



Second quarter 2022

# Stable operations and ramping up for construction

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





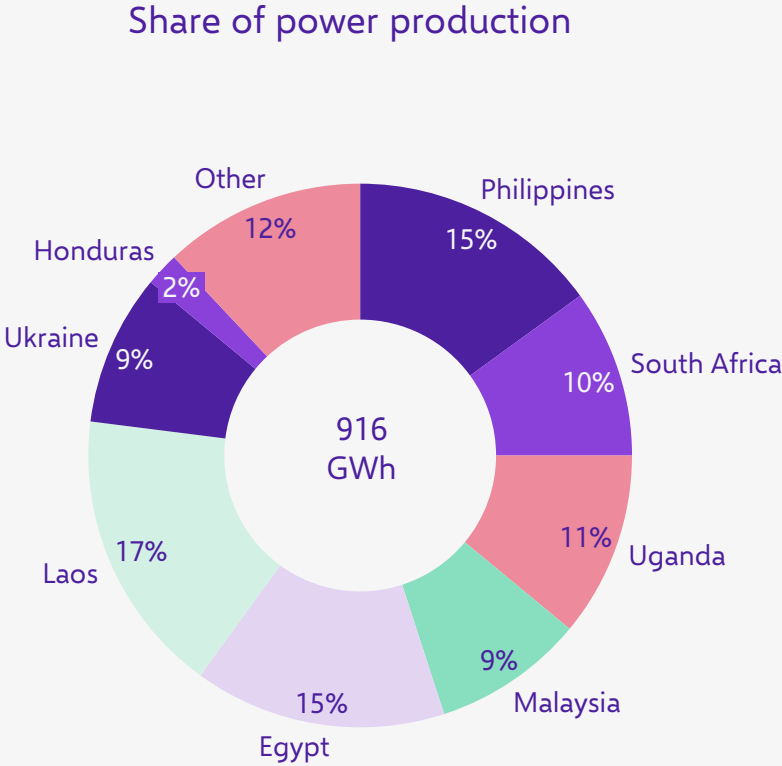
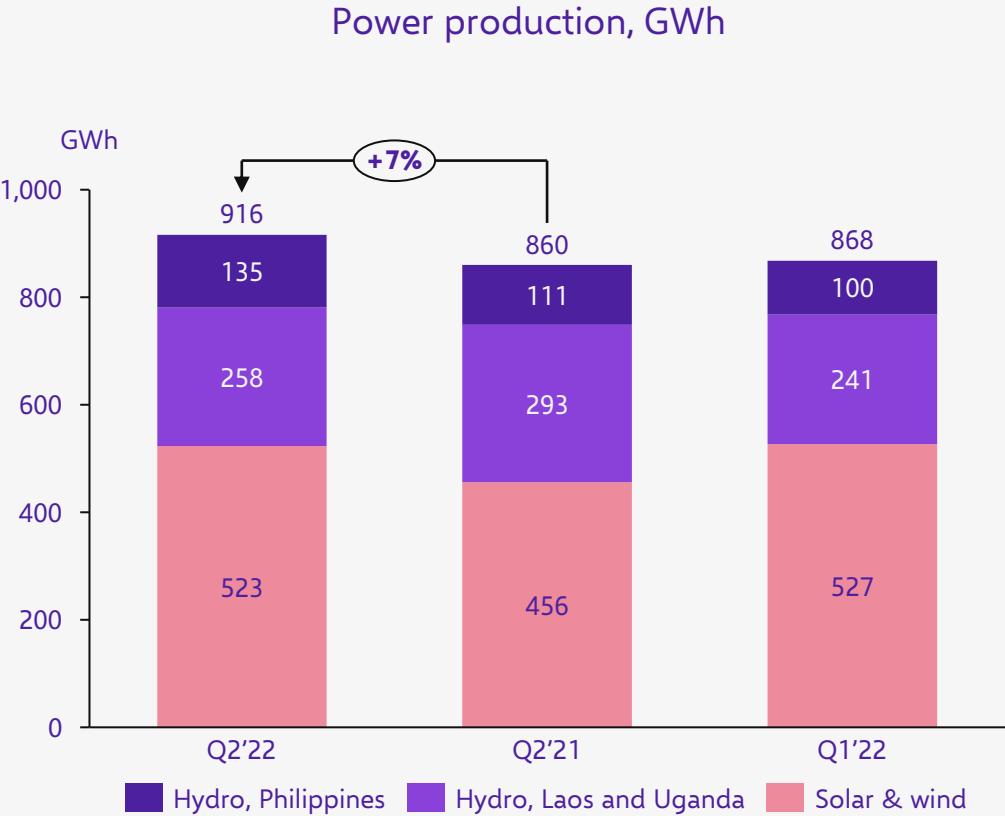
## Stable operations and ramping up for construction

- Proportionate revenues of NOK 1,130 million (1,007) and EBITDA<sup>1)</sup> of NOK 517 million (601)
- Solid performance with production increase of 7%
- Construction of new power plants started in South Africa, Brazil and Pakistan
- Power-to-X progressing well
  - Term sheet with Yara for offtake in Oman
  - 100 MW green hydrogen in Egypt moved into backlog





# Solid operating performance from a diversified portfolio of plants

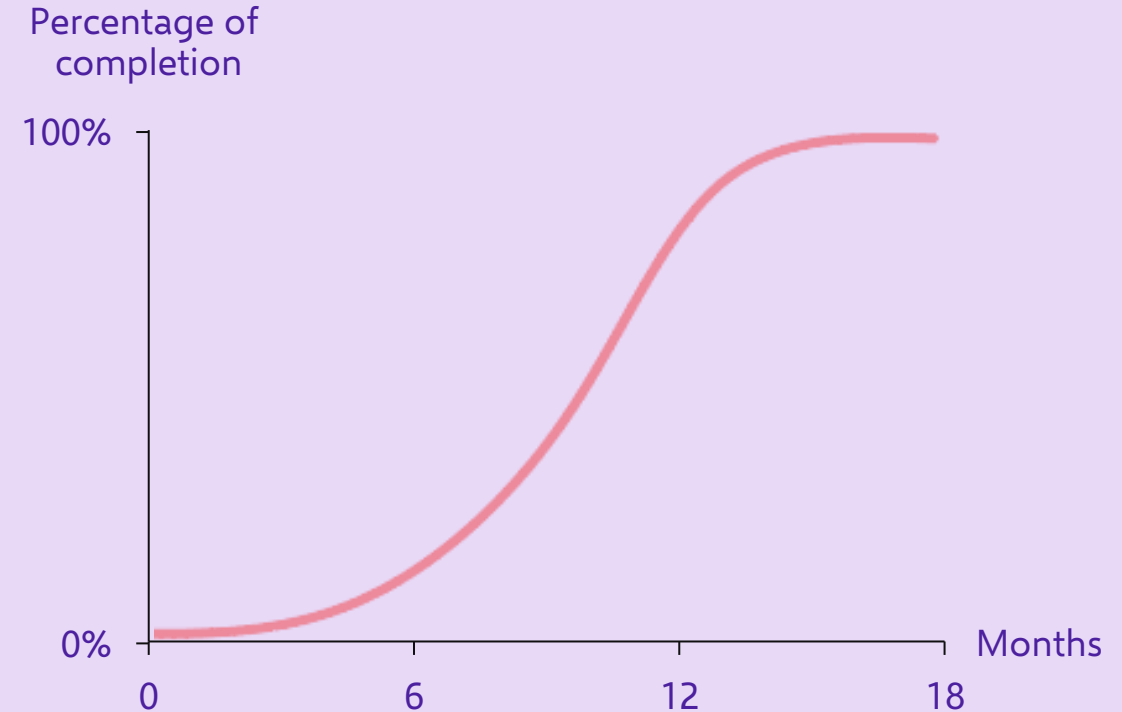




## Ramping up construction based on proven operating systems

- Track record of +1 GW construction in parallel
- D&C contract value of NOK 8.9 billion
- Placing large orders to lock in cost for EPC
- Close monitoring of performance, HSSE and suppliers
- Rated top 1% by Ecovadis on sustainability

### Indicative construction s-curve

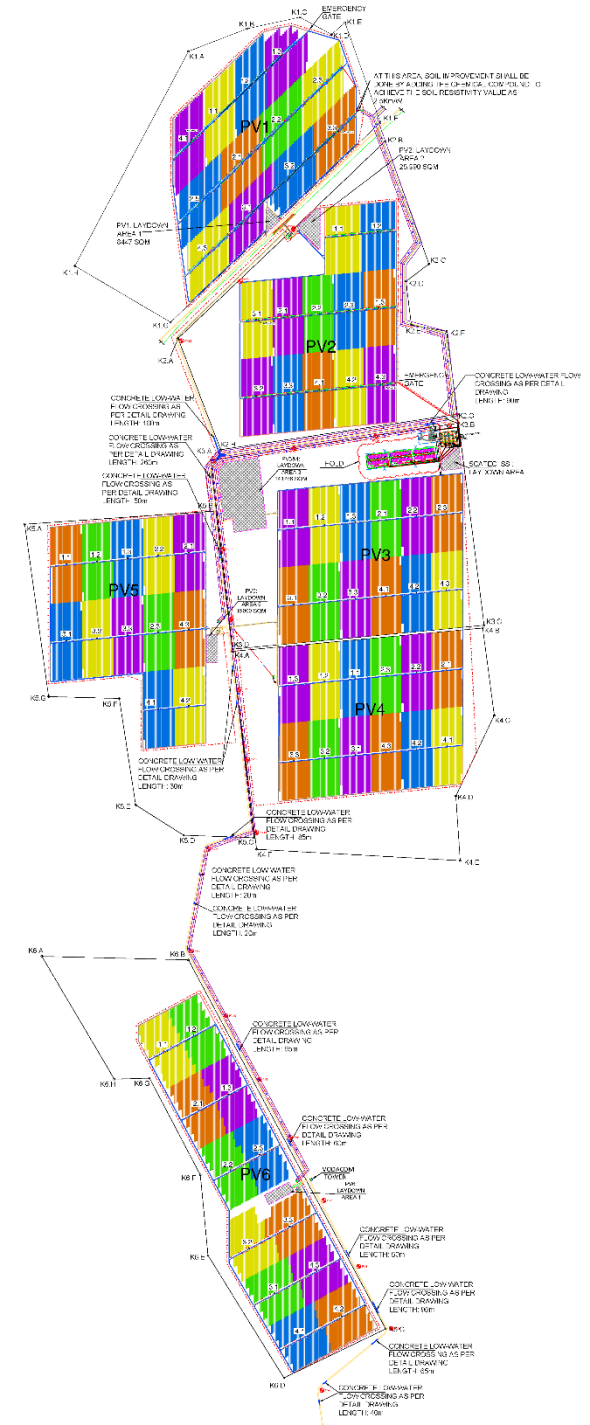






## South Africa: RMIPPPP starting construction

- 540MW solar and 225/1,140MWh battery power plant
- 20-year PPA with Eskom providing 150 MW of dispatchable capacity
- Scatec ownership of 51% alongside H1 Holding with remaining 49%
- Capex of ZAR 16.4 billion (USD 962 million)
- 76% non-recourse debt from lender group incl. Standard Bank and BII
- Scatec sole provider of EPC, O&M and AM services
- Placing orders, hedged financial exposure and ramping up construction





## Brazil: Mendubim starting construction

- 531 MW solar plant in partnership with Equinor and Hydro Rein
- 20-year PPA with Alunorte for 60% of the volumes
- Equal ownership and EPC-scope among the three partners
- Total capex of USD 430 million
- 56% non-recourse debt from IDB, Santander & BNPP
- Placing orders and starting construction activities on site





# Ramping up construction in Pakistan, Release progressing well in Cameroon

## Pakistan – 150 MW Sukkur solar project

- Ramping up construction after resolving demarcation process
- 25-year PPA with Pakistan authorities
- Ownership of 75% with Scatec as sole provider of EPC, O&M and AM services

## Cameroon – 36 MW / 20 MWh Release solar & battery project

- 18 MW of 36 MW installed and operational
- Pre-assembled, modular and re-deployable power system
- Providing clean, stable power under lease contract with Eneo



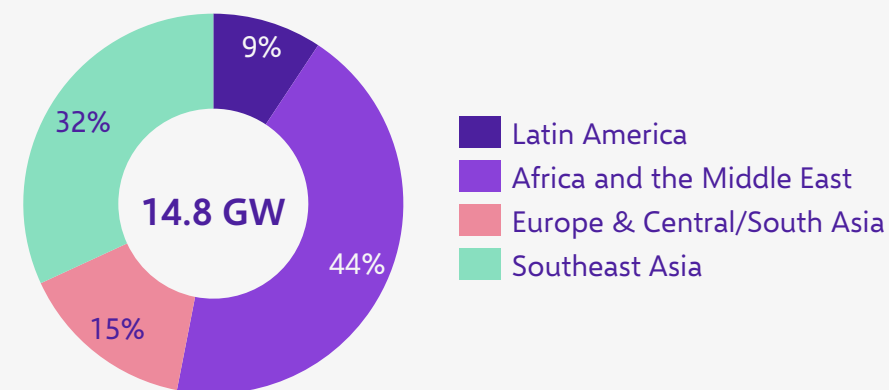
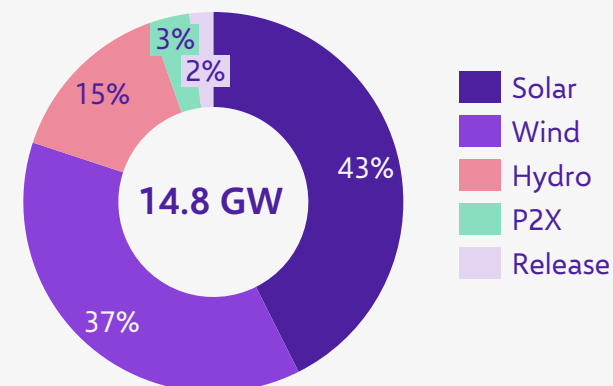




## A project portfolio of 20.3 GW – a solid platform for further growth

		(Since Q2'21)
In operations	<b>3,355 MW</b>	(-)
Under construction	<b>1,266 MW</b>	(+1,107 MW)
Project backlog*	<b>933 MW</b>	(-1,148 MW)
Project pipeline*	<b>14,786 MW</b>	(+2,498 MW)
<hr/>		
<b>Total</b>	<b>20,340 MW</b>	(+2,457 MW)

Project pipeline:





## Power-to-X progressing in Egypt and Oman

### Egypt: 100 MW green hydrogen moved to backlog

- Partnership with Fertiglobe, Orascom and Sovereign Fund of Egypt
- 12,000 MT p.a. from 100 MW electrolyser / 260 MW solar & wind
- Term-sheet signed for 20-year offtake agreement with Fertiglobe

### Oman: Term-sheet with Yara for offtake of green ammonia

- Partnership with Acme for green ammonia production in Oman
- 100,000 MT p.a. from 300 MW electrolyser / 500 MW of solar





## Key priorities next three months

- Ramp up of construction of new power plants in South Africa, Brazil and Pakistan
- Optimise economics of project backlog
- Continue to mature project pipeline
- Capital Markets Update to be held on 29 September 2022



# Financial review

Mikkel Tørud, CFO





# Proportionate financials

NOK million

Revenues	Q2'22	Q1'22	Q2'21	2021
Power Production	1,015	933	875	3,890
Services	79	66	68	260
Development & Construction	25	5	51	137
Corporate	12	10	13	42
<b>Total</b>	<b>1,130</b>	<b>1,014</b>	<b>1,007</b>	<b>4,329</b>
<b>EBITDA</b>				
Power Production	617	490	660	2,949
Services	20	16	24	75
Development & Construction	-81	-75	-54	-223
Corporate	-39	-34	-28	-114
<b>Total</b>	<b>517</b>	<b>398</b>	<b>601</b>	<b>2,686</b>
<b>EBIT</b>				
Power Production	340	-554	432	1,977
Services	18	15	23	70
Development & Construction	-81	-193	-56	-301
Corporate	-47	-40	-35	-140
<b>Total</b>	<b>230</b>	<b>-772</b>	<b>364</b>	<b>1,606</b>

## Q2'22 vs Q2'21

### Power Production

- Revenue of NOK 1,015 million (875)
  - Increase mainly driven by Philippines and currency effects
  - Partly offset by Ukraine
- Gross profit of NOK 810 million (808) and EBITDA of NOK 617 million (660):
  - Increased purchase of power in the Philippines to fulfil sales contracts
  - Opex increased – currency effects, Ukraine, Argentina and non-recurring cost

### Develop. & Construction and Corporate

- Strong focus on pipeline growth
- Ramp-up of construction activities



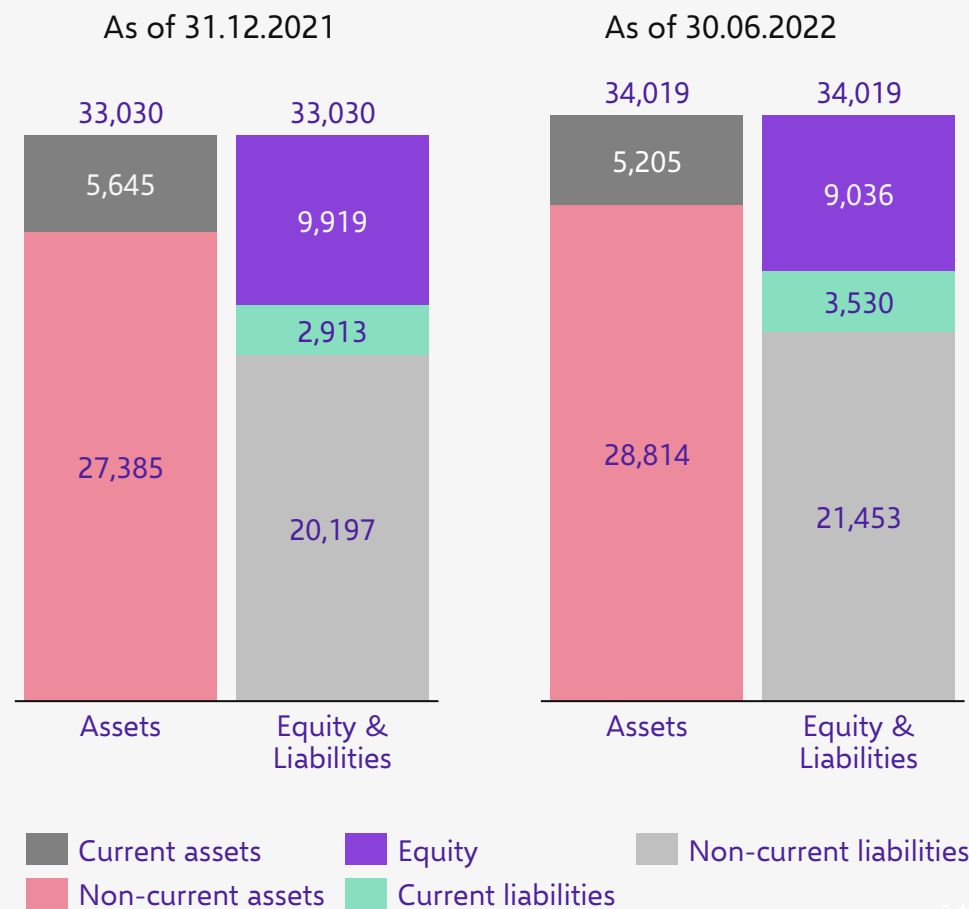
## A solid financial position

- Group free cash of NOK 1,981 million
- Available undrawn credit facilities NOK 1,830 million
- Group\* book equity of NOK 10,949 million
- Agreed revised payment plan for the construction loan in Ukraine from Power China

(NOK million)	Consolidated	Project level	Group level*	Total prop.
<b>Cash</b>	3,784	1,809	1,981	3,790
<b>Debt</b>	-21,019	-13,039	-7,932	-20,972
<b>Net debt</b>	-17,234	-11,230	-5,952	-17,182

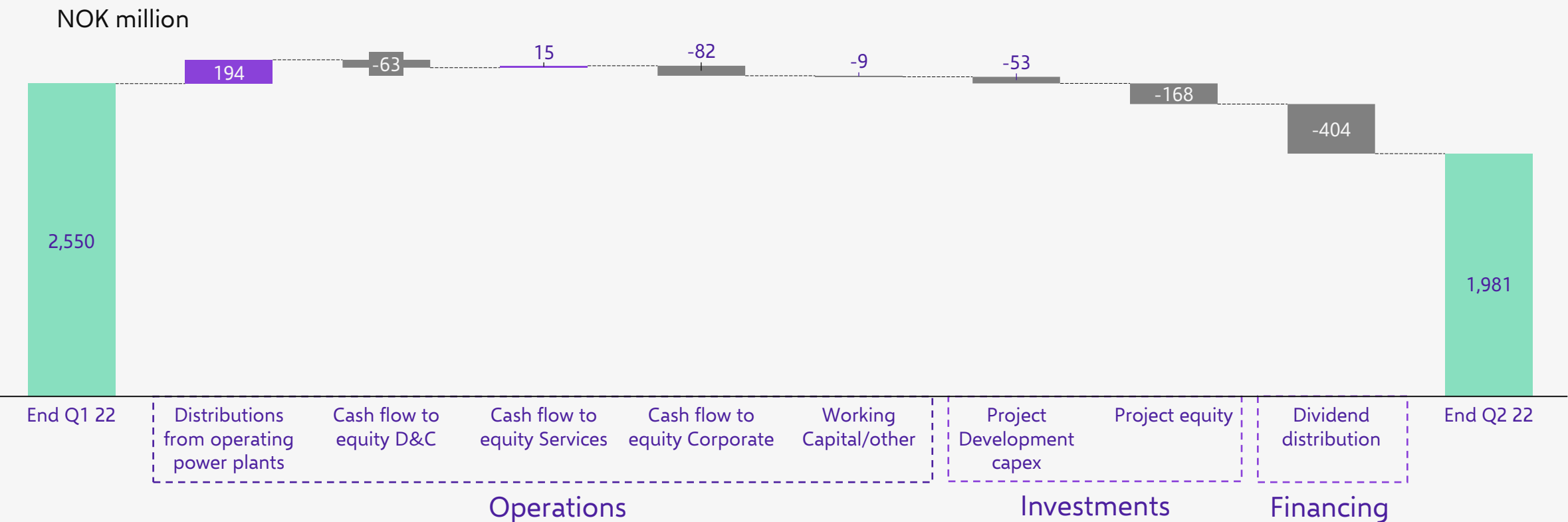
(\*) Defined as 'recourse group' in the corporate bond and loan agreements, where restricted cash is excluded.

## Consolidated financial position (NOK million)





# Q2'22 movement of the Group's free cash



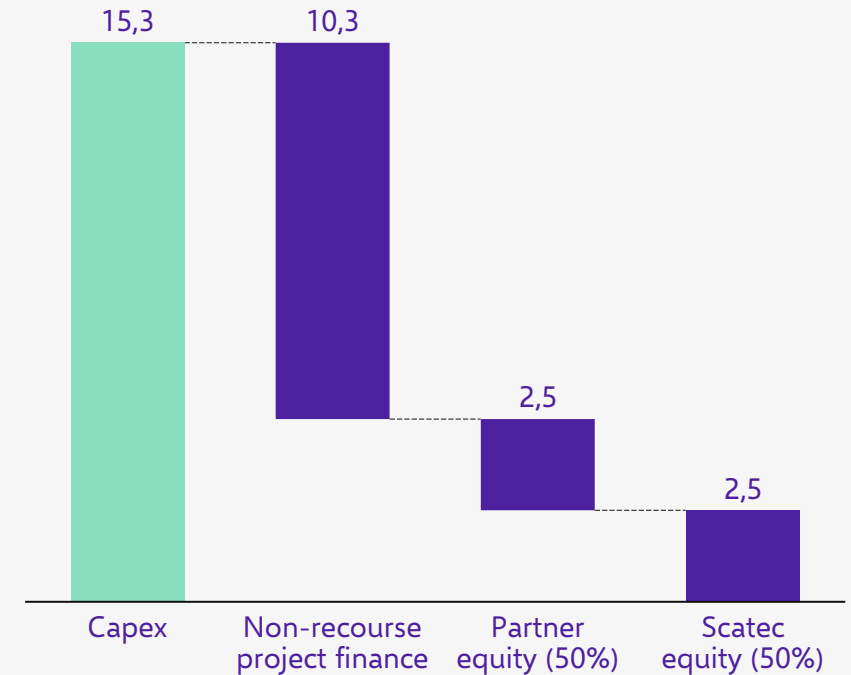
- Total liquidity available of **NOK 3.8 billion** (including undrawn credit facilities)



# Scatec is starting construction projects with NOK 15.3 billion of capex

- NOK 15.3 billion capex for 1.2 GW under construction;
- Funded by NOK 10.3 billion of non-recourse project finance representing leverage of 67%
- Scatec holding on average 50% of the equity;
  - Total Scatec equity of **NOK 2.5 billion** (NOK 2.0 billion remaining)
  - To be injected over an 18 month construction period
- Total Development & Construction contract value of **NOK 8.9 billion** with an expected gross margin of **10-12%** - in line with guidance

**1.2 GW under construction**  
Project capital structure – NOK billion



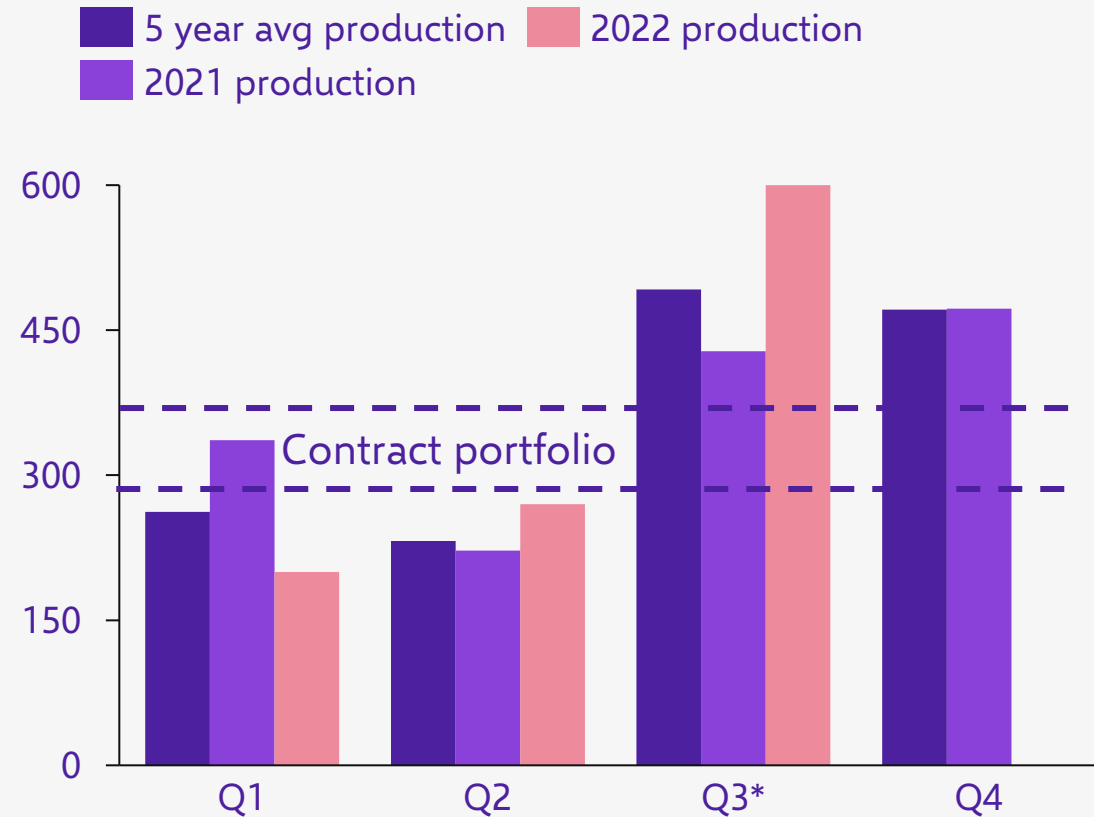




## Power Production – Philippines Short-term impact by seasonality - long-term asset values increasing

- Q2'22 production 20% above 5-year average as expected
- Production in 2H'22 expected to exceed contractual volumes, benefitting from continued high spot prices
- Q3'22 production expected 25% above the five-year average and 45% above the same period last year
  - 560 - 640 GWh (100% basis) / 280-320 GWh (proportionate basis)
  - Favourable hydrology and shift in product mix
- Long-term asset values increasing – capturing higher energy prices over time with a premium for flexibility

### Quarterly power production – GWh (100%)





# Guidance

Power Production <sup>1)</sup>	Q2'22	Q3'22	FY2022
Production - GWh	916	1,060-1,160	3,900 – 4,100
EBITDA - NOK million			2,500 – 2,700

- 25% above average production in the Philippines in Q3'22
- FY2022 EBITDA increased by NOK 150 million reflecting currency exchange rate development

## Development & Construction

- Total contract value (revenues) of **NOK 8.9 billion** with an expected gross margin of **10-12%**
- D&C revenues based on “percentage of completion” – progress following and “S-Curve” during 18-months construction period

## Services & Corporate

Services 2022 EBITDA is expected **in line** with 2021.

Corporate 2022 EBITDA is expected slightly **below** 2021







## Power Production financials – proportionate

	Q2'22	Q1'22	Q2'21	2021
<b>Power production (GWh)</b>				
Solar & Wind	523	527	456	2,002
Hydro the Philippines	135	100	111	729
Hydro Laos and Uganda	259	241	293	1,092
<b>Total</b>	<b>916</b>	<b>868</b>	<b>860</b>	<b>3,823</b>
<b>Revenues (NOK million)</b>				
Solar & Wind	476	479	464	1,971
Hydro the Philippines	376	316	254	1,310
Hydro Laos and Uganda	163	138	156	608
<b>Total</b>	<b>1,015</b>	<b>933</b>	<b>875</b>	<b>3,889</b>
<b>EBITDA (NOK million)</b>				
Solar & Wind	336	293	367	1,521
Hydro the Philippines	133	73	149	874
Hydro Laos and Uganda	148	124	143	554
<b>Total</b>	<b>617</b>	<b>490</b>	<b>660</b>	<b>2,949</b>





# Our asset portfolio

## Plants in operation

	Capacity MW	Economic interest
Theun Hinboun, Laos	525	20%
Magat, Philippines	388	50%
Benban, Egypt	380	51%
Uppington, South Africa	258	46%
Bujagali, Uganda	255	28%
Quantum Solar Park, Malaysia	197	100%
Apodi, Brazil	162	44%
Progressovka, Ukraine	148	100%
Binga, Philippines	140	50%
Guanizuil IIA, Argentina	117	50%
Ambuklao, Philippines	105	50%
Kalkbult, South Africa	75	45%
Dreunberg, South Africa	75	45%
Agua Fria, Honduras	60	40%
Chigirin, Ukraine	55	100%
Boguslav, Ukraine	54	100%
Rengy, Ukraine	47	51%
Redsol, Malaysia	47	100%
Jordan, Jordan	43	62%
Linde, South Africa	40	45%
Mocuba, Mozambique	40	53%
Dam Nai, Vietnam	39	100%
Los Prados, Honduras	35	70%
Kamianka, Ukraine	32	61%
Czech, Czech Republic	20	100%
Maris Hydro, Philippines	9	50%
Asyv, Rwanda	9	54%
<b>Total</b>	<b>3,355</b>	<b>52%</b>

## Under construction

	Capacity MW	Economic interest
Kenhardt, South Africa	540	51%
Mendubim, Brazil	531	33%
Sukkur, Pakistan	150	75%
Release	45	100%
<b>Total</b>	<b>1,266</b>	<b>50%</b>

## Project backlog

	Capacity MW	Economic interest
Tunisia	360	51%
South Africa	273	55%
Egypt	260	52%
Lesotho	20	48%
Philippines	20	50%
<b>Total</b>	<b>933</b>	<b>53%</b>

## Project pipeline

	Capacity MW	Share in %
Solar	6,298	43%
Wind	5,540	37%
Hydro	2,148	15%
P2X	500	3%
Release	300	2%
<b>Total</b>	<b>14,786</b>	<b>100%</b>