protection: ~90% of Power Production EBITDA is either in USD/EUR, have partial or full inflation protection through local CPI adjustments, or is based on sales in the local power market (Philippines).

Q3'22 vs Q3'21

- **Revenues** increase based on higher sales & prices in the Philippines and foreign currency effects, partly offset by Ukraine and slightly lower production in South Africa
- **Gross Profit** – optimisation of production vs contract sales impacting both revenues and cost of sales with net positive gross margin
- **EBITDA** increased in line with higher gross profit - stable EBITDA in % of gross profit
- **52% of EBITDA** converted to Cash flow to Equity up from 46% last year



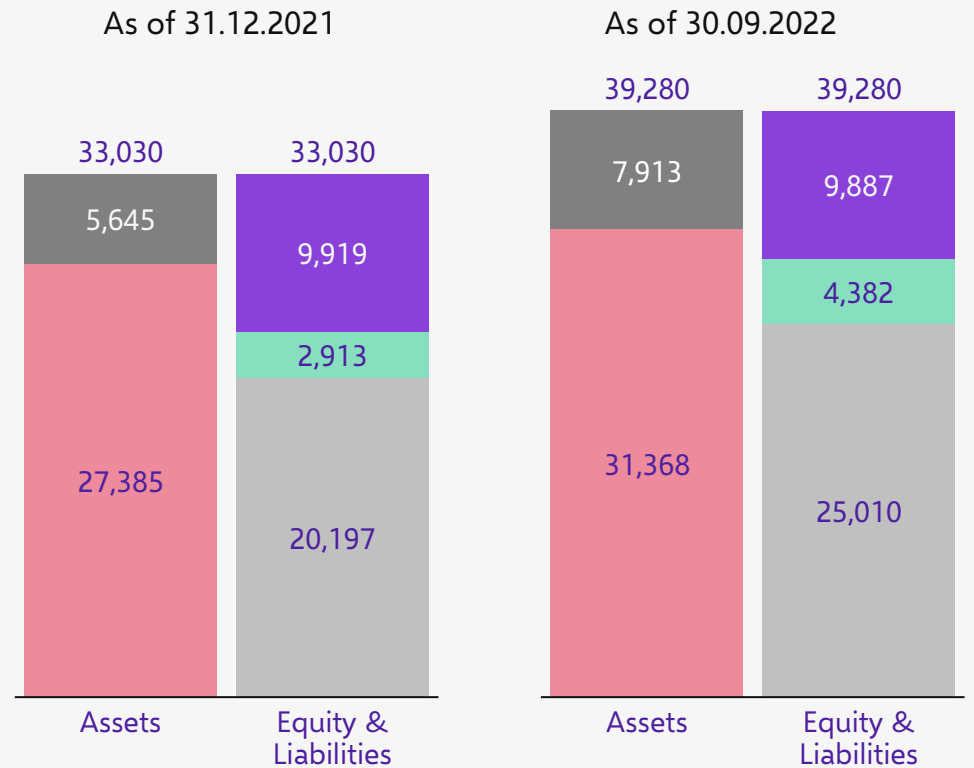
A solid financial position

- Available undrawn credit facilities NOK 2 billion
- Group* book equity of NOK 11.4 billion
- Solid long term cash flow supporting group level debt
 - LTM Power Prod. Cash Flow to Equity of NOK 1.5 billion
- Bridge to bond maturity extended to Q1 2024
 - Strong partnership with Nordea, DNB, Swedbank, BNP Paribas

(NOK billion)	Consolidated	Project level	Group level*	Total
Cash	5.5	2.3	3.1	5.5
Debt	-24.7	-15.0	-8.5	-23.5
Net debt	-19.2	-12.7	-5.3	-18.0

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

Consolidated financial position (NOK million)



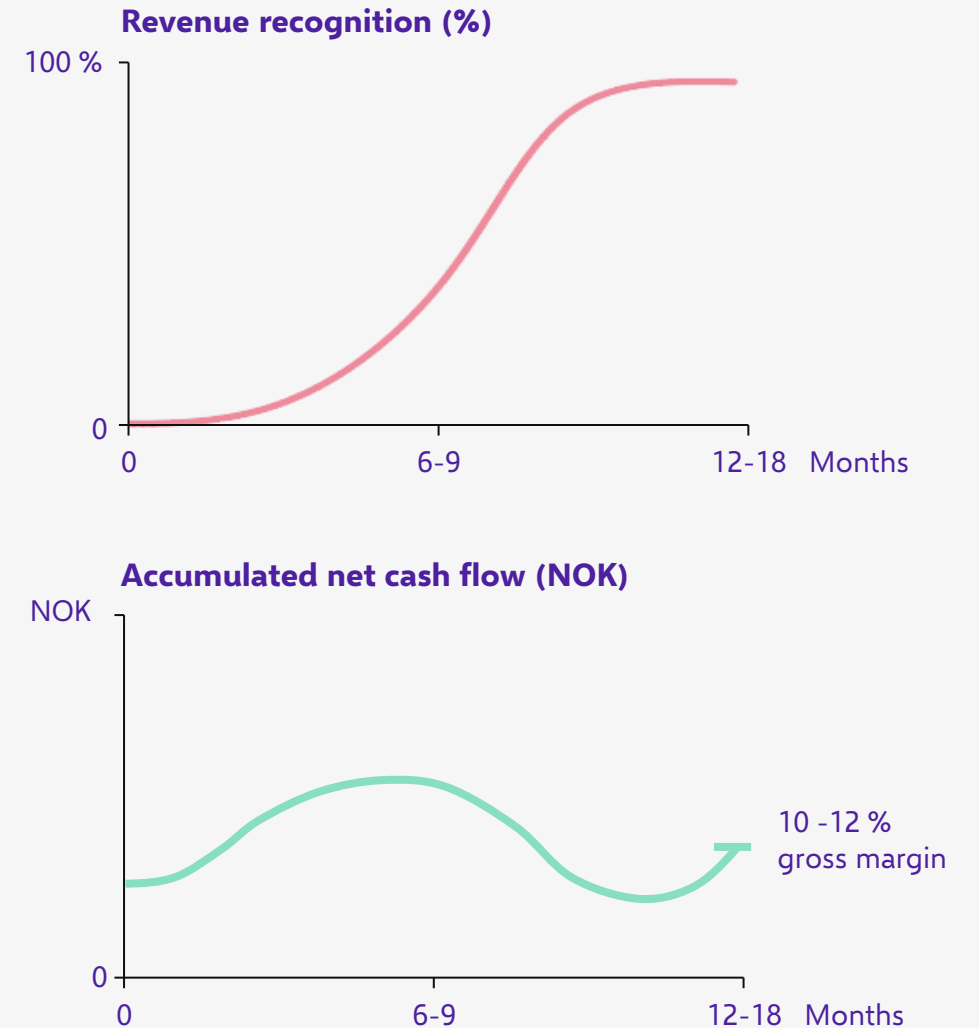
■ Current assets
 ■ Equity
 ■ Non-current liabilities
■ Non-current assets
 ■ Current liabilities



Optimising cash flows during the construction phase

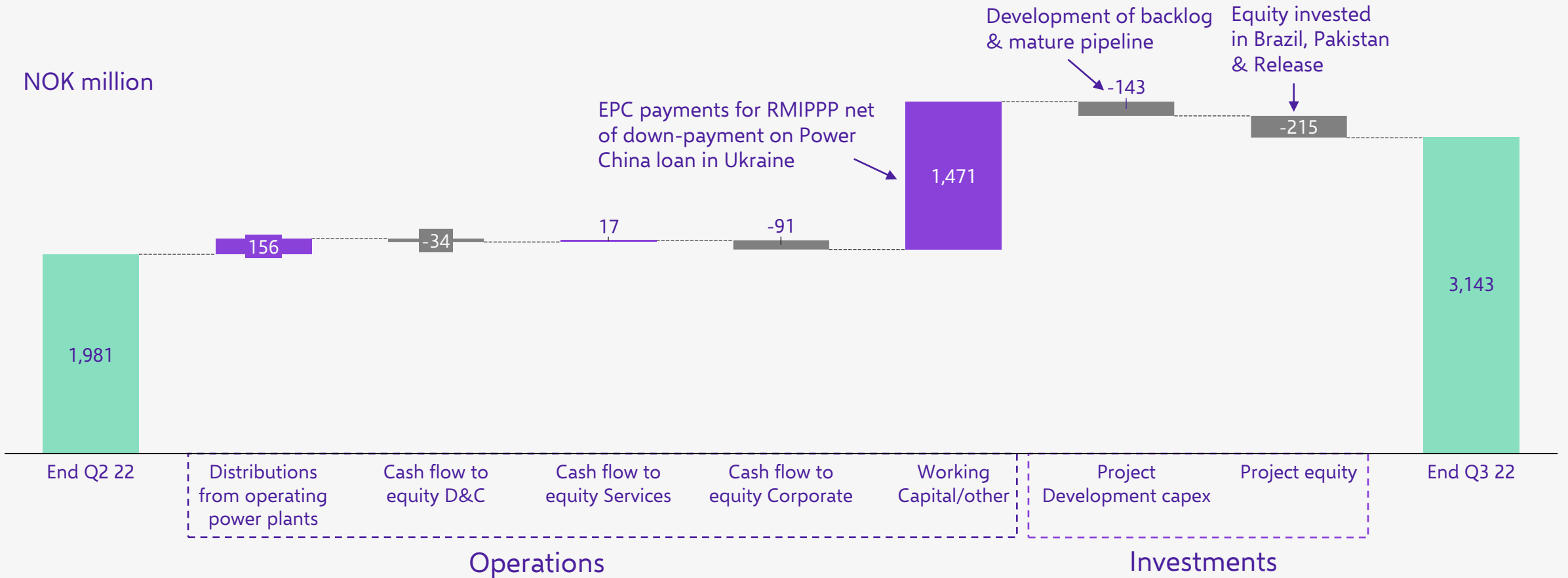
- Q3'22: Received cash payments of 20% and recognised 4% D&C revenues of initial contract value
- Revenue recognition based on percentage of completion following an S-curve
- Ensure positive working capital through favourable payment terms and trade finance
- Further liquidity optimisation by favourable debt terms - debt injected first and equity last in RMIPPP

EPC revenue recognition vs cash flow





Group level free cash up NOK 1.1 billion in Q3



- Total liquidity available of **NOK 5.1 billion** (including undrawn credit facilities)



Short term guidance

Power Production ¹⁾	Q3'22	Q4'22E	FY2022E
Production - GWh	1,135	1,030-1,130	3,950 – 4,050
EBITDA - NOK million	907	740-840	2,750 – 2,850

- 30% above average production in the Philippines in Q4'22
- FY2022 EBITDA increased by **NOK 200 million** reflecting Q3 performance, better Q4 performance in the Philippines and currency exchange rate development

Development & Construction

- Total remaining contract value for plants under construction (revenues) of **NOK 9.0 billion** with an expected gross margin of **10-12%**
- D&C revenues based on “percentage of completion” – progress following an “S-Curve” during 18-months construction period

Services & Corporate

- Expected Services 2022 EBITDA of NOK 70 to 75 million
- Expected Corporate 2022 EBITDA of NOK -140 to -145 million



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 centered on 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



Overview of change in net debt during the quarter

Project and Group level net interest bearing debt

NOK billion	Q2'22	Repayments	New debt	Change in cash	Currency effects	Q3'22
Project level	-11.2	0.4	-1.7	0.4	-0.6	-12.7
Group level*	-5.9	-	-	1.0	-0.4	-5.3
Total	-17.2	0.4	-1.7	1.4	-1.0	-18.0

- **Repayments:** Ordinary project debt repayments
- **New debt:** NOK 1.2 billion for RMIPPP + remaining NOK 0.5 billion PowerChina loan**
- **Change in cash:** Power production cash generation + Net EPC payments for construction
- **Currency effects:** 5% net increase of cash and debt in line with EBITDA guiding increase for FY 2022

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

(**) The EUR 44 million remaining portion of the Power China loan was reclassified to interest bearing debt in Q3 and is supported by a parent company guarantee by Scatec ASA. EUR 22 million will be paid in Q4 2023 and EUR 22 million in Q2 2025.



Power Production financials – proportionate

	Q3'22	Q2'22	Q3'21	2021
Power production (GWh)				
Solar & Wind	542	523	551	2,002
Hydro the Philippines	339	135	214	729
Hydro Laos and Uganda	254	259	299	1,092
Total	1,135	916	1,065	3,823
Revenues (NOK million)				
Solar & Wind	530	476	568	1,971
Hydro the Philippines	615	376	335	1,310
Hydro Laos and Uganda	166	163	170	608
Total	1,311	1,015	1,072	3,889
EBITDA (NOK million)				
Solar & Wind	383	336	440	1,521
Hydro the Philippines	375	133	228	874
Hydro Laos and Uganda	149	148	155	554
Total	907	617	823	2,949



Our asset portfolio

Plants in operation

	Capacity MW	Economic interest
Theun Hinboun, Laos	525	20%
Magat, Philippines	388	50%
Benban, Egypt	380	51%
Upington, South Africa	258	46%
Bujagali, Uganda	255	28%
Quantum Solar Park, Malaysia	197	100%
Apodi, Brazil	162	44%
Progressovka, Ukraine	148	100%
Binga, Philippines	140	50%
Guanizuil IIA, Argentina	117	50%
Ambuklao, Philippines	105	50%
Kalkbult, South Africa	75	45%
Dreunberg, South Africa	75	45%
Agua Fria, Honduras	60	40%
Chigirin, Ukraine	55	100%
Boguslav, Ukraine	54	100%
Rengy, Ukraine	47	51%
Redsol, Malaysia	47	100%
Jordan, Jordan	43	62%
Linde, South Africa	40	45%
Mocuba, Mozambique	40	53%
Dam Nai, Vietnam	39	100%
Los Prados, Honduras	35	70%
Kamianka, Ukraine	32	61%
Czech, Czech Republic	20	100%
Maris Hydro, Philippines	9	50%
Release	20	100%
Asyv, Rwanda	9	54%
Total	3,375	52%

Under construction

	Capacity MW	Economic interest
Kenhardt, South Africa	540	51%
Mendubim, Brazil	531	33%
Sukkur, Pakistan	150	75%
Release	26	100%
Philippines	20	50%
Total	1,267	47%

Project backlog

	Capacity MW	Economic interest
Tunisia	360	51%
South Africa	273	51%
Egypt	260	52%
Total	893	51%

Project pipeline

	Capacity MW	Share in %
Solar	5,504	37%
Wind	6,220	41%
Hydro	2,519	17%
Green Hydrogen	500	3%
Release	300	2%
Total	15,043	100%