Scatec

Third quarter 2023

Focus and discipline

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Alternative performance measures (APM) used in this presentation are described and presented in the third quarter 2023 report for the group.

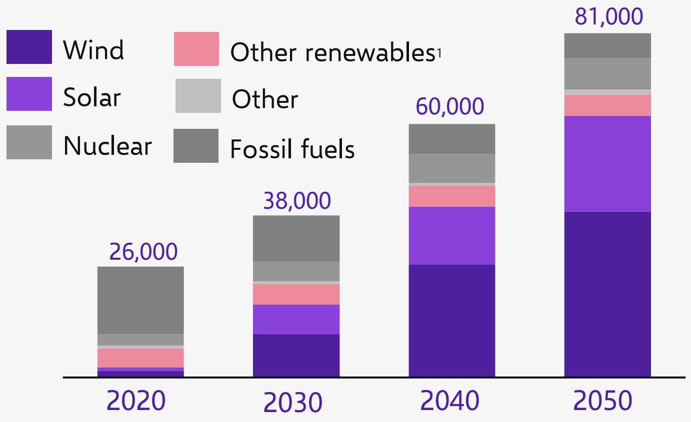
Key highlights

- Solid revenue growth to **NOK 2.5 billion** (1.6) and EBITDA of **NOK 893 million** (850) proportionate
- **Strong Development & Construction** results - 13% gross margin
- **Aligning growth rate** with internal funding capacity
- Changing dividend policy to **no dividend**

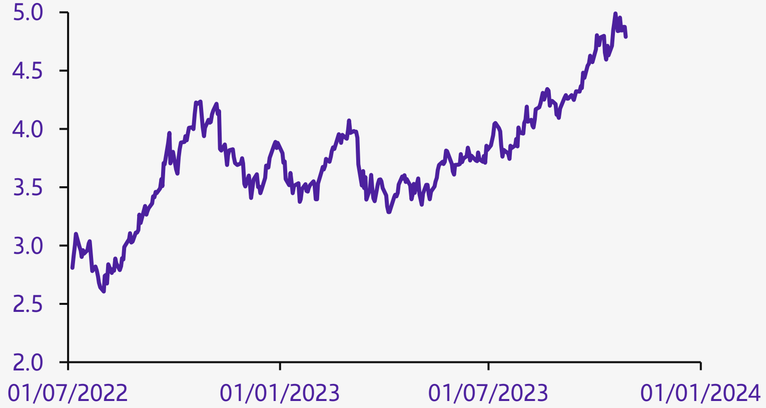
Fundamentals of renewables remain strong

Attractive opportunities within solar as component prices are coming down

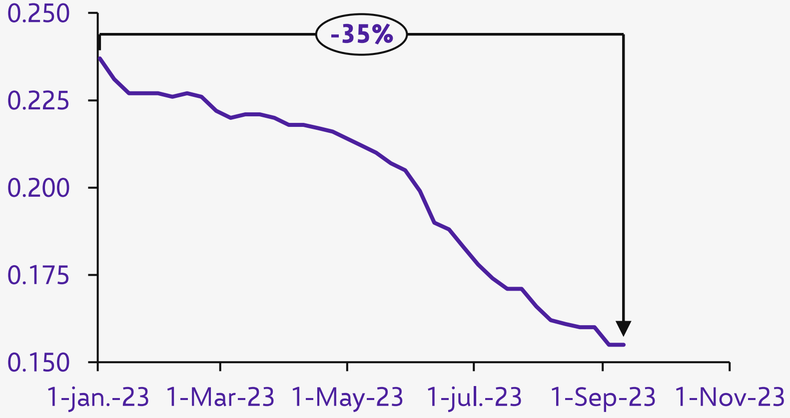
Global electricity generation BNEF Net Zero (TWh)



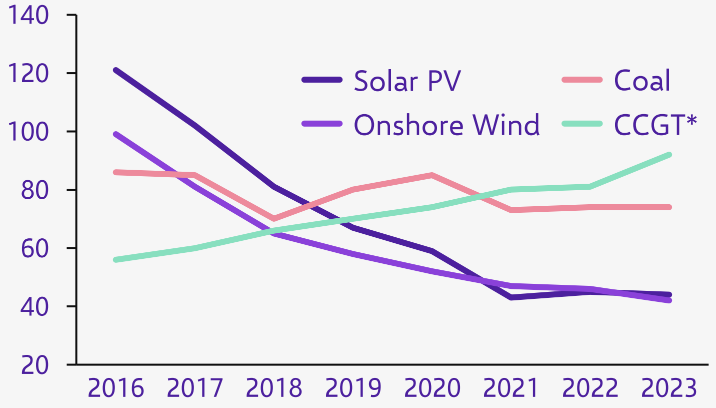
US 10Y Treasury yield (%)



Solar PV module prices (USD/W)



Levelised cost of energy (USD/MWh)



Sources: BNEF New Energy Outlook 2022 - Net Zero, Yahoo finance, BNEF Bimonthly PV Index September 2023, BNEF 1H 2023 LCOE

*Combined-cycle gas turbine

- Solar and wind growing by 7x from 2020 to 2030
- Short-term increases in interest rates putting pressure on project profitability
- Component prices in solar rapidly decreasing - 35% YTD
- Strengthened competitiveness of solar and wind as levelised cost of energy is going down

Strong and predictable cash flow from operating assets

Adding 25% EBITDA increase at attractive margins

Philippines, 649MW
EBITDA LTM: NOK 664 million

Uganda, 255MW
EBITDA LTM: NOK 353 million

South Africa, 190MW
EBITDA Q3’23 LTM: NOK 680 million

Egypt, 380MW
EBITDA LTM: NOK 270 million

PP EBITDA LTM
NOK 3.2bn
from operating assets[1]

+

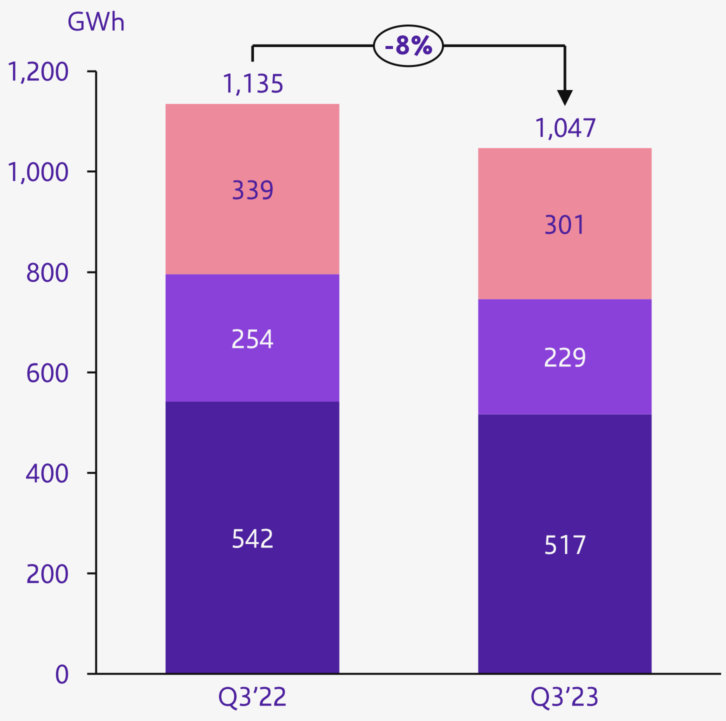
PP EBITDA addition
NOK 750m
from new assets

1) Including NOK 315 million gain from sale of the Upington power plant in Q2’23

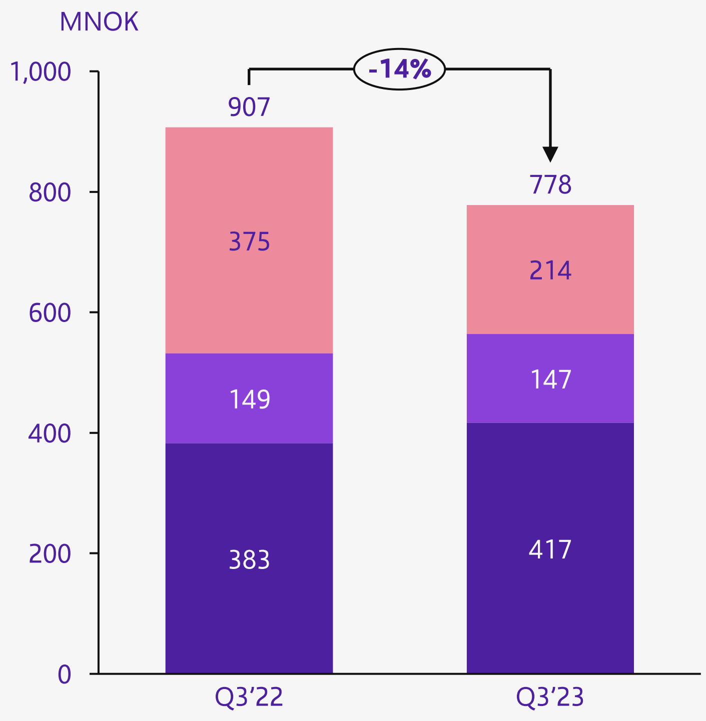
Power Production

EBITDA of NOK 778 million

Prop. power production, GWh



Prop. power production EBITDA, NOK million

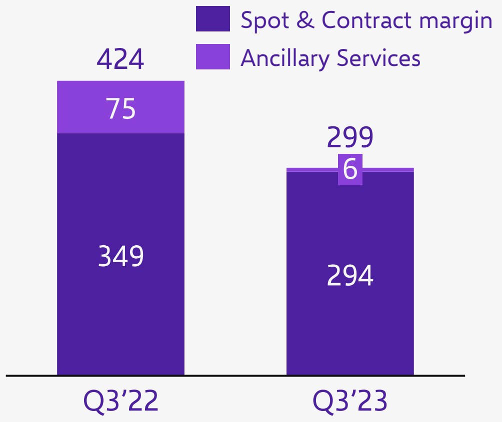


Hydro, Philippines | Hydro, Laos and Uganda | Solar & wind

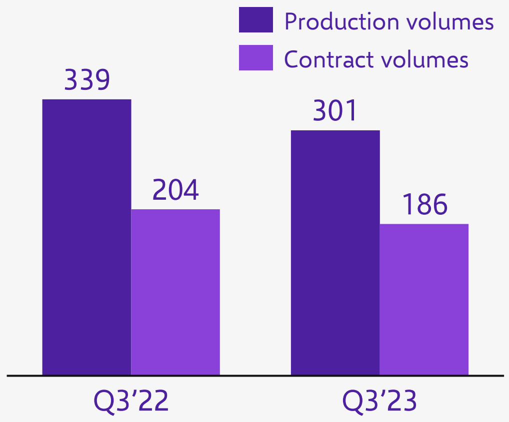
- Kept availability close to 100% with no Lost Time Incidents
- Solar and wind EBITDA increased by 9% driven by Ukraine
- Lower production, prices and ancillary services in the Philippines

Philippines: 3Q'23 impacted by production, limited ancillary services and spot prices

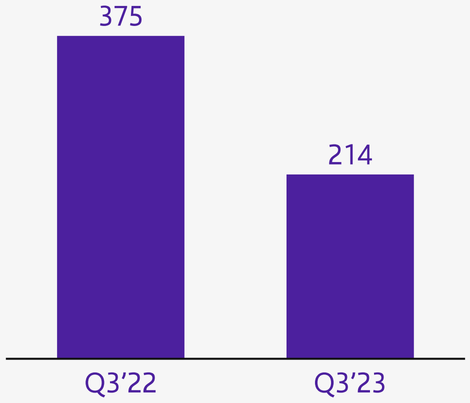
Net Revenue, NOK million



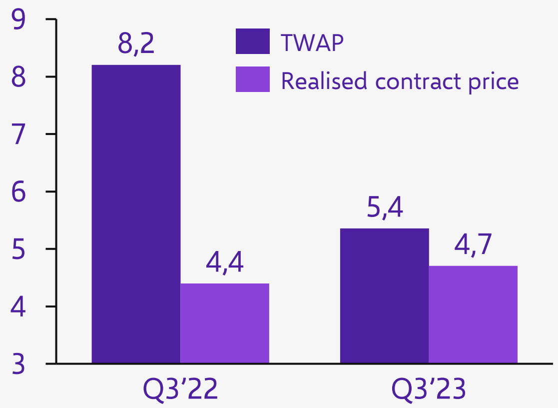
Power Production, GWh



EBITDA, NOK million



Prices, PHPk/MWh



- Net revenue of 299 million (424) and EBITDA of NOK 214 million (375)
- Ancillary services revenues of NOK 6 million (75)
- Lower production volumes due to hydrology
- Significant reduction in spot prices year-on-year

Development & Construction

High construction activity - preparing for commercial operations

NOK 1.3bn
D&C revenues
Q3'23

13%
gross EPC margin
Q3'23

NOK 2.5bn[1]
remaining
contract value

Kenhardt, South Africa
540 MW solar + 225MW battery storage

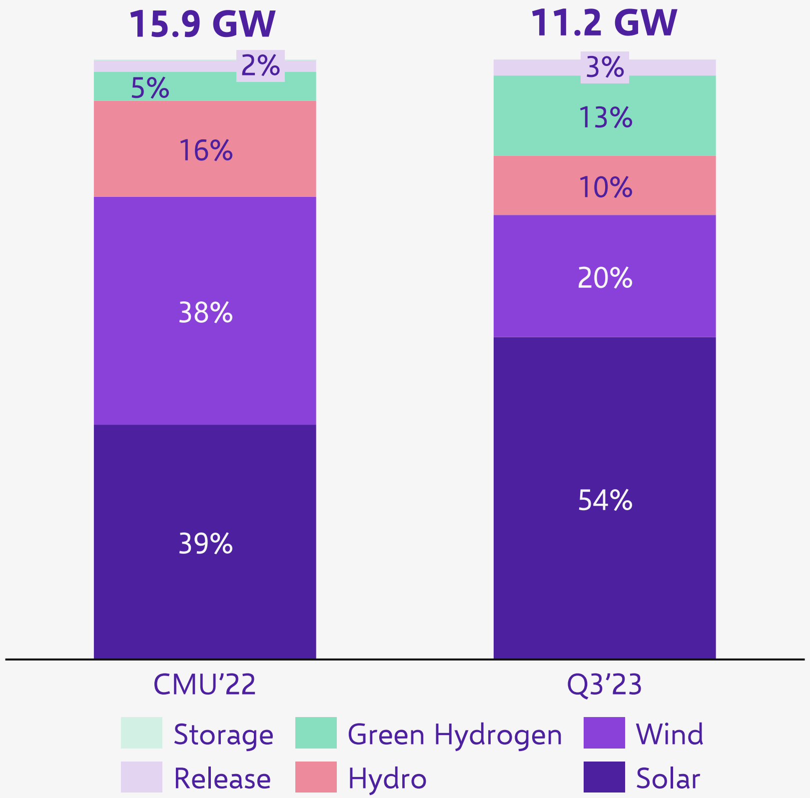
Mendubim, Brazil
531 MW solar

Sukkur, Pakistan
150 MW solar

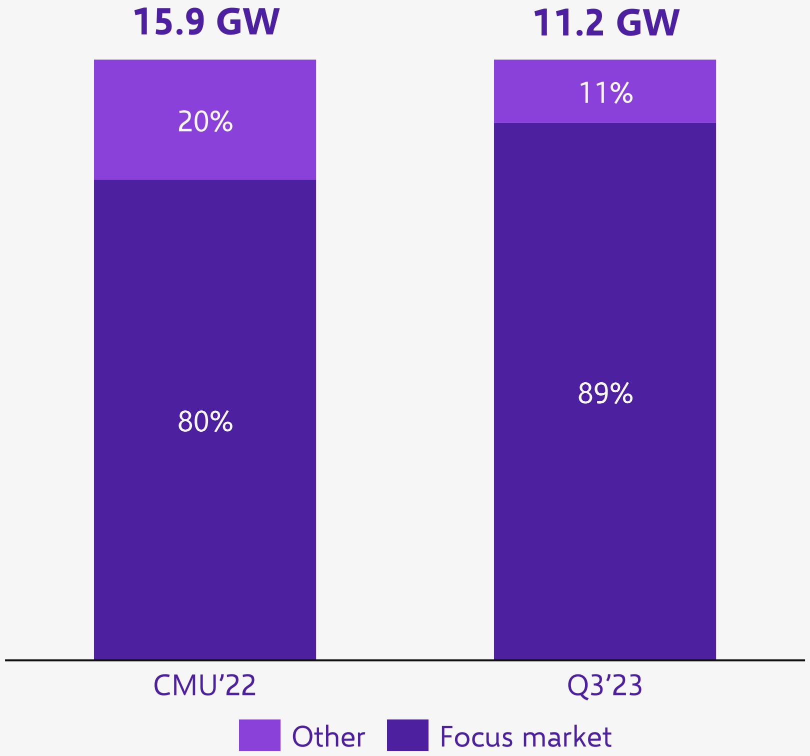
1) Includes NOK 0.5 billion remaining contract value from projects under construction and NOK 2 billion for the 273 MW Grootfontein in South Africa with construction start in 2024

High-graded pipeline with increased share of attractive solar

Project backlog & pipeline



Increased focus market share



Continuing to scale up solar and battery storage in Sub-Saharan Africa

Grootfontein, South Africa, 273 MW

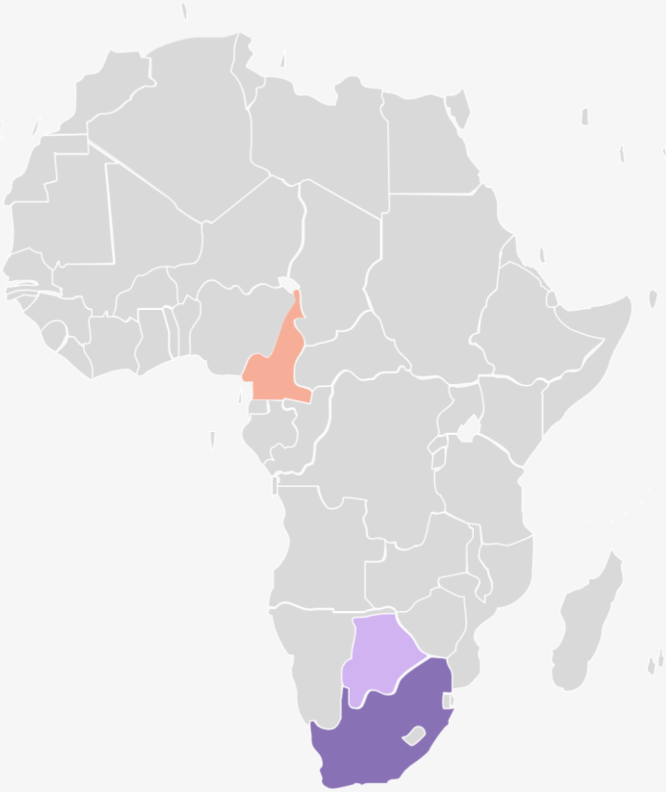
- PPA: 20-years with state utility
- Capex: NOK 3 billion
- EPC contract value: NOK 2.0 billion
- Scatec equity: NOK 150 million
- Construction start expected in 2024

Selebi Phikwe, Botswana, 120 MW

- Project expanded to 120 MW
- 25-year PPAs with state utility
- Est. capex: NOK 1.3 billion
- Est. Scatec equity: NOK 390 million
- Est. EPC contract value: NOK 900 million
- Construction start expected in 2024

Release, Cameroon, 36MW+19MWh

- Closed NOK 1 billion funding
- Construction completed in Cameroon
- Attractive opportunities within utilities and mining sector



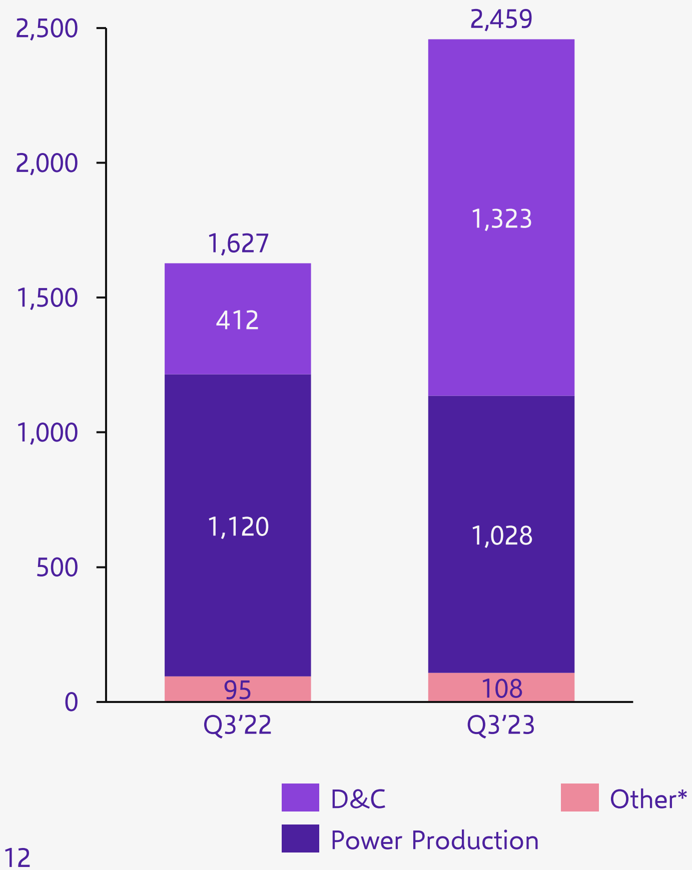
Financial review

Hans Jakob Hegge, CFO

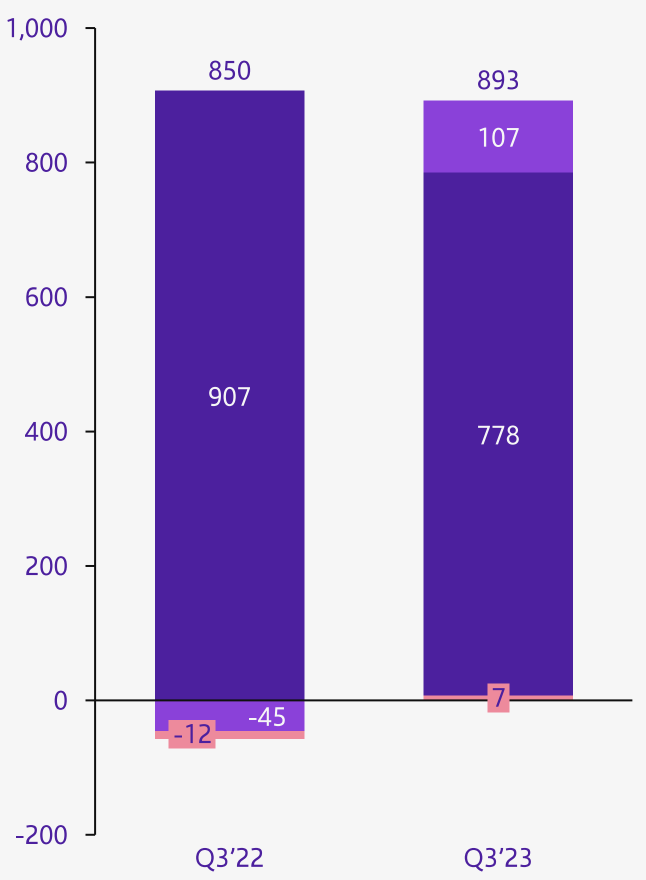
Proportionate financials

Total revenue growth driven by construction

Proportionate revenues, NOK million



Proportionate EBITDA, NOK million



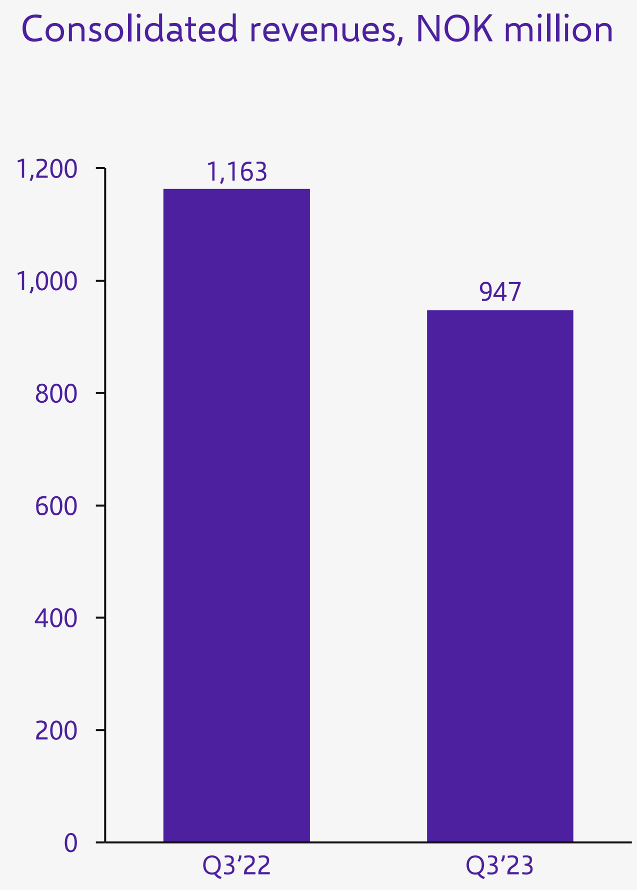
Proportionate revenues up 51% to 2.5bn due to high construction activity

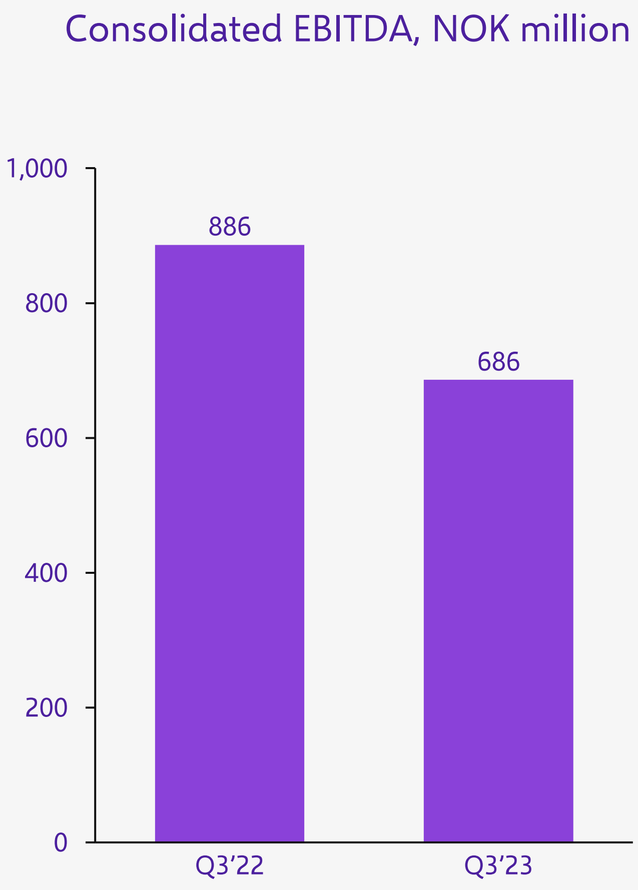
- D&C revenues of NOK 1.3 billion

5% EBITDA increase supported by construction and high margins

Revenues from Power Production from 2022 has been adjusted due to change in accounting policy, disclosed in note 2 in Q3'23 report
*Other includes services & corporate

Consolidated financials
EBITDA of NOK 686 million impacted by the Philippines





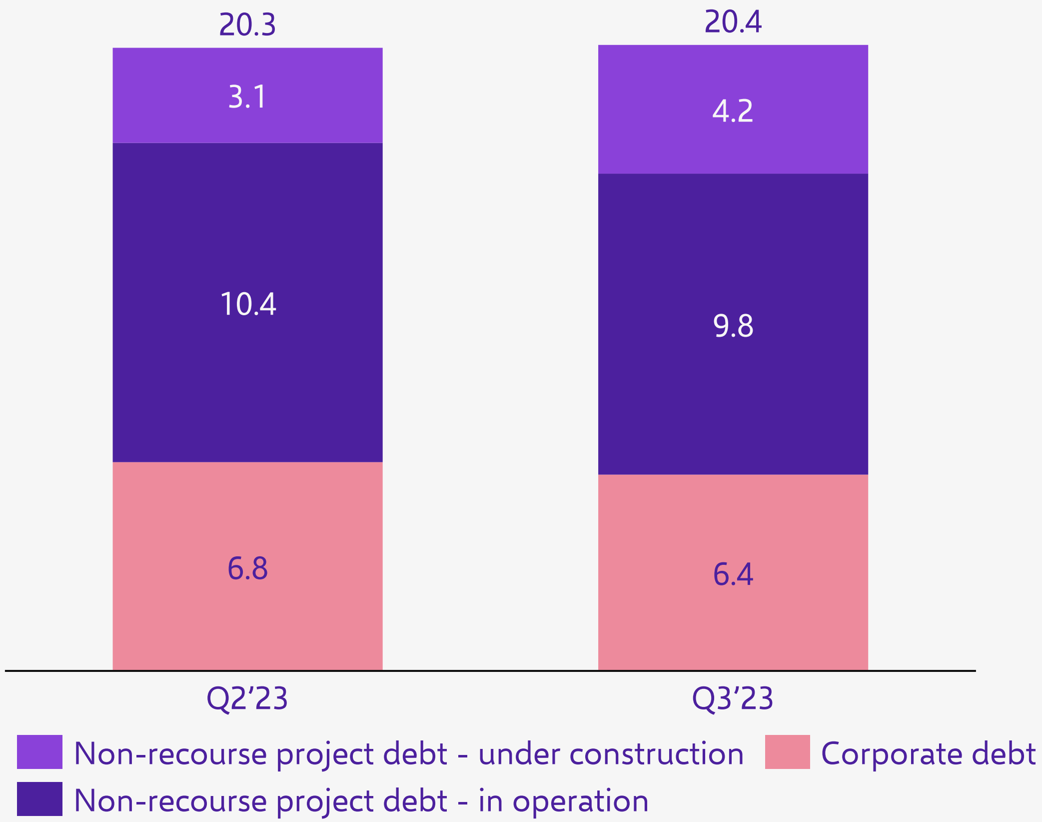
- Revenues of NOK 947 (-216) impacted by hydrology, prices and ancillary services in the Philippines
- EBITDA of NOK 686m (-200)

Proportionate

Net debt unchanged in the quarter

Proportionate net interest-bearing debt

NOK billion



- Net corporate debt reduced by NOK 400 million due to amortisation, increased cash, and FX
- Non-recourse project debt reduced by NOK 600 million due to ordinary amortisations and FX
- Non-recourse project debt from projects under construction increased by NOK 1.1bn, supporting a 25% EBITDA increase

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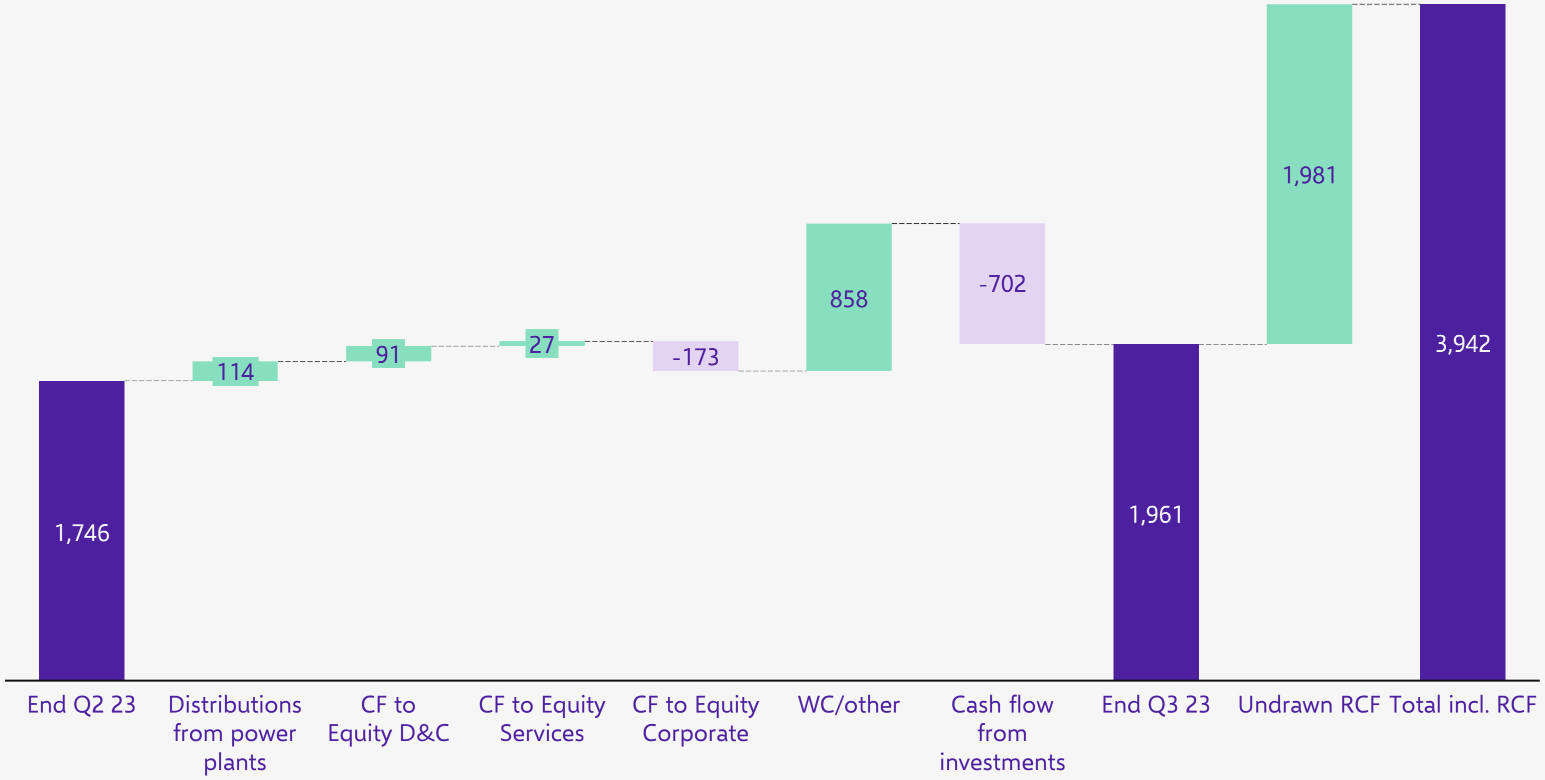
Increased liquidity to NOK 3.9 billion

Q3'23 movements of the Group's free cash, NOK million



Movement of cash in 'recourse group' as defined in the corporate bond and loan agreements.

NOK 200 million
added liquidity

NOK 114 million
distributed from power plants

NOK 702 million
invested in attractive growth

Outlook

Power Production

- FY’23 EBITDA estimate of NOK 3,050 – 3,250 million
- FY'23 Power production of 3,500 – 3,600 GWh
- 4Q'23 Philippines EBITDA estimate of NOK 200 – 260 million

Total D&C remaining contract value

- Remaining contract value of NOK 2.5[1] billion
- Estimated gross margin of 10-12% for projects under construction and 8-10% for new projects

Services EBITDA

- FY’23 estimate of NOK 95-105 million

Corporate EBITDA

- FY’23 estimate of NOK -155 to -165 million

1) Includes NOK 0.5 billion remaining contract value from projects under construction and NOK 2 billion for the 273 MW Grootfontein in South Africa with construction start in 2024

Strategy update: Focus and discipline

Scatec

Delivering attractive growth and recycling of capital

Grow Renewables

NOK
20 billion
Total capex, 100%

- Q2'22 – Kenhardt, Mendubim & Pakistan Construction
- Q2'23 – Grootfontein Financial Close
- Q4'23 – Botswana Award
- 2024 – COD Kenhardt, Mendubim & Sukkur
- 2024 – Grootfontein & Botswana Construction Start

Optimise Portfolio

NOK
1.8 billion
of proceeds

- Q1'23 – Upington Sale
- Q3'23 – Mozambique Sale
- Q3'23 – release: Release Funding Raise
- Q4'23 – Argentina Exit
- 2024 – Enhanced Capital Recycling

Building on our strengths

Emerging markets - track record and focus

Integrated business model – attractive margins

Technology integration – customer value

Partnerships – shared risk

Leading in ESG – competitive edge

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

Grow Renewables

- Increased focus on solar, onshore wind & batteries
- Selective growth within green hydrogen and hydro

Optimise Portfolio

- Enhanced focus on capital recycling
- Capital discipline and deleverage

Aligning growth rate to internal funding capacity

Sustaining the historic growth rate

Growth	• Aligned growth rate: NOK 500 – 750 million equity investments annually • Attractive returns: 1.2x CoE / D&C gross margin 8-10% / O&M margin 25-30%
Deleverage	• Amortisations of approx. NOK 280 million annually • Consider additional debt repayments
Funding	• Growing cash flow from operating assets • Enhanced capital recycling • Changing dividend policy to no dividend

Summary

- Strong fundamentals for renewables
- Growth aligned with internal funding capacity
- Enhanced focus on capital recycling and deleverage

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Overview of change in proportionate net debt during the quarter

Project and Group level net interest bearing debt

NOK billion	Q2'23	Repayments	New debt	Change in cash	Currency effects	Q3'23
Project level	-13.5	0.4	-1.1	0.0	0.2	-14.0
Group level*	-6.8	0.1	-	0.2	0.1	-6.4
Total	**-20.3**	**0.5**	**-1.1**	**0.2**	**0.3**	**-20.4**

- **Repayments:** Ordinary project debt repayments
- **New debt:** NOK 0.9 billion in South Africa and NOK 0.2 billion for Mendubim
- **Currency effects:** Strengthening of NOK against main functional currencies

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

Our asset portfolio

Plants in operation

	Capacity MW	Economic interest
Philippines	649	50%
Laos	525	20%
Egypt	380	51%
Ukraine	336	89%
Uganda	255	28%
Malaysia	244	100%
South Africa	190	45%
Brazil	162	44%
Argentina	117	50%
Honduras	95	51%
Jordan	43	62%
Mozambique	40	53%
Vietnam	39	100%
Czech Republic	20	100%
Release	38	100%
Rwanda	9	54%
Total	**3,142**	**52%**

Under construction

	Capacity MW	Economic interest
Kenhardt, South Africa	540	51%
Mendubim, Brazil	531	33%
Sukkur, Pakistan	150	75%
Release	9	100%
Philippines	24	50%
Total	**1,254**	**47%**

Project backlog

	Capacity MW	Economic interest
Tunisia	360	51%
South Africa	273	51%
Egypt	260	52%
Botswana	120	100%
Total	**1,013**	**57%**

Project pipeline

	Capacity MW	Share in %
Solar	5,262	52%
Wind	2,280	22%
Hydro	1,102	11%
Green Hydrogen	1,240	12%
Release	300	3%
Total	**10,184**	**100%**

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