



Fourth quarter 2022

Optimising portfolio and preparing for further growth

CEO, Terje Pilskog & CFO, Mikkel Tørud





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





Capturing growth opportunities in the green transition





2022: Strong operational performance and accelerating growth

- Strong operational performance throughout the year
- Construction start of 1.2 GW in South Africa, Brazil and Pakistan
- Announced sharpened strategy and new growth targets
- Executive team expanded to strengthen our regional set-up
- Impacted by the war in Ukraine

NOK 2.6 billion
total prop. EBITDA
(-5% YoY)

NOK 2.5 billion
equity investment
(25% of 2027 target)

4.6 GW
in operation and
under construction
(+38% YoY)



2022: Strong ESG performance

- Top ESG ratings received
- Environmental and social assessments finalised for all new projects
- 80+ community initiatives across our markets
- Solar, wind and hydropower activities fully aligned with EU Taxonomy
- Included traceability mapping in Supplier Qualification procedure

4.7
Million tonnes
GHG emissions avoided
(100%)

0.7
LTIF
(12 months rolling)



Rating: A



Rating: A



Rating: Platinum



Rating: Low risk



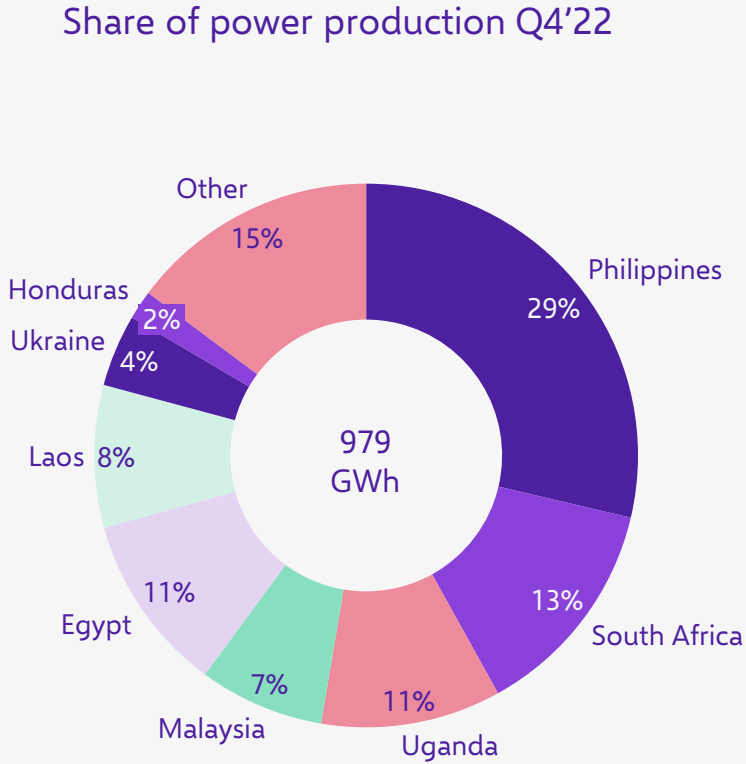
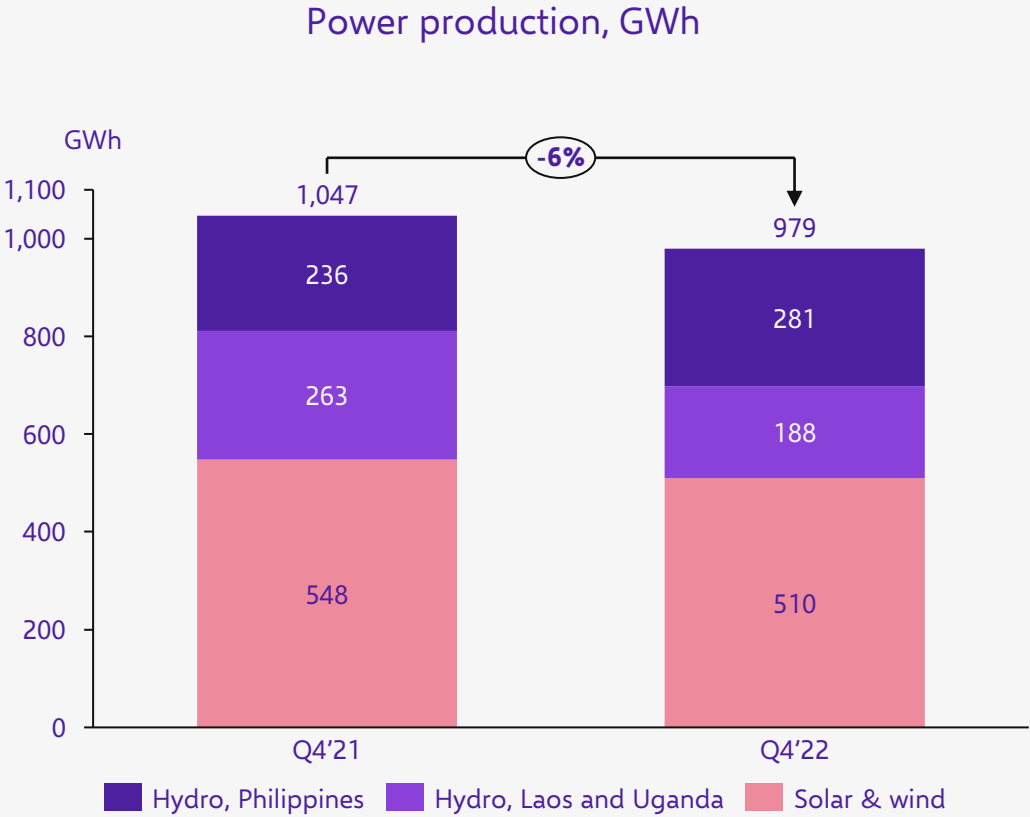
Optimising portfolio and preparing for further growth

- Q4'22 proportionate power production EBITDA increased 7.6% to NOK 821 million (763)
- Continued high construction activity
- Signed PPAs for round 5 in South Africa, 273 MW
- Proposes dividends of NOK 1.94 per share for 2022 and adjusted dividend policy for 2023 and onwards
- Refinanced USD 100 million of Bridge-to-Bond
- Selling 258 MW Upington in South Africa for gross proceeds of NOK 569 million





Power production impacted by weather variations

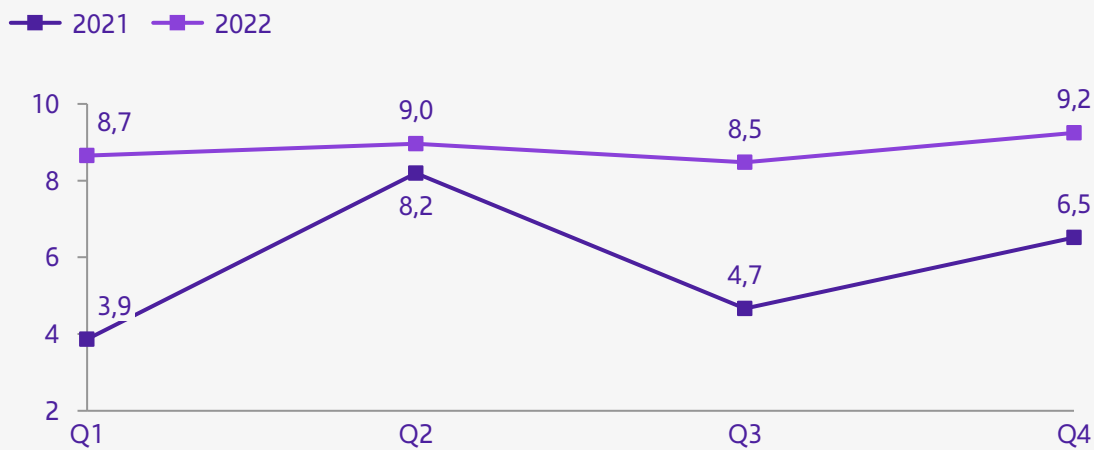




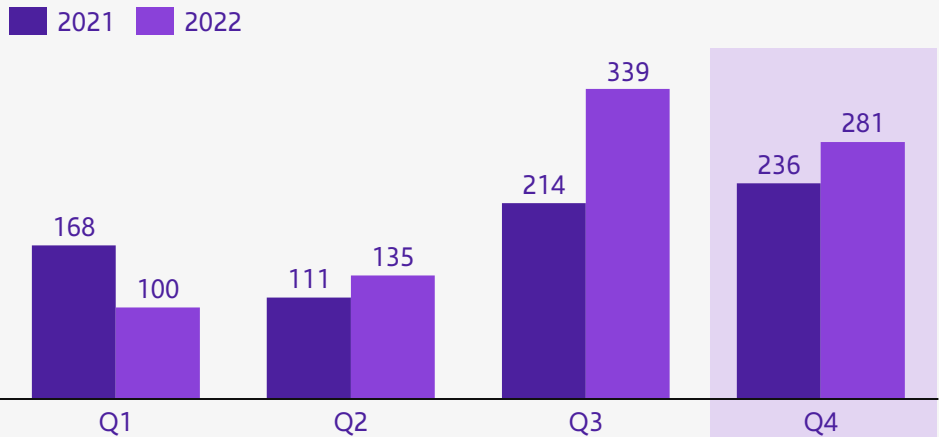
Another strong quarter in the Philippines

- Power production rising 19% on strong hydrology
- EBITDA up 21% driven by increased production and continued high power prices
- FY 2022 EBITDA of NOK 888 million slightly above last year (874)

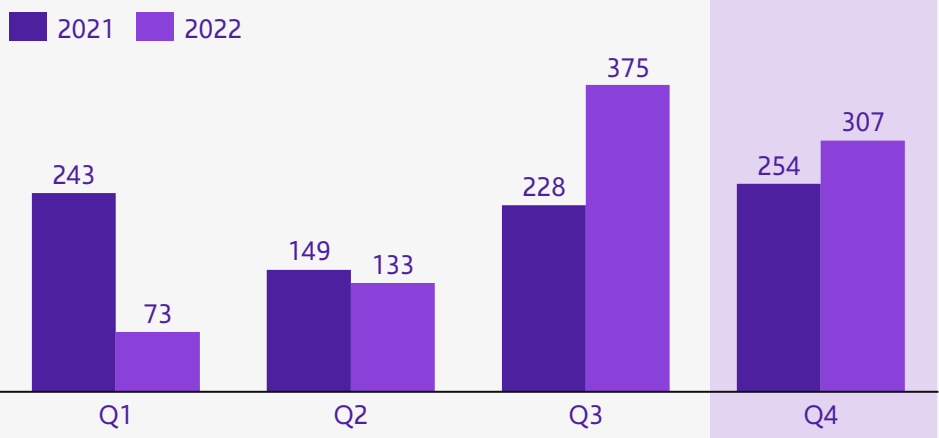
Average realised spot prices (PHPk/MWh)



Power production, GWh

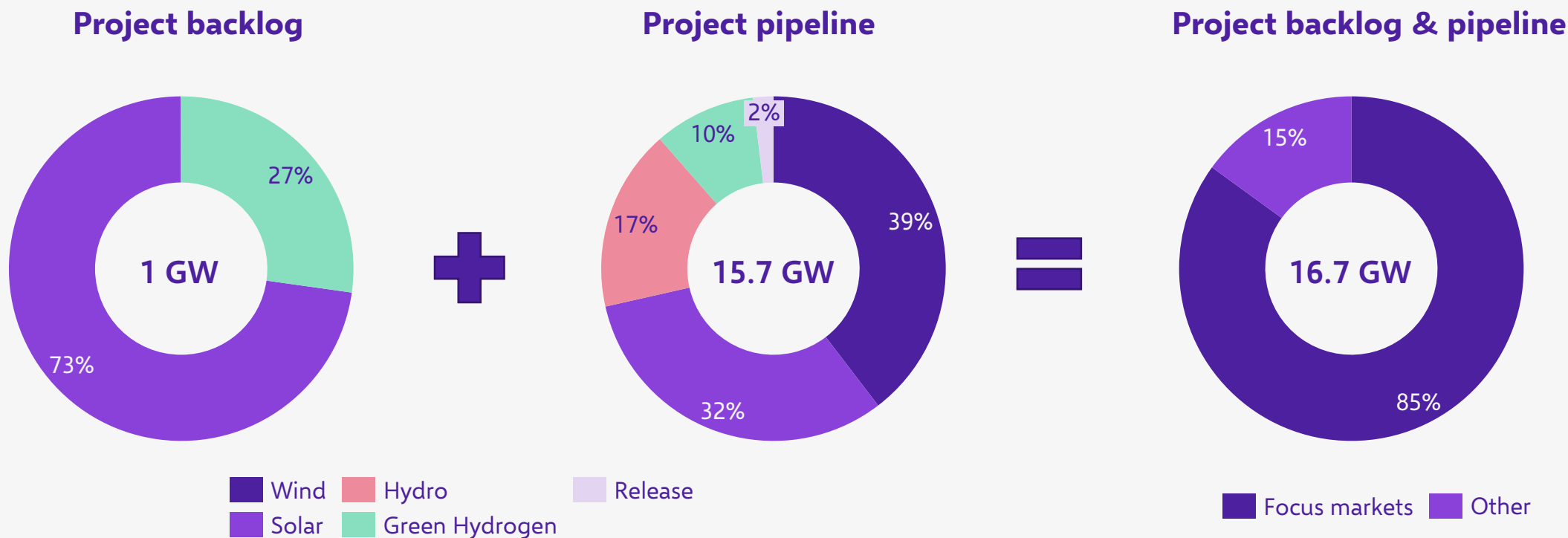


EBITDA, NOK million





Project pipeline and backlog of 16.7 GW across renewable technologies - more than 85% held in our focus markets



Focus on larger projects – average project in pipeline of ~300 MW



High construction activity in South Africa, Brazil and Pakistan



- Modules substructure foundation and grid connection activities
- +500 people on site



- Drainage, foundations, levelling and road works
- +500 people on site



- Groundworks, piling and tracker installation ramped up
- +700 people on site

- **Q4 D&C revenues of NOK 627 million with gross margin of 10%**
- **Remaining not recognised D&C revenues of NOK 7.8 billion***



Sale of Upington for a consideration of NOK 569 million

- releasing capital from value accretive transaction to finance further growth

Transaction summary

- Sale of 42% equity stake in 258 MW power plant
- Total consideration of ZAR 979 million (NOK 569 million)
- Part of sharpened strategy to optimise portfolio
- Proceeds to be reinvested into new renewable projects across our markets
- Estimated accounting gain of about NOK 760 million and NOK 310 million on consolidated and proportionate basis respectively



Continuing to build scale in South Africa through investments into new projects



Our strategy:
Develop, build, own and operate renewable energy in emerging markets

**Grow
Renewables**

**Advance
Green Hydrogen**

**Optimise
Portfolio**



Financial review

Mikkel Tørud, CFO

Scatec



Proportionate financials – all segments

NOK million

Revenues	Q4'22	Q4'21	FY'22	FY'21
Power Production	1,262	1,073	4,521	3,890
Services	85	66	312	260
Development & Construction	627	18	1,069	137
Corporate	20	11	56	42
Total	1,995	1,169	5,957	4,329
EBITDA				
Power Production	821	763	2,835	2,949
Services	16	11	74	75
Development & Construction	-20	-57	-221	-223
Corporate	-30	-35	-138	-114
Total	786	683	2,550	2,686
EBIT				
Power Production	515	511	917	1,977
Services	14	10	68	70
Development & Construction	-22	-79	-358	-301
Corporate	-40	-42	-167	-140
Total	469	399	460	1,606

Q4'22 vs Q4'21

- **Revenues** increased based on higher power sales in the Philippines and D&C revenues from construction activity in South Africa, Brazil and Pakistan
- **EBITDA** increased based on improved Power Production and D&C performance
- **EBIT** increased with lower impairment of development projects in D&C



Consolidated statement of profit and loss

NOK million

	Q4'22	Q4'21	FY'22	FY'21
Revenues	773	762	3,002	3,038
Net income/(loss) from JVs and associated companies	220	276	749	765
Operating expenses	-304	-263	-1,196	-900
EBITDA	689	775	2,555	2,903
Depreciation & Amortisation	-231	-236	-1,832	-891
Operating profit (EBIT)	458	539	723	2,012
Net financial expenses	-875	-301	-1,818	-1,253
Profit before income tax	-417	238	-1,095	759
Profit/(loss) for the period	-433	136	-1,228	456
Profit/(loss) to Scatec	-359	146	-1,334	388
Profit/(loss) to non-controlling interests	-74	-11	106	68

Q4'22 vs Q4'21

- **Revenues** broadly in line with the same quarter last year
- **Net income from JVs** reduced due to lower water volumes in Laos and foreign currency effects
- **EBITDA** reduced due to lower net income from JVs and increased operating expenses
- **Net financials** – interest expenses of NOK 414 million -currency movements led to non-cash currency losses of NOK 461 million



A solid financial position

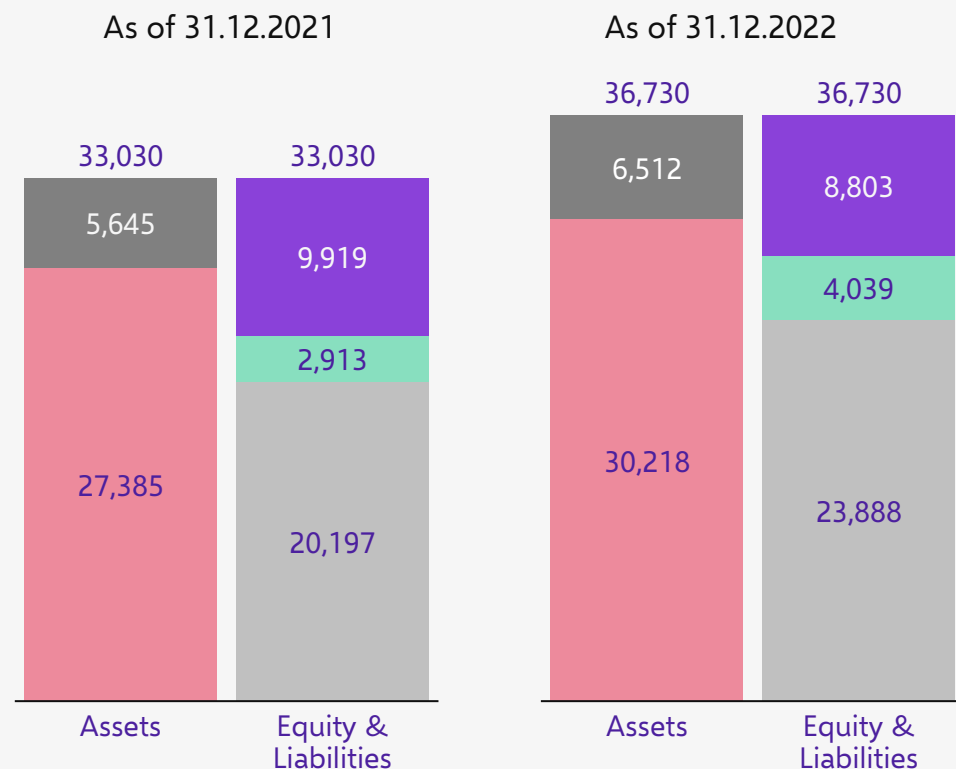
- Available undrawn credit facilities NOK 1.8 billion
- Group* book equity of NOK 10.6 billion
- Solid long term cash flow supporting group level debt
- USD 100 million of the USD 193 million Bridge-to-Bond refinanced with a new term bank loan maturing in Q4 2027**

(NOK billion)	Consolidated	Project level	Group level*	Total
Cash	4.1	2.2	1.7	3.9
Debt	-23.7	-14.3	-8.0	-22.3
Net debt	-19.6	-12.1	-6.2	-18.4

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

(**) Refinanced on February 2, 2023

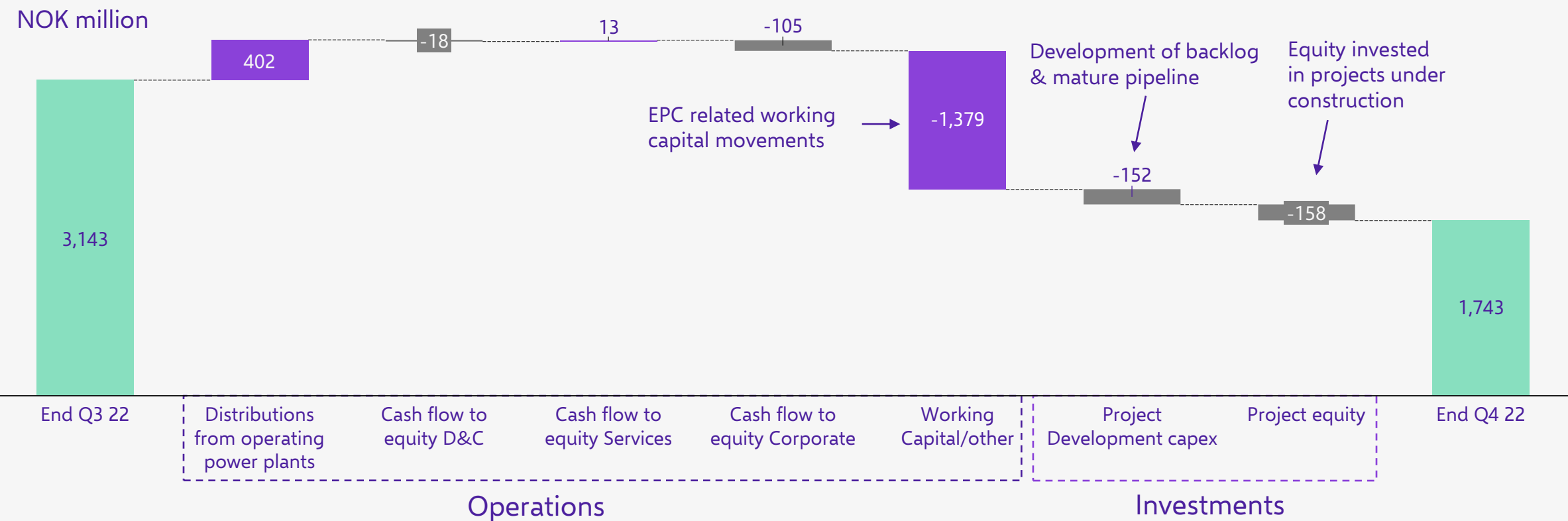
Consolidated financial position (NOK million)



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



Q4'22 movement of Group's free cash



- Total liquidity available of **NOK 3.6 billion** (including undrawn credit facilities)



2022 dividend proposal

Proposed dividend for 2022

- 2022 dividend based on current policy to pay minimum 25% of free cash distributed from producing power plants
- Scatec received distributions from operating plant companies of NOK 1,231 million in 2022
- The Board of Directors proposes a dividend of NOK **1.94** per share totaling NOK **308** million to be paid in May 2023

Update of dividend policy

- Board of Directors has decided to decrease the payment ratio to 15% of free cash distributed from producing power plants
- The dividend will be assessed annually by the board based on Scatec's capital situation
- New dividend policy to support Scatec's growth ambitions while retaining the objective to pay shareholder dividends





Outlook

Power Production ¹⁾	Q4'22	Q1'23E	FY2023E
Production - GWh	979	800-900	3,500 – 3,900
EBITDA - NOK million	821		2,700 – 3,000

- FY 2023 EBITDA estimates includes NOK 90 million from Ukraine and is adjusted for maintenance in Laos in Q1'23 and sale of the Upington asset
- Q1'23 EBITDA in the Philippines of NOK 60-100 million based on estimated production of 90-130 GWh and prices broadly in line with previous quarter

Development & Construction

- Total remaining contract value for plants under construction (revenues) of **NOK 7.8 billion** with an estimated gross margin of **10-12%**
- D&C revenues based on “percentage of completion” – progress following an “S-Curve” during 18-months construction period

Services & Corporate

- Estimated Services 2023 EBITDA of NOK 80 to 90 million
- Estimated Corporate 2023 EBITDA of NOK -140 to -150 million







Overview of change in net debt during the quarter

Project and Group level net interest bearing debt

NOK billion	Q3'22	Repayments	New debt	Change in cash	Currency effects	Q4'22
Project level	-12.7	0.2	-0.3	0.0	0.6	-12.1
Group level*	-5.3	-	-	-1.3	0.4	-6.2
Total	-18.0	0.2	-0.3	-1.3	1.0	-18.4

- **Repayments:** Ordinary project debt repayments
- **New debt:** NOK 300 million for RMIPPP
- **Change in cash:** Primarily net EPC payments for construction
- **Currency effects:** Strengthening of NOK against main functional currencies



Proportionate financials – Power Production

NOK million	Q4'22	Q4'21	FY'22	FY'21
Power production (GWh)	979	1,047	3,898	3,823
Revenues	1,262	1,073	4,521	3,890
Cost of sales	-230	-104	-852	-270
Gross Profit	1,032	968	3,669	3,620
EBITDA	821	763	2,835	2,949
EBIT	515	511	917	1,977
Cash flow to Equity	357	330	1,487	1,640
Cash flow to Equity % of EBITDA	43%	43%	52%	56%

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

Q4'22 vs Q4'21

- **Revenues** increase based on higher sales & prices in the Philippines and foreign currency effects, higher revenue from Ukraine and contribution from new Release assets
- **Gross Profit** – optimisation of production vs contract sales impacting both revenues and cost of sales with net positive gross margin
- **EBITDA** increased in line with higher gross profit - stable EBITDA in % of gross profit
- **43% of EBITDA** converted to Cash flow to Equity in line with last year



Power Production financials – proportionate

	Q4'22	Q3'22	Q4'21	2022	2021
Power production (GWh)					
Solar & Wind	510	542	513	2,101	2,001
Hydro the Philippines	281	339	235	855	729
Hydro Laos and Uganda	188	254	299	942	1,092
Total	979	1,135	1,047	3,898	3,823
Revenues (NOK million)					
Solar & Wind	535	530	509	2,020	1,971
Hydro the Philippines	591	615	416	1,899	1,310
Hydro Laos and Uganda	136	166	148	602	610
Total	1,262	1,311	1,073	4,521	3,890
EBITDA (NOK million)					
Solar & Wind	397	383	376	1,409	1,521
Hydro the Philippines	307	375	254	888	874
Hydro Laos and Uganda	117	149	132	539	554
Total	821	907	763	2,835	2,949



Our asset portfolio

Plants in operation

	Capacity MW	Economic interest
Theun Hinboun, Laos	525	20%
Magat, Philippines	388	50%
Benban, Egypt	380	51%
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%
Release	20	100%
Asyv, Rwanda	9	54%
Total	3,375	52%

Under construction

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

Project backlog

	Capacity MW	Economic interest
Tunisia	360	51%
South Africa	273	51%
Egypt	260	52%
Botswana	60	100%
Total	953	54%

Project pipeline

	Capacity MW	Share in %
Solar	5,005	32%
Wind	6,223	39%
Hydro	2,684	17%
Green Hydrogen	1,500	10%
Release	300	2%
Total	15,712	100%