



Third quarter 2019

18 October 2019



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Agenda

- **Highlights and project update**

Raymond Carlsen, CEO

- **Financial review**

Mikkel Tørud, CFO

- **Summary and outlook**

Raymond Carlsen, CEO

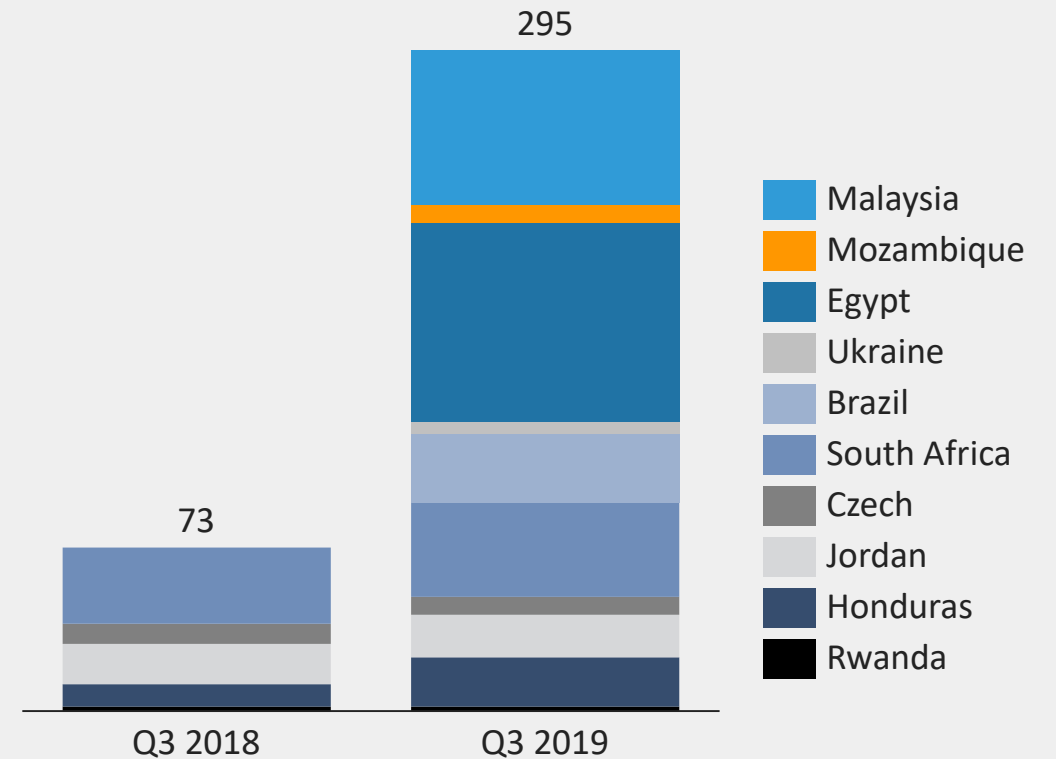


Q3'19:

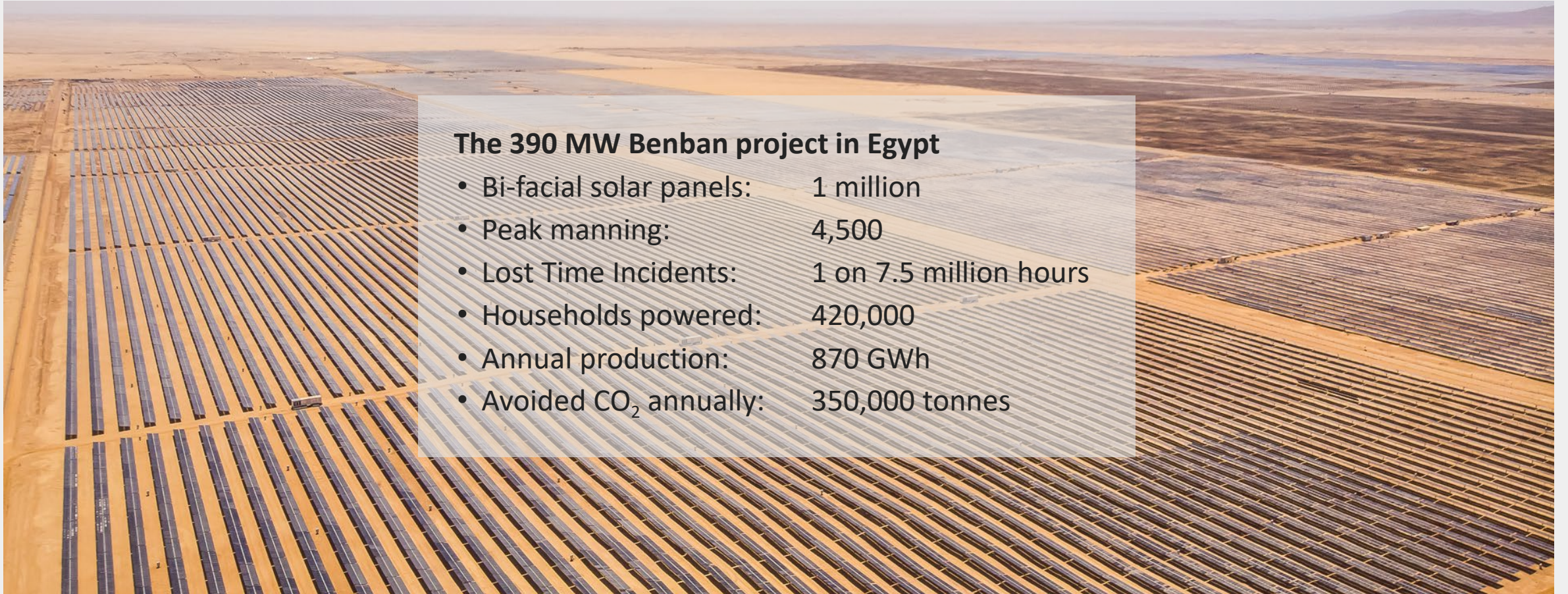
Solid financial results and increased growth target to 4.5 GW

- Power production of 295 GWh and EBITDA of NOK 296 million, up 133% year on year
- D&C revenues of NOK 1,121 million and EBITDA of NOK 133 million
- 217 MW reached commercial operation in Egypt, Ukraine and Mozambique
- Growth target raised from 3.5 GW to 4.5 GW by end 2021
- Successfully raised equity of gross NOK 1,320 million to fund further growth

Power production by country (GWh)



Scatec Solar's largest project completed in 16 months



The 390 MW Benban project in Egypt

- Bi-facial solar panels: 1 million
- Peak manning: 4,500
- Lost Time Incidents: 1 on 7.5 million hours
- Households powered: 420,000
- Annual production: 870 GWh
- Avoided CO₂ annually: 350,000 tonnes

A robust asset portfolio of 1.2 GW in operation

Egypt, 390 MW



Malaysia, 197 MW



South Africa, 190 MW



Brazil, 162 MW



Honduras, 95 MW



Ukraine, 47 MW



Jordan, 43 MW



Mozambique, 40 MW



Czech, 20 MW



Rwanda, 9 MW



711 MW under construction on four continents

**Ukraine,
289 MW**



**South Africa,
258 MW**



**Argentina,
117 MW**



**Malaysia,
47 MW**



Financial review

Mikkel Tørud, CFO

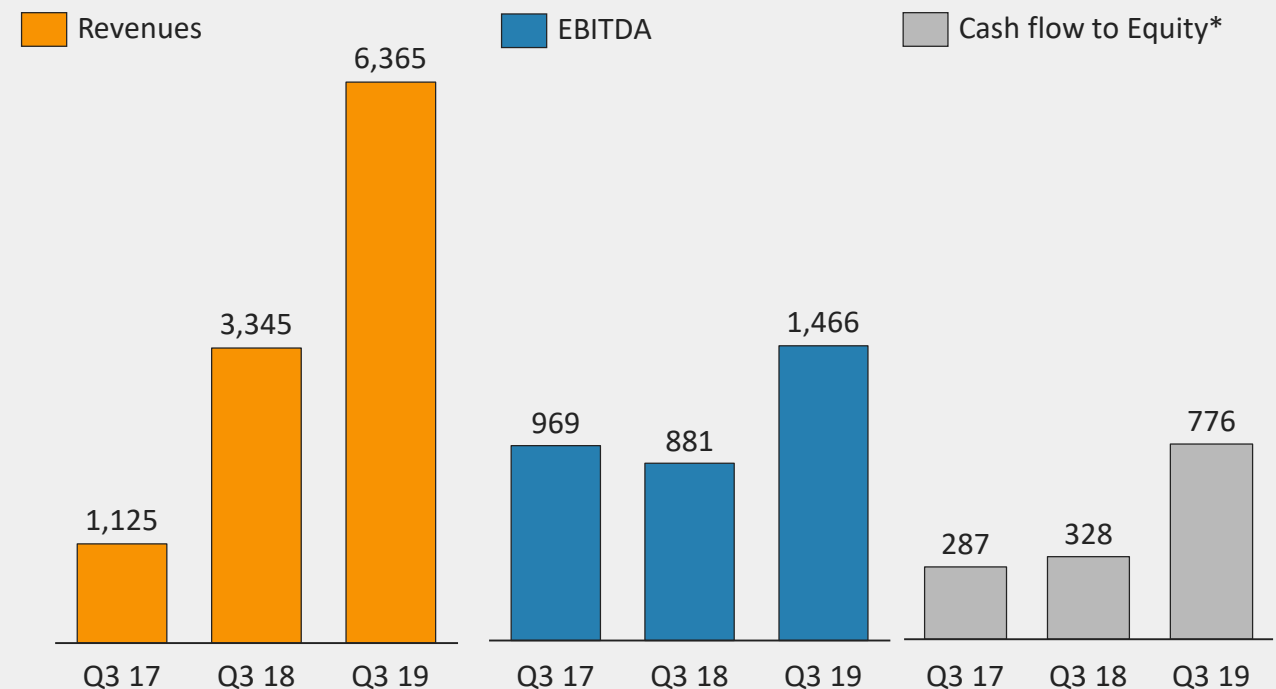


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Solid financial results – growth and predictable long term cash flows

- Continued EBITDA growth with increased power production and stable D&C business
- Power production set to increase further with grid connection of new plants
- Current asset base of 1.9 GW with a contract value of NOK 60 billion
- 20 year stable cash flows from a diversified asset portfolio

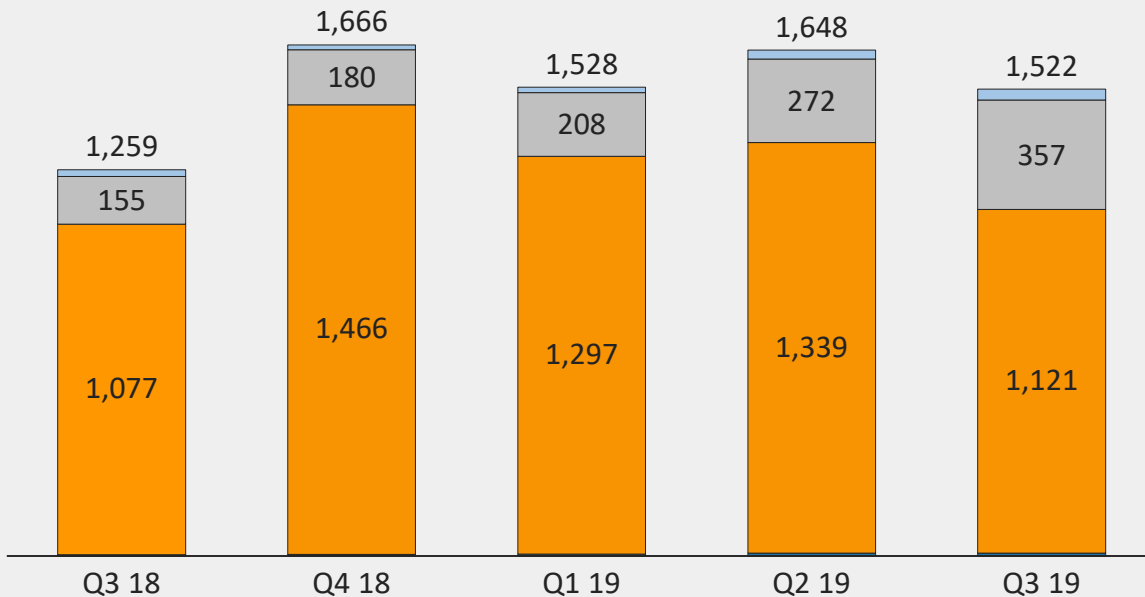
Proportionate financials - last 12 months (NOK million)



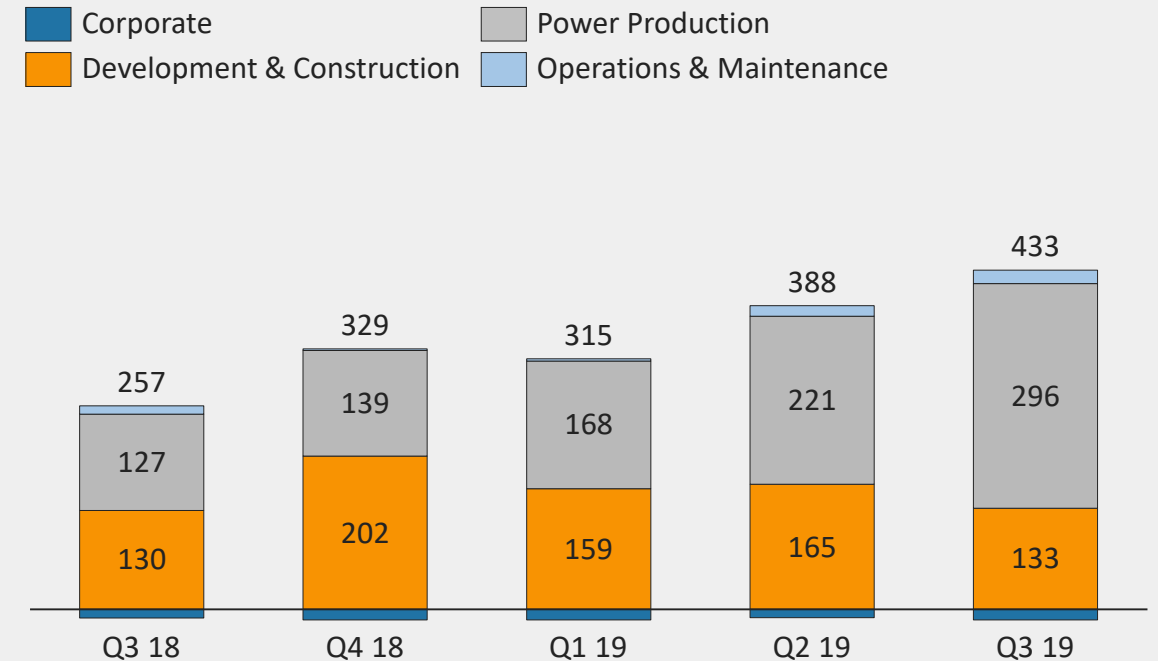
Q3'19:

Record results – EBITDA up 68% year on year

Proportionate revenues by segment (NOK million)

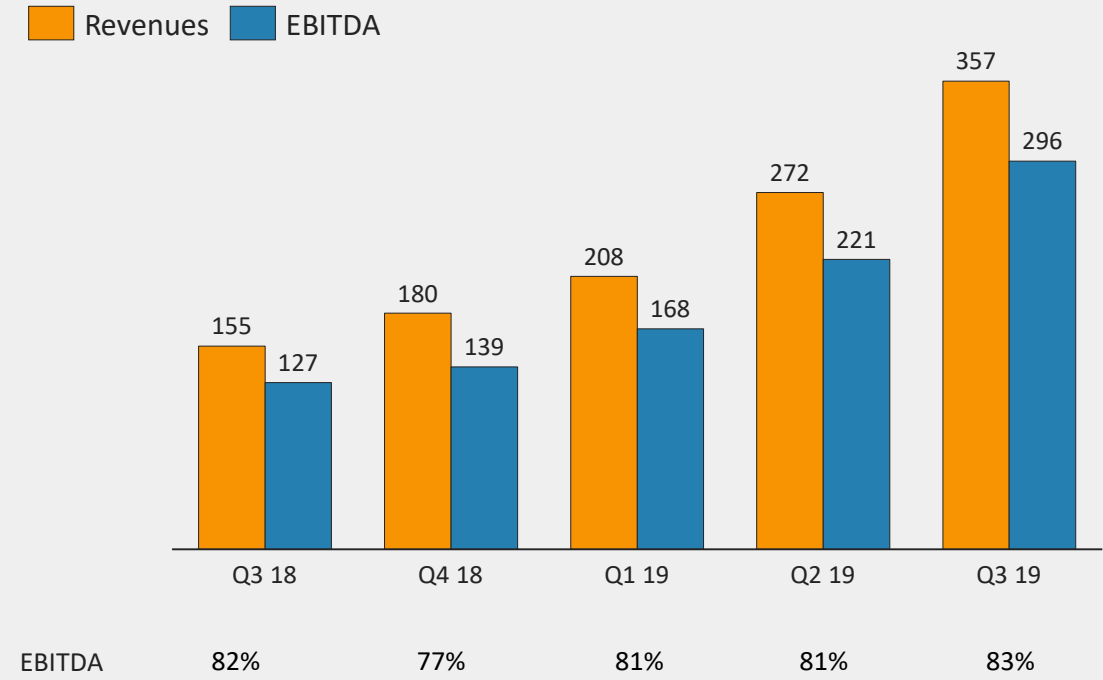


Proportionate EBITDA by segment (NOK million)

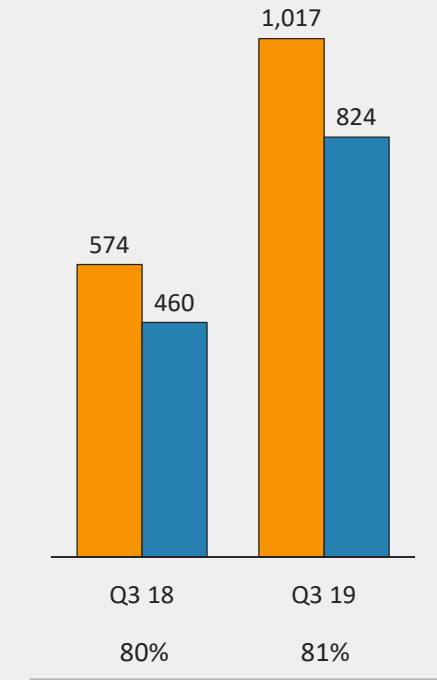


Significant growth in power production over the last few quarters

Quarterly (NOK million)



Last 12 months (NOK million)



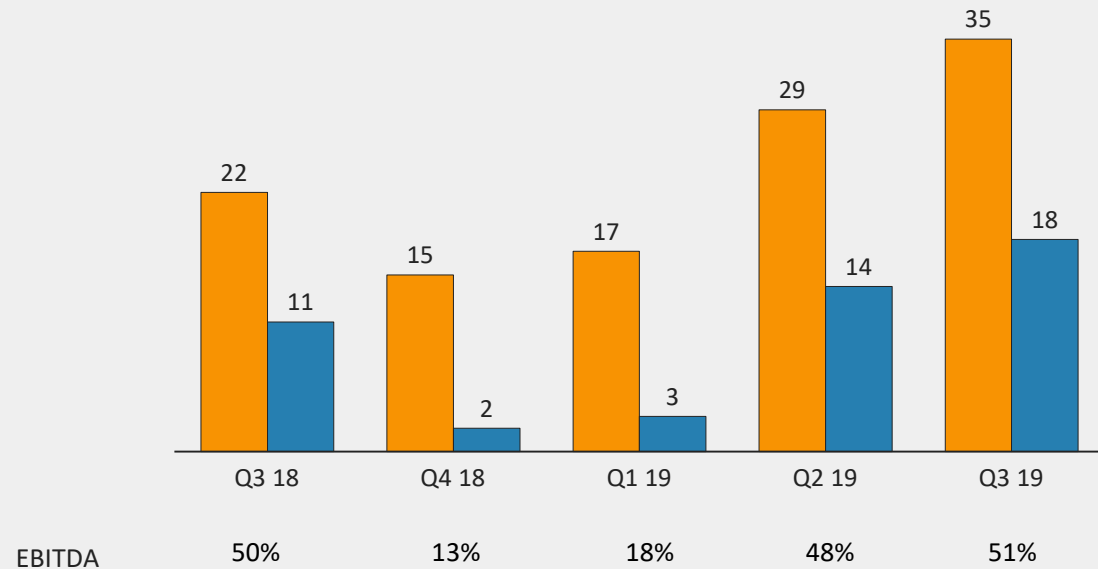
- 217 MW in Mozambique, Ukraine and Egypt in commercial operation in Q3'19

Operation & Maintenance

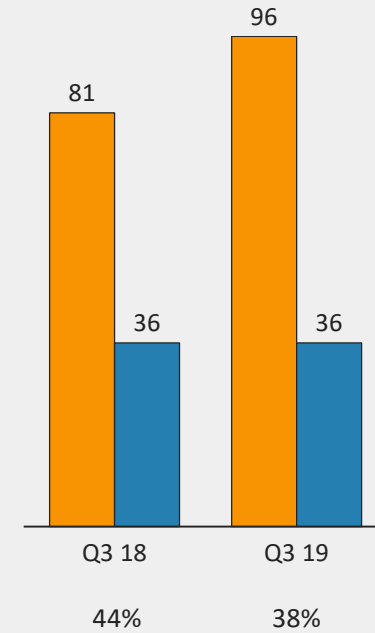
Improved results as O&M portfolio grows

Quarterly (NOK million)

Revenues EBITDA



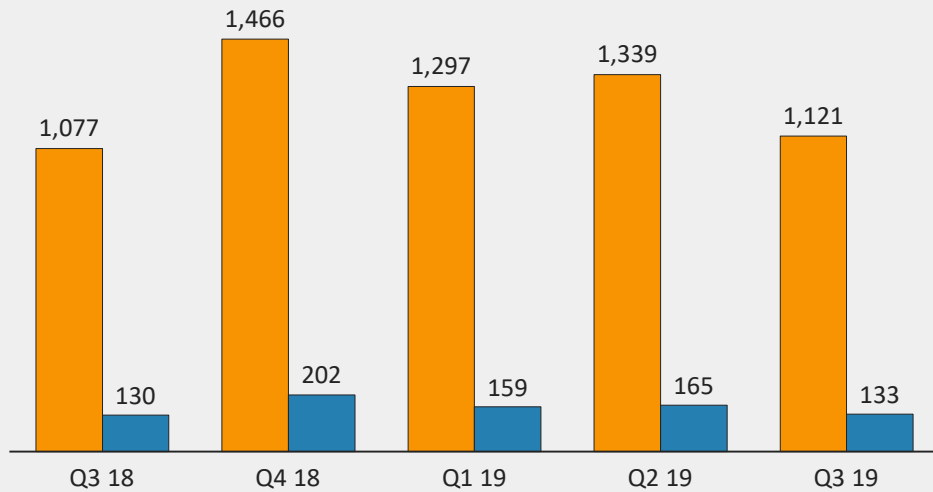
Last 12 months (NOK million)



Development and construction activities at continued high levels

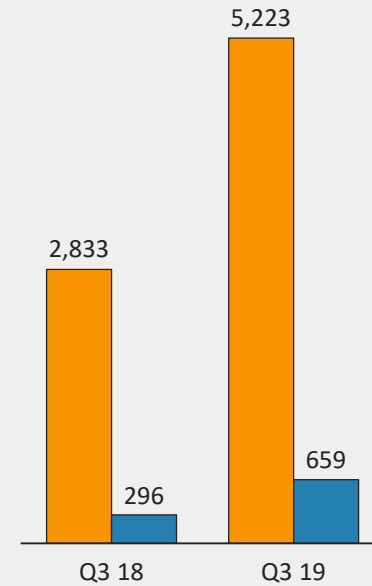
Quarterly (NOK million)

Revenues EBITDA



EBITDA	12%	14%	12%	12%	12%
Gross margin	15%	16%	14%	14%	15%

Last 12 months (NOK million)



	10%	13%
	14%	15%

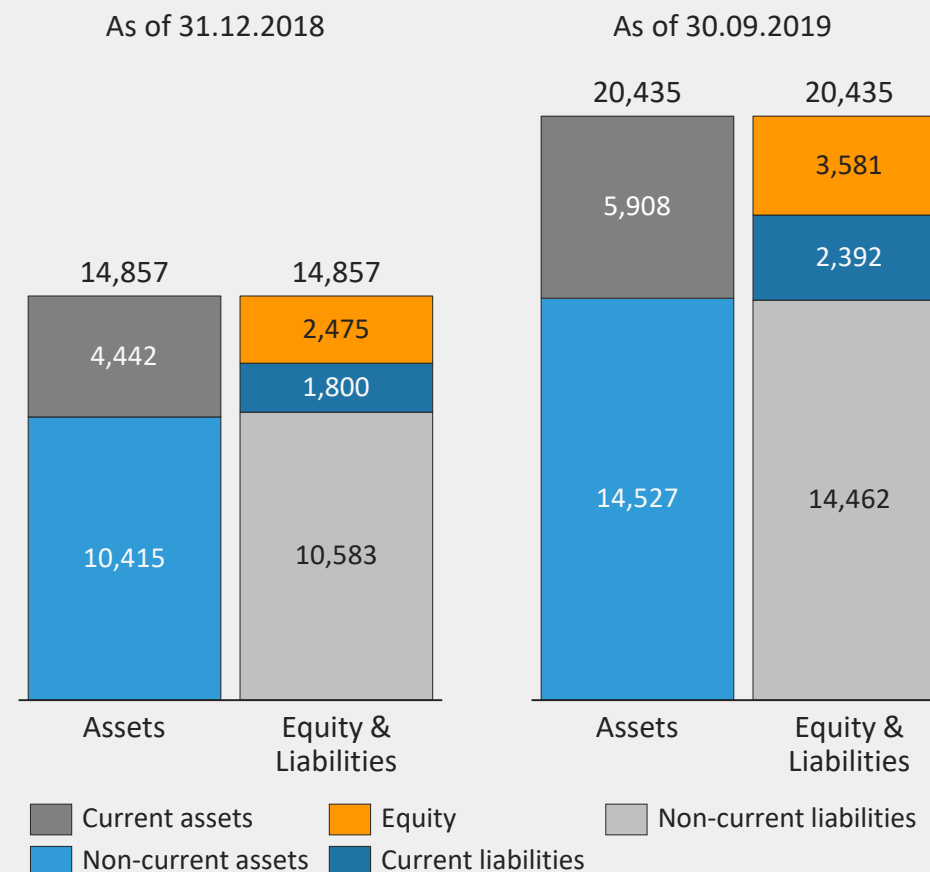
- New projects added to pipeline and transferred to backlog

Financial position further strengthened through equity capital raise

- Group free cash of NOK 1,518 million
- Successfully raised equity of gross NOK 1,320 million to fund further growth
- Undrawn Revolving Credit Facility at USD 90 million
- Group* book equity strengthened to NOK 4,920 million – equity ratio of 87%

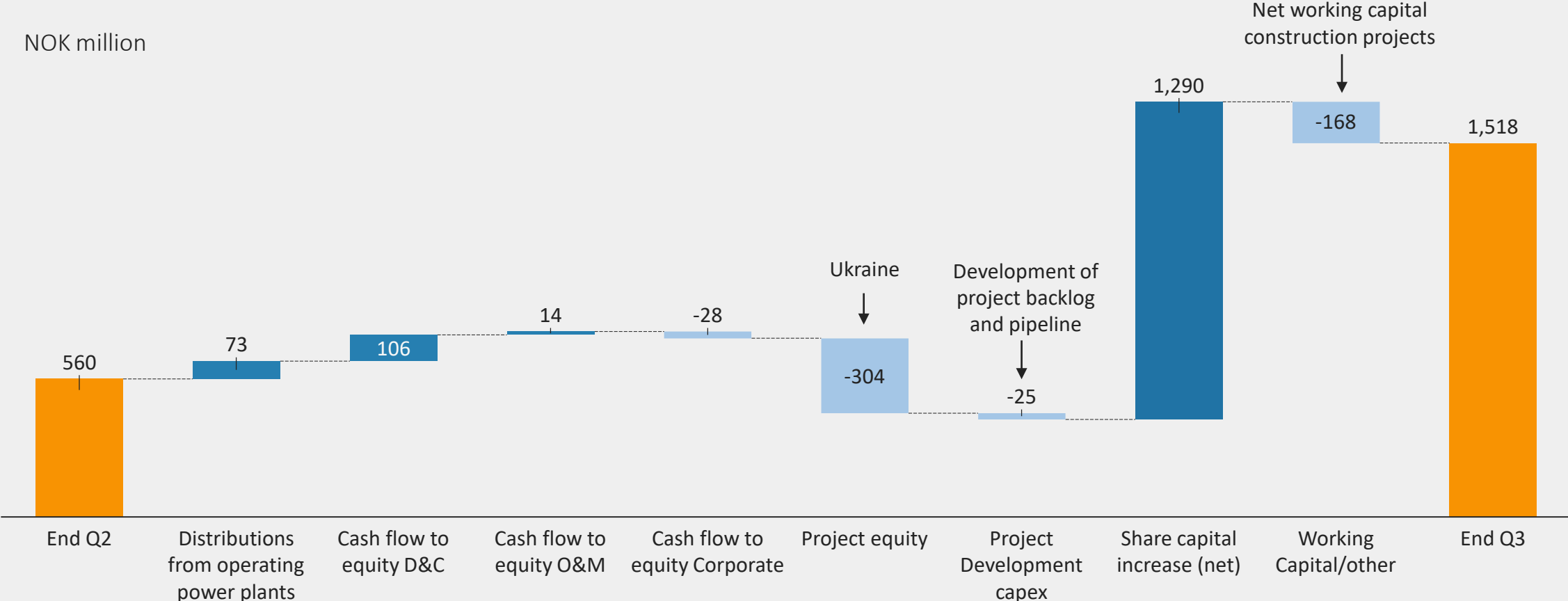
NOK million	Consolidated	SSO prop. Share	Group level*
Cash	3,455	1,867	1,518
Interest bearing liabilities*	-13,133	-7,958	-745
Net debt	-9,678	-6,091	773

Consolidated financial position (NOK million)



Q3'19 movement of free cash at group level

NOK million



Short term guidance

- 2019 O&M revenues of NOK 110-115 million with an EBITDA margin of around 35% (up from 30%)
- D&C value for 776 MW under construction: NOK 3.9 billion
 - Remaining NOK 1.9 billion value to be recognised
- Power production from plants in operation end Q3:

GWh	Q3'19	Q4'19e	2019e
Proportionate	295	295 - 310	920 - 935
100% basis	517	530 - 560	1,650 – 1,680

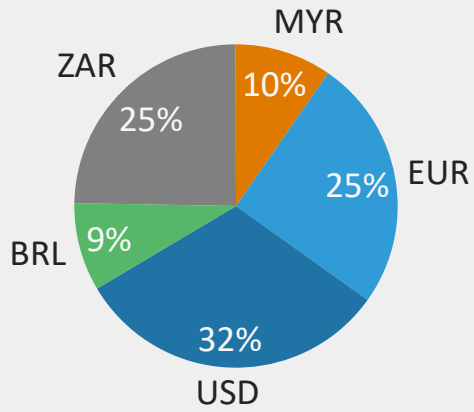


A well diversified portfolio with a PPA contract value of more than NOK 60 billion

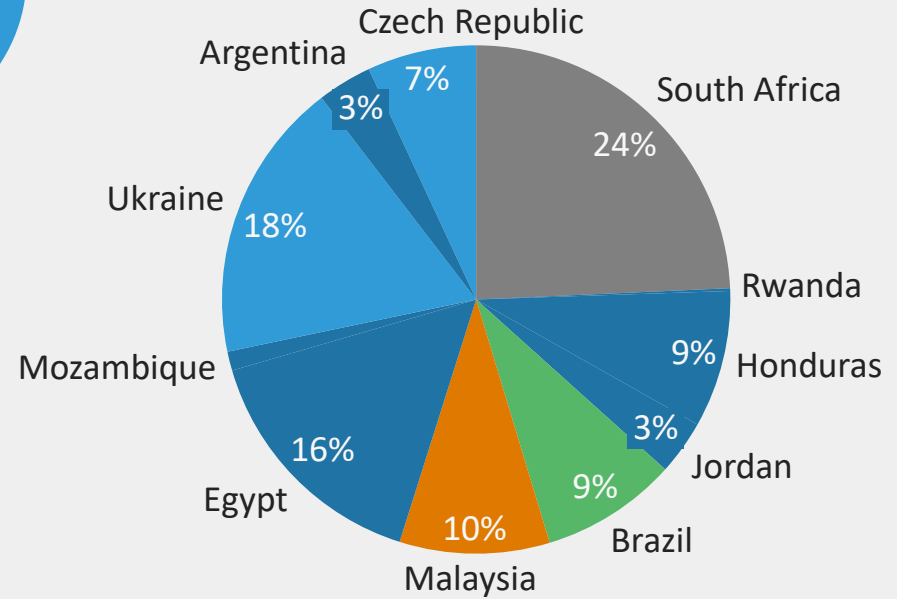
1.9 GW

in operation & under construction

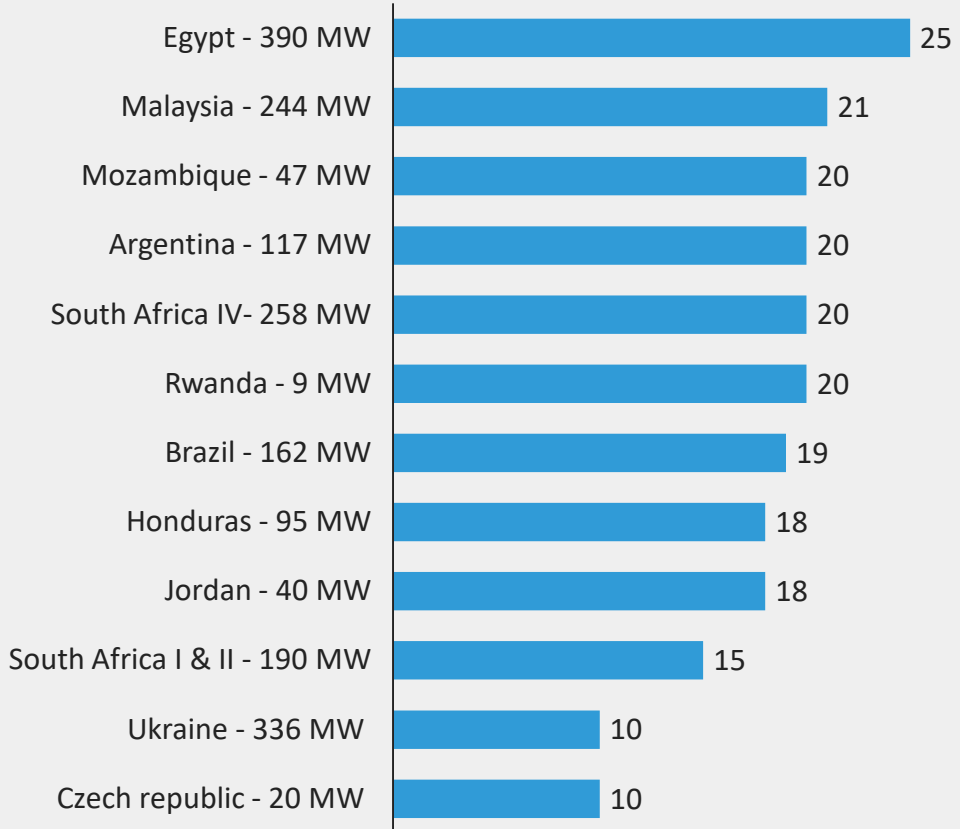
Portfolio currency split*:



Portfolio country split*:



20 years average remaining PPA tenor:



*Based on expected cash flow to equity

Outlook and summary

Raymond Carlsen, CEO



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Solar & wind expected to provide 50% of all power globally by 2050

The global power sector towards 2050:

62%

Increase in global electricity demand

12,000 GW

New power generation capacity



77%

Of new demand to be covered by renewables

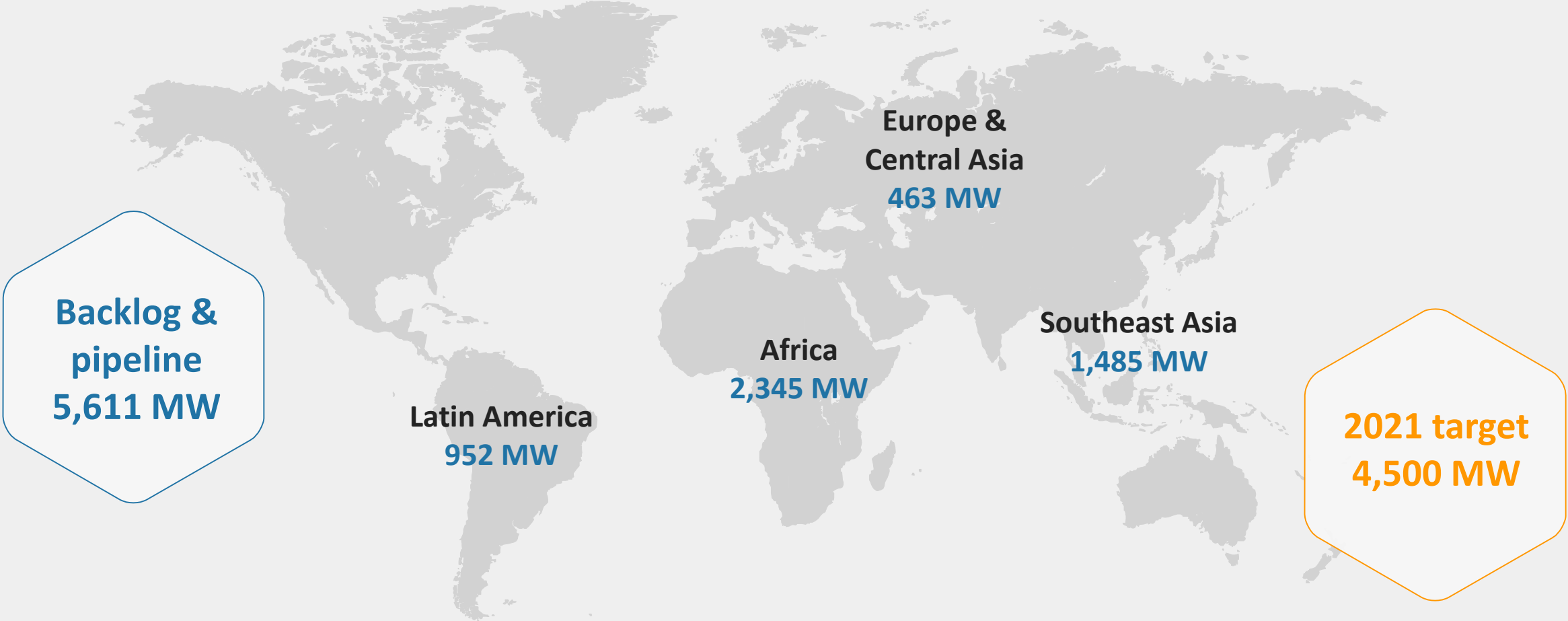
98%

Demand growth in non-OECD-countries

Solar from **2%** to **22%**
market share in power

Fossil from **64%** to **20%**
market share in power

A solid backlog & pipeline is supporting our ambition to accelerate growth



We are further expanding our market segments & product offerings

Utility scale solar



- PPAs with state owned utilities
- Non-recourse project finance

Corporate & Industrial



- Large industrial customers
- Long-term PPAs with fixed prices

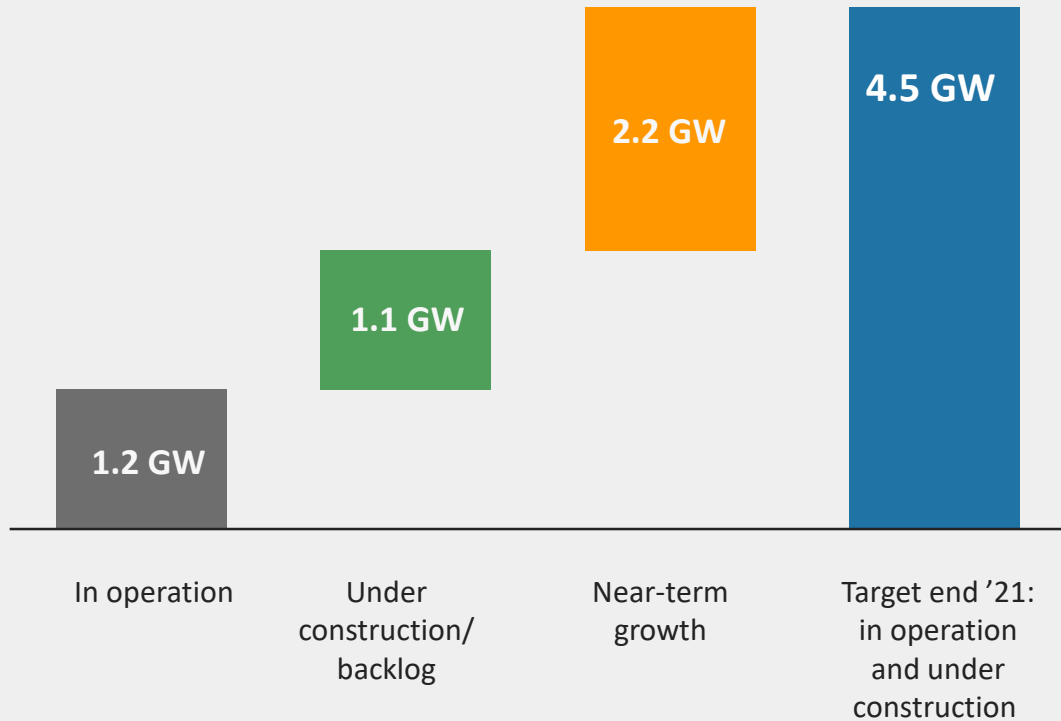
Release – Redeployable solar



- Hybrids with storage and gensets
- Off-grid or on-grid solutions

A clear strategic direction: Expanding our platform for increased growth

Target installed capacity



Financial and operational targets

Targeting **4.5 GW** by end 2021

Adding **1.5+ GW** per year from 2022



- Development & Construction gross margin; 12-14%
- Avg. Equity IRR on investments; 12-14%
- Grow Release to 300 - 500 MW per year from 2022 and onwards
- Further develop organization to support growth and new market segments
- Continued strong focus on ESG throughout the project life



Thank you!





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