Scatec

Capital Markets Update

23 March 2021

Building a global leader in renewables

Raymond Carlsen, CEO

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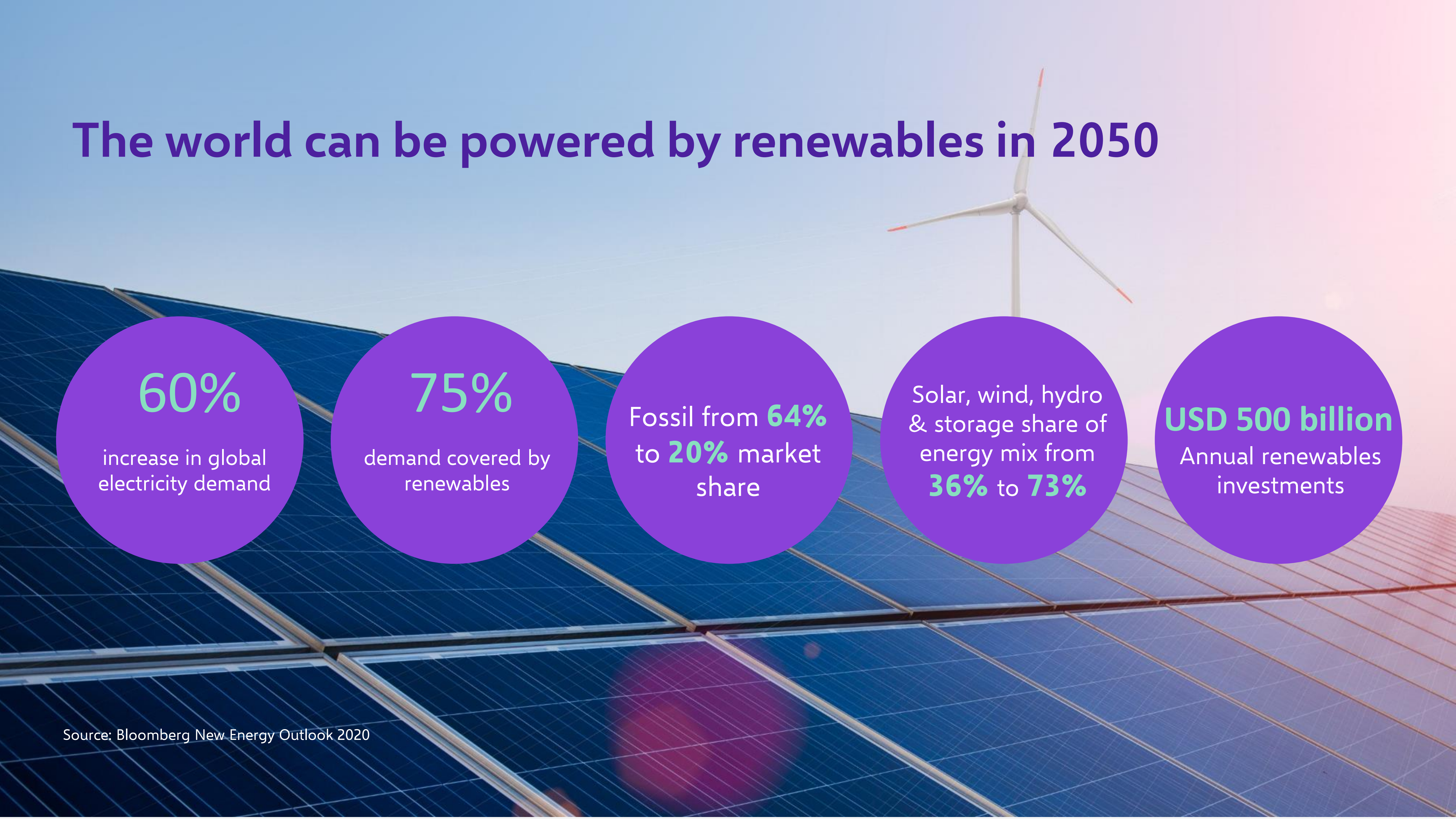
The following presentation contains unaudited pro forma financial information which has been prepared solely for illustrative purposes to show how the acquisition of SN Power might have affected the financials of the group if the acquisition had occurred at an earlier date. All pro forma financials in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

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

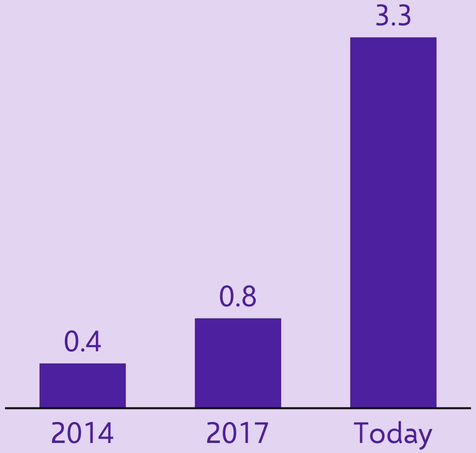
Building a global leader in renewables

- Realising **15 GW** by end of 2025
- Proven **business model**
- Team with a **growth track record**
- **Solid cash flow** to fund growth
- **ESG** at the center

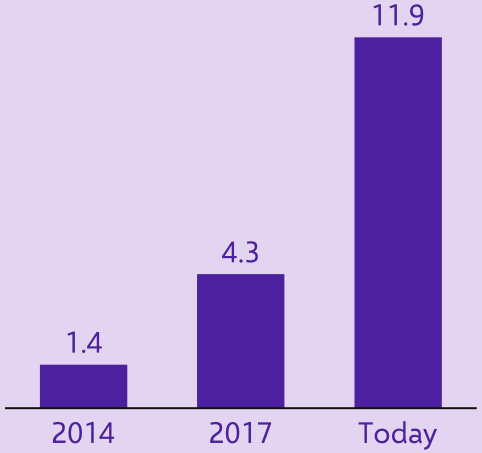

The world can be powered by renewables in 2050
60%
increase in global electricity demand
75%
demand covered by renewables
Fossil from 64% to 20% market share
Solar, wind, hydro & storage share of energy mix from 36% to 73%
USD 500 billion
Annual renewables investments
Source: Bloomberg New Energy Outlook 2020

Scatec has grown significantly since the IPO in 2014 - invested NOK 34 billion[3]

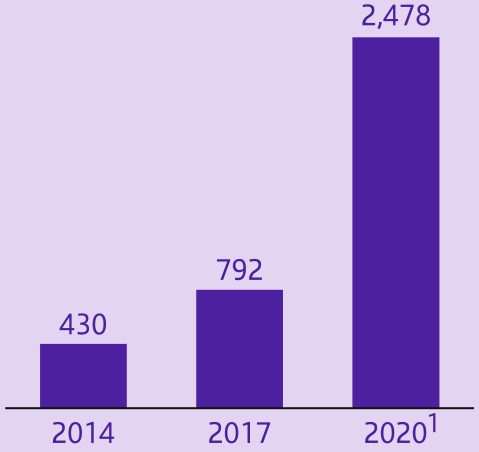
Installed capacity (GW)



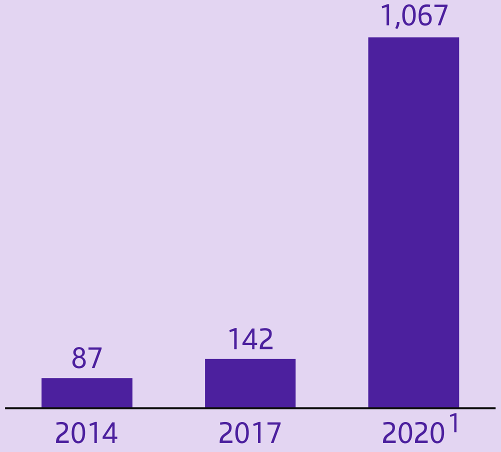
Backlog & pipeline – GW



Proportionate EBITDA, NOK million



Power Production cash flow[2], NOK million

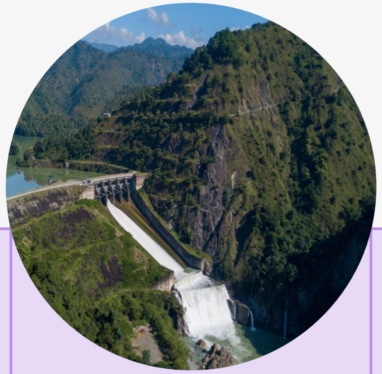


1) 2020 EBITDA and cash flow pro forma including SN Power
2) Cash flow to Equity form Power Production
3) In total, including SN Power

Key achievements since our 2019 Capital Markets Update

Broadened growth strategy - building a **global leader in renewables**

Global footprint expanded to 35 countries
Backlog and pipeline **increased to 11.9 GW**



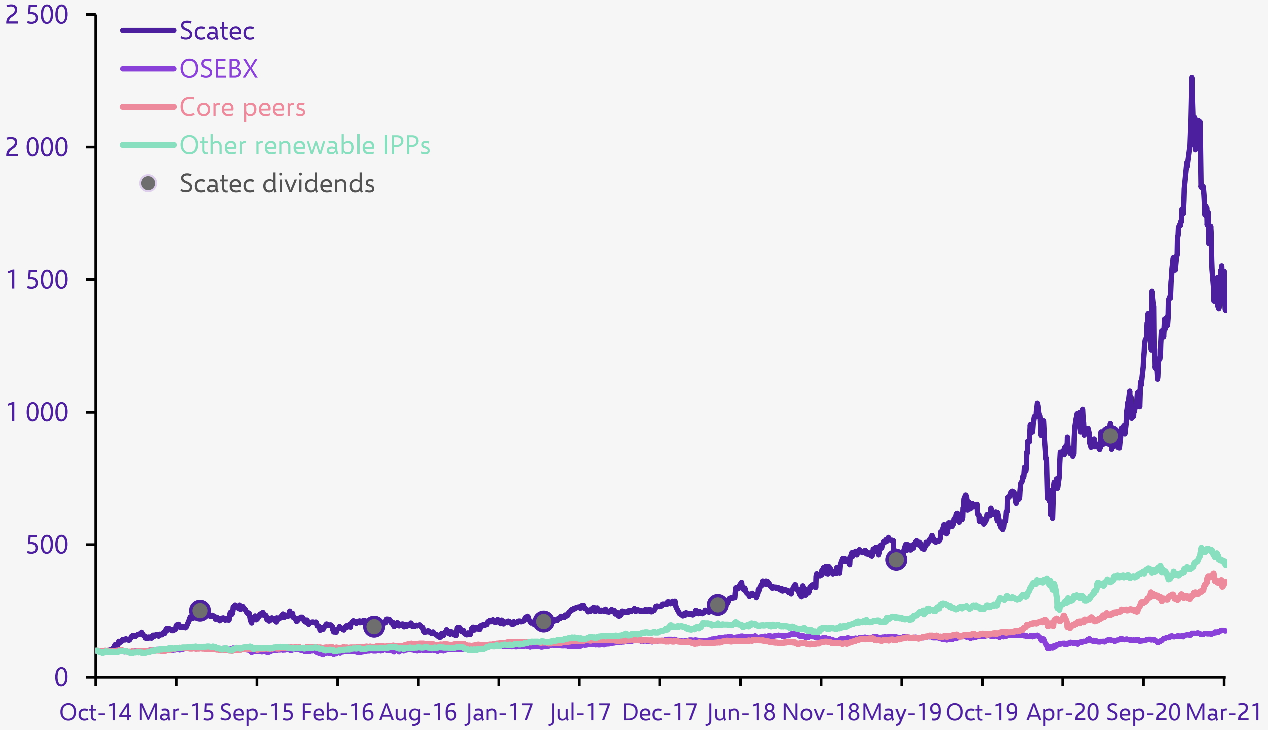
Acquired leading hydropower player SN Power - added significant cash flow and assets

Grid connected **446 MW** new capacity in four countries

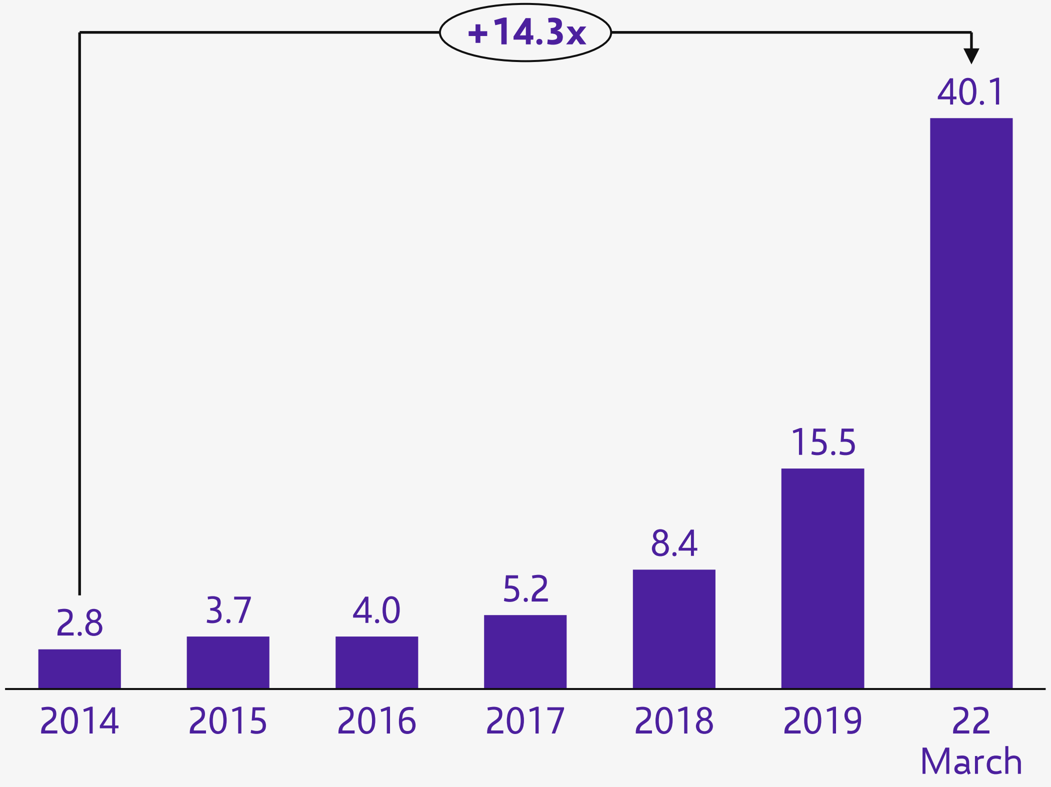
Strong ESG performance – top ratings from leading ESG agencies

Strong shareholder value creation

Share price development since IPO (NOK)



Market cap growth since IPO (BNOK)



Source: Factset as of March 19, 2021

Note: Rebased to 100; Dividends reinvested on paydate; Core peers includes Northland Power, Neoen and Voltalia; Other renewable IPPs includes Falck Renewables, ERG, Albioma and Boralex.

A broad and growing asset portfolio

Scatec in brief

Develop, build, own and operate renewable energy

3.3 GW in operation and under construction

More than 500 employees in 24 countries

Latin America

257 MW

Europe & Central Asia

153 MW

Africa & Middle East

1,175 MW

Rest of Asia

1,449 MW

1,574 MW

1,422 MW

39 MW

We continue to lead and are broadening our growth strategy

Build a global leader across solar, hydro, wind and storage

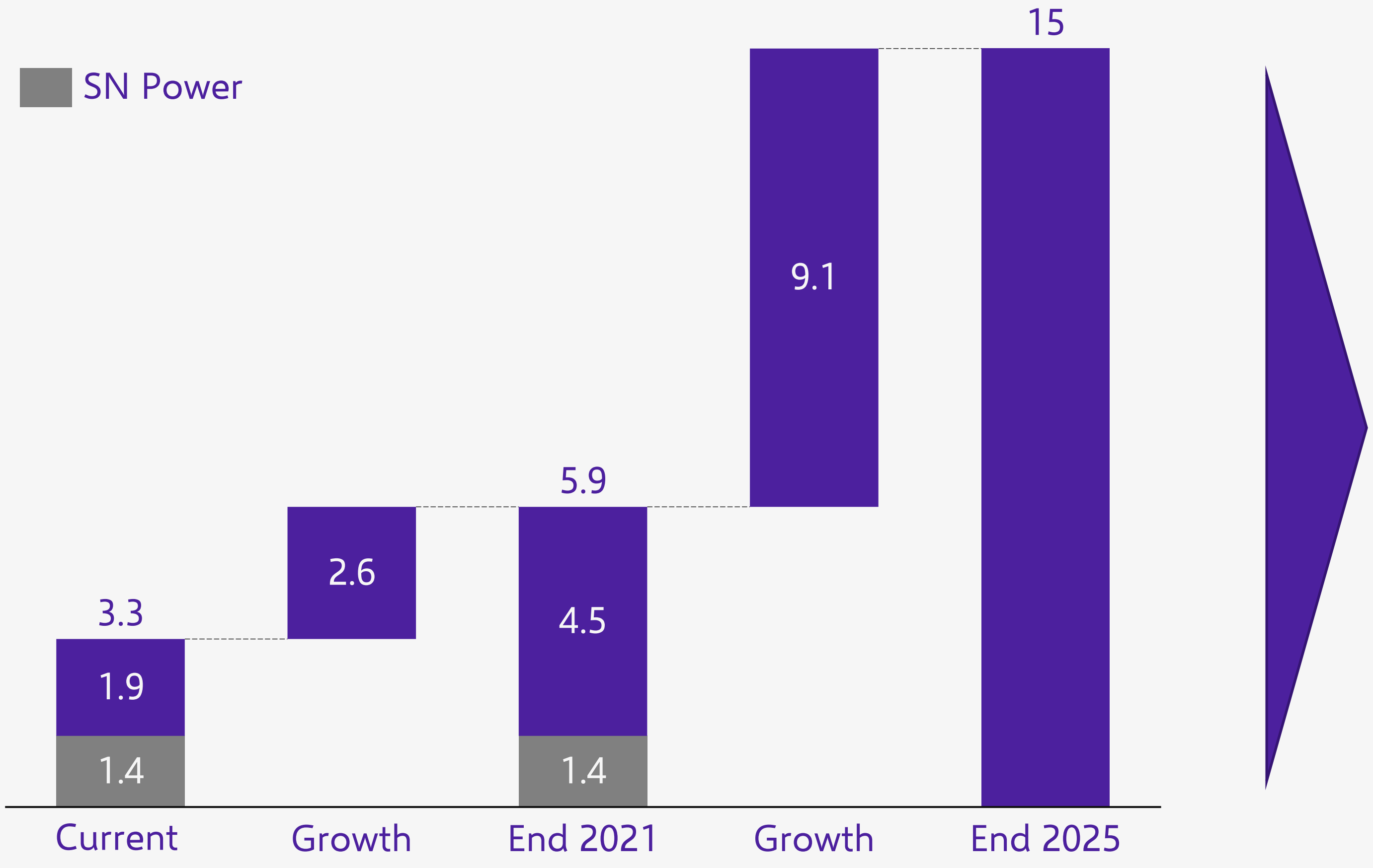
Focus on new and existing **high growth markets and a broader offering**

Continue to **adapt our business model** to a changing market


H
release

4.5 GW by end 2021 and 15 GW by end 2025

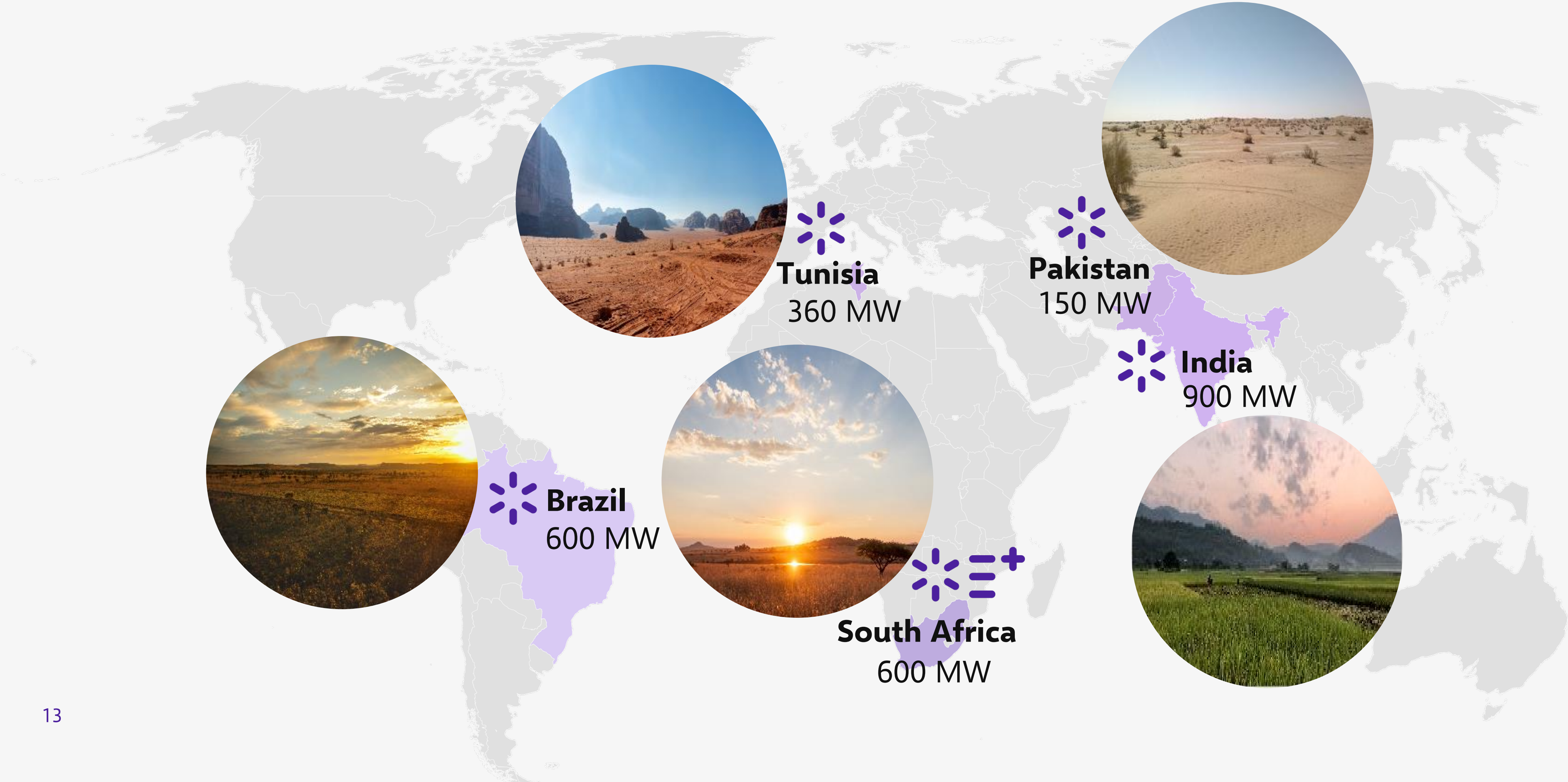
GW – In operation and under construction – 100% basis



2021
Delivery of large solar projects in India, Brazil, Tunisia, South Africa & Pakistan

2025
Continued growth in pipeline and conversion of projects across key regions and technologies

2.6 GW in 2021 to be delivered from five large projects



A proven business model across renewables
- Scatec role in wind and hydro expected to be similar to solar

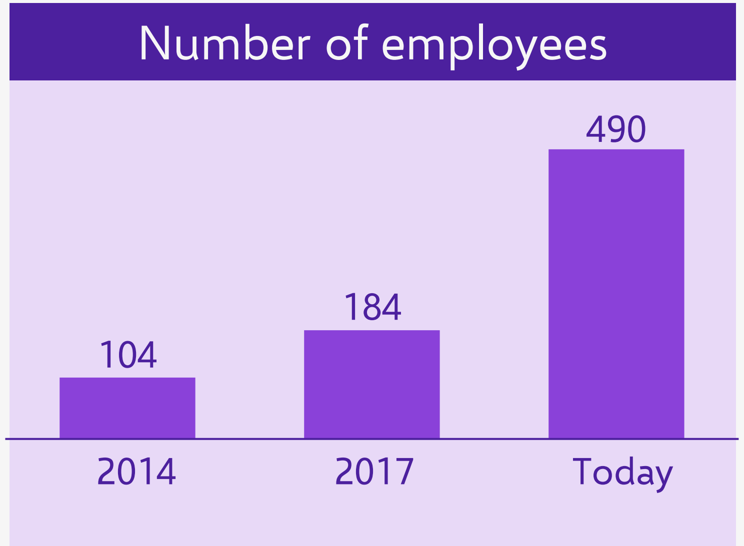
	Develop	Build	Own	Operate
Scatec's role	Lead developer	Engineering, procurement and construction management	Scatec target equity of 50-60%	Scatec to provide O&M and Asset Mng. services
Solar				
Wind				
Hydro				
Hybrid systems				

Scatec role may vary across solar, hydro and wind projects. D&C revenues on average expected to represent 55%-65% % of capex

100 % Scatec

An agile organisation with a track record of delivering growth

- Experienced global team – developed and built >6 GW across technologies
- M&A capabilities
- Strong result-driven and value-based culture
- Matrix organisation with focus on enterprise leadership



Employees per function	
Plant operations	45%
Business Development	20%
Construction	15%
Corp. & support functions	20%

A leading position in ESG

- Experience from navigating complex markets
- Identifies ESG project risks early with dedicated teams on the ground
- A net positive carbon footprint – and set targets for reductions in direct emissions
- Comprehensive ESG reporting and close monitoring of regulations (e.g. EU Taxonomy)

SUSTAINALYTICS

Rating summary: Low risk
#1 of 450 – Utilities
#1 of 48 – Renewable power producers

ISS ESG

Rating: A- (excellent)
Status: Prime
Prime threshold: C+

MSCI

Rating: AAA (top rating)
Highest scoring range relative to global peers

CDP

Rating: A
Carbon Disclosure Project
Top score

Staying selective when investing - Operating cash flow funding growth

- Power Production: **Return on Equity: 12-16%**
- Development & Construction gross margin: **10-12%***
- 15 GW representing **NOK 100 billion** of capex
- Scatec equity investments of **NOK 15-20 billion**
- Liquidity available & operating cash flow until 2025: **NOK 14-16 billion****

(*) D&C revenues expected to average 50-70% of project capex
(**) Cash flow to Equity across all segments net of shareholder dividends

A NOK 100 billion business plan towards 2025 - Building on our key strengths

15 GW capacity* by end of 2025

Renewables in high growth markets	A proven business model	Agile organisation with a growth track record
Financial discipline and solid cash flow	Leading in ESG	Strong partnerships

(*) In operation or under construction..

Scatec

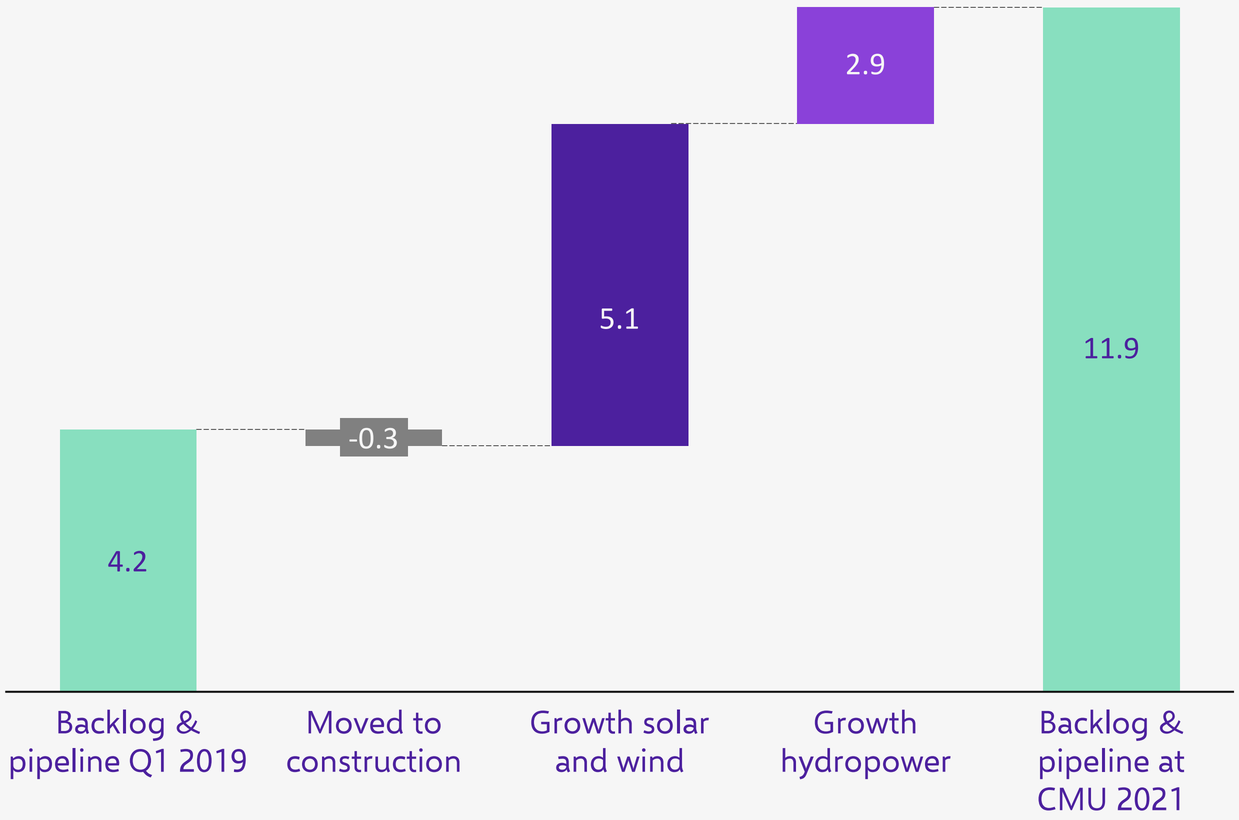
Solar and wind

Terje Pilskog, EVP Project Development Solar & Wind

Consistent positive development in pipeline

- Structured work over many years
- PV, wind, hybrids and hydro
- Projects increasing in size
- Broad opportunity space beyond pipeline
- Comfort related to future growth targets

Backlog and pipeline development last two years, GW



Key principles of development strategy

Growth markets	Early development	Partners	Integrated	Multi-technology
Predictable, sizeable growth markets Market understanding	Secure rights early Capture value from develop-ment work	Local developers Global network of partners Financing institutions	Optimize projects Ensure competitiveness Manage complexities Attractive partner	Broad competence Seek hybrid opportunities Market synergies

Multi technology broadens opportunity space in key markets

	Size (GW)	RE (%)	PV	Wind	Hydro	Hybrids	State PPA	Corporate PPA	Merchant
South Africa	60	17%	✓	✓		✓	✓	✓	
Brazil	71	29%	✓	✓			✓	✓	✓
India	378	28%	✓	✓	✓	✓	✓	✓	
Vietnam	56	19%	✓	✓	✓		✓		
Philippines	25	15%	✓	✓	✓	✓		✓	✓

Source: Bloomberg, figures for 2019.

First operational project in Vietnam

- 39.4 MW Dam Nai Wind power plant
- Located in the Ninh Thuan province
- Operating since 2018
- Consists of 15 Siemens WTGs, each of 2.6 MW, 80m hub height
- ~123 GWh/yr generation
- USD~10.5 million annual revenues, dollar-pegged on 20-year PPA
- Non-recourse financing from the Bank for Investment and Development of Vietnam (BIDV)

Key mature projects to reach Financial Close in 2021

Pakistan, 150 MW
- Financial Close reached
- 75% leverage
- 75% equity stake

Tunisia*, 360 MW
- Backlog
- Tariff awarded
- 75% leverage
- 50-60% target equity stake

Brazil, 101 MW
- Backlog
- Blended off-take
- Kroma and Equinor partners
- 60% leverage
- 40% equity stake

India, 900 MW
- Pipeline
- Tariff awarded
- 75% leverage
- 50% equity stake
- No EPC

South Africa, 600 MW
- Pipeline
- Bid into RMIPP**
- 80% leverage
- 51% equity stake

Brazil, 530 MW
- Pipeline
- Equinor and Hydro partners
- Negotiating off-take
- 70% leverage
- 33% equity stake

* Tozeur and Sidi Bouzid, 60 MWp each and Tataouine, 240 MWp
** RMIPP: Risk Mitigation IPP Procurement Program. REIPPP: Renewables IPP Procurement Program

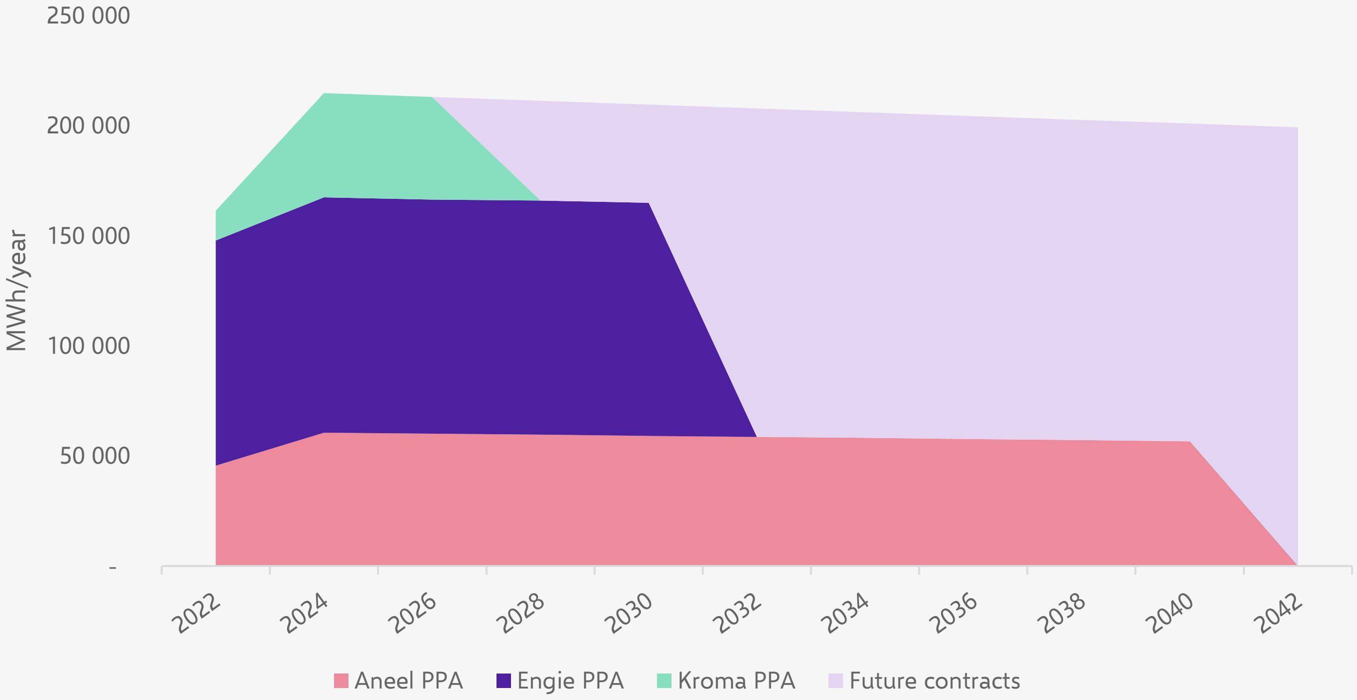
First financial close in 2021
- the 150 MW Sukkur project in Pakistan

- Key project information:
  - Capex est. USD 100 million
  - Annual production: 305 GWh
  - Ownership: Scatec 75%, Nizam Energy 25%
- Scatec to provide EPC, O&M and Asset Management Services to the project
- 75% project finance from FMO, Faysal Bank, Bank of Punjab and PAK Kuwait Investment
- Start of construction expected in 1H 2021
- Pakistan has plans to increase the share of renewable energy to 30% by 2030

First project in merchant market with blended contract portfolio - The 101 MWp Sao Pedro and Paulo (SPP) project

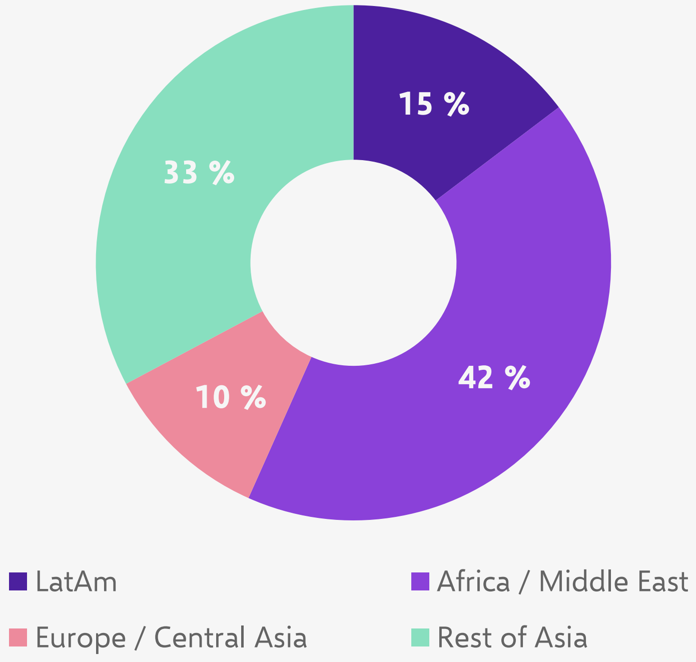
- Located in Flores, Pernambuco
- 40/40/20 equity participation by Scatec/Equinor/Kroma
- Financing from Banco do Nordeste (BNB)
- Financial Close 2021 and COD in 2022
- Awarded a 20-year regulated PPA with ANEEL for 25% of generation
- Signed a 10-year PPA with Engie for 50% of the volume
- Remaining energy to be contracted in the Brazilian Free Market

SPP energy contracting strategy

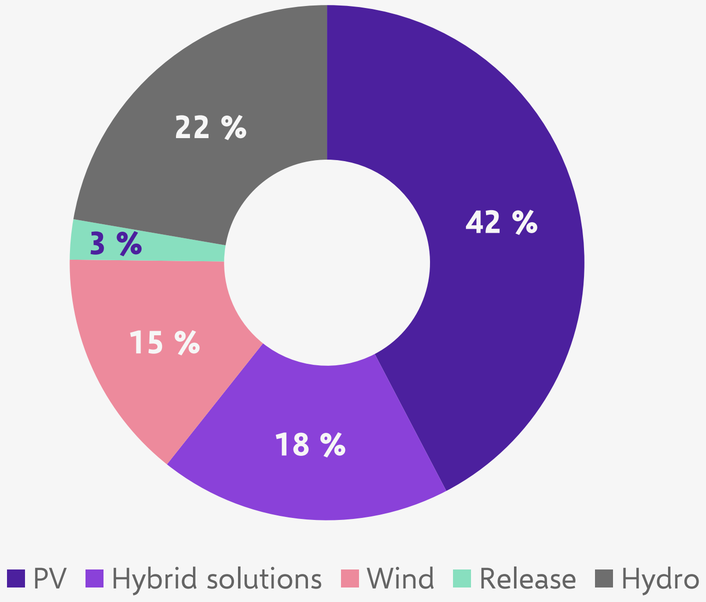


The 12 GW development portfolio
- Broadening across geographies, technologies and off-take

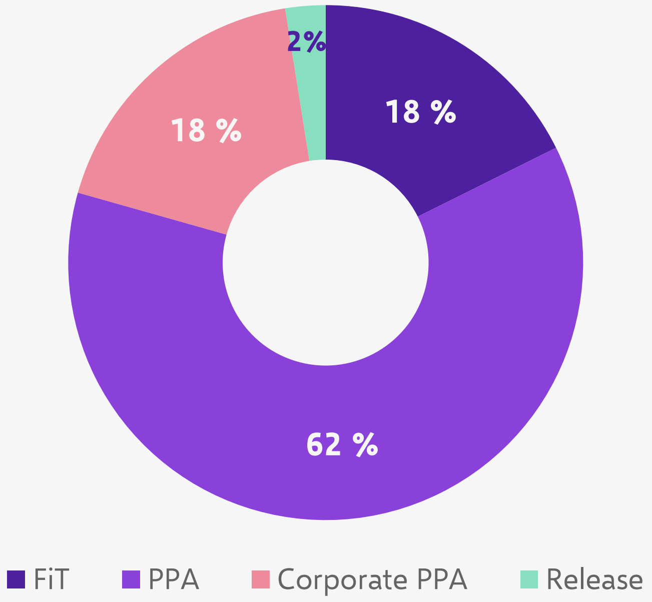
Regions



Technology



Off-take structure



Significant project pipeline for 2025 delivery

South Africa

- Pipeline of 2,250 MW
- Large ready to bid portfolio
- Permits to also include batteries
- Wind portfolios secured

Vietnam

- Pipeline of 1,940 MW
- Broad set of projects pursued
- Floating PV and offshore wind

Brazil

- Pipeline of 1,230 MW
- Two large PV projects in mature stage
- MoU with Hydro and Equinor
- Further projects in pipeline

India

- Pipeline of 900 MW
- Securing further pipeline of large projects
- Preparing for future tenders

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

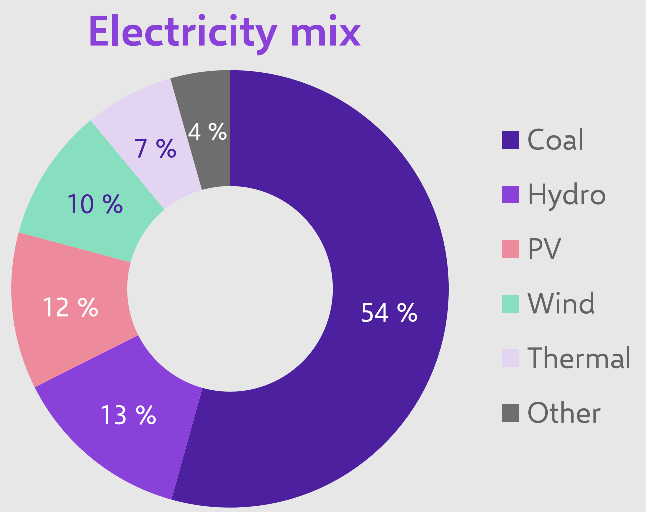
Positioning for growth in India
- A key growth market for renewables

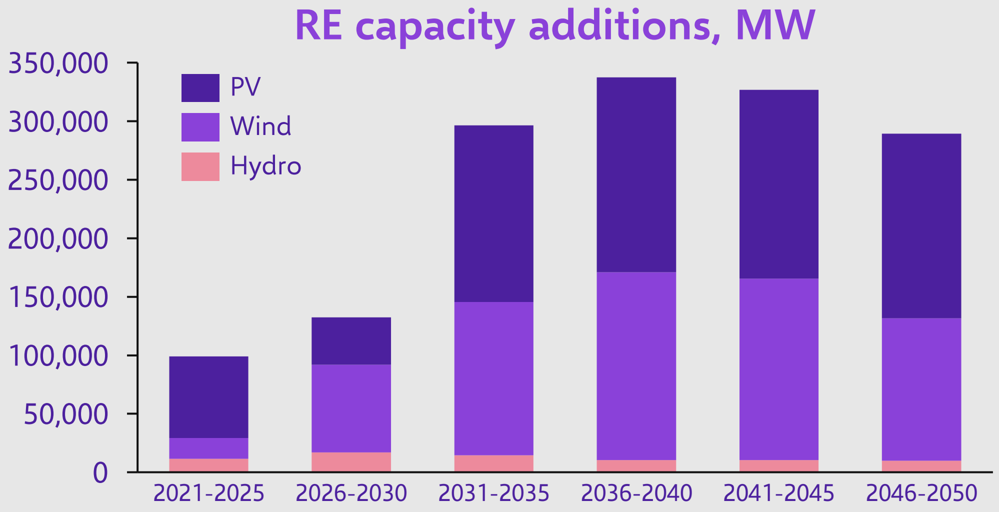
Market

- Strong economic growth and 1.3 billion population
- More than 50% of power generation is coal
- Targeting +200 GW of new RE capacity by 2030

Scatec position

- Scatec presence established on the ground
- Closing 900 MW of projects with offtake secured
- Negotiation partnerships and portfolio acquisitions with experienced local players
- Participating in future solar, wind and hybrid tenders
- Round-the-clock tenders, corporate PPAs and hydrogen





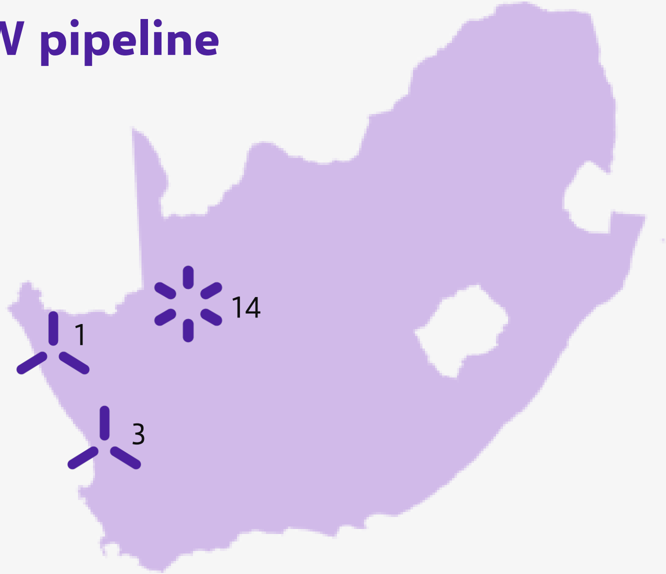
Large potential in South Africa

- More than 10 GW expected to be procured through IPP program by 2025
- Deregulation ongoing to allow for wheeling and large corporate PPAs
- Deep understanding of market and strong local organisation
- 14 PV projects fully permitted also for storage
- Four wind projects of 140 MW secured
- Corporate PPA with AbInbev

Current planned IPP Procurement Program

Technology	MW	RFP to Market*
PV + Wind	1,000+1,600	R5 March 2021
PV + Wind	1,000+1,600	R6 August 2021
Storage	513	R6 August 2021
Wind	1,600	R7 January 2022
PV + Wind	1,000+ 3x1,600	R8, R9, R10 TBA

Current 2 GW pipeline



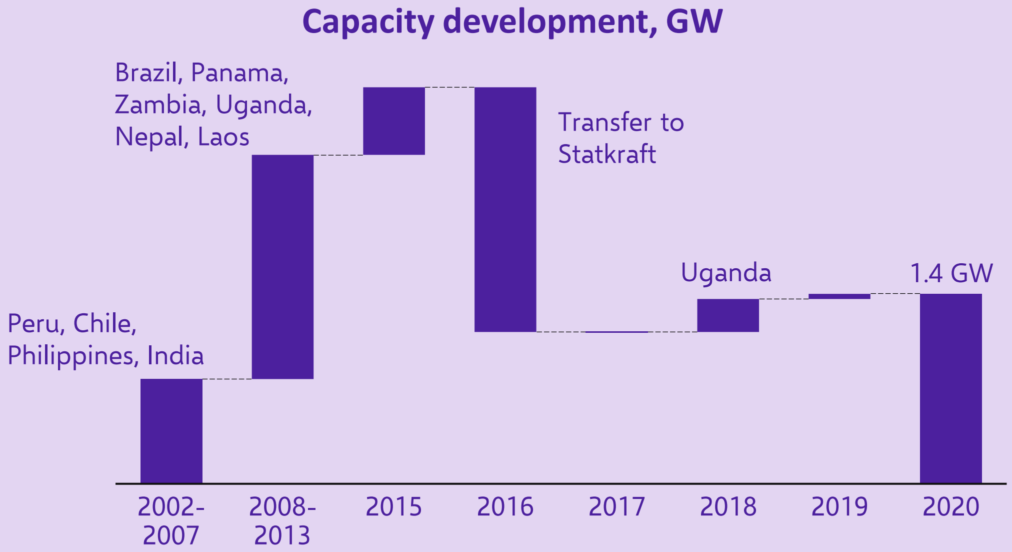
* Based on IRP 2019, SONA Feb '21

Introduction to hydropower

Jarl Kosberg, EVP Project Development Hydropower

SN Power - a leading hydropower developer in emerging markets since 2002

- Founded by Norfund and Statkraft based on taking Norwegian hydropower expertise into emerging markets
- Developed and built 3.5 GW across Asia, Latin America and Africa with attractive financial returns - separated from Statkraft in 2016
- Today, gross 1.4 GW in operation and a robust development pipeline
- Highly recognised in hydropower markets and among international finance institutions based on track record and global competence
- Strong focus on international HSE, Environmental and Social standards



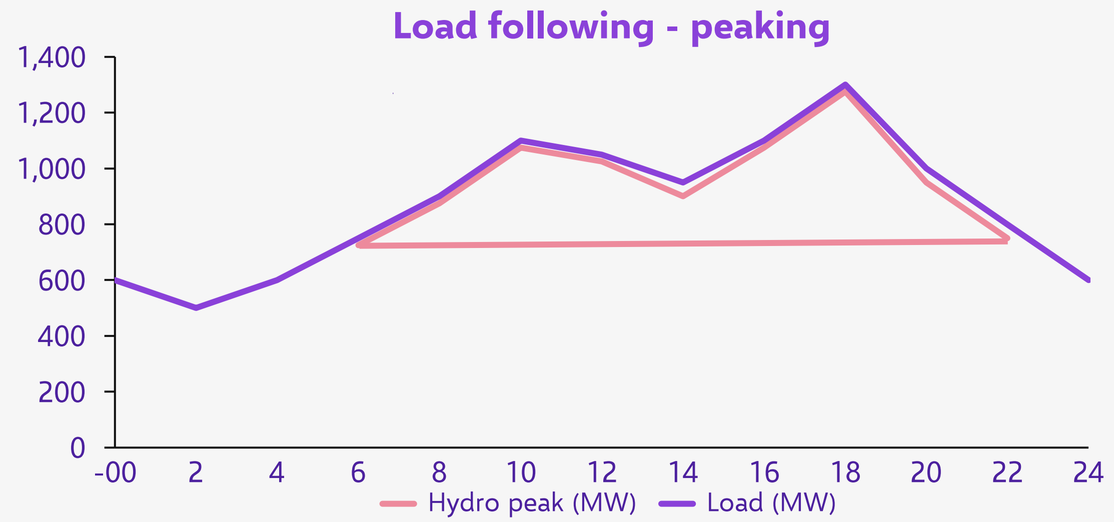
Hydropower
- provides more than pure energy

Hydropower provides:

- Energy
  - Determined by hydro inflow
- Energy storage
  - Energy when market requires - at premium prices
- System stabilisation and support
  - Reserve capacity to stabilise the power system

Other features:

- Long term / perpetual
- Low operational cost resulting solid cash flow
- Strategic to country and regional power supply
- Enabler for other (intermittent) energy sources



Scatec's hydropower asset portfolio

Philippines, 642 MW

- Annual production: 1,600 GWh (100%)*
- Sale of power and ancillary services
- 50% ownership

Laos, 525 MW

- Annual production: 3,000 GWh (100%)
- Long term PPA
- 20% ownership

Uganda, 255 MW

- Annual production: 1,500 GWh (100%)
- Sale of capacity
- 28.3% ownership

*) Energy generation excluding other services

Philippines, 642 MW
– SNAP, a joint venture with Aboitiz Power

A history of strong value creation

Acquired by SN Power in 2006 and 2008

- Initially 465 MW

Plant rehabilitation and modernisation program

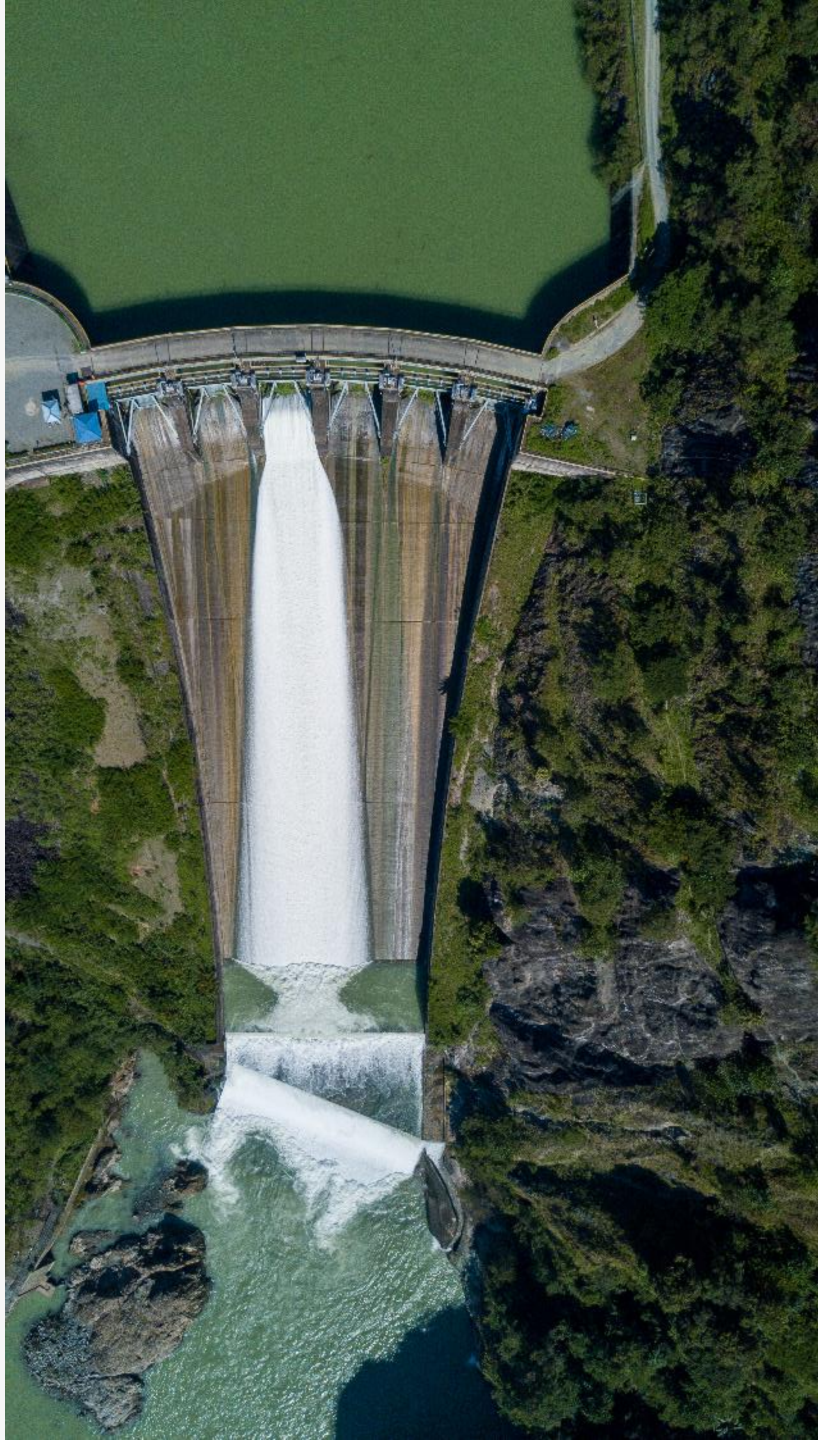
- Currently 642 MW

Transformed market and market approach

- Transition from low value energy production to high-value energy and system services

Further value creation

- Battery System (BESS) - decision to install 20 MW system for reserve and grid support
- Floating Solar (FPV) additions - pilot plant in operation; Full scale feasibility study ongoing
- Greenfield and Brownfield acquisition opportunities



Philippines: A de-regulated power market where SNAP operates in all market segments

Spot market & power trading ~ 30%

- Benefits from higher peak prices

Bilateral contract Market ~30%

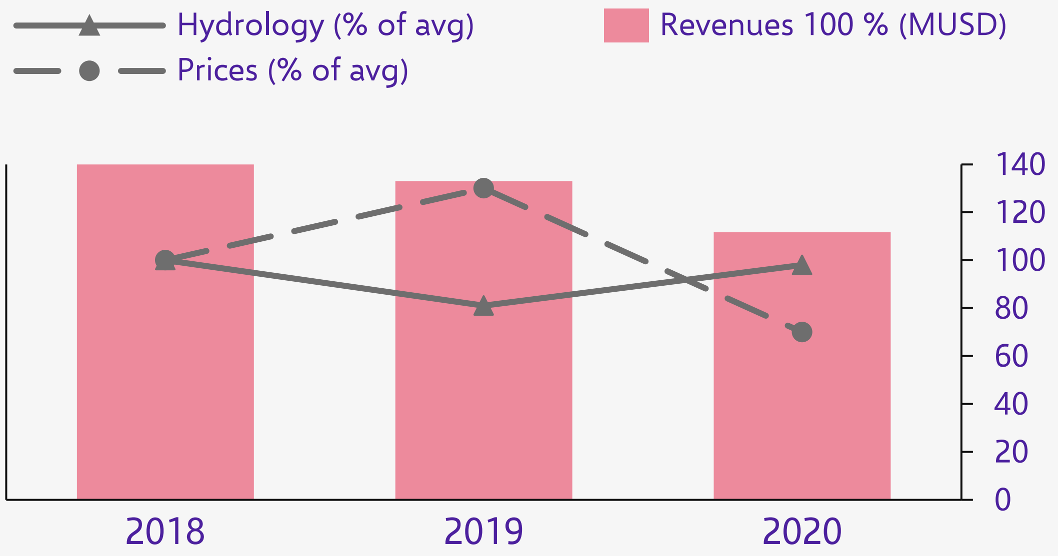
- Contracts with 1-3 year duration
- Used for midterm hedging

Power System Support (Ancillary Services) ~ 40%

- Benefits from services in stand-by modes

Revenues optimised based on hydrology and market modelling – competence from Norway

Revenues development



Q1 2021 update:

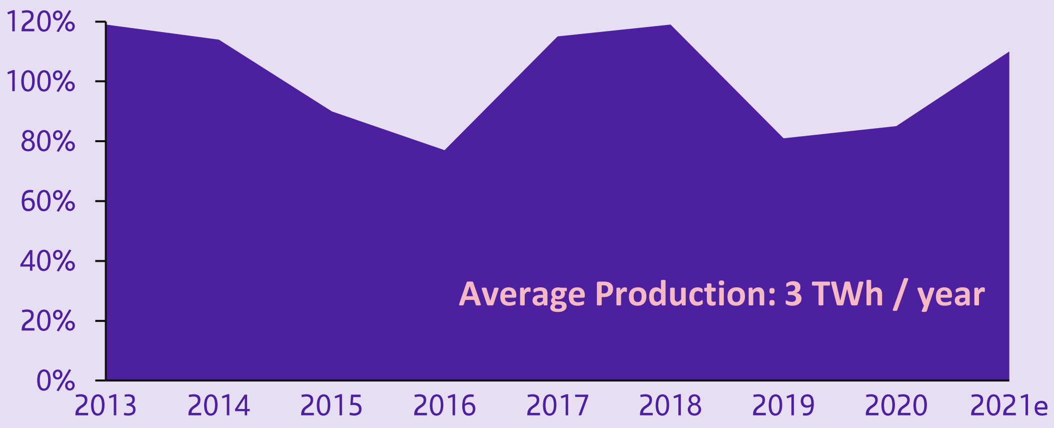
- Improved hydrology – full reservoirs
- Power prices recovering due to thermal plant maintenance and improved power demand

Theun Hinboun, Laos, 525 MW
– Delivering hydropower to Thailand and Laos

Plant history

- Built by Statkraft - commissioned in 1998 with 220 MW
- Expanded in 2012 with 280 MW
- Turbine overhaul in 2017 - added 25 MW

Production variation driven by hydrology



Acquired by SN Power in 2016

- Concession and PPA ends in 2039
- Scatec responsible for O&M

Power sales and financing

- Take-or-pay contract for ca 90% with EGAT (Thailand) remaining with EdL (Laos)
- Project finance provided by commercial banks

Further value potential

- Large dam surface (up to 105 km²) significant floating solar potential
- Greenfield and Brownfield acquisitions

Bujagali, Uganda, 255 MW
– Largest operating independent hydropower investment in Africa

Majority stake acquired by SN Power in 2018

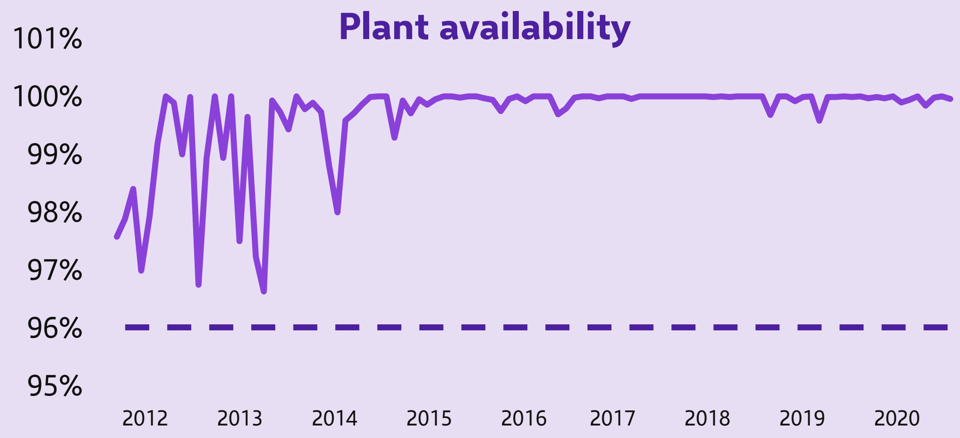
- Plant commissioned in 2012 at 255 MW
- Run-of-river plant located on the Victoria Nile
- 30-year concession and PPA expiring in 2042

Power sales and financing

- Off taker: Ugandan Electricity Transmission Co
- Long-term PPA (30 years) based on capacity (availability)
- Project finance provided by Development Banks (incl. IFC)
- MIGA insurance from the World Bank

Further value creation

- In position for brownfield opportunities in the region



Hydropower development
– Building on key strengths from SN Power and Scatec

Hydro project development focus:
- Brownfield projects with upgrade potential
- Greenfield with regulation capability
- Hybridization

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

Project opportunity in Africa:
Excisting hydro portfolio of 260 MW

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

Established a new partnership for hydropower in Sub-Saharan Africa

A joint venture for Sub-Saharan Africa

- Objective: to further develop build and operate renewable projects in the Sub-Sahara region
- The joint venture will own the Bujagali Hydro Asset and other pipeline projects under development
- Norfund has extensive local knowledge and experience

Scatec 51% | Norfund 49%

Hydropower production and project development in Sub-Saharan Africa

In operation: Bujagali, Uganda

255 MW

Pipeline projects in Sub-Saharan Africa

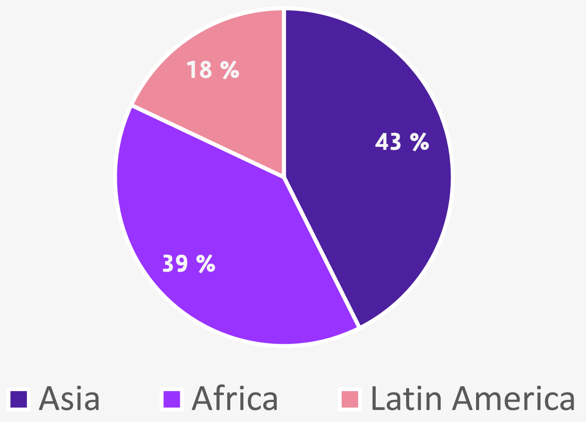
1,130 MW

A 2.9 GW quality hydropower pipeline

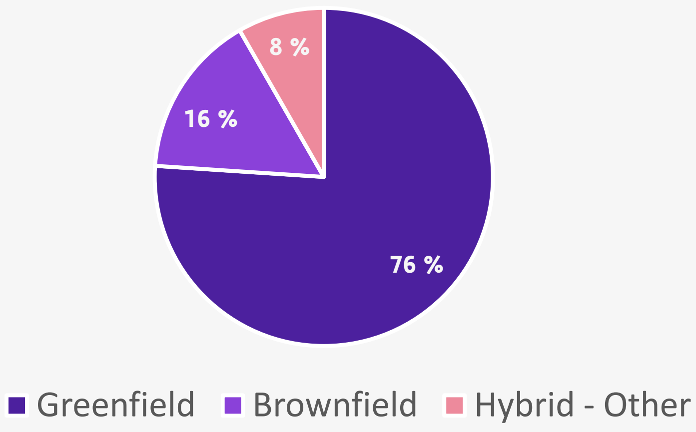
Selected pipeline projects with target start of construction in 2-3 years				
Project	Ruzizi III, Rwanda, DRC, Burundi	Volobe, Madagascar	Alimit, Philippines	BESS & FPV, Philippines
Capacity	153 MW	120 MW	140 MW	87 MW
Economic interest	28%	15%	50%	50%
Status	- PPA, PA (Completed) - Permitting (Completed) - Procurement (In progress) - Financing (In progress)	- PPA, PA (In progress) - Permitting (Completed) - Procurement (In progress) - Financing (In progress)	- Concession (Completed) - Permitting (Completed) - Procurement (In progress) - Financing (In progress)	- Concession (Completed) - Permitting (In progress) - Procurement (In progress) - Financing (Completed)

Completed In progress

Hydropower Pipeline by Region



Hydropower Pipeline by Project type



Hydropower Development: 153 MW Ruzizi III
– Regional project for Burundi, DR Congo & Rwanda

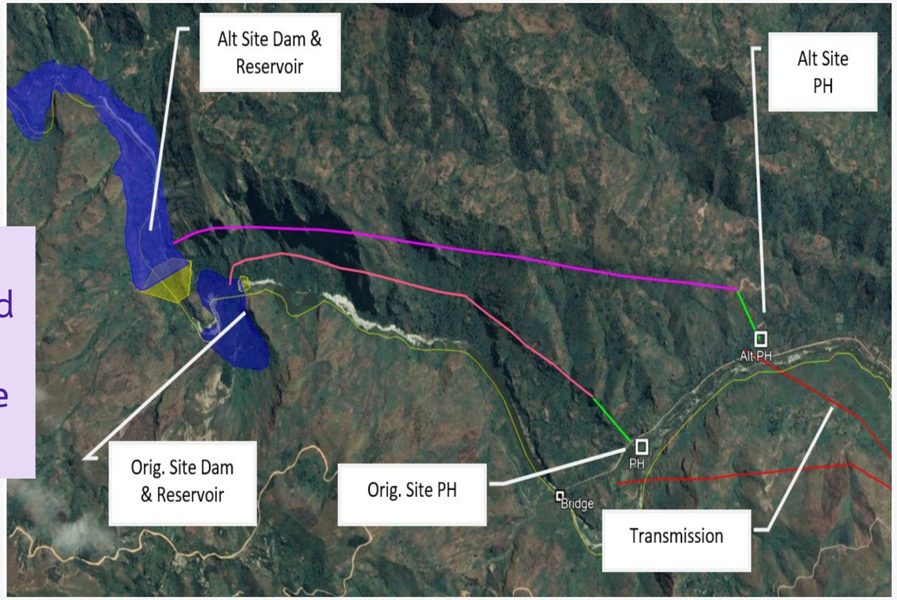
Project Description

- Annual production / Capacity Factor: 951 GWh / 72%
- Estimated capex of USD 650 million
- 25 years concession and PPA - sovereign guarantee
- Ownership: Scatec /NF: 28%; IPS: 42%; Contracting States: 30%
- 75% debt leverage - Committed concessional and commercial financing from AfDB, EIB, WB, AFD, KfW & others

Status & Timeline

- Development/financing phase
- Financial Close: 2022/23
- Commercial Operations Date: 2026

Located between Lake Kivu and Lake Tanganyka



SN Power entered project in 2017 - introduced an optimised design solution improving the energy output by 35% with the same cost level

Intensifying hydropower project development

- High quality operating assets with strong cash flow
- Greenfield and brownfield development
- Hybrid solutions
- Adopt Scatec's integrated business model
- Building on hydro- and power market competence

Scatec

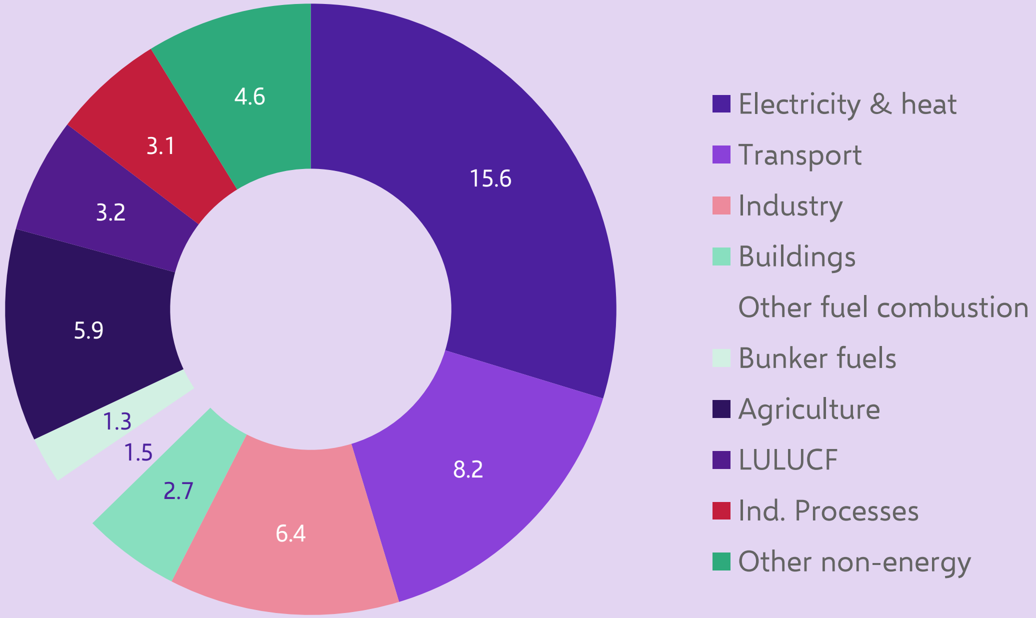
Hybrid solutions introduction

Terje Pilskog, EVP Project Development Solar & Wind

Combatting climate change

- Global GHG emissions more than 50 Gigatons CO_2
- Net zero target for 2050
- Renewable energy penetration in power sector
- Electrification of other sectors based on renewables

Source of CO_2 emissions

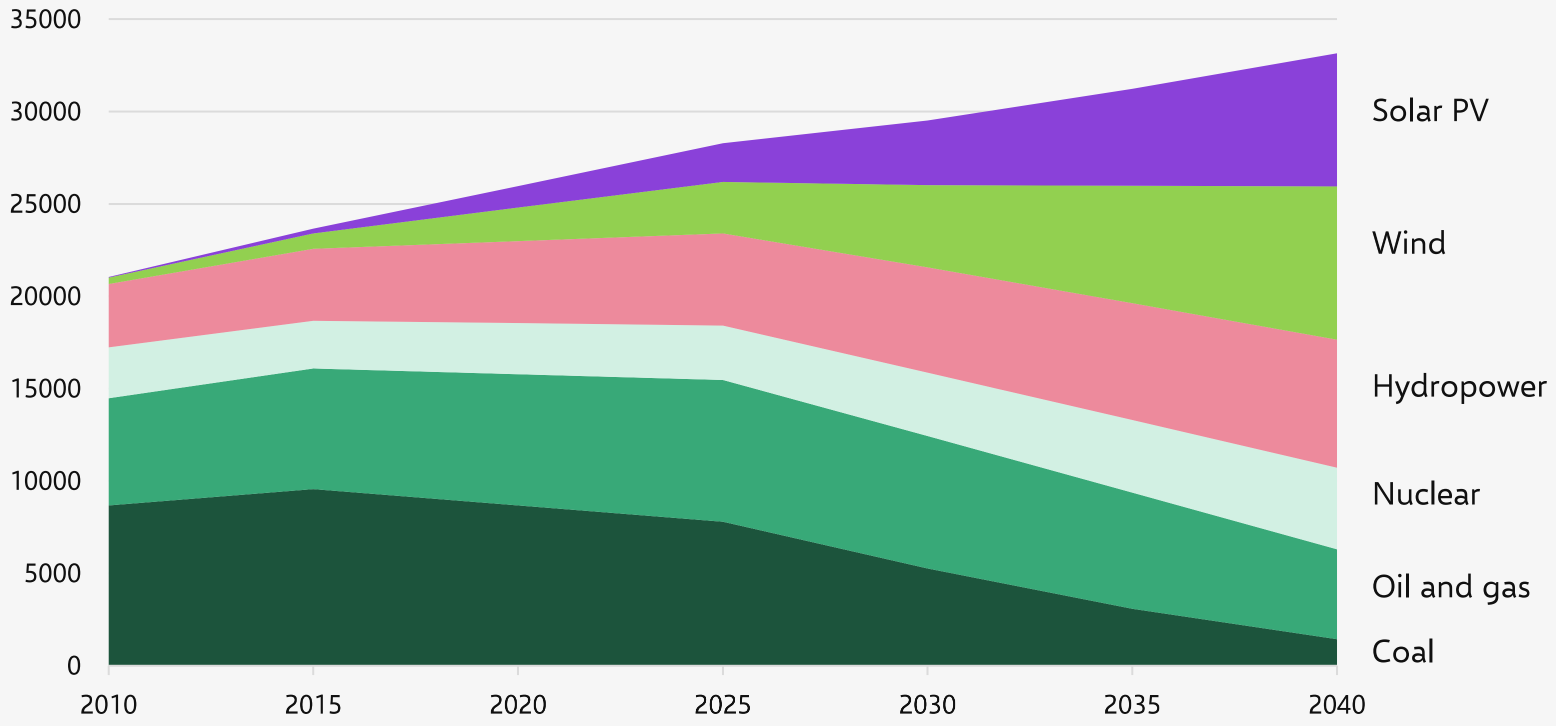


Source: ZERO, report on renewable investments in emerging economies, 2021

Managing variable renewable

- Electrification will drive growth of energy generation
- Variable renewable will become major part of genration mix
- Managing the intermittancy will increase in importance
- Especially in smaller energy systems with higher renewable penetration and limited dispatcheable power

Generation mix in IEA's Sustainable Development Scenario (TWh)



Sources: IEA (2019), World Energy Outlook

Technology integration strengthens renewables and expands our market potential

Firm Renewable Power

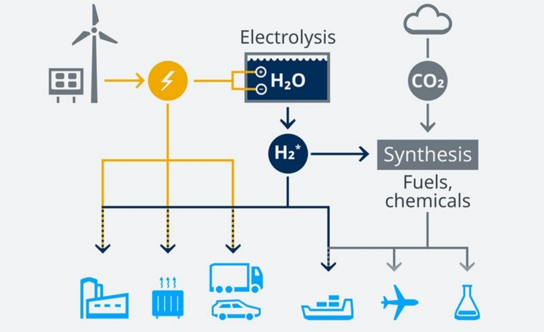
PV and/or wind with battery storage to provide stable renewable power

Hybridising PV and hydro

PV installations mounted on floating supports on the artificial basin of a hydro dam

Release

Redeployable PV systems to replace diesel and HFO generators as standard solution



Power to x

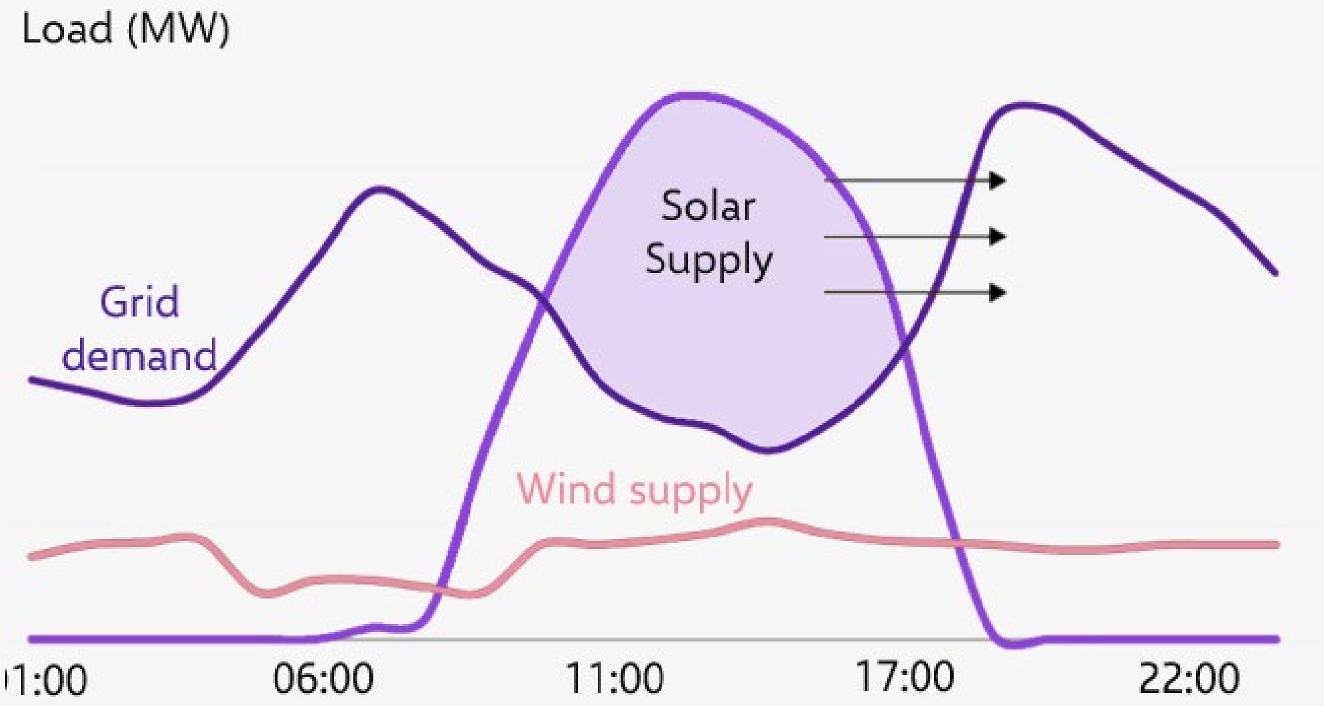
Competitive renewable power as enabler of infrastructure and industrial projects

Scatec

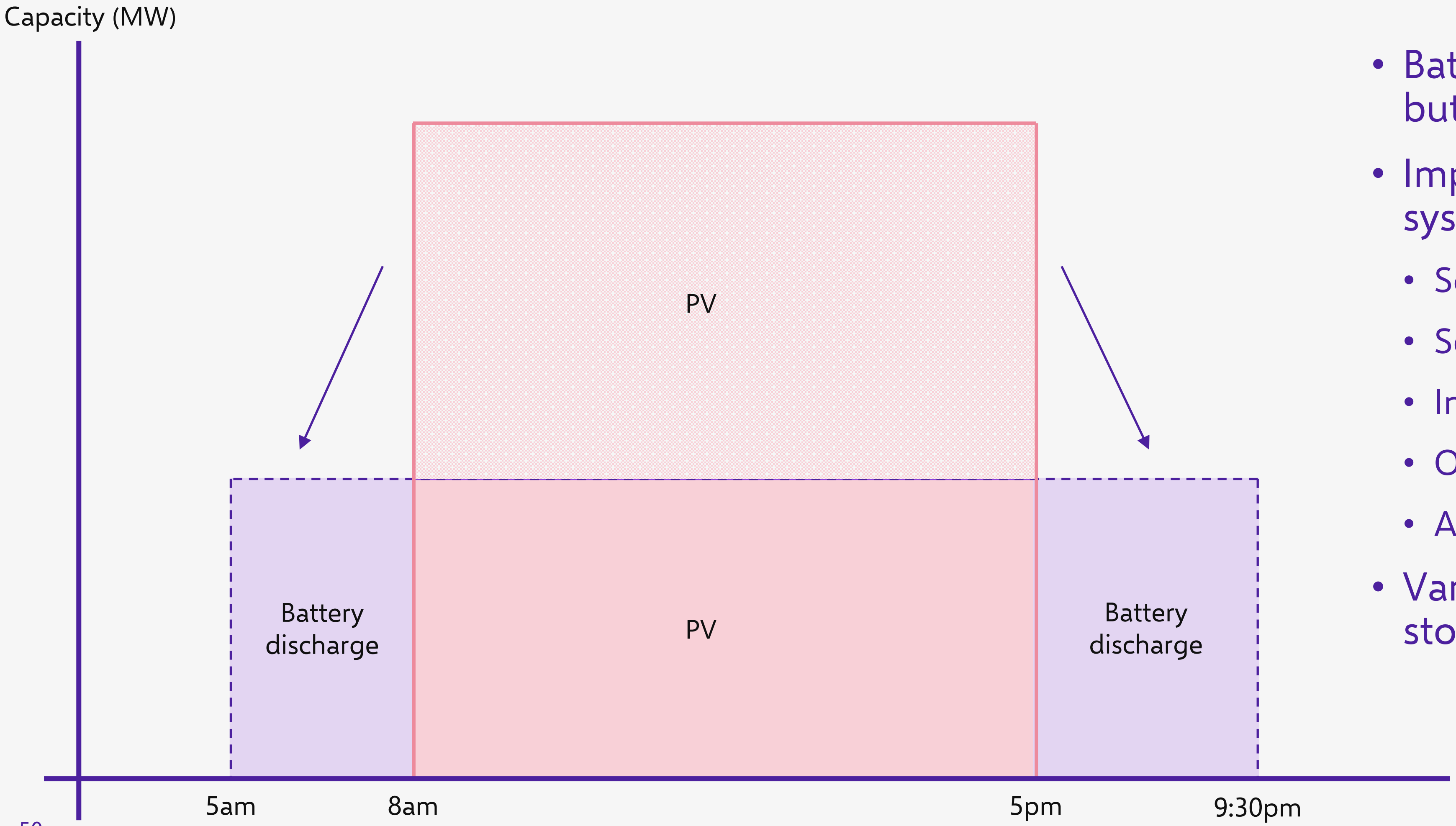
Providing firm renewable power

Jan Fourie, General Manager, Sub-Sahara Africa

Why renewable energy and batteries?



Solar power and batteries explained

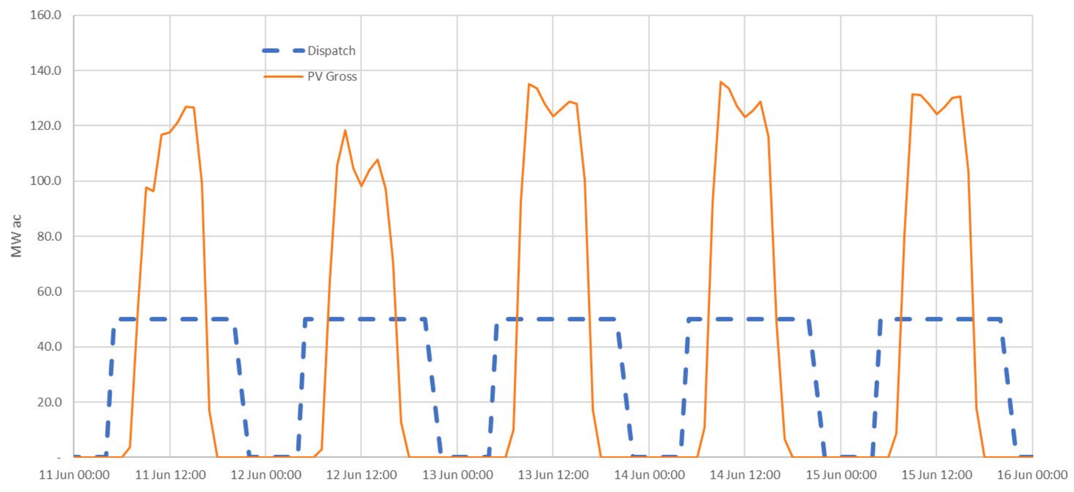


- Batteries cannot generate energy, but rather act as energy reservoirs
- Important factors that influence system sizing include:
  - Solar irradiation and day length
  - Seasonal swing
  - Inter annual variations
  - On-grid/off-grid & grid constraints
  - Application & testing requirements
- Variety of use-cases for solar + storage

Hybrid case study: Solar + battery solution in South Africa

- South Africa continues to struggle with a constrained power supply
- A technology agnostic tender was launched in 2020, aiming to add 2 GW of dispatchable power to the grid (RMIPPP[1])
- Dispatch of Contracted Capacity is required between 5:00 am and 21:30 pm – all year
- System required to be grid connected within 12-18 months of financial close
- Scatec submitted 3 bids totalling 150 MW of Contracted Capacity, purely PV + batteries
- Preferred Bidders announced last week and Scatec is in ongoing discussions with the Department of Mineral Resources and Energy

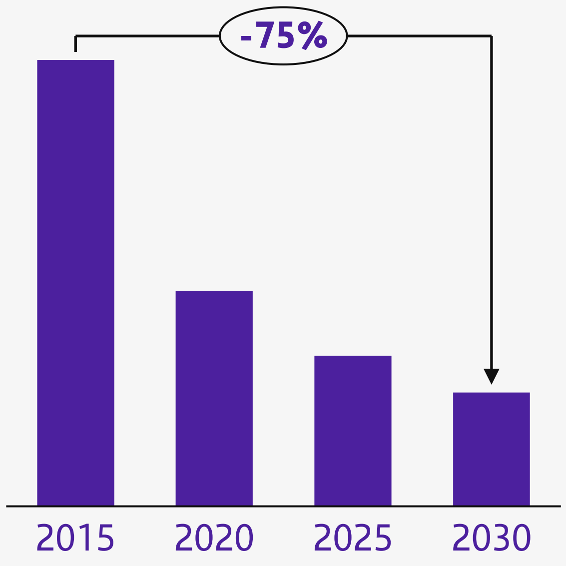
RMIPPP: Dispatch requirement



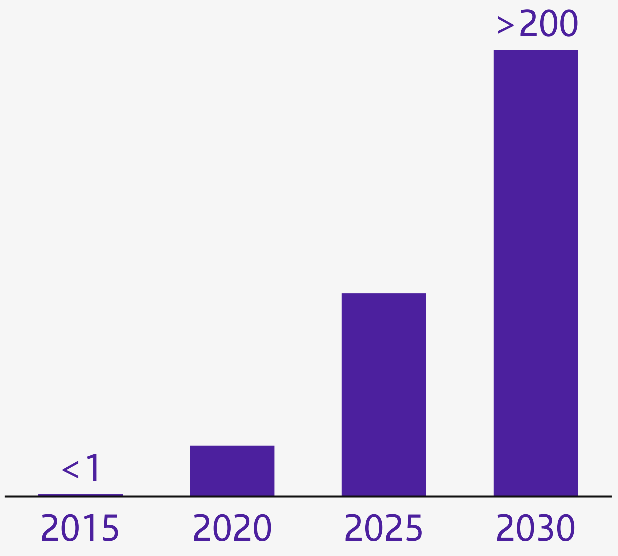
[1] RMIPPP: Risk Mitigation Independent Power Procurement Programme.

As costs come down the energy storage market is expected to grow exponentially

Battery system cost development



Cumulative energy storage installations (GW)



- Decreasing technology cost will drive hybrid proliferation and decarbonisation
- Renewables can now compete on a like-for-like basis with traditional power generation technologies
- The addressable market will see exponential growth in the coming decades

Source: Bloomberg New Energy Finance.

Leveraging Scatec's track record and market presence for hybrids

Immediate opportunities in existing Scatec markets

Building on experience from large scale solar and Release

Applying the integrated business model for system optimisation

Hybridising PV and hydro

Ernest Kofi Poku, VP Project Development Hydropower Africa

A hydro-solar hybrid system combines low cost PV with the regulating abilities of hydropower

- Market potential of 3 GW in Scatec assets
- Increased firm power from hydro-solar plants
- Better utilisation of Infrastructure
- Hybrid hydro-solar projects have a lower LCOE than hydro alone
- PV enables faster supply growth into existing markets

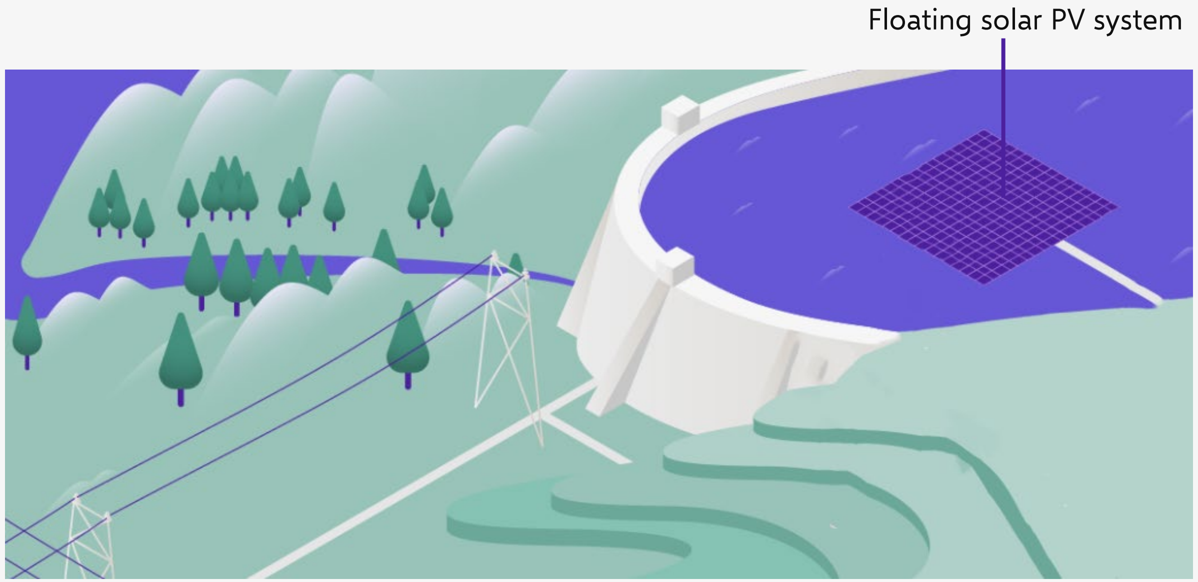
Hybrid PV + hydro:

Concept

- Hydro-solar hybrid systems using hydropower and PV (land/reservoir) and shared sub-station and transmission infrastructure.

Hybridisation Benefits

- Adding PV lowers the overall system LCOE*
- PV & hydropower are complementary on a seasonal basis
- Hydropower can convert intermittent PV into higher value firm power
- Reduced water evaporation and PV cooling effects increasing energy yield



Schematic of Floating PV and hydropower plant hybrid solution

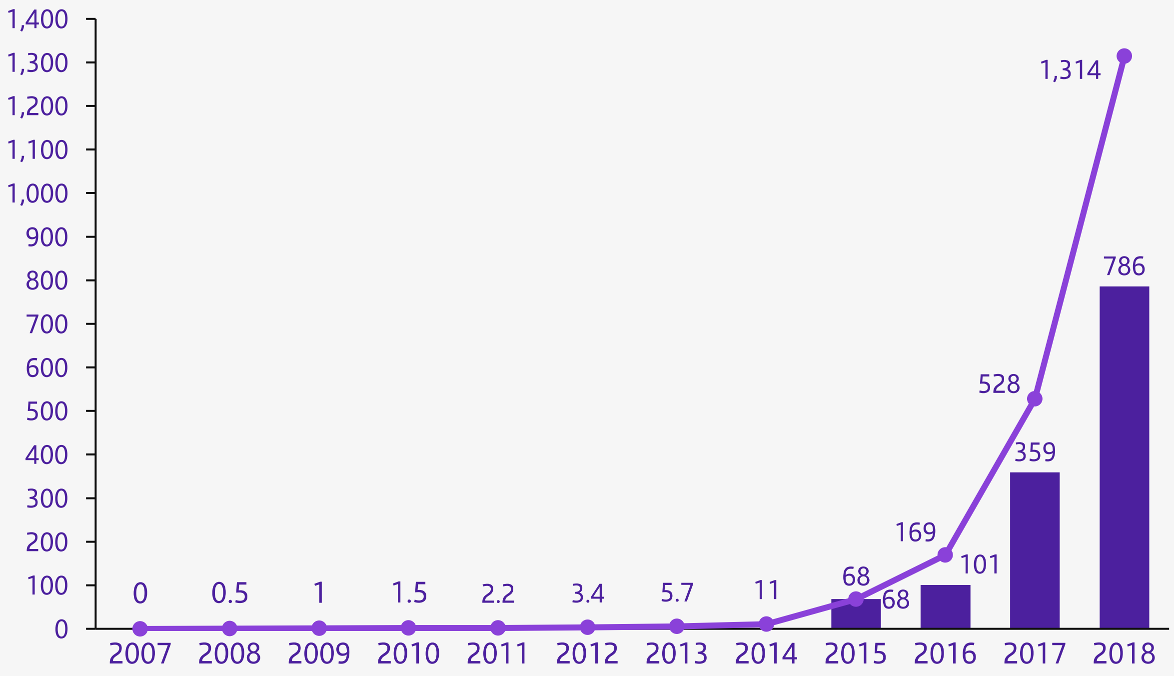
*LCOE: Levelised cost of energy

The floating PV market opportunity

Opportunity

- Scatec operating hydropower assets have 2GW of floating PV potential based on reservoir size
- Scatec projects under development have 1GW of floating PV potential
- If panels covered 1% of Africa's reservoirs it would increase the 138 TWh generated in 2020 by 50%*
- The global potential on reservoirs exceeds 400 GW

Global installed FPV capacity and annual additions



Source: World Bank Group, and SERIS 2019

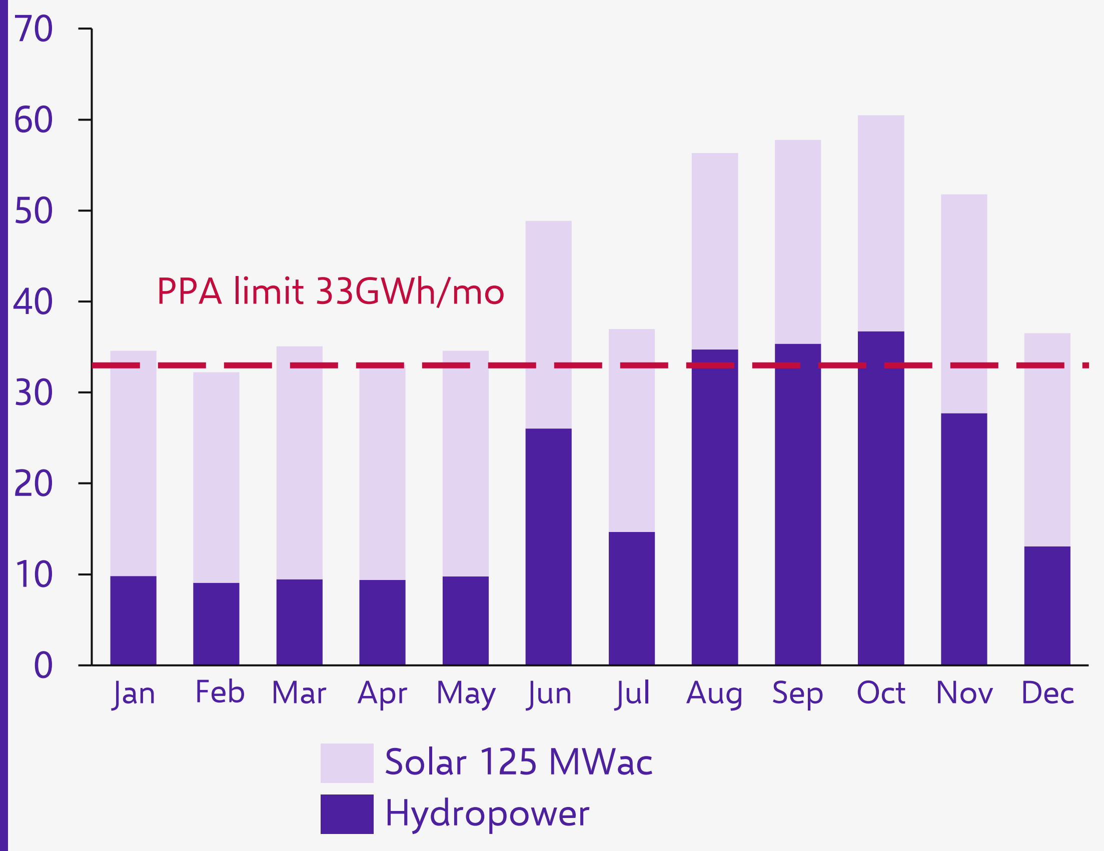
*Source: Elsevier, Renewable Energy volume 169 - Assessment of floating solar photovoltaics potential in existing hydropower reservoirs in Africa

Floating solar pilot on Magat

- In March 2019, a 220-kWp floating PV test facility was installed
- 2020 was a year of successful operations
- The plan is to install a full scale 150 MW floating PV plant in two phases on Magat
- Adding the floating PV plant to our portfolio in the Philippines will increase the value of the power
- Floating PV operations in Asia are a focus area for Scatec

Hybrid solutions in action

- **West Africa (Greenfield): Original 102 MW hydropower development**
  - **The challenge**: reduce the large number of impacted persons due to potential reservoir size and ensure a minimum firm power year round.
  - **The solution:** 64 MW hydro + 125 MW floating PV allows the size of the reservoir and hydropower impact to be reduced
  - **The impact:** Firm power can be delivered year around with a lower social and environmental impact and a lower tariff
  - Scatec is well placed to take advantage of the 3 GW hybrid hydro-solar opportunity across its existing assets and similar opportunities in the future



Scatec

Update on Release

Øydis Gadeholt, Senior Project Developer

Release - reliable, flexible and low-cost solar power

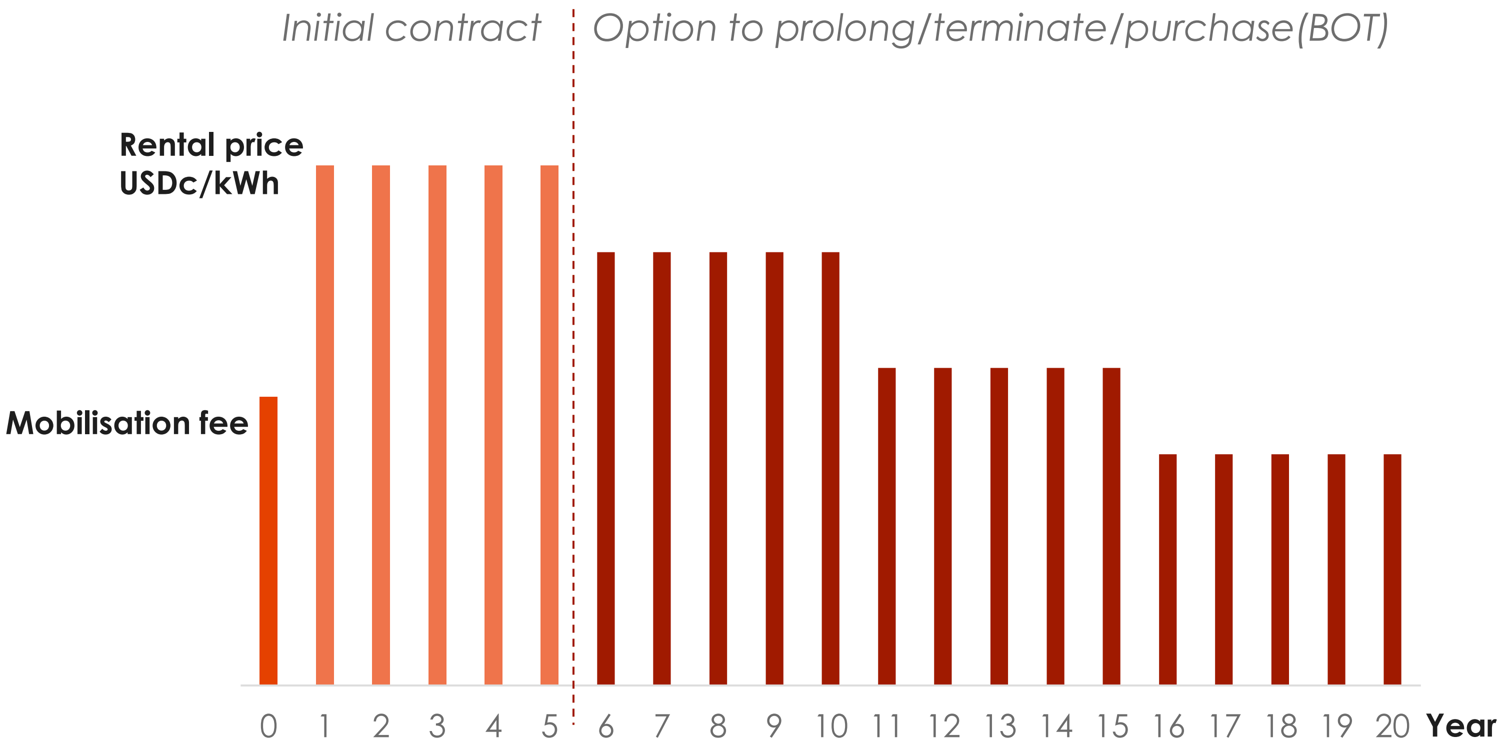
Containerised, modular and movable solar and storage

Short timeline to deployment

Flexible contract durations

Contact structure | Solving for flexibility

- Mobilisation fee to cover installation costs
- Short initial commitment (5 years) – limited guarantee requirements and reduced impact on balance sheet
- Long-term tariff similar to PPA



release
BY SCATEC

Scatec Release business model

Funded on portfolio basis

Mobilisation fee covering up to 20 % of capex

Counterparty risk mitigation
-> short payback
-> movable
-> guarantee

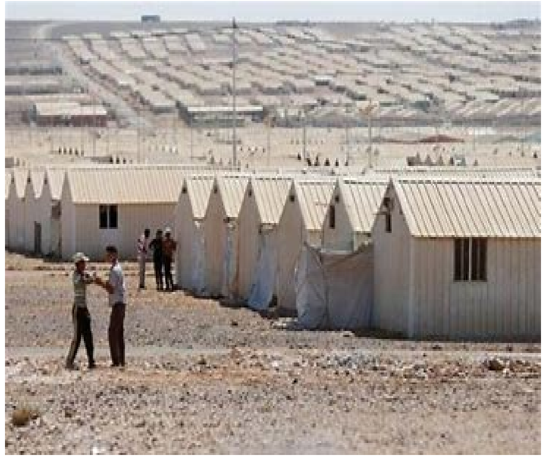
Simplicity - one contract only

Targeting customers with plant capacity of 1-20 MW in Africa

Off-grid mining

- 23 GW only in Africa
- High and stable electricity consumption

UN, NGOs, Microgrids



- Small scale initiatives
- Release supplier of equipment and financing

Small utilities

- Running on diesel and HFO
- Financial constraints are limitations for regular PPAs

On-grid industrials

- Self-consumption/captive power is more reliable and cost-efficient

Small, landmark projects deployed

Malakal, South-Sudan – Our first base-load hybrid
- Installed at International Organization for Migration (UN) camp
- 0.7 MW PV and 1.4 MWh battery
- Providing up to 90 % of power

ROAF – Largest ground mounted solar plant in Norway
- 0.6 MW to supply a waste station outside Oslo with energy
- Cooperation with Solenergiklyngen and Multiconsult

Stellenbosch – Visitor demonstration plant
- Installed at the University of Stellenbosch in 2020
- Customer/partner visits, tests and Scatec trainings



16 MW of Release projects signed

8.7 MW – undisclosed mining company Mexico
- International customer
- Project to be completed Q4 2021

7.7 MW – ZIZ, off-grid utility in Chad
- Customer backed by FMO
- First containers shipped in March 2021 – full delivery within Q3

release
BY SCATEC

Partnership with IFC on utilities in Africa

Exclusive partnership agreement with IFC to offer Release to utilities in Africa

- IFC provides financing and guarantee structures to support the rental contracts
- Operating out of a joint company in the Netherlands

Most advanced project in a West-African country:

- 36 MW solar and 24 MWh of storage at 3 sites
- 5-year Build-Own-Transfer model
- Scheduled delivery 2021

Key focus: Most advanced projects in maturing pipeline of 300 MW

Off-grid mining

- ~80 MW PV
- 20 MWh storage
- 5-10 projects

UN, NGOs, Microgrids

- ~20 MW PV
- 3 projects

Small utilities

- 100 MW PV
- 40 MWh storage
- ~5 projects

On-grid industrials

- ~20 MW PV
- 5 MWh storage
- 3 projects

- **Total pipeline of active projects about 300 MW across segments and markets**
- Most contracts have buy-out options that will be exercised to variable extent
- About 50/50 mix of fixed rate lease and variable lease based on output (due to IFRS 16)

release
BY SCATEC

Scatec

ESG – a competitive advantage

Roar Haugland, EVP Sustainable Business & HSSE

Julie Hamre, Senior Sustainability Manager, ESG Reporting & Strategy

ESG is integrated in Scatec's operating model

How we work with ESG	A competitive advantage
• ESG is an integrated part of our business • Dedicated E&S resources for long term approach and impact • Solid Environmental and Social Management System covering all projects	• Attracts projects and business partners • Reduces risks and strengthens probability of successful completion of projects • Becoming imperative to qualify for and win new projects

All Scatec projects must adhere to the IFC PS and Equator Principles

IFC

Defines IFC clients' responsibilities for managing their environmental and social risks

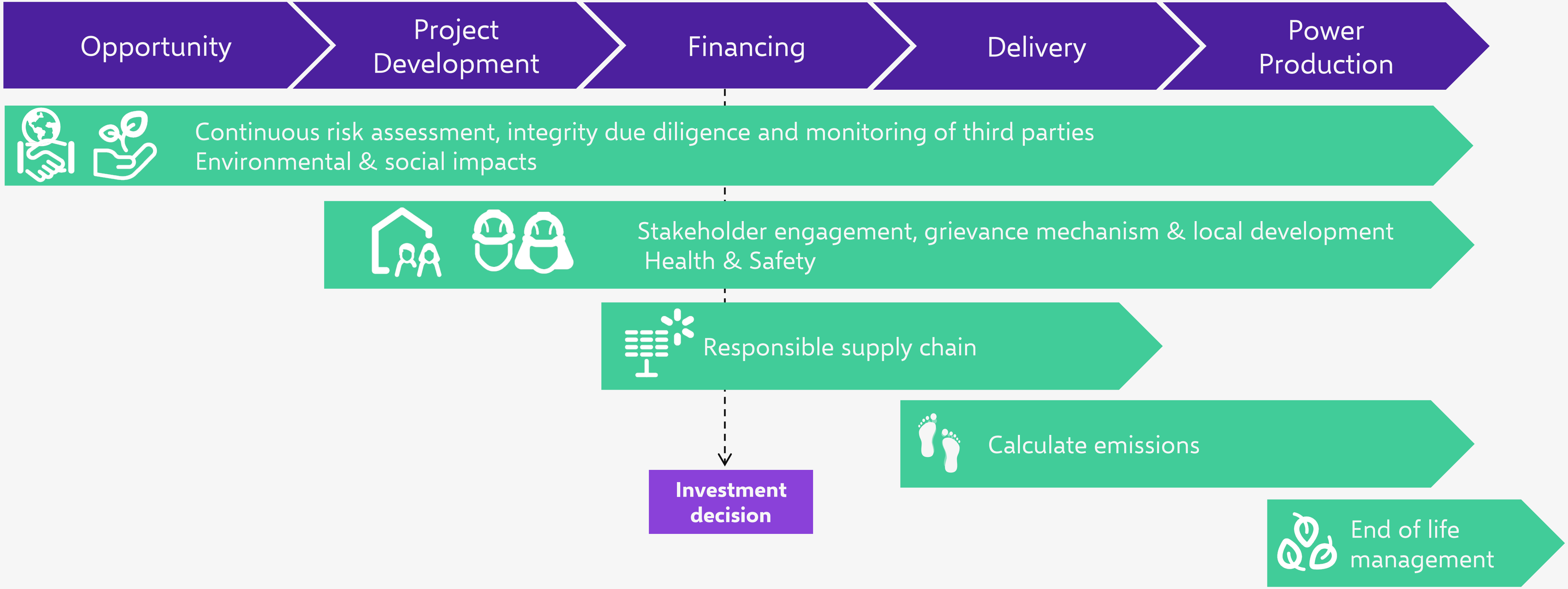
EQUATOR PRINCIPLES

Risk management framework for determining, assessing and managing environmental and social risk in projects

OECD

Standards for responsible business conduct for issues such as human rights, labour rights and the environment

ESG is integrated in our operating model



Key risk area: Labour and working conditions

BenBan Solar Park, 380 MW

- Location: Aswan, Upper Egypt
- Grid connected: 2019
- Annual electricity production: 870 GWh
- Number of workers during peak construction: 4,010 – of which 80% local

Potential impact area: Land resettlement and livelihood restoration

Mocuba solar plant, 40 MW

- Location: Zambézia Province, Mozambique
- Grid connected: 2019
- Livelihood restoration of 223 local households
- IFC Performance Standard 5
- Long term monitoring and reporting

Our ESG reporting is guided by close dialogue with key stakeholders

Global Reporting Initiative

- Strategic disclosure
- ESG100: Top rating on ESG reporting by the Governance Group

Carbon Disclosure Project

- CDP score: A List company
- CDP: Recognised as a supplier engagement leader

Task Force on Climate related Financial Disclosure

- Climate risk and opportunities
- TCFD report 2020

Climate reporting and targets: Closer engagement with key suppliers

2020 GHG emissions:

Scope 1 and 2: 6,442 tons

Vehicles
Diesel generators
Transformer stations

Purchased Electricity
Purchased Heating/Cooling

Scope 3: 1,368 tons

Purchased goods and services End of life
Upstream transportation and distribution
Business travel Employee commuting

Climate target in line with the Paris Agreement and 1.5°C scenario

Scope 1 and 2:

- More than 50% reduction by 2030
- Net zero by 2050*

Scope 3:

- Target to be set

Estimated payback time for a 50 MW solar project: 1.5 years

*Base year is 2019

EU Taxonomy discussion

Assessment criteria:

- ✓ **Substantial contribution** to one of the six environmental objectives
- ✓ **Do No Significant Harm** to the other five environmental objectives
- ✓ **Minimum Safeguards –** e.g OECD Guidelines on Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

A leading position in ESG

- Experience from navigating complex markets
- Identifies ESG project risks early with dedicated teams on the ground
- A net positive carbon footprint – and set targets for reductions in emissions
- Comprehensive ESG reporting and close monitoring of regulations (e.g EU Taxonomy)

SUSTAINALYTICS

Rating summary: Low risk
#1 of 450 – Utilities
#1 of 48 – Renewable power producers

ISS ESG

Rating: A- (excellent)
Status: Prime
Prime threshold: C+

MSCI

Rating: AAA (top rating)
Highest scoring range relative to global peers

CDP

Rating: A
Carbon Disclosure Project
Top score

Publication date:

26 March 2021

For questions or feedback:

julie.hamre@scatec.com

Scatec

A robust financial platform

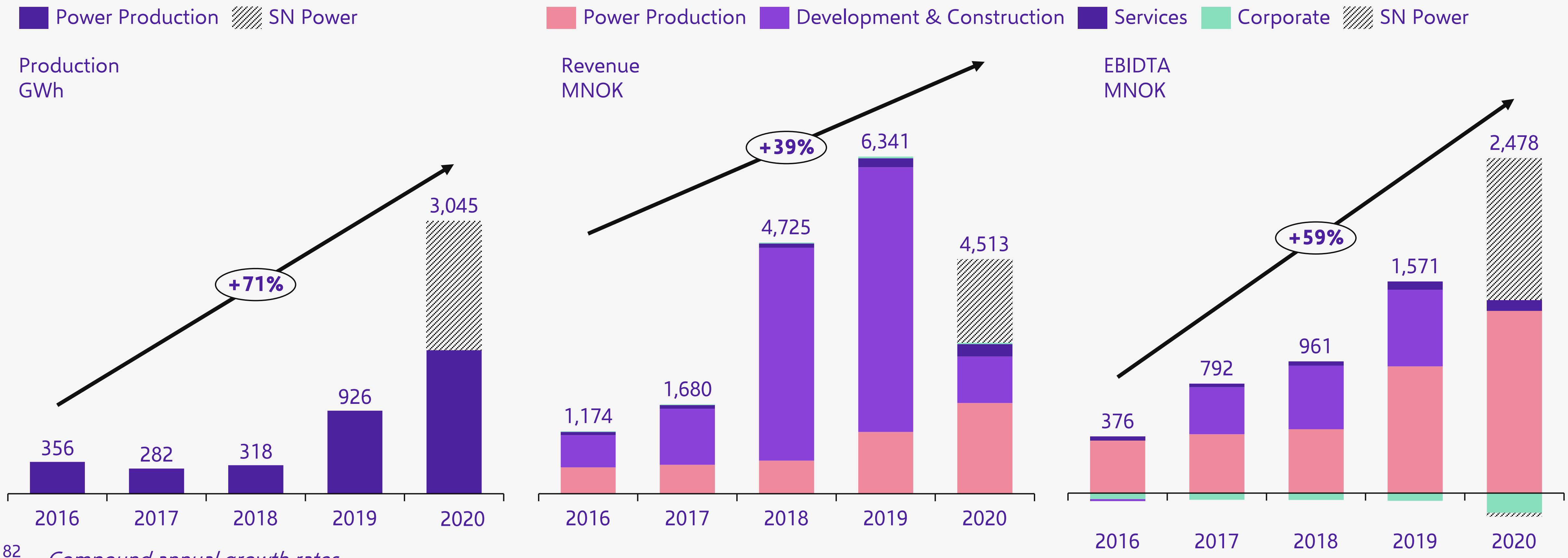
Mikkel Tørud, CFO

A robust financial platform

- Solid operating cash flow
- Excellent access to funding
- Prudent risk management
- Focus on capital discipline

Strong growth in power production

Proportionate production, revenues and EBITDA



Compound annual growth rates

2020 EBITDA almost doubled with new hydro assets

2020 pro forma proportionate financials

NOK million

Revenues	Solar	Hydro	Total
Power Production	1,708	1,648	3,356
Development & Construction	873	-	873
Services	232	11	243
Corporate	33	7	40
Total	**2,844**	**1,667**	**4,512**
EBITDA			
Power Production	1,404	1,302	2,706
Development & Construction	-28	-84	-112
Services	82	6	88
Corporate	-153	-50	-203
Total	**1,306**	**1,173**	**2,478**

Pro forma 2020 explained

- Hydro production revenues impacted by low hydrology and Covid-19
- Growth in solar production and reduced construction activities
- D&C opex of NOK 221 million – 85% on development of project pipeline
- Corporate includes NOK 102 million of SN Power transaction cost
- Solar & Hydro financials to be reported combined going forward
- Country P&L break down of Power Production to be provided

A well diversified and high quality asset portfolio

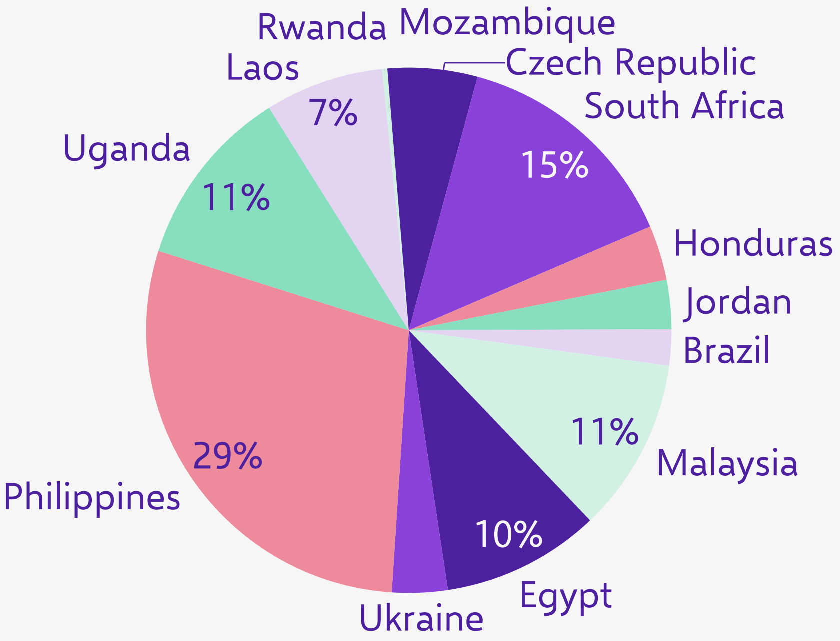
2020 Pro forma Power Production:

EBITDA:
NOK 2,706 million

Cash flow to Equity
NOK 1,067 million

Remaining contract duration*
18+ yrs

2020 EBITDA distribution:



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

Dividends will grow with increased cash flow

- The Group's objective is to pay shareholders consistent and growing cash dividends
- From 2021, Scatec will adjust its dividend policy to pay out a minimum of **25 %** of the cash distributions received from the power plants
- Cash distributions is typically received by Scatec 6-12 months after cash being generated in the power plants

Group funding: A solid financial position

Year End 2020: Pro forma proportionate net debt post closing of SN Power acquisition

NOK billion	Project level	Group level	Total
Cash	1.7	2.9	4.6
Debt	12.1	7.2	19.2
Net debt	**10.4**	**4.3**	**14.7**

Green financing

- Scatec Green Finance Framework
- Dark Green shading from CICERO
- EUR 250 mill Green bond issued in Q1'21
- Undrawn USD 180 million Green RCF

(*) Post SNP transaction – Group level cash + USD 180 million Revolving Credit Facility (RCF).

Available liquidity*

NOK 4.4 billion

2020 Cash flow to equity / Group level net debt:

20%

Group debt all in interest rate

2.5%

Strong partnership with project-equity and debt providers

Raised project level financing of NOK 20 billion

- Experienced project equity partners - often DFIs
- Non-recourse project level debt of 60-80%
- Quality projects with good ESG profile in high demand

Opportunistic re-financing

- Highly dependent on project structure and market
- Hydro assets in the Philippines refinanced and released **NOK 408 million** to Scatec in Q1 2021
- Refinancing continues to be explored across portfolio

Share of funding from multilateral development banks

~50%

Careful structuring of projects to manage risks

Project structuring

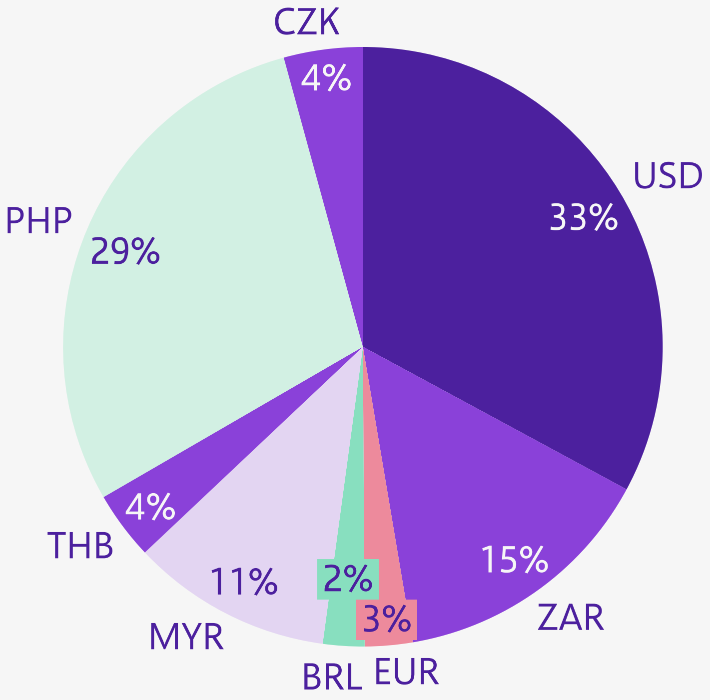
Project level debt
currency matching cash flows

Long debt tenors:
12.2 years avg. remaining

Fixed interest rate:
6.5% average interest rate
86% hedging ratio

MIGA insurance in South Africa, Egypt, Uganda

2020 Power Production EBITDA



Staying selective when investing

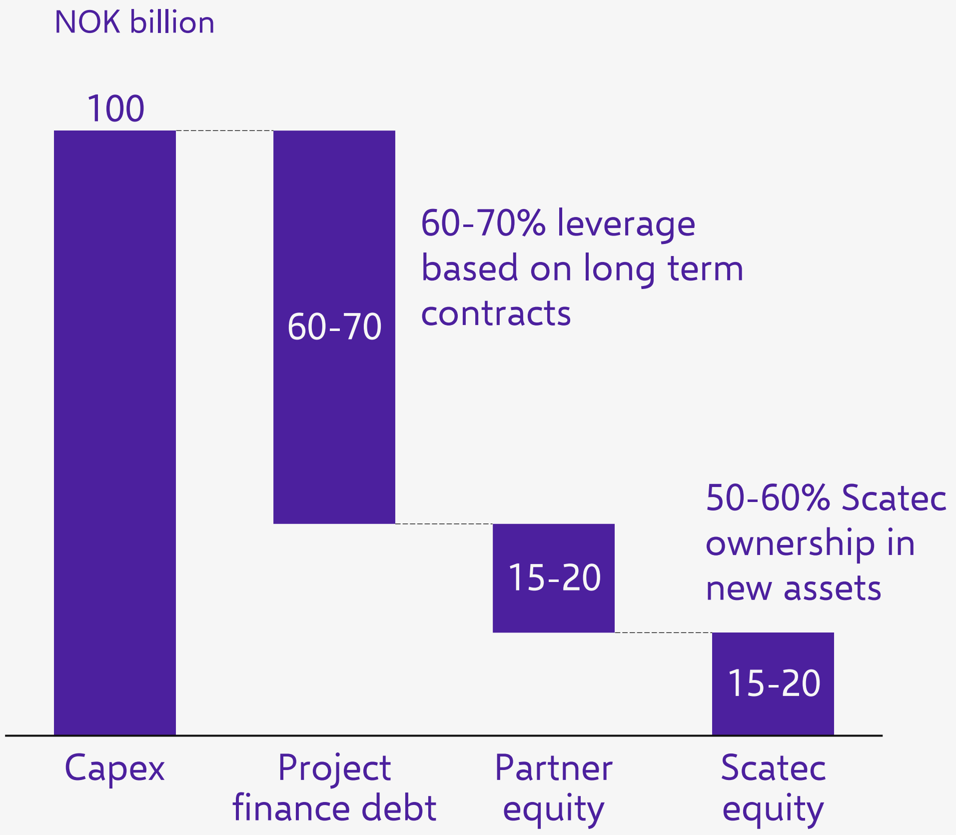
- Focus on capital discipline

- Power Production: **Return on Equity: 12-16%**
  - 30 year cash flows
  - Average across technologies, regions & currencies

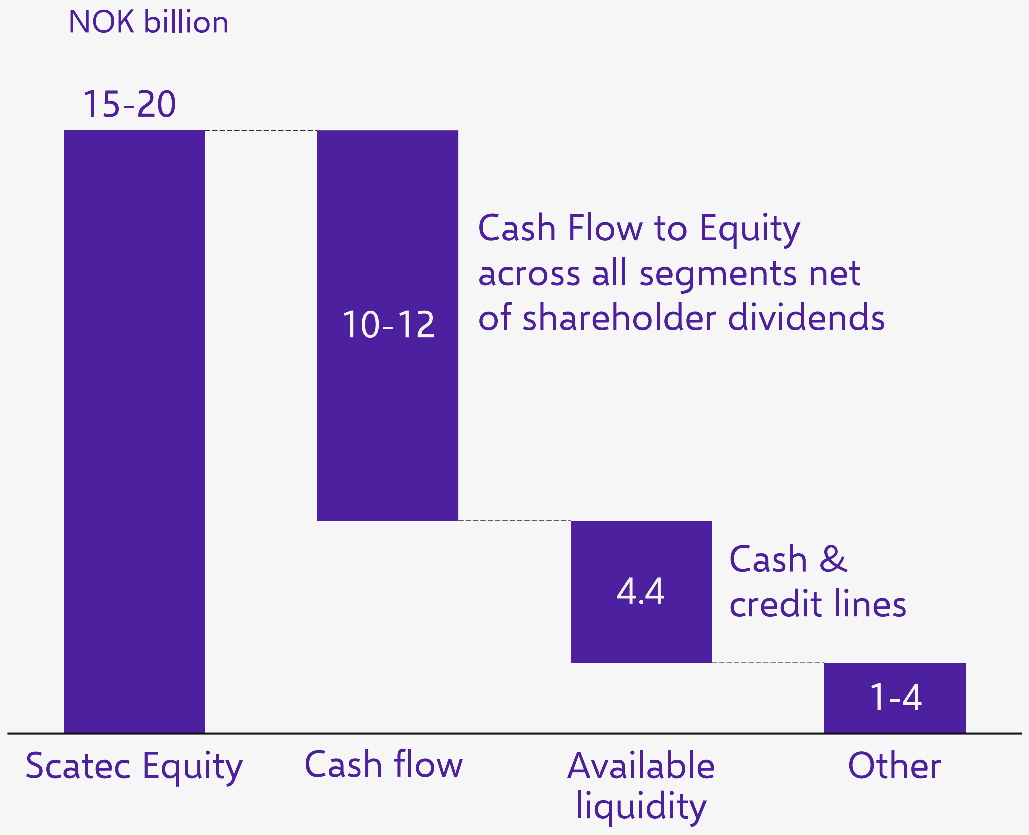
- Development & Construction gross margin: **10-12%**
  - D&C revenues expected to average 50-70% of project capex dependent on Scatec's role in the project

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

Capital structure for 12 GW new capacity towards 2025



Scatec Equity funded by cash & operating cash flow



Scatec - 2021 Guidance

Q1 2021 Power Production	FY2021 Power production volume*	FY2021 Services	FY2021 Corporate
Proportionate volume: **800-825 GWh**	Proportionate: **3,500 - 3,700 GWh**	Revenues **NOK 280 million**	EBITDA **NOK -110 million**
Proportionate EBITDA: **NOK 660-680 million**	Up from 3,045 GWh in 2020	EBITDA margin: **30-35%**	

(*) Production from plants in operations.

A robust financial platform supporting growth

Scatec

improving our future

2020 Proportionate P&L segment details

2020 pro forma proportionate financials

NOK MILLION	Power Production	Development & Construction	Services	Corporate	Total
Revenues and other income	**3,356**	**873**	**243.4**	**40**	**4,512**
Cost of sales	-100	-764	-	-	-864
Gross profit	**3,256**	**109**	**243**	**40**	**3,649**
Personnel	-96	-117	-78	-97	-388
Other operating expenses	-453	-104	-77	-146	-780
EBITDA	**2,706**	**-112**	**88**	**-203**	**2,478**
D&A	-812	-26	-3	-20	-861
EBIT	**1,894**	**-138**	**84**	**-223**	**1,618**
Cash flow to equity	**1,067**	**-78**	**69**	**-190**	**867**
Cash flow to Equity % of EBITDA	39 %	70 %	79 %	94 %	35 %

Note: The pro forma figures include financials for SN Power as if the acquisition by Scatec occurred before January 1st 2020

2020 Proportionate - Power Production P&L details

2020 pro forma proportionate financials

			Power Production			
NOK million	**Philippines**	**Laos**	**Uganda**	**Solar assets**	**Other**	**Total**
Power Production - GWh	576	473	394	1,602	n.a.	3,045
Revenues and other income	**1,053**	**242**	**337**	**1,703**	**21**	**3,356**
Cost of sales	-89	-11	0	-	-	-100
Gross profit	**964**	**231**	**337**	**1,703**	**22**	**3,256**
Personnel	-27	-7	-3	-2	-57	-96
Other operating expenses	-115	-16	-15	-253	-54	-453
EBITDA	**822**	**208**	**319**	**1,449**	**-90**	**2,706**
D&A	-126	-58	-60	-564	-3	-812
EBIT	**696**	**149**	**258**	**885**	**-93**	**1,894**
Cash flow to equity	**400**	**59**	**216**	460	-68	1,067
Cash flow to EQ % of EBITDA	49%	28%	68%	32%	n.a.	39%
Net debt end 2020	**2,151**	**306**	**786**	**7,141**		**10,383**

Note: The pro forma figures include financials for SN Power as if the acquisition by Scatec occurred before January 1st 2020

2019 Proportionate - Power Production P&L details

2019 pro forma proportionate financials

	Power Production					
NOK million	Philippines	Laos	Uganda	Solar assets	Other	Total
Power Production - GWh	671	454	414	926	n.a.	2,465
Revenues and other income	**1,191**	**217**	**315**	**1,162**	**21**	**2,906**
Cost of sales	-258	-14	-	-	-	-272
Gross profit	**933**	**203**	**315**	**1,162**	**21**	**2,634**
Personnel	-28	-7	-2	-	-48	-86
Other operating expenses	-90	-18	-16	-164	-26	-314
EBITDA	**815**	**178**	**297**	**999**	**-60**	**2,229**
D&A	-116	-55	-50	-376	-36	-633
EBIT	**699**	**123**	**247**	**624**	**-97**	**1,596**
Cash flow to Equity	**422**	**58**	**166**	**380**	**-47**	**979**
Cash flow to Equity % of EBITDA	52%	33%	56%	38%	n.a.	44%

Note: The pro forma figures include financials for SN Power as if the acquisition by Scatec occurred before January 1st 2019

Fairly stable EBITDA generation through the year

2020 pro forma Power Production quarterly results

Power Production (NOK million)		Q1	Q2	Q3	Q4	Total
Solar						
	Revenues	391	458	457	402	1,708
	EBITDA	**331**	**374**	**379**	**320**	**1,404**
Hydro						
	Revenues	329	389	419	512	1,648
	EBITDA	**242**	**307**	**340**	**413**	**1,302**
Total						
	Revenues	720	847	876	914	3,356
	EBITDA	**573**	**681**	**719**	**733**	**2,706**
	% of yearly total	21%	25%	27%	27%	100%

Note: Solar & Hydro will be reported jointly in the Power Production segment going forward

2020 Cash flow to Equity details

2020 pro forma proportionate financials

NOK million	Power Production	Development & Construction	Services	Corporate	Total
Revenues	3,356	873	243	40	4,513
EBITDA	**2,706**	**-112**	**88**	**-203**	**2,478**
Debt repayments	-731	0	0	0	-731
Interest expenses	-783	1	1	-56	-837
Tax	-126	33	-19	69	-43
Cash flow to equity	**1,067**	**-78**	**69**	**-190**	**867**

- Power production – includes debt service of project finance debt
- Corporate – includes debt service of group level debt

- **Quarterly reports** will include P&L, balance sheet items and Cash flow to Equity for assets/countries:
  - The Philippines, South Africa, Laos, Uganda, Egypt, Malaysia, Brazil, Czech Republic, Jordan, other

Note: The pro forma figures include financials for SN Power as if the acquisition by Scatec occurred before January 1st 2020

Our capital structure - details

Pro forma capital structure – Per 31.12.2020 – with SN Power closing adjustment

Scatec

NOK million	Consolidated	Proportionate Project Level	Group level*	Total Proportionate
Cash	7,788	1,065	5,949	7,014
Interest bearing liabilities	-13,011	-8,205	-748	-8,953
Net debt	-5,223	-7,141	5,201	-1,939

SN Power

NOK million	Consolidated	Proportionate Project Level	Group level*	Total Proportionate
Cash	491	614	491	1,105
Interest bearing liabilities	-	-3,856	-	-3,856
Net debt	491	-3,242	491	-2,751

SN Power Acquisition closing

NOK million	Consolidated	Proportionate Project Level	Group level*	Total Proportionate
Acquisition financing debt	-6,415	-	-6,415	-6,415
Cash settlement	-3,558	-	-3,558	-3,558

Combined

NOK million	Consolidated	Proportionate Project Level	Group level*	Total Proportionate
Cash	4,721	1,679	2,882	4,561
Interest bearing liabilities	-19,426	-12,061	-7,163	-19,224
Net debt	-14,704	-10,382	-4,281	-14,663

* Defined as 'recourse group' in the corporate bond and loan agreements;

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