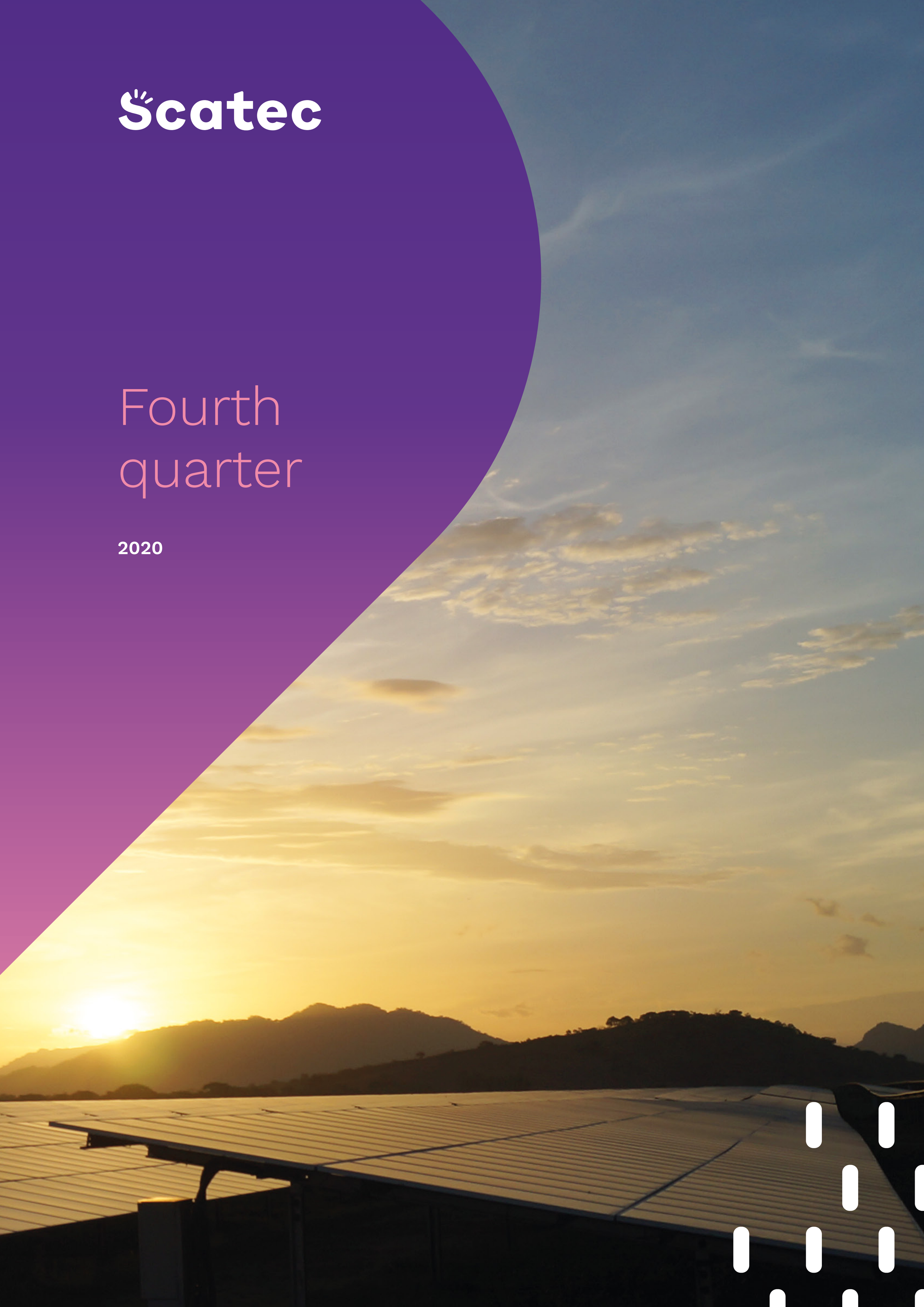
Fourth quarter

2020



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. The company recently acquired SN Power, a leading hydropower developer and IPP. In first half of 2021, Scatec will have a total of 3.3 GW in operation on four continents and 485 employees. 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)]

	Capacity MW	Economic interest [2)]
In operation		
South Africa	448	46%
Egypt	380	51%
Malaysia	244	100%
Brazil	162	44%
Ukraine	133	73%
Honduras	95	51%
Jordan	43	62%
Mozambique	40	53%
Czech Republic	20	100%
Rwanda	9	54%
Total	**1,574**	**59%**
Under construction		
Ukraine	203	100%
Argentina	117	50%
Total	**320**	**82%**
Projects in backlog		
Tunisia	360	100%
Pakistan	150	75%
Ukraine	65	65%
Bangladesh	62	65%
Mali	33	64%
Total	**670**	**86%**
Grand total	**2,414**	**69%**
Projects in pipeline	**9,790**	

Solar power plants in operation: 1,574 MW   Plants under construction: 320 MW   Projects in backlog: 670 MW

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 plants produce electricity for sale under long term power purchase agreements (PPAs), with state owned utilities or corporate off-takers, or under government-based feed-in tariff schemes. The average remaining PPA duration for power plants in operation is 20 years.

Services

The Services segment comprises Operations & Maintenance (O&M) and Asset Management services provided to solar 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.

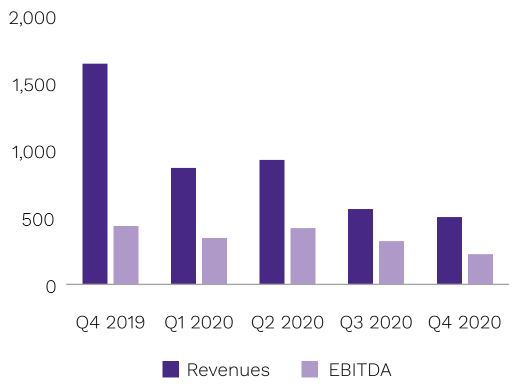
1) Assets in operation and under construction as per 31 December 2020. Project backlog and pipeline per reporting date.
2) Scatec's share of the total estimated economic return from its subsidiaries. For projects under development the economic interest may be subject to change.

Q4'20 – Building a global renewable company

- Acquired SN Power, adding solid hydropower assets and an attractive project pipeline
- Power production of 407 GWh in the quarter and 1,602 GWh for FY 2020, up 73 % from 2019
- EBITDA [1] of NOK 223 million in the quarter and NOK 1,306 million for FY 2020
- Started commercial operation of 79 MW
- Added 150 MW to project backlog, project pipeline increased to 10 GW
- Raised equity of NOK 4,750 million to fund the acquisition and further growth
- The Board proposes dividends of NOK 1.09 per share

Proportionate revenues and EBITDA

NOK million



Key figures

NOK million	Q4 2020	Q3 2020	Q4 2019	FY 2020	FY 2019
Proportionate Financials [1]					
Revenues and other income	**497**	556	1,643	2,844	6,341
Power Production	**402**	457	365	1,708	1,163
Services	**45**	60	48	232	168
Development & Construction	**46**	30	1,222	873	4,980
Corporate	**5**	9	7	33	31
EBITDA [1]	**223**	319	434	1,306	1,571
Power Production	**320**	379	304	1,404	976
Services	**10**	22	16	82	64
Development & Construction	**-38**	-27	132	-28	589
Corporate	**-69**	-54	-18	-153	-58
Operating profit (EBIT)	**63**	159	263	690	1,111
Profit/(loss)	**-575**	-85	-43	-435	530
Net interest- bearing debt [1]	**1,851**	6,266	7,312	1,851	7,312
Power Production (GWh)	**407**	430	298	1,602	926
Scatec proportionate share of cash flow to equity [1]	**-22**	80	200	324	794
Consolidated Financials					
Revenues and other income	**679**	724	568	2,754	1,783
EBITDA [1]	**448**	538	436	2,069	1,386
Operating profit (EBIT)	**244**	343	271	1,292	874
Profit/(loss)	**-561**	-24	56	-368	155
Net interest- bearing debt [1]	**5,223**	9,746	10,986	5,223	10,986
Basic earnings per share	**-4.10**	-0.43	-0.10	-3.51	-0.31
Power Production (GWh) [2]	**756**	793	536	2,911	1,655

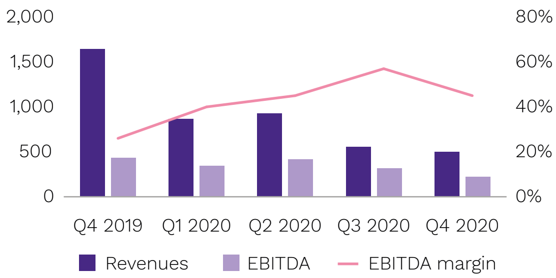
1) See Alternative Performance Measures appendix for definition
2) Production volume on a 100% basis of all consolidated entities, including from JV companies.

Group – Proportionate financials

NOK million	Q4 2020	Q3 2020	Q4 2019	FY 2020	FY 2019
Revenues and other income	**497**	556	1,643	2,844	6,341
Gross Profit	**457**	530	586	2,080	2,067
Operating expenses	**-234**	-211	-152	-775	-497
EBITDA	**223**	319	434	1,306	1,571
EBITDA margin	**45%**	57%	26%	46%	25%
D&A and impairment	**-160**	-161	-171	-615	-460
EBIT	**63**	159	263	690	1,111
Cash flow to equity [1]	**-22**	80	200	324	794

Proportionate revenues and EBITDA

NOK million



1) See Alternative Performance Measures appendix for definition.

The groups revenues decreased compared to the same quarter last year due to lower construction activity, partly offset by higher power production revenues.

The increase in operating expenses compared with the same quarter last year was mainly driven by new solar power plants starting operation in addition NOK 47 million of transaction costs related to the acquisition of SN Power.

With a larger portfolio of power plants in operation, both revenues and EBITDA increased in the Power Production segment, while decreasing in the Development & Construction segment. This continued change in segment mix resulted in a higher EBITDA margin for the Group compared with the previous year.

Profit before tax is impacted by a currency loss of NOK 480 million primarily driven by a reduced NOK value of USD cash balances held in Scatec ASA for the USD based settlement of the SN Power transaction.

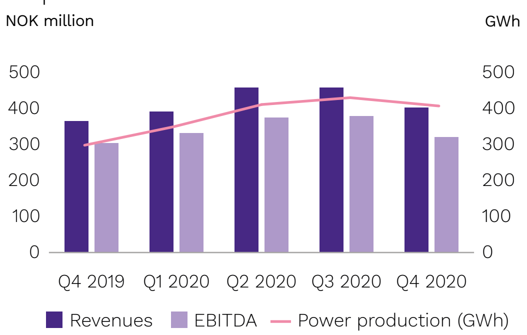
For the full year 2020 the development in revenues and operating expenses are explained by the above.

Power Production – Proportionate financials

NOK million	Q4 2020	Q3 2020	Q4 2019	FY 2020	FY 2019
Revenues and other income	**402**	457	365	1,708	1,163
Operating expenses	**-81**	-78	-61	-304	-187
EBITDA [1]	**320**	379	304	1,404	976
EBITDA margin [1]	**80%**	83%	83%	82%	84%
D&A and impairment	**-149**	-149	-155	-566	-412
EBIT	**171**	230	149	838	564
Cash flow to equity [1]	**53**	134	103	427	361

Proportionate revenues and EBITDA

NOK million



1) See Alternative Performance Measures appendix for definition.

At the end of the fourth quarter the group held power plants in operations with a total capacity of 1,574 MW. The capacity increased by 381 MW from the same period last year.

Power production reached 407 GWh in the fourth quarter compared to 298 GWh in the same quarter last year, while revenues and EBITDA increased by NOK 37 million and NOK 16 million respectively. The growth in power production and revenues reflects new plants in operations partly offset by somewhat lower production from existing plants.

Revenues and EBITDA were lower in fourth quarter than previous quarter due to seasonal variations in production, while operating expenses and depreciations were broadly in line with previous quarter.

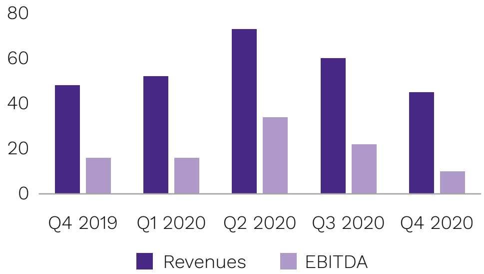
The decrease in cash flow to equity compared to previous quarter is primarily explained by lower EBITDA and higher debt- and interest repayments. See page 10 for further comments on cash flow to equity and page 15 for a specification of financial performance for each individual power plant company.

For the full year 2020 the development in revenues and operating expenses are explained by the above.

Services – Proportionate financials

NOK million	Q4 2020	Q3 2020	Q4 2019	FY 2020	FY 2019
Revenues and other income	**45**	60	48	232	168
Operating expenses	**-36**	-39	-32	-150	-104
EBITDA	**10**	22	16	82	64
EBITDA margin [1]	**22%**	36%	33%	35%	38%
D&A and impairment	**-1**	-1	-1	-3	-3
EBIT	**9**	21	15	79	61
Cash flow to equity [1]	**8**	17	15	65	53

Proportionate revenues and EBITDA
NOK million



1) See Alternative Performance Measures appendix for definition.

The revenues in the Services segment is influenced by seasonal variations which led to a decrease in revenues compared with the previous quarter.

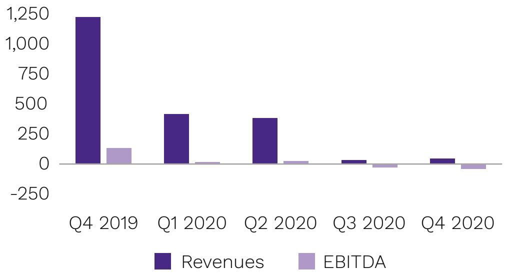
Operating expenses in the segment mainly constitute fixed expenses such as personnel and recurring maintenance cost reflecting fixed maintenance schedules. As such the operating expenses are broadly in line with the previous quarter.

For the full year 2020 the development in revenues and operating expenses are explained by the growing portfolio of producing assets.

Development & Construction (D&C) – Proportionate financials

NOK million	Q4 2020	Q3 2020	Q4 2019	FY 2020	FY 2019
Revenues and other income	**46**	30	1,222	873	4,980
Gross Profit	**6**	4	166	109	706
Gross Margin [1]	**12%**	13%	14%	12%	14%
Operating expenses	**-43**	-31	-34	-137	-117
EBITDA	**-38**	-27	132	-28	589
D&A and impairment	**-5**	-7	-13	-26	-39
EBIT	**-43**	-33	119	-54	550
Cash flow to equity [1]	**-27**	-19	107	-15	471

Proportionate revenues and EBITDA
NOK million



1) See Alternative Performance Measures appendix for definition.

During the fourth quarter the 47 MW Redsol project in Malaysia and the 32 MW Kamianka project in Ukraine reached commercial operation. Still, the total construction activity and revenues in the quarter was low compared with the same quarter last year. At the end of the forth quarter the accumulated progress across ongoing construction projects was 99%, with minor activities remaining in Argentina and Ukraine. These plants are currently estimated to be completed in the second quarter 2021.

The increase in operating expenses reflects increased efforts in pursuing project opportunities across several markets and renewable technologies. Operating expenses in comprised of approximately NOK 36 million for early stage project development of new projects and NOK 7 million related to the construction business. Project development spending (including amounts capitalised) reached NOK 67 million in the quarter. The company continued to mature a wide range of projects, resulting in pipeline growth.

For the full year, the reduced gross margin and EBITDA compared to 2019 is explained by lower construction activity.

Corporate – Proportionate financials

NOK million	Q4 2020	Q3 2020	Q4 2019	FY 2020	FY 2019
Revenues and other income	**5**	9	7	33	31
Operating expenses	**-74**	-63	-25	-186	-89
EBITDA	**-69**	-54	-18	-153	-58
D&A and impairment	**-5**	-5	-2	-20	-6
EBIT	**-74**	-59	-20	-173	-64
Cash flow to equity [1]	**-55**	-52	-25	-153	-91

1) See Alternative Performance Measures appendix for definition.

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

Operating expenses increased during 2020, reflecting the strengthening of corporate functions to support the growth of the company. Futher, the operating expenses for the year was impacted by NOK 82 million of transaction costs related to the acquisition of SN Power, including NOK 47 million recognised in the fourth quarter.

Short term guidance

The guidance below is for Scatec's operation before closing of the SN Power transaction. Power Production guidance and other relevant information on the hydropower assets will be provided at the Capital Markets Update 23 March 2021. Please also refer to the investor presentation published on 16 October 2020 for key information related to SN Power.

Power production

The estimated production for first quarter and full year 2021 is based on production from the 1,574 MW in operation at the end of fourth quarter 2020.

GWh	Q4 2020	Q1 2021E	2021E
Proportionate	**407**	425 – 445	1,750 – 1,790
100% basis	**756**	770 – 800	3,120 – 3,220

Services

Revenues in the Services segment are expected to reach approximately NOK 270 million in 2021 with an EBITDA margin of around 30%.

Development & Construction

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

At the end of fourth quarter the remaining, not booked, construction contract value was about NOK 12 million.

D&C revenues are expected to remain low until projects currently in backlog move into construction.

Corporate

The operating expenses in 2021 for the corporate segment are expected to be in line with 2020, adjusted for the transaction cost related to the acquisition of SN Power.

COVID-19 impacts

The impact of COVID-19 on Scatec's operations is still limited, and power production and general maintenance continue as normal.

There has been some further delays in third party services and deliveries related to completion of high voltage connection and hence grid connection, commissioning and testing of solar plants under construction in the quarter. The Company's current estimate is that the remaining power plants under construction will reach commercial operation dates in the second quarter 2021.

At the end of the fourth quarter, Scatec's proportionate share of overdue payments from customers decreased with NOK 27 million to NOK 102 million. The overdue receivables are primarily related to the Ukraine portfolio. The delayed amounts are secured by sovereign guarantees and the collection risk is therefore considered to be low. Please refer to note 16 in the Annual Report 2019 for further information on aging of trade receivables.

Acquistion of SN Power

On 16 October, Scatec announced the acquistion of SN Power from Norfund for a total equity value of USD 1,166 million. The acquisition forms an important part of Scatec's broadened growth strategy, to become a global 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 have access to a large project backlog and pipeline of more than 10 GW across solar, hydro, wind and storage. In 2020 SN Power reached revenues of NOK 1,562 million (1,766), EBITDA of NOK 1,092 million (1,149) and Cash Flow to Equity of NOK 477 million (541), measured on Scatec's proportionate basis [1]. The performance of 2020 is influenced by reduced water in-flow in the first 9 months of the year, combined with COVID-19 impact on power demand and prices in the Philippines. In 2020 net power production reached 1.4 TWh compared to the median net annual production of 1.8 TWh.

The acquisition is fully funded through cash available and the following facilities; a USD 200 million vendor note, a USD 150 million term loan, and a USD 400 million aqcuistion finance facility from Nordea, DNB and Swedbank.

From 29 January 2021, Jarl Kosberg was appointed EVP Project Development Hydropower, reporting to CEO Raymond Carlsen. Kosberg has more than 35 years' experience from international energy projects and leadership positions in companies such as Exxon, Aker & Kvaerner, Statkraft & SN Power and Green Resource.

All necessary approvals was received on 18 January 2021 and formal closing of the transaction was completed 29 January 2021.

Outlook

The Covid-19 pandemic lead to a 5 percent decrease in global power demand in 2020 with an expected return to 2019 levels by 2022 according to Bloomberg New Energy Finance (BNEF).

Despite the pandemic, global investment in low-carbon energy transition reached USD 500 billion in 2020 (USD 459 billion in 2019).

BNEF expects global solar new build to accelerate in 2021 and 2022, exceeding 200 GW in 2022, up from 132 GW in 2020. For wind, new installation reached more than 70 GW for the first time in 2020 with further growth to 84 GW expected i n 2021. Long term, all renewables are expected to see massive growth, with solar, hydro, wind and storage covering 73% of global energy needs by 2050.

With SN Power integrated, Scatec will significantly increase scale and cash flow from operating plants with a total of 3.3 GW in operation and under construction. In addition, the first wind project has been secured with SN Power, and Scatec is investing in other renewable energy solutions such as floating solar, storage and containerised solar through the Release concept.

Independently of the SN Power transaction, Scatec's growth ambition remains firm with the Company targeting a portfolio of projects under construction and in operation of 4.5 GW by end 2021. An updated guidance reflecting Scatec's broadened growth strategy will be published at the Capital Markets Update 23 March 2021.

1) Measured on a pro-forma basis, based on preliminary unaudited financial information for 2020.

Consolidated statement of profit and loss

Profit and loss

NOK million	Q4 2020	Q4 2019	FY 2020	FY 2019
Revenues	**679**	568	2,754	1,783
EBITDA	**448**	436	2,069	1,386
Operating profit (EBIT)	**244**	271	1,292	874
Net financial items	**-825**	-226	-1,530	-690
Profit before income tax	**-581**	45	-238	184
Profit/(loss) for the period	**-561**	56	-368	155
Profit/(loss) to Scatec	**-558**	-12	-478	-39
Profit/(loss) to non-controlling interests	**-3**	68	110	194

Revenues

Revenues from power sales were up 20% compared to the same quarter last year. The increase in revenues is mainly explained by the grid connection of new plants in Malaysia, South Africa and Ukraine. For the remaining power plants, the change in production volume from last year is driven by regular operational and seasonal variations.

Net income from the joint venture investments in Brazil and Argentina was NOK -8 million (3).

For the full year the production revenues increased to NOK 2,771 million (1,810) while net profit from the equity consolidated investments in Brazil and Argentina Increased from NOK -28 million to NOK -16 million.

Operating profit

Following the enlarged portfolio of power producing assets, the profitability (EBITDA) has increased in both relative and absolute terms compared to the fourth quarter last year. The growth in operating expenses compared to fourth quarter last year is mainly explained by the increased asset base in operation and transaction cost related to the SN Power aqcusition.

Consolidated operating expenses amounted to NOK 231 million (131) in the fourth quarter. This consists of approximately NOK 112 million (73) for operation of existing power plants, NOK 35 million (20) for early stage development of new projects, NOK 10 million (14) related to construction and NOK 75 million (24) of corporate expenses (excluding eliminated intersegment charges).

For the full year the operating expenses increased to NOK 685 million (397) mainly driven by the added capacity during the period.

Net financial items

NOK million	Q4 2020	Q4 2019	FY 2020	FY 2019
Financial income	**18**	31	57	66
Financial expenses	**-363**	-251	-1,189	-744
Foreign exchange gains/(loss)	**-480**	-6	-398	-13
Net financial items	**-825**	-226	-1,530	-690

Financial expenses in the fourth quarter mainly consist of interest expenses, which comprise of interest on non-recourse financing of NOK 330 million (184), and corporate funding of NOK 11 million (17). See note 4 and 5 for further information on financing.

The quarter's net foreign currency loss increased from NOK 6 million in the fourth quarter of 2019 to NOK 480 million in the fourth quarter of 2020. The currency losses of the fourth quarter are primarily driven by a reduced NOK value of USD cash balances held in Scatec ASA for the USD based settlement of the SN Power transaction in 2021. The currency losses are also driven by Scatec ASA's shareholder loans to project companies which are provided in the respective projects' currencies.

Profit before tax and net profit

The Group recognised a tax income of NOK 19 million (10) in the fourth quarter, corresponding to an effective tax rate of 3% (-22%). For the full year, the group had a tax expense of NOK 130 million, corresponding to an effective tax rate of -55 % (16%). The difference between the actual tax expense of the year and a calculated tax expense based on the Norwegian tax rate of 22% is explained by a number of factors, including a non-recurring tax expense related to non-deductible interest cost, non-deductability of transaction cost from the SN Power acquisition and withholding taxes paid on dividends received from subsidiaries.
The tax cost is also influenced by taxable profits and -losses in tax jurisdictions with different tax rates which offset each other in the group but leaves a net tax expense to be recognised. For further details, refer to note 6.

Non-controlling interests (NCI) represent financial investors in solar power plants. The allocation of profits between NCI and Scatec is impacted by the fact that NCI only have shareholdings in solar power plants, while Scatec also carries the cost of project development, construction, operation & maintenance and corporate functions. The allocation of profits is also impacted by unrealised currency gains and losses on shareholder loans from Scatec ASA to project companies, as these are fully allocated to Scatec.

Impact of foreign currency movements in the quarter

During the fourth quarter, NOK appreciated against USD and BRL, depreciated against ZAR, MYR and EUR, whereas the change against CZK was unchanged, compared to the average rates for the third quarter. On a net basis this negatively affected consolidated revenues by approximately NOK 21 million compared to the previous quarter, while the net impact on net profit in the quarter was positive by approximately NOK 2 million.

Following the movements in currencies in the fourth quarter, the Group has recognised a foreign currency translation loss of NOK 176 million (- 72) 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.

Scatec has not hedged the currency exposure on the expected cash distributions from the power plant companies.

Consolidated statement of financial position

Assets

NOK million	Q4 2020	Q4 2019
Property, plant and equipment	16,086	15,401
Other non-current assets	1,503	1,682
Total non-current assets	17,590	17,083
Other current assets	1,286	1,672
Cash and cash equivalents	7,788	2,824
Total current assets	9,074	4,495
Total assets	26,663	21,578

The 3% net increase of non-current assets is mainly driven by the new plants in South Africa, Ukraine and Malaysia. This is partly offset by depreciation of the operating power plants.

Other current assets decreased by 23% compared to fourth quarter 2019, mainly driven by working capital changes related to construction projects. The cash balance has increased with NOK 4,964 million since fourth quarter 2019, primarily following the private placements completed during the second and fourth quarter 2020. In addition, the Group had NOK 813 million in available undrawn credit facilities at the end of the fourth 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 solar 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. These accounting principles reduce the consolidated book equity ratio.

Equity and liabilities

NOK million	Q4 2020	Q4 2019
Equity	9,467	3,640
Non-current non-recourse project financing	11,350	12,228
Other non-current liabilities	2,351	2,962
Total non-current liabilities	13,701	15,190
Current non-recourse project financing	913	837
Other current liabilities	2,582	1,913
Total current liabilities	3,495	2,750
Total liabilities	17,196	17,939
Total equity and liabilities	26,663	21,578
Book equity ratio	35.5%	16.7%

Total equity increased by NOK 5,827 million since fourth quarter 2019, mainly driven by the private placements during the second and fourth quarter 2020. The increased book equity ratio is mainly explained by the effect above, partly offset by increased total balance sheet value. The current and non-current non-recourse project finance debt decreased by NOK 802 million from the fourth quarter 2019 following debt repayments only partially offset by the completion of new solar plants.

The equity to capitalisation ratio for the Recourse Group[1] (excluding the non-recourse financed project entities) as defined in the corporate bond agreement was 94% at the end of the fourth quarter. See note 5 for more information on the corporate bond agreement.

1) See Other definitions appendix for definition.

Consolidated cash flow

Net cash flow from consolidated operating activities amounted to NOK 65 million (1,635) in the fourth quarter of 2020, compared to the EBITDA of NOK 448 million. The difference is primarily explained by changes in trade and other payables as well as other current liabilities.

Net cash flow from consolidated investing activities was NOK -229 million (-2,795), driven by lower construction activities on new power plants compared with the same quarter last year.

Net cash flow from financing activities was NOK 3,931 million (549), driven primarily by the issue of share capital.

Refer to 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 solar power plant projects and/or for shareholder dividends over time.

NOK million	Q4 2020	Q3 2020	Q4 2019	FY 2020	FY 2019
Power Production	**53**	134	103	427	361
Services	**8**	17	15	65	53
Development & Construction	**-27**	-19	107	-15	471
Corporate	**-55**	-52	-25	-153	-91
Total	**-22**	80	200	324	794

The cash flow to equity in the Power Production segment is reduced compared to the same quarter last year, primarily due to increased debt repayments on non-recourse loans in line with the defined repayment schedules and somewhat lower production from existing plants, partly offset by new plants in operations. The reduction from previous quarter is primarily driven by seasonal variations in production combined with increased interest cost.

The reduced cash flow to equity in Services compared with earlier quarters reflects seasonal variations and reversed revenue recognised in second quarter.

The cash flow to equity in the D&C segment is driven by the portfolio of construction projects currently being executed, with variations between quarters in line with construction progress.

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

In the fourth quarter of 2020, the power plant companies distributed a total of NOK 114 million 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 2019 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.

Dividend

Scatec received distributions from operating power plant companies of NOK 346 million in 2020. In line with the dividend policy, the Board of Directors have resolved to propose to the Annual General Meeting that a dividend of NOK 1.09 per share, totalling NOK 173 million, should be paid for 2020.

1) See Alternative Performance Measures appendix for definition.

Project overview

Project stage	Q4 2020 Capacity [1] (MW)	Q3 2020 Capacity [1] (MW)
In operation	1,574	1,552
Under construction	320	352
Project backlog [2]	670	520
Project pipeline [2]	9,790	6,520

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
In operation	1,574	NOK [3]	19,960	3,200	72%	59%
Under construction						
Ukraine portfolio	203	EUR	177	248	65%	95%
Guanizuil, Argentina	117	USD	103	310	60%	50%
Total under construction	320	NOK [3]	2,736	558		82%
Backlog						
Tunisia	360	EUR	240	900	70%	100%
Pakistan	150	USD	100	300	75%	75% [4]
Ukraine	65	EUR	74	65	70%	65% [4]
Bangladesh	62	USD	68	85	70%	65% [4]
Mali	33	EUR	50	60	75%	64% [4]
Total backlog	670	NOK [3]	4,810	1,410		86%
Total	2,564	NOK [3]	27,507	5,168		69%

Total annual revenues from the 2,564 MW in operation, under construction and in backlog is expected to reach about NOK 4,200 million (on 100% basis) based on 10-25-year Power Purchase Agreements (PPAs). Scatec will build, own and operate all power plants in the project backlog and pipeline.

1) Status per reporting date.
2) See Other Definitions for definition.
3) All exchange rates to NOK are as of 31 December 2020.
4) Expected economic interest at financial close of project.

Under construction

Project	Capacity (MW)
Progressovka, Ukraine	148
Guanizuil, Argentina	117
Chigirin, Ukraine	55
Total	**320**

Scatec's project portfolio under construction is close to completion. Due to the COVID-19 outbreak, there has been some further delays in certain third party services and deliveries, which in addition to travel constraints and local regulations has impacted completion of high voltage connection and hence grid connection, commissioning and testing of the new solar plants. The Company's current estimate is that all power plants under construction will reach commercial operation dates in the second quarter 2021.

In Ukraine, the government adopted a new law in July 2020 to revise the previous Feed-in Tariffs (FiTs). The new FiTs have not been accepted by Scatec or other IPPs and Scatec is in the process of assessing future actions related to the new FiTs. Scatec has mechanically completed both solar plants under construction in Ukraine and is in process of obtaining the FiT as per the procedures outlined by the government of Ukraine.

Backlog

The 150 MW Sukkur project in Pakistan has been included in backlog and the backlog now stands at 670 MW.

The COVID-19 situation is in general impacting the markets in which Scatec develops projects. Many countries are still in lock-down, or with restrictions on movement, and international travel is still very limited. This will to a varying degree impact project development as certain activities requires physical presence. The progress that can be made for projects in backlog and pipeline is therefore impacted and delays in maturing some of these projects are expected.

Tunisia, 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 Engineering, Procurement and Construction (EPC) provider and provide Operation & Maintenance as well as Asset Management services to the power plants.

Pakistan, 150 MW

In Pakistan, the 150 MW Sukkur project portfolio in Sindh was awarded a "costs plus tariff" by the National Energy Power Regulatory Authority (NEPRA) early in 2020.

Scatec and its local partner, Nizam Energy, are now working to finalise financing and prepare construction of the project, expected to start first half 2021. Scatec will hold 75% of the equity, with Nizam holding the remaining 25%. Annual revenues are expected to be USD 11 million. The project has a total estimated capex of USD 100 million with a debt leverage of 75%.

Ukraine, 65 MW

In Ukraine, the government is evaluating the current feed-in tariff scheme and working on the transition to a tender scheme for renewable energy.

The 65 MW Kherson project is situated at a very good site, is fully developed and ready to be built from a permitting perspective. The project is well positioned to participate in upcoming tenders, but an auction scheme for solar projects have not yet been communicated.

Bangladesh, 62 MW

The Nilphamari project was moved into backlog in 2019. The power plant will hold a 20 years PPA with the Bangladesh Power Development Board (BPDB). Total project costs are estimated to USD 78 million, expected to be funded with 75% debt and 25% equity. Lenders have been selected and are mandated.

Scatec will finance, construct, own and operate the project. The project is being developed with a local development partner and with FMO, the Dutch development bank.

Mali, 33 MW

In July 2015, Scatec and development partners, International Finance Corporation (IFC) and Power Africa 1, signed a 25-year PPA with Energie du Mali (EDM) for the Segou project. IFC and African Development Bank (AfDB) will provide the non-recourse project finance for the project.

Scatec will build, own and operate the solar power plant with a 64% shareholding. IFC Infraventures and Africa Power will hold the remaining part of the equity.

Pipeline

Location	Q4 2020 Capacity [1] (MW)	Q3 2020 Capacity (MW)
Latin America	1,100	1,234
Africa and the Middle East	3,862	2,516
Europe & Central/South Asia	1,280	430
South East Asia	3,548	2,340
Total pipeline	9,790	6,520

In addition to the projects in backlog Scatec holds a solid pipeline of projects totalling 9,790 MW. The pipeline increased by 800 MW over the last quarter with new projects added mainly in South Africa and Vietnam. In addition 2,470 MW of pipeline has been added from SN Power with 997 MW in Africa and 1,473 in South East Asia. Further details about the pipeline will be provided at the Capital Markets Update 23 March 2021.

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 have typically been secured and Scatec is in a position to participate in bilateral negotiations for a long-term power sales agreement with off-takers, feed-in-tariff schemes, or tender processes.

Latin America (1,100 MW)

Scatec's development efforts in Latin America is now mainly focused on Brazil, where Scatec has been partnering with Equinor during the last 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 fourth quarter 2020, Scatec signed an MoU with Equinor and Hydro for the development of the 480 MW Mendubim project. The MoU provides a framework to realise the project on a site already secured in Rio Grande do Norte in Brazil. The MoU contemplates joint ownership and development of the project by the three parties and offtake of part of the production by Hydro.

Africa and the Middle East (2,865 MW)

Scatec holds sites representing more than 1.0 GW ready to be bid in South Africa and is in the process of securing additional PV and wind projects for upcoming tenders rounds.

In fourth quarter 2020, Scatec submitted proposals in the Risk Mitigation Power Procurement Programme and the results of this tender is expected to be announced during first half of 2021.

Further, the new integrated Resource Plan has been launched and based on this, a new tender ("round 5") under the REIPPP Programme is expected to be launched during first half of 2021.

In addition, Scatec is developing a broad pipeline of projects across a number of markets, 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.

1) Includes Hydropower pipeline after closing of SN Power acquisition.

Through its Release concept, Scatec has also 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.

Europe and Central/South Asia (1,280 MW)

Scatec is currently pursuing project opportunities in amongst other Poland, Uzbekistan, and India in Europe and Central/South Asia.

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 a number of project opportunities in the country.

Poland has ambitious targets for renewable energy. The energy market is deregulated and renewable energy projects are incentivized 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.

South East Asia (2,075 MW)

Malaysia, Vietnam and the Philippines are markets Scatec currently is focused on in South East 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 there will be opportunities through both tenders and bilateral negotiations.

Scatec is developing a range of projects in Vietnam, both PV 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 Phlillipines, two major laws have incentivised growth of 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 renwable technolgoies in the country.

Proportionate financials
Break down of Power Production segment
Key financials

Q4 2020

NOK million	Czech Republic	South Africa Round 1/2 [1]	Honduras	Jordan	Brazil	Malaysia	Egypt	Ukraine	Mozambique	South Africa Round IV [2]	Other [3]	Total
Revenues	11	95	23	18	18	79	71	12	12	56	6	402
OPEX	-3	-11	-5	3	-5	-11	-15	-4	-2	-10	-17	-81
EBITDA	8	84	18	20	13	68	57	8	10	46	-11	320
EBITDA margin	72%	88%	76%	114%	74%	86%	79%	66%	82%	82%	-192%	80%
Net interest expenses [4]	-5	-25	-3	-6	-8	-34	-25	-8	-5	-42	-1	-161
Normalised loan repayments [4]	-8	-17	-6	-8	-2	-32	-8	-17	-3	-	-1	-103
Normalised income tax payments [4]	1	-12	-	-	-	1	-3	3	-	3	4	-3
Cash flow to equity	-3	30	8	6	3	2	21	-13	2	7	-10	53
Scatec economic interest	100%	45%	51%	62%	44%	100%	51%	91%	53%	46%		
Net production (GWh)	2	50	17	12	32	75	105	12	10	92	2	407

1) Kalkbult, Linde and Dreunberg projects.
2) Upington projects.
3) Includes Rwanda and Release.
4) See Alternative Performance Measures appendix for definition.

Q4 2019

NOK million	Czech Republic	South Africa Round 1/2 [1]	Honduras	Jordan	Brazil	Malaysia	Egypt	Ukraine	Mozambique	South Africa Round IV [2]	Other [3]	Total
Revenues	14	106	23	18	42	83	58	5	15	-	1	365
OPEX	-3	-9	-5	-3	-7	-13	-12	-2	-4	-	-3	-61
EBITDA	11	97	18	15	35	70	46	3	11	-	-2	304
EBITDA margin	79%	92%	80%	84%	82%	84%	79%	64%	76%	-	-	83%
Net interest expenses [4]	-5	-31	-5	-8	-3	-28	-21	-6	-8	-	-3	-118
Normalised loan repayments [4]	-7	-16	-5	-6	-5	-22	-3	-3	-	-	-1	-68
Normalised income tax payments [4]	1	-13	-	-	-2	-2	-1	1	-	-	-	-15
Cash flow to equity	-	37	8	1	25	18	20	-4	3	-	-5	103
Scatec economic interest	100%	45%	51%	62%	44%	100%	51%	91%	53%	-		
Net production (GWh)	3	52	18	12	35	70	94	3	9	-	2	298

1) Kalkbult, Linde and Dreunberg projects.
2) Upington projects.
3) Includes Rwanda.
4) See Alternative Performance Measures appendix for definition.

FY 2020

NOK million	Czech Republic	South Africa Round 1/2 [1]	Honduras	Jordan	Brazil	Malaysia	Egypt	Ukraine	Mozambique	South Africa Round IV [2]	Other [3]	Total
Revenues	127	328	112	97	78	335	319	107	46	142	17	1,708
OPEX	-12	-45	-18	-14	-17	-40	-51	-13	-10	-31	-53	-304
EBITDA	116	283	93	83	61	295	268	94	36	111	-36	1,404
EBITDA margin	91%	86%	84%	86%	78%	88%	84%	88%	78%	78%	-214%	82%
Net interest expenses [4]	-19	-101	-13	-28	-22	-119	-114	-25	-16	-81	-5	-542
Normalised loan repayments [4]	-33	-69	-26	-32	-8	-118	-34	-47	-12	-	-3	-382
Normalised income tax payments [4]	-10	-32	-	-1	-1	-4	-17	-3	-1	6	10	-53
Cash flow to equity	54	81	55	21	30	55	104	19	7	35	-33	427
Scatec economic interest	100%	45%	51%	62%	44%	100%	51%	91%	53%	46%		
Net production (GWh)	23	173	81	62	129	294	473	80	36	244	7	1,602

1) Kalkbult, Linde and Dreunberg projects.

2) Upington projects.

3) Includes Rwanda and Release.

4) See Alternative Performance Measures appendix for definition.

FY 2019

NOK million	Czech Republic	South Africa Round 1/2 [1]	Honduras	Jordan	Brazil	Malaysia	Egypt	Ukraine	Mozambique	South Africa Round IV [2]	Other [3]	Total
Revenues	118	350	105	92	101	228	127	12	23	-	7	1,163
OPEX	-10	-40	-17	-11	-25	-27	-21	-2	-6	-	-29	-187
EBITDA	108	309	89	81	76	201	106	10	17	-	-22	976
EBITDA margin	92%	88%	84%	88%	75%	88%	83%	82%	75%	-	-	84%
Net interest expenses [4]	-19	-112	-14	-29	-20	-80	-43	-7	-8	-	-2	-333
Normalised loan repayments [4]	-28	-65	-21	-26	-14	-67	-4	-3	-	-	-1	-229
Normalised income tax payments [4]	-10	-35	-	-1	-2	-6	-6	1	-	-	8	-53
Cash flow to equity	51	97	54	26	40	48	53	1	9	-	-17	361
Scatec economic interest	100%	45%	51%	62%	44%	100%	51%	91%	53%	-		
Net production (GWh)	23	177	83	62	118	205	225	8	18	-	7	926

1) Kalkbult, Linde and Dreunberg projects.

2) Upington projects.

3) Includes Rwanda.

4) See Alternative Performance Measures appendix for definition.

Financial position and working capital breakdown Proportionate financials

31 December 2020

NOK million	Solar plants in operation											Solar plants under construction		Total
	Czech repub.	South Africa Round 1/2	Rwa-nda	Hon-duras	Jordan	Malaysia	Brazil	Egypt	Mozam-bique	Ukraine	South Africa Round IV	Ukraine	Argentina	
Project equity [1]	131	34	17	657	211	536	185	350	55	335	255	1,000	197	3,963
Total assets	537	1,146	83	848	695	3,010	513	2,245	360	1,018	1,417	2,195	552	14,619
PP&E	453	941	79	734	535	2,913	469	1,772	281	869	1,252	1,982	527	12,809
Cash	42	129	3	58	137	278	13	229	49	25	80	9	12	1,065
Gross interest bearing debt [2]	334	850	59	158	415	2,146	295	1,451	237	619	1,039	300	304	8,205
Net interest bearing debt [2]	292	721	56	100	278	1,868	281	1,221	188	594	958	290	292	7,141
Net working capital [2]	-37	-37	-3	24	-67	-482	-14	-146	5	-2	-22	-704	-322	-1,808
Scatec economic interest	100%	45%	54%	51%	62%	100%	44%	51%	53%	73%	46%	100%	50%	

1) See Other definitions appendix for definition.

2) See Alternative Performance Measures appendix for definition.

Bridge from proportionate to consolidated financials

31 December 2020

NOK million	Total proportionate Solar plants	Residual ownership interest	Less equity consolidated entities	PP overhead, D&C, Services, Corporate, eliminations	Consolidated
Project equity [1]	3,963	1,940	-817	4,390	9,476
Total assets	14,619	8,415	-2,276	5,914	26,672
PP&E-in solar projects	12,809	7,059	-2,127	-1,880	15,861
Cash	1,065	740	-54	6,037	7,788
Gross interest bearing debt [2]	8,205	5,339	-1,281	748	13,011
Net interest bearing debt [2]	7,141	4,599	-1,227	-5,289	5,223
Net-working capital [2]	-1,808	-599	675	402	-1,330

1) See Other definitions appendix for definition.

2) See Alternative Performance Measures appendix for definition.

Condensed interim financial information

Interim consolidated statement of profit or loss

NOK million	Notes	Q4 2020	Q4 2019	FY 2020	FY 2019
Revenues	2	688	565	2,771	1,810
Net income/(loss) from JVs and associated companies	2	-8	3	-16	-28
Total revenues and other income		679	568	2,754	1,783
Personnel expenses	2	-78	-49	-262	-163
Other operating expenses	2	-153	-82	-423	-234
Depreciation, amortisation and impairment	2,3	-204	-165	-777	-512
Operating profit (EBIT)		244	271	1,292	874
Interest and other financial income	4	18	31	57	66
Interest and other financial expenses	4	-363	-251	-1,189	-744
Net foreign exchange gain/(losses)	4	-480	-6	-398	-13
Net financial expenses		-825	-226	-1,530	-690
Profit/(loss) before income tax		-581	45	-238	184
Income tax (expense)/benefit	6	19	10	-130	-29
Profit/(loss) for the period		-561	56	-368	155
Profit/(loss) attributable to:					
Equity holders of the parent		-558	-12	-478	-39
Non-controlling interests		-3	68	110	194
Basic earnings per share (NOK) [1]		4.10	-0.10	-3.51	-0.31
Diluted earnings per share (NOK) [1]		-4.05	-0.10	-3.47	-0.31

1) Based on average 135.9 million shares outstanding for the purpose of earnings per share and average 137.7 million shares outstanding for the purpose of diluted earnings per share

Interim consolidated statement of comprehensive income

NOK million	Notes	Q4 2020	Q4 2019	FY 2020	FY 2019
Profit/(loss) for the period		-561	56	-368	155
Other comprehensive income:					
Items that may subsequently be reclassified to profit or loss					
Net movement of cash flow hedges		31	72	-376	-233
Income tax effect	6	-4	-17	98	58
Foreign currency translation differences		-176	-72	-116	12
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		-150	-17	-394	-162
Total comprehensive income for the period net of tax		-711	38	-762	-7
Attributable to:					
Equity holders of the parent		-701	-49	-698	-117
Non-controlling interests		-10	87	-65	109

Interim consolidated statement of financial position

NOK million	Notes	As of 31 December 2020	As of 31 December 2019
Assets			
Non-current assets			
Deferred tax assets	6	722	781
Property, plant and equipment – in solar projects	3	15,861	15,180
Property, plant and equipment – other	3	225	221
Goodwill	3	25	24
Investments in JVs and associated companies		612	728
Other non-current assets		144	149
Total non-current assets		17,590	17,083
Current assets			
Trade and other receivables		623	461
Other current assets		663	1,211
Cash and cash equivalents	5	7,788	2,824
Total current assets		9,074	4,495
Total assets		26,663	21,578

Interim consolidated statement of financial position

NOK million	Notes	As of 31 December 2020	As of 31 December 2019
Equity and liabilities			
Equity			
Share capital		4	3
Share premium		9,720	3,108
Total paid in capital		9,724	3,111
Retained earnings		-708	-134
Other reserves		-221	-2
Total other equity		-929	-136
Non-controlling interests		673	663
Total equity		9,467	3,640
Non-current liabilities			
Deferred tax liabilities	6	205	437
Non-recourse project financing	4	11,350	12,228
Bonds	5	-	745
Financial liabilities	4	572	320
Other non-current liabilities		1,575	1,460
Total non-current liabilities		13,701	15,190
Current liabilities			
Bonds		748	-
Trade and other payables		760	888
Income tax payable	6	90	92
Non-recourse project financing	4	913	837
Financial liabilities	4	131	31
Other current liabilities		852	902
Total current liabilities		3,495	2,750
Total liabilities		17,196	17,939
Total equity and liabilities		26,663	21,578

Oslo, 1 February 2021

The Board of Directors of 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 2019	3	1,795	8	123	-44	1,884	591	2,475
Profit for the period	-	-	-39	-	-	-39	193	155
Other comprehensive income	-	-	3	5	-86	-77	-85	-162
Total comprehensive income	-	-	-36	5	-86	-117	108	-7
Share-based payment	-	7	-	-	-	7	-	7
Share capital increase	-	1,330	-	-	-	1,330	-	1,330
Transaction cost, net after tax	-	-23	-	-	-	-23	-	-23
Share purchase program	-	-1	-	-	-	-1	-	-1
Dividend distribution	-	-	-108	-	-	-108	-180	-288
Purchase of NCIs shares in group companies	-	-	2	-	-	2	-3	-1
Capital increase from NCI	-	-	-	-	-	-	147	147
At 31 December 2019	3	3,108	-134	128	-130	2,975	663	3,640
At 1 January 2020	3	3,108	-134	128	-130	2,975	663	3,640
Profit for the period	-	-	-478	-	-	-478	110	-368
Other comprehensive income	-	-	-1	-89	-131	-220	-174	-394
Total comprehensive income	-	-	-478	-89	-131	-698	-65	-762
Share-based payment	-	14	-	-	-	14	-	14
Share capital increase	1	6,743	-	-	-	6,744	-	6,744
Transaction cost, net after tax	-	-144	-	-	-	-144	-	-144
Share purchase program	-	-1	-	-	-	-1	-	-1
Dividend distribution	-	-	-131	-	-	-131	-148	-279
Sale of shares in group companies to NCIs	-	-	35	-	-	35	-	35
Capital increase from NCI	-	-	-	-	-	-	221	221
At 31 December 2020	4	9,720	-708	40	-261	8,794	673	9,467

1) In May 2020 the Group increased the share capital with NOK 1,994 million, whereof NOK 1,968 million was raised through a private placement (NOK 32 million in transaction cost after tax), and NOK 26 million as part of the share option program. In October 2020 the Group increased the share capital through a private placement of NOK 4,750 million (NOK 112 million in transaction cost after tax).

Interim consolidated statement of cash flow

NOK million	NOTES	Q4 2020	Q4 2019	FY 2020	FY 2019
Cash flow from operating activities					
Profit before taxes		-581	45	-238	184
Taxes paid	6	-30	-19	-214	-61
Depreciation and impairment	3	204	166	777	512
Proceeds from disposal of fixed assets	3	25	-	26	6
Net income from associated companies		8	-3	16	28
Interest and other financial income	4	-18	-31	-57	-66
Interest and other financial expenses	4	363	251	1,189	744
Unrealised foreign exchange (gain)/loss	4	480	6	398	13
Increase/(decrease) in other assets and liabilities		-387	1,220	-262	501
Net cash flow from operating activities		65	1,635	1,636	1,860
Cash flow from investing activities					
Interest received	4	18	19	57	76
Net investments in property, plant and equipment	3	-256	-2,774	-1,774	-6,502
Net investments in, and distributions from associated companies		10	-40	12	-14
Net cash flow from investing activities		-229	-2,795	-1,704	-6,439
Cash flow from financing activities					
Net proceeds and repayment from NCI shareholder financing [1]		-63	204	159	307
Interest paid		-303	-217	-894	-740
Net proceeds and repayment from non-recourse project financing and other external financing		-327	593	-543	3,646
Share capital increase		4,622	-	6,576	1,307
Dividends paid to equity holders of the parent company and non-controlling interests [2]		-	-31	-280	-288
Net cash flow from financing activities		3,931	549	5,020	4,232
Net increase/(decrease) in cash and cash equivalents		3,767	-610	4,951	-348
Effect of exchange rate changes on cash and cash equivalents [3]		19	-20	13	-131
Cash and cash equivalents at beginning of the period		4,002	3,455	2,824	3,303
Cash and cash equivalents at end of the period		7,788	2,824	7,788	2,824

1) Proceeds from non-controlling interest's shareholder financing include both equity contributions and shareholder loans.
2) The dividend declared by the Board of Directors was paid out to the shareholders in August, totalling NOK 131 million.
3) See note 5 Cash, cash equivalents and corporate funding.

Notes to the condensed interim consolidated financial statements

Note 1 Organisation and basis for preparation

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

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

The condensed interim consolidated financial statements for the fourth quarter 2020 were authorised by the Board of Directors for issue on 1 February 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 2019.

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. The functional currency of the parent company Scatec ASA and 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 solar 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 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.

During fourth quarter 2020 no new power plant companies have been included in the consolidated financial statements.

Refer to note 3 of the 2019 annual report for further information on judgements, including control assessments made in previous years.

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 weather conditions. The power production at the PV solar parks is directly impacted by seasonal changes in solar irradiance which is normally at its highest during the summer months. This effect is to a certain degree offset in the consolidated revenues due to the fact that the Group operates PV solar parks on both the northern and southern hemisphere.

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 three segments; Power Production (PP), Services and Development & Construction (D&C).

From January 2020 the group has reorganised its segment structure so that the Group's Operations and Maintenance services and Asset Management services are reported combined in the new segment Services. Earlier these operations were reported in the segments Operations & Maintenance and Power Production respectively. The comparative figures for 2019 in the tables below are restated with the new segment structure.

Financing and operation of solar power plants is ring-fenced in power plant companies with a non-recourse project finance structure - where Scatec contributes with the required equity, either alone or together with co-investors.

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.

Power Production

The Power Production segment manages the Group's power producing assets and derives its revenue from the production and sale of solar generated electricity based on long-term Power Purchase Agreements or feed-in-tariffs. 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 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 and 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 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 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. A reconciliation between the segments proportionate financials and the groups consolidated financials is included in the tables below.

Q4 2020

NOK million	Power Production	Services	Development & construction	Corporate	Total	Residual ownership interests [1]	Eliminations [2]	Consolidated financials
	Proportionate financials							
External revenues	402	1	1	1	406	304	-22	688
Internal revenues	-	44	45	4	92	9	-102	-
Net income from JV and associates	-	-	-	-	-	-	-8	-8
Total revenues and other income	402	45	46	5	497	314	-132	679
Cost of sales	-	-	-40	-	-40	-8	47	-
Gross profit	402	45	6	5	457	307	-85	679
Personnel expenses	-8	-19	-25	-20	-71	-2	-6	-78
Other operating expenses	-74	-17	-18	-53	-163	-59	68	-153
EBITDA	320	10	-38	-69	223	246	-22	448
Depreciation and impairment	-149	-1	-5	-5	-160	-100	57	-204
Operating profit	171	9	-43	-74	63	146	35	244

1) Residual ownerships interests share of the proportionate financials in subsidiaries where Scatec do not have 100% economic interest.

2) Eliminations made in the preparation of the groups IFRS consolidated financials.

Q4 2019

NOK million	Power Production	Services	Development & construction	Corporate	Total	Residual ownership interests [1]	Eliminations [2]	Consolidated financials
	Proportionate financials							
External revenues	365	1	-	-	365	237	-36	565
Internal revenues	-	47	1,222	7	1,278	271	-1,549	-
Net income/(loss) from JV and associates	-	-	-	-	-	-	3	3
Total revenues and other income	365	48	1,222	7	1,643	508	-1,582	568
Cost of sales	-	-	-1,056	-	-1,056	-138	1,194	-
Gross profit	365	48	166	7	586	369	-388	568
Personnel expenses	-6	-14	-20	-13	-52	9	-6	-49
Other operating expenses	-55	-18	-15	-12	-100	-74	93	-82
EBITDA	304	16	132	-18	434	304	-301	436
Depreciation and impairment	-155	-1	-13	-2	-171	-98	104	-165
Operating profit (EBIT)	149	15	119	-20	263	206	-197	271

1) Residual ownerships interests share of the proportionate financials in subsidiaries where Scatec do not have 100% economic interest.

2) Eliminations made in the preparation of the groups IFRS consolidated financials.

FY 2020

NOK million	Proportionate financials: Power Production	Services	Development & construction	Corporate	Total	Residual ownership interests [1]	Eliminations [2]	Consolidated financials
External revenues	1,708	1	12	5	1,727	1,151	-108	2,771
Internal revenues	-	231	861	28	1,118	106	-1,224	-
Net income/(loss) from JV and associates	-	-	-	-	-	-	-16	-16
Total revenues and other income	1,708	232	873	33	2,844	1,258	-1,348	2,754
Cost of sales	-	-	-764	-	-764	-84	847	-
Gross profit	1,708	232	109	33	2,080	1,174	-501	2,754
Personnel expenses	-28	-75	-85	-72	-259	-4	1	-262
Other operating expenses	-276	-75	-52	-113	-517	-204	297	-423
EBITDA	1,404	82	-28	-153	1,306	966	-203	2,069
Depreciation and impairment	-566	-3	-26	-20	-615	-401	240	-777
Operating profit (EBIT)	838	79	-54	-173	690	565	37	1,292

1) Residual ownerships interests share of the proportionate financials in subsidiaries where Scatec do not have 100% economic interest.
2) Eliminations made in the preparation of the groups IFRS consolidated financials.

FY 2019

NOK million	Proportionate financials: Power Production	Services	Development & construction	Corporate	Total	Residual ownership interests [1]	Eliminations [2]	Consolidated financials
External revenues	1,163	1	2	-	1,165	776	-130	1,810
Internal revenues	-	167	4,977	31	5,176	301	-5,477	-
Net income/(loss) from JV and associates	-	-	-	-	-	-	-28	-28
Total revenues and other income	1,163	168	4,980	31	6,341	1,077	-5,635	1,783
Cost of sales	-	-	-4,274	-	-4,274	-228	4,503	-
Gross profit	1,163	168	706	31	2,067	848	-1,133	1,783
Personnel expenses	-21	-45	-59	-48	-173	8	2	-163
Other operating expenses	-167	-59	-57	-40	-323	-126	215	-234
EBITDA	976	64	589	-58	1,571	730	-915	1,386
Depreciation and impairment	-412	-3	-39	-6	-460	-278	226	-512
Operating profit (EBIT)	564	61	550	-64	1,111	452	-689	874

1) Residual ownerships interests share of the proportionate financials in subsidiaries where Scatec do not have 100% economic interest.
2) Eliminations made in the preparation of the groups IFRS consolidated financials.

Note 3 Property, plant and equipment

The Group operates solar power plants in Europe, South East Asia, Middle East, Africa and South America. The power plant companies in Argentina and Brazil are equity consolidated and hence not included in the below table.

In first quarter 2020 two of three solar power plants in Upington, South Africa, reached commercial operation, while the third reached commercial operation in the second quarter, completing the 258 MW solar power complex.

In Ukraine the 54 MW Boguslav project were grid connected in second quarter and the the 32 MW Kamianka project in fourth quarter, hence our third project in Ukraine have been completed.

In addition, the fourth project in Malaysia, the 47 MW Redsol project were grid connected during fourth quarter 2020.

There has been recorded an impairment charge of NOK 11 million in 2020. Total impairments amounted to NOK 33 million in 2019.

NOK million	Solar power plants	Solar power plants under construction	Solar power plants under development	Intangible assets, equipment and other assets	Total
Carrying value at 31 December 2019	11,584	3,415	181	221	**15,401**
Additions	149	1,451	130	44	**1,774**
Disposals [1]	-23	-	-	-	**-23**
Transfer between asset classes	2,937	-2,920	-17	-	**-**
Depreciation	-727	-	-	-38	**-765**
Impairment losses	-	-	-11	-	**-11**
Effect of foreign exchange currency translation adjustments	-155	-124	-8	-2	**-289**
Carrying value at 31 December 2020	13,765	1,822	275	225	**16,086**
Estimated useful life (years)	20-25	N/A	N/A	3-10	

1) Sale of of shared facilities in Honduras

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

Scatec uses non-recourse financing for constructing and/or acquiring assets, 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 913 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.

During the fourth quarter of 2020 the Group has drawn 61 NOK million on the non-recourse financing for the construction projects in South Africa.

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 2019 provides details for each class of financial assets and financial liabilities, and how these assets and liabilities are grouped.

NOK million	Q4 2020	Q4 2019	FY 2020	FY 2019
Interest income	**14**	21	48	66
Other financial income	**4**	10	8	-
Financial income	**18**	31	57	66
Interest expenses	**-341**	-243	-1,131	-704
Forward exchange contracts	**-**	-8	-7	-33
Other financial expenses	**-21**	-	-51	-6
Financial expenses	**-363**	-251	-1,189	-744
Foreign exchange gains/(losses)	**-480**	-6	-398	-13
Net financial expenses	**-825**	-226	-1,530	-690

Note 5 Cash, cash equivalents and corporate funding

NOK million	31 December 2020	31 December 2019
Cash in power plant companies in operation	1,741	1,567
Cash in power plant companies under development/construction	11	420
Other restricted cash	87	78
Free cash	5,949	758
Total cash and cash equivalents	7,788	2,824

There are no significant changes in the presentation of these categories in the period.

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

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

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

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

NOK million	Q4 2020	Q4 2019	FY 2020	FY 2019
Free cash at beginning of period	1,885	1,518	758	1,039
Proportionate share of cash flow to equity [1] Services	8	15	65	53
Proportionate share of cash flow to equity [1] D&C	-27	107	-15	471
Proportionate share of cash flow to equity [1] CORP	-55	-25	-153	-91
Project development capex	-31	-88	-156	-135
Equity contributions to power plant companies [2]	-83	-187	-756	-869
Distributions from power plant companies	114	66	346	241
Share capital increase, net after transaction cost	4,622	-	6,575	1,300
Dividend distribution	-	-	-131	-108
Working capital / Other	-483	-648	-584	-1,143
Drawn on credit facilities	-	-	-	-
Free cash at end of the period	5,949	758	5,949	758
Available undrawn credit facilities	813	836	813	836
Total free cash and undrawn credit facilities at the end of the period	6,762	1,594	6,762	1,594

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.

Guarantee facility

In the first quarter of 2020, Scatec refinanced the guarantee facility and intercreditor agreement that was established in 2017. The guarantee facility has Nordea Bank as agent and issuer, Nordea Bank, Swedbank and BNP Paribas 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 GIEK. GIEK can issue counter indemnity in favour of the issuing banks on behalf of the relevant instrument lenders.

Revolving credit facility and other bank facilities

In the first quarter of 2020 Scatec refinanced the USD 90 million revolving credit facility (RCF) with Nordea Bank as agent and Nordea Bank, Swedbank and BNP Paribas as equal Lenders. The facility can be drawn in USD, NOK, EUR or an optional currency agreed with the banks. The new facility is ESG (Environmental, Social and Governance) linked and has a three years tenor. The facility margin is linked to the following ESG KPIs:

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

Scatec has not drawn on the revolving credit facility per 31 December 2020.

At closing of the SN Power transaction the USD 90 million RCF will be increased to USD 180 million.

The financing of the SNP Power aqcusition includes the following 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 aqcusition finance provided by Nordea, Swedbank and DNB

Overdraft facility

In the second quarter of 2018 Scatec entered into a USD 5 million overdraft facility with Nordea Bank. Scatec has not drawn on the overdraft facility per 31 December 2020.

Green bond

In the fourth quarter of 2017 Scatec issued a NOK 750 million senior unsecured green bond with maturity in November 2021, and the bond was classified as current liabilities per 31 December 2020. The bond carries an interest of 3-month NIBOR + 4.75%, to be settled on a quarterly basis. The bond was listed on the Oslo Stock Exchange 6 April 2018 with ticker SSO02 G.

Per 31 December 2020, Scatec was in compliance with all financial covenants for the above facilities. The book equity of the recourse group, as defined in the facility agreements, was NOK 11,196 million per quarter end.

During the fourth quarter of 2020, interest amounting to NOK 45 million (NOK 16 million in previous quarter) was expensed for the bond, overdraft- and revolving credit facility. The increase interest expenses relate to arrangement fees for securing the financing package of the acquisition of SN Power.

Refer to bond agreement available on www.scatec.com/investor/debt for further information and definitions.

Note 6 Income tax expense

The Group recognised a tax income of NOK 19 million (NOK 29 million tax expense) in the fourth quarter, corresponding to an effective tax rate of 3% (-22%). For the full year 2020 the income tax expense was NOK 130 million, equivalent to a tax rate of -55%. The difference between the actual tax expense of the year and a calculated tax expense based on the Norwegian tax rate of 22% is explained by a number of factors, including a non-recurring tax expense related to non-deductible interest cost, non-deductability of transaction cost from the SN Power acquisition and withholding taxes paid on dividends received from subsidiaries. The tax cost is also influenced by taxable profits and -losses in tax jurisdictions with different tax rates which offset each other in the group but leaves a net tax expense to be recognized.

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 has been and 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. Further, the profit/loss from JVs and associates, which are reported net after tax, has an impact on the effective tax rate depending on the relative size of the profit/loss relative to the consolidated profit.

Effective tax rate

NOK million	Q4 2020	Q4 2019	FY 2020	FY 2019
Profit before income tax	-581	45	-238	184
Income tax (expense)/benefit	19	10	-130	-29
Equivalent to a tax rate of (%)	3%	-21%	-55%	16%

Movement in deferred tax

NOK million	Q4 2020	Q4 2019	FY 2020	FY 2019
Net deferred tax asset at beginning of period	414	362	343	181
Recognised in the consolidated statement of profit or loss	108	17	25	91
Deferred tax on financial instruments recognised in OCI	-4	-17	98	58
Recognised in the consolidated statement of changes in equity	32	-	41	6
Translation differences	-32	-18	9	7
Net deferred tax asset at end of period	517	343	517	343

Note 7 Related parties

Scatec has related party transactions and balances with equity consolidated JVs in Brazil and Argentina, mainly loans which are included in the carrying value of the investments. The loan balance as per 31 December 2020 was NOK 181 million.

In addition, Scatec has transactions and balances with key management. Note 26 in the annual report for 2019 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 2019 annual report.

In connection with the Company's Share Option Programme and capital increases in 2019 and 2020, the Company entered into share lending agreements with Scatec Innovation AS, the Company's second largest shareholder.

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

Note 8 Subsequent events

Acquisition of SN Power

As disclosed in the third quarter report of 2020, Scatec signed a binding agreement to acquire SN Power, a leading hydropower developer and IPP from Norfund. Through the transaction Scatec strengthens its position as a leading developer and producer of renewable energy in markets with high growth and rapid adoption of green energy. Scatec acquired 100 % of shares in SN Power AS from Norfund for a total consideration of USD 1,166 million. Scatec has assessed that control over SN Power is obtained on the transaction date, which was 29 January 2021. According to IFRS 3, an acquired company should be included in the consolidated financial statements from the transaction date. As such, SN Power will be included in Scatec's consolidated financial statements as of this date.

A disclosure of the fair value of the identifiable assets and liabilities of SN Power as at the date of acquisition is not disclosed in this quarterly report, due to the limited period between the transaction date and the release of the quarterly report for 2020. Please refer to the prospectus published in connection with the financing of the the transaction for 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.

No other events have occurred after the balance sheet date with significant impact on the interim financial statements for the fourth quarter 2020.

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.

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 solar 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. 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). The measurement of gross profit is used to measure project profitability in the D&C 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 and discounted notes.

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 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 solar plant compared to the stand-alone book value. Similarly, the consolidated financials have lower solar plant depreciation charges than the proportionate financials since the proportionate depreciations are based on solar 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 and Argentina) are equity consolidated and are presented with Scatec's share of the net profit on a single line in the statement of profit or loss. In the proportionate financials the joint venture companies are presented in the same way as other subsidiaries on a gross basis in each account in the statement of profit or loss.

In the fourth quarter of 2020 Scatec reports a proportionate operating profit of NOK 63 million compared with an operating profit of NOK 244 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 44 million [1],

2. removed the non-controlling interests share of the operating profit of NOK 146 million to only leave the portion corresponding to Scatec's ownership share,

3. replaced the consolidated net profit from joint venture companies of negative NOK 8 million with Scatec's share of the Operating profit from the joint venture companies with NOK 1 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 19.

1) Where NOK 6 million comprise Scatec's share of gross profit on D&C contracts, NOK -32 million comprise increased depreciation charges from internal gains and NOK -18 million comprise other items.

Reconciliation of Alternative Performance Measures (consolidated figures)

NOK million	Q4 2020	Q4 2019	FY 2020	FY 2019
EBITDA				
Operating profit (EBIT)	244	271	1,292	874
Depreciation, amortisation and impairment	204	165	777	512
EBITDA	447	437	2,069	1,386
Total revenues and other income	679	568	2,754	1,783
EBITDA margin	66%	77%	75%	78%
Gross profit				
Total revenues and other income	679	568	2,754	1,783
Cost of sales	-	-	-	-
Gross profit	679	568	2,754	1,783
Gross interest-bearing debt				
Non-recourse project financing	11,350	12,228	11,350	12,228
Bonds	748	745	748	745
Non-recourse project financing - current	913	837	913	837
Gross interest-bearing debt	13,011	13,810	13,011	13,810
Net interest-bearing debt				
Gross interest-bearing debt	13,011	13,810	13,011	13,810
Cash and cash equivalents	7,788	2,824	7,788	2,824
Net interest-bearing debt	5,223	10,986	5,223	10,986
Net working capital				
Trade and other receivables	623	461	623	461
Other current assets	663	1,211	663	1,211
Trade and other payables	-760	-888	-760	-888
Income tax payable	-90	-92	-90	-92
Other current liabilities	-852	-902	-852	-902
Non-recourse project financing-current	-913	-837	-913	-837
Net working capital	-1,330	-1,047	-1,330	-1,047

Break-down of proportionate cash flow to equity

Q4 2020

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

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

Q4 2019 1)

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	304	16	132	-18	434
Net interest expenses	-118	1	1	-15	-130
Normalised loan repayments	-68	-	-	-	-68
Normalised income tax payment	-15	-2	-27	8	-36
Cash flow to equity	103	15	107	-25	200

1) 2019 is restated in line with the new segment structure.

FY 2020

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

FY 2019 1)

NOK million	Power Production	Services	Development & Construction	Corporate	Total
EBITDA	976	64	589	-58	1,571
Net interest expenses	-333	2	4	-61	-388
Normalised loan repayments	-229	-	-	-	-229
Normalised income tax payment	-53	-12	-122	27	-160
Cash flow to equity	361	53	471	-91	794

1) 2019 is restated in line with the new segment structure.

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
Project pipeline is defined as projects that do not yet have a 90% probability of reaching financial close and subsequent realisation. However, the Group has verified feasibility and business cases for the projects.

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 solar power plant companies.

Recourse Group
Recourse Group means all entities in the Group, excluding solar park 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 solar 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 solar 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.

Responsibility statement

We confirm to the best of our knowledge, that the condensed interim financial statement for the period 1 January 2020 to 31 December 2020 has been prepared in accordance with IFRS as adopted by EU, and that the information gives a true and fair view of the Group's assets, liabilities, financial position and result for the period.

We also confirm that presented information provides a fair overview of important events that have occurred during the period and their impact on the financial statements, key risk and uncertainty factors that Scatec is facing during the next accounting period.

Oslo, 1 February 2021
The Board of Directors of Scatec ASA

John Andersen jr. (Chairman)

John Giverholt

Maria Moræus Hanssen

Jan Skogseth

Gisele Marchand

Raymond Carlsen (CEO)

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