

Scatec

Q4 & FY 2023

Delivering on strategic milestones

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





2023: Delivering on strategy

Power Production: EBITDA increase



NOK **3.2** billion
Power Production EBITDA

Development & Construction: Strong margins



NOK **8.2** billion
D&C Revenues with 12% gross margin

Optimise portfolio: Increased funding



NOK **2.7** billion
of growth funding from transactions

Growth: Secured projects for 2024



NOK **350** million
equity investments

NOK **2.5** billion
secured EPC revenues



COP28

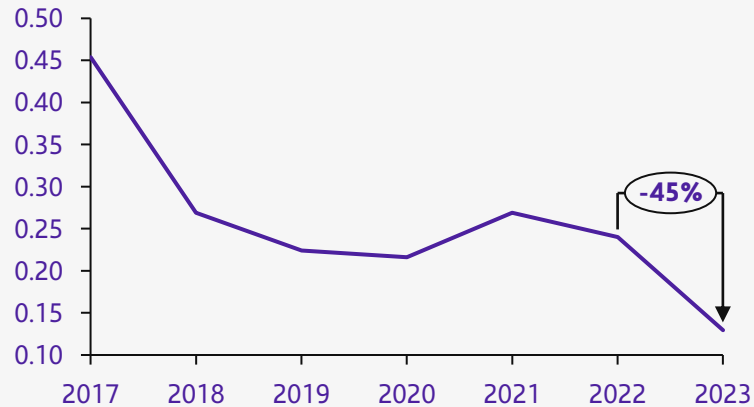
A global pledge to triple renewable energy capacity by 2030



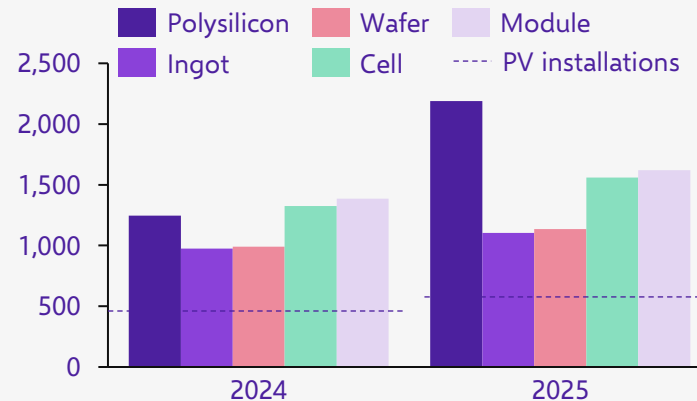


Price drops pave the way for attractive growth

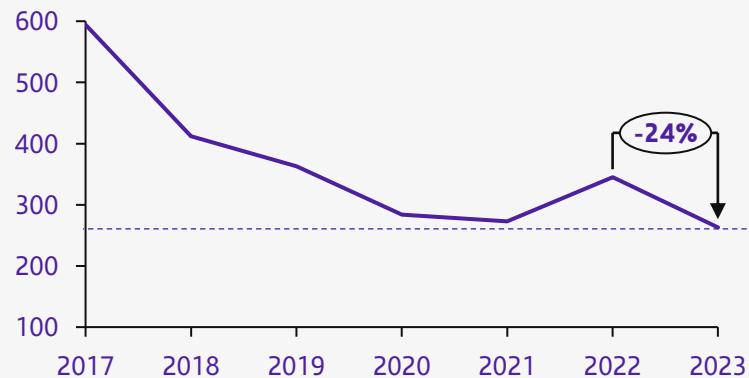
Solar PV module prices (USD/W)



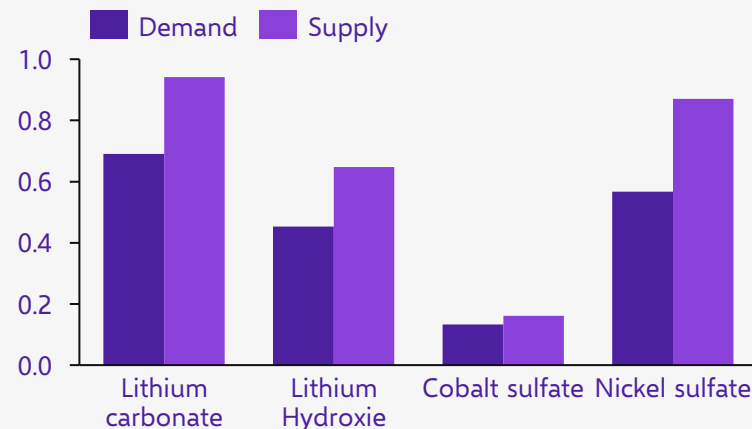
2024 & 2025 Est. solar PV market balance (GW)



Turnkey energy storage system prices¹ (USD/kWh)



2024 Exp. battery metals balance (million tonnes)



- Fundamentals for renewables continue to strengthen
 - PV modules -45%
 - Energy storage systems -24%
- Market balance indicating further price pressure
- Forecasted interest rates adding to positive outlook

1) Four-hour duration systems



Q4 highlights

- Proportionate EBITDA increased to NOK 808 million
- D&C margin of 15%
- Finalised construction of Kenhardt – NOK 40 million EBITDA recognised in Q4
- Initial works started for 273 MW in South Africa and 60 MW in Botswana – EPC revenues of NOK 2.5 billion secured
- Awarded first battery project in South Africa of 103 MW/412 MWh – estimated EPC revenues of NOK 1.4 billion
- Delivering on divestment plan – closed sale of Mozambique and signed agreement to divest Rwanda
- New milestone for Release – raised USD 100 million loan + USD 65 million guarantee from IFC
- Agreed refinancing terms for USD 150 million Green Term Loan with new maturity in Q4'27

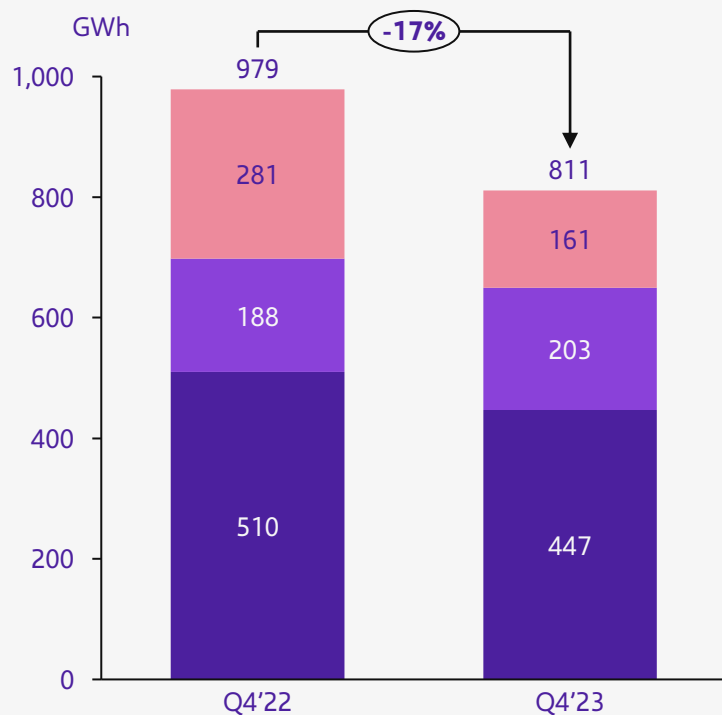




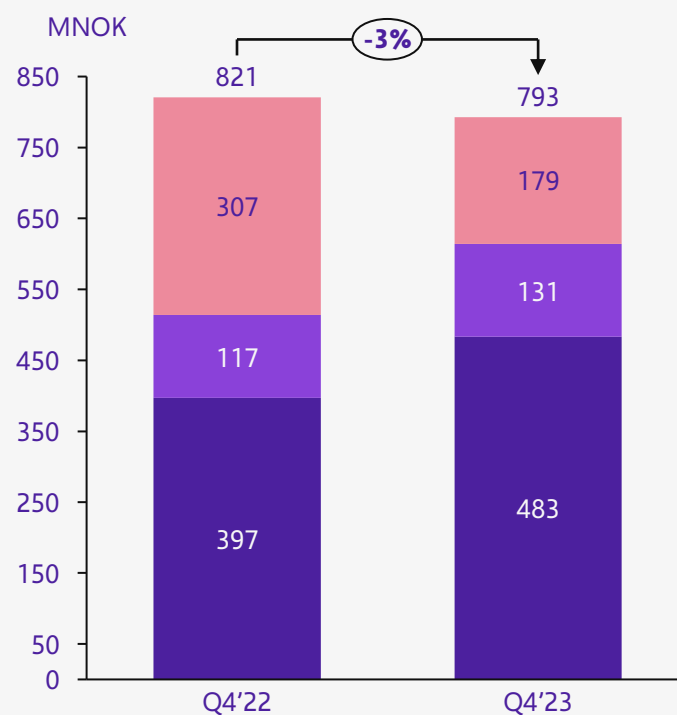
Power Production

Solid EBITDA contribution from solar

Prop. power production, GWh



Prop. power production EBITDA, NOK million



Hydro, Philippines Hydro, Laos and Uganda Solar & wind

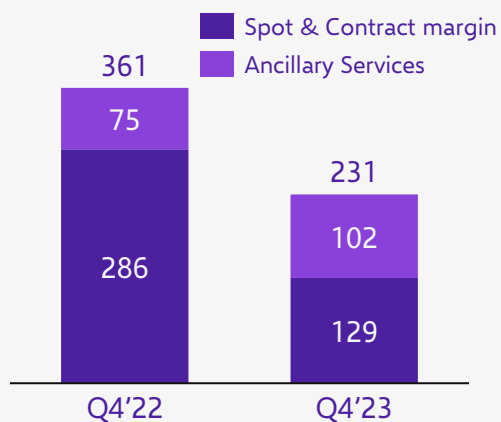
- Close to 100% plant availability
- 22 % EBITDA increase for solar due to Ukraine, Kenhardt and Mozambique
- Lower prices and production in the Philippines due to el Niño



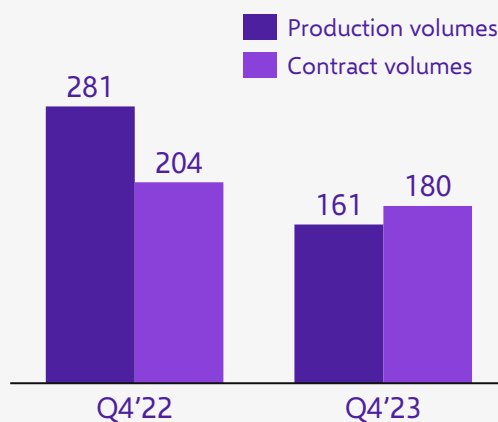
Philippines - Q4 results impacted by El Nino

Increased contract volumes, lower prices

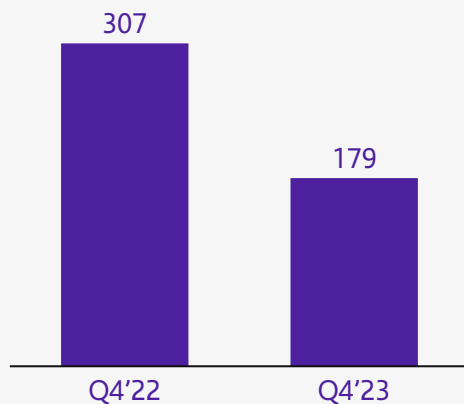
Net Revenue, NOK million



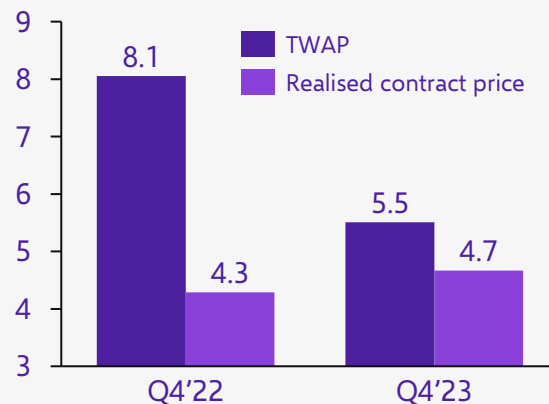
Power Production, GWh



EBITDA, NOK million



Prices, PHP/kWh



- Net revenue of 231 million (361) and EBITDA of NOK 179 million (307)
- Ancillary services revenues increased to NOK 102 million (75)
- Lower production volumes due to el Niño
- Average spot price of 5.5 PHP/kWh down from 8.1 y-o-y



Development & Construction

Finalising our largest construction programme in history

NOK 0.5bn

D&C revenues
Q4'23

15%

gross EPC margin
Q4'23

NOK 2.5bn¹

Secured
EPC contract value

Kenhardt, South Africa

540 MW solar + 225MW battery storage

Finalised 



Mendubim, Brazil

531 MW solar



Sukkur, Pakistan

150 MW solar



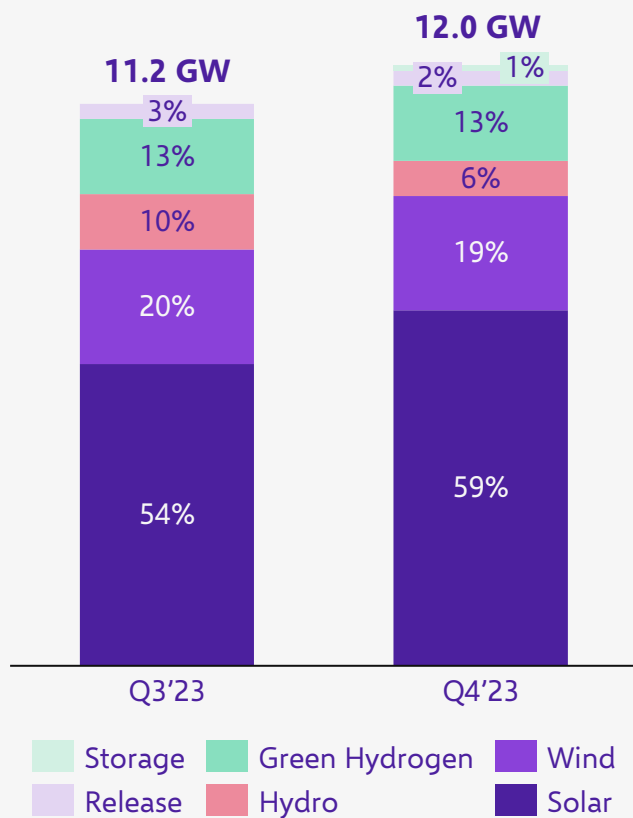
1) Includes NOK 2 billion for the 273 MW Grootfontein in South Africa and NOK 0.5 billion for the first 60 MW of the Mmadinare Solar Complex in Botswana, with construction start in 2024



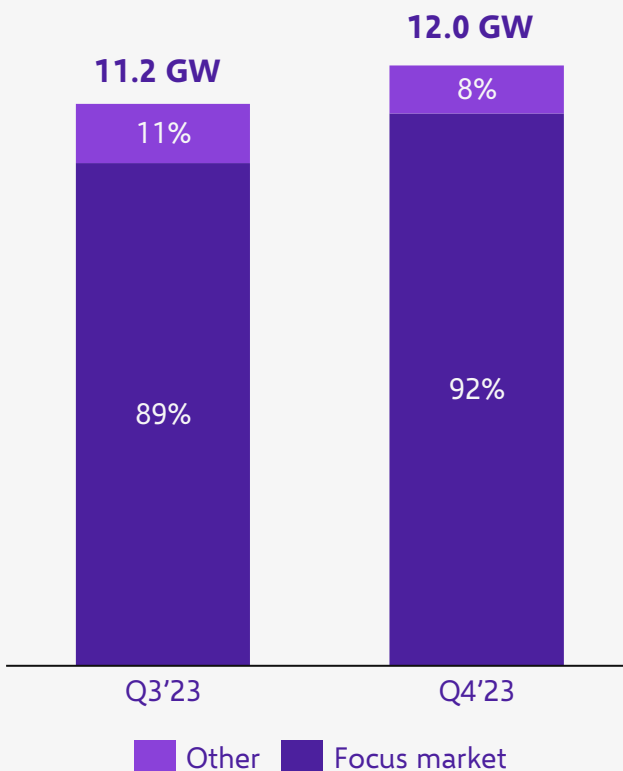
Backlog & pipeline

Increased to 12 GW - adding attractive solar

Technology distribution



Share in focus markets



- Continued high-grading of pipeline
 - Technology
 - Location
 - Maturity
 - Value creation
- Increasing solar PV to 59% - attractive projects in core regions
- Increasing core markets to 92%



Financial review

Hans Jakob Hegge, CFO

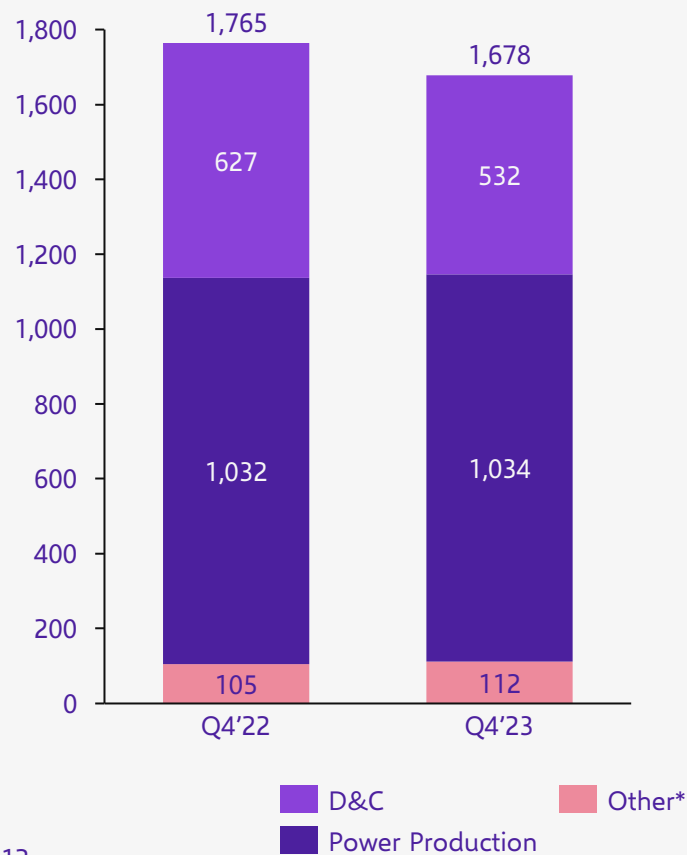
Scatec



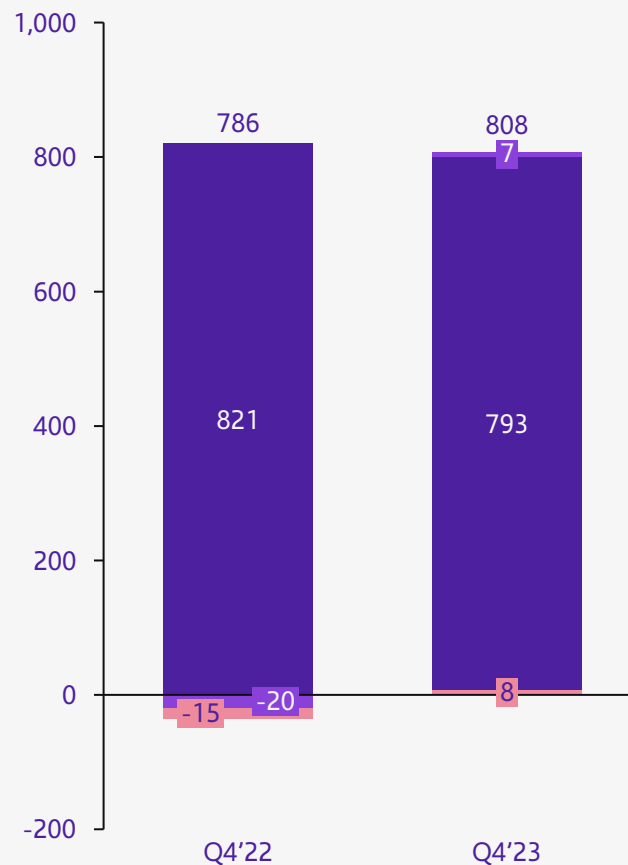
Q4'23 Proportionate financials

NOK 1.7 billion of revenues

Proportionate revenues, NOK million



Proportionate EBITDA, NOK million

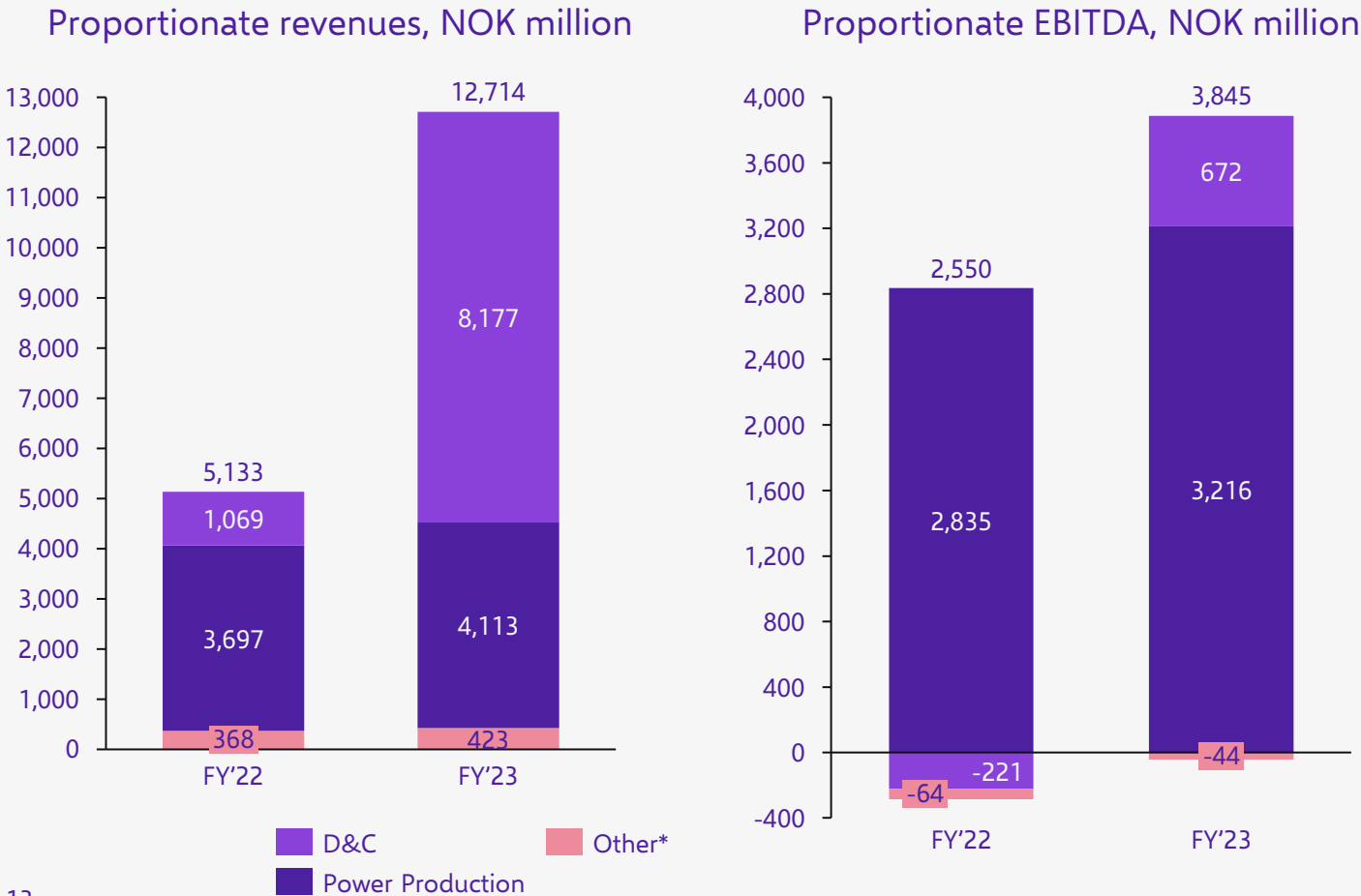


- NOK 1 billion revenues from power production
- NOK 808 million total EBITDA (+3%)
- 15% D&C gross margin



FY'23 Proportionate financials

All-time high revenues of 12.7 billion in 2023



- NOK 8.2 billion D&C revenues
- D&C gross margin of 12%
- NOK 3.8 billion EBITDA, up 51%

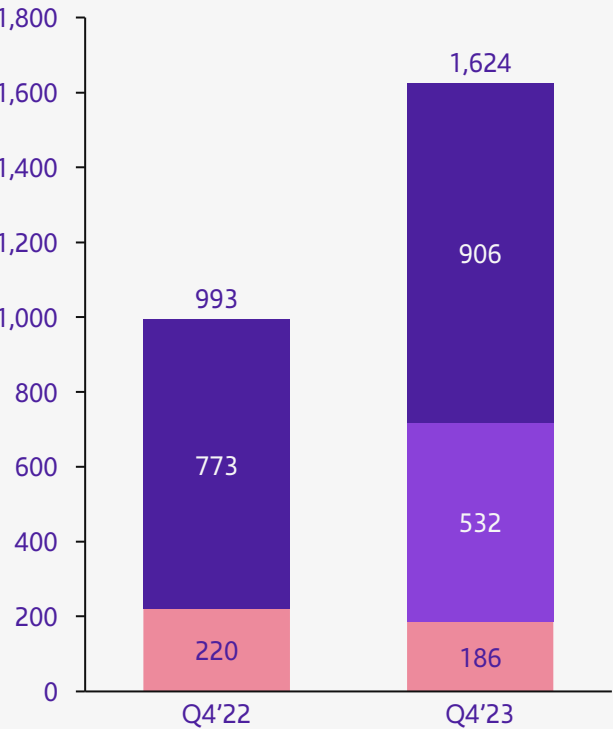
Revenues from Power Production from 2022 has been adjusted due to change in accounting policy, disclosed in note 2 in Q4'23 report
*Other includes services & corporate



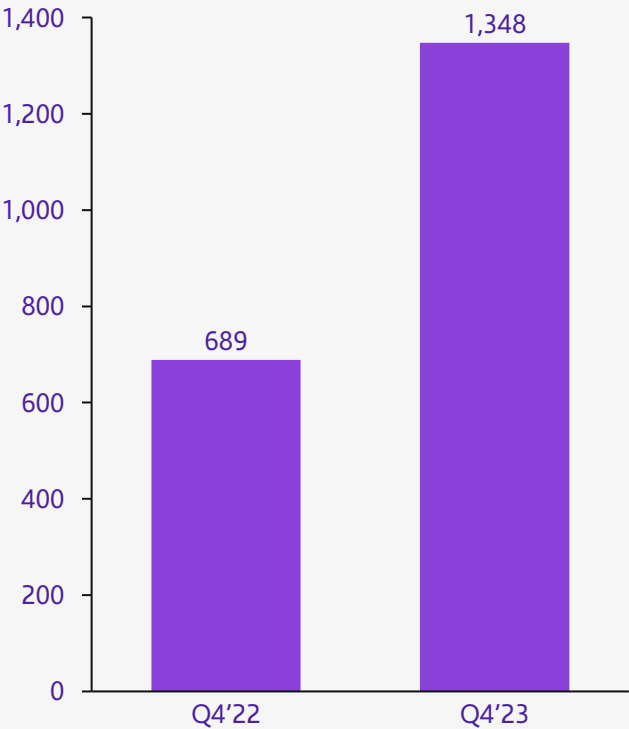
Q4'23 Consolidated financials

96% EBITDA increase to NOK 1.3 billion

Consolidated revenues, NOK million



Consolidated EBITDA, NOK million



- Power sales
- Net gain from Mocuba sale and Release
- Net income from JVs and associated

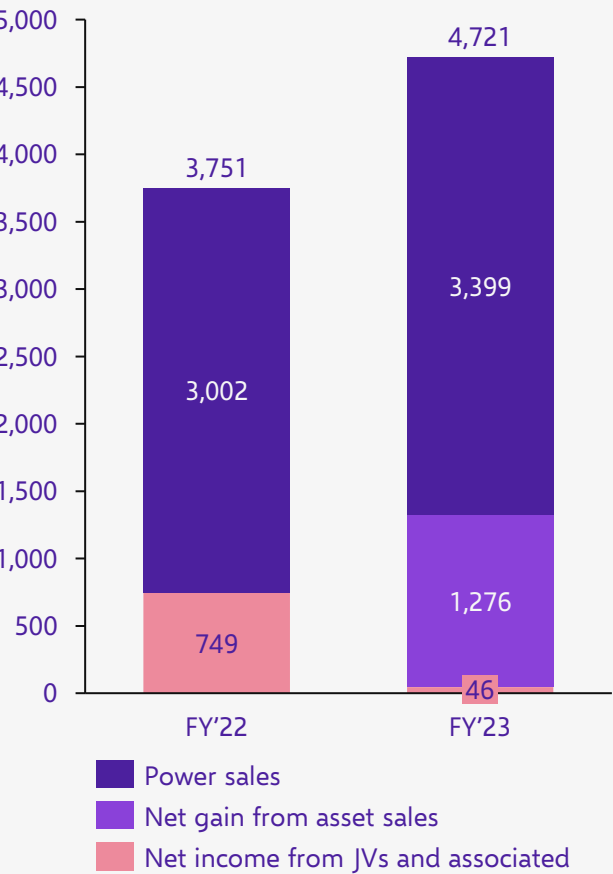
- NOK 1.6 billion total revenues (+64%)
- NOK 906 million in Power sales (+ 17%) driven by Ukraine
- NOK 532 million gain from Mocuba and Release
- NOK 457 million tax benefit related to Kenhardt



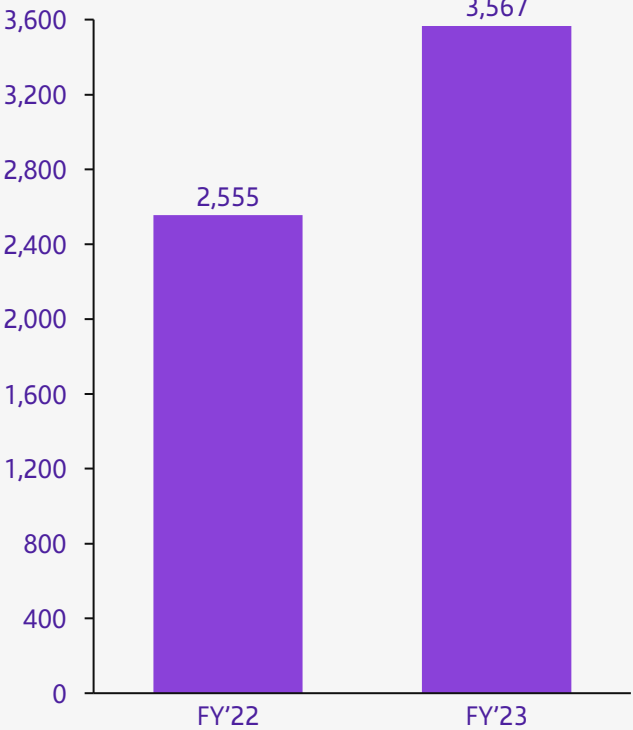
FY'23 Consolidated financials

39% EBITDA increase to NOK 3.6 billion

Consolidated revenues, NOK million



Consolidated EBITDA, NOK million

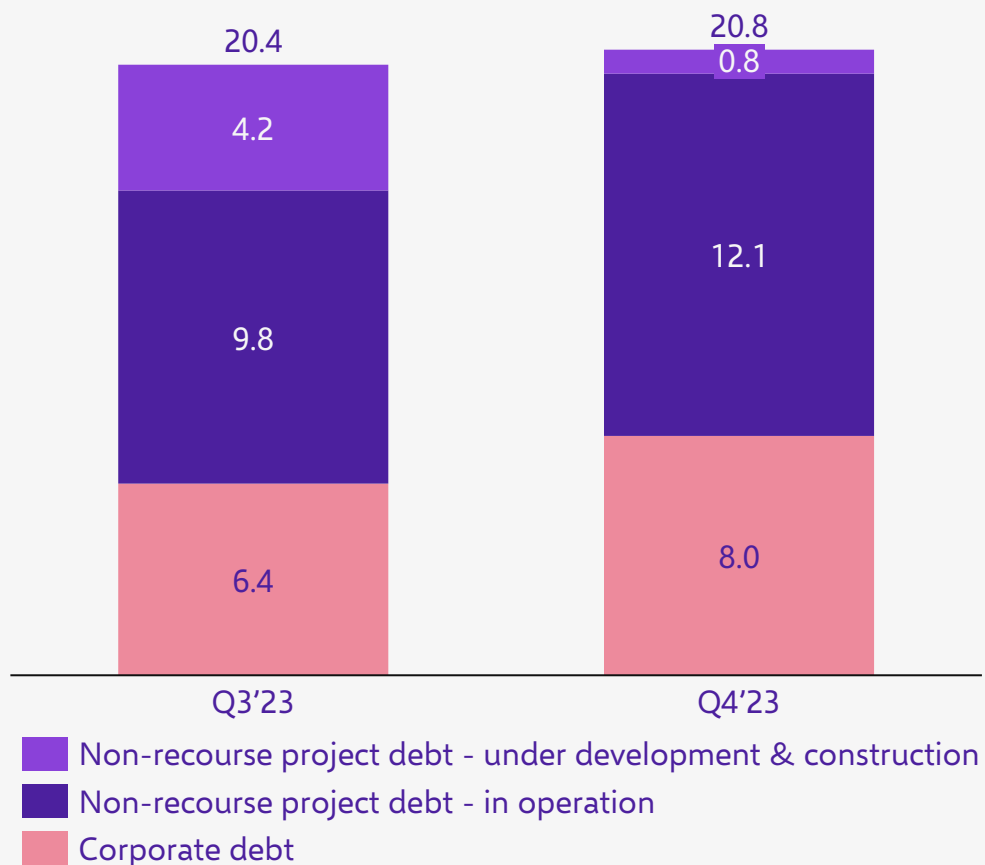


- NOK 4.7 billion total revenues (+26%)
- NOK 3.4 billion Power sales (+13%)
- NOK 1.3 billion gain from Uppington, Mocuba and Release transactions



Proportionate Net interest-bearing debt

NOK billion

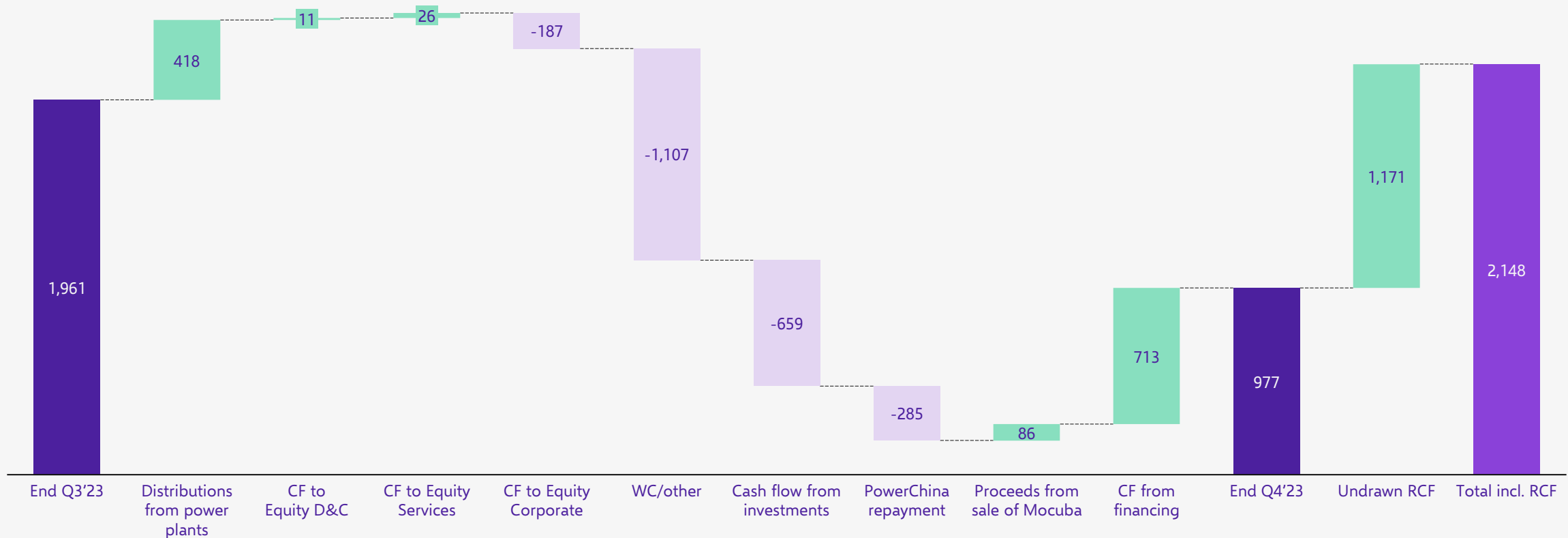


- Non-recourse project debt reduced by 1.1 billion
- Net corporate debt increased by 1.6 billion due to investments and working capital movements
- Agreed refinancing terms for USD 150 million Green Term Loan



Liquidity buffer of NOK 2.1bn going into 2024

Q4'23 movements of the Group's free cash, NOK million



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



Outlook

Power Production

- FY'24 Power production estimate: 4,200-4,600 GWh
- FY'24 EBITDA estimate: NOK 3,400-3,700
- 1Q'24 Power production estimate: 800-900 GWh
- 1Q'24 Philippines EBITDA estimate: NOK 10-70 million

Total D&C remaining contract value

- Remaining contract value: NOK 2.5¹ billion
- Estimated D&C gross margin: 8-10% for new projects

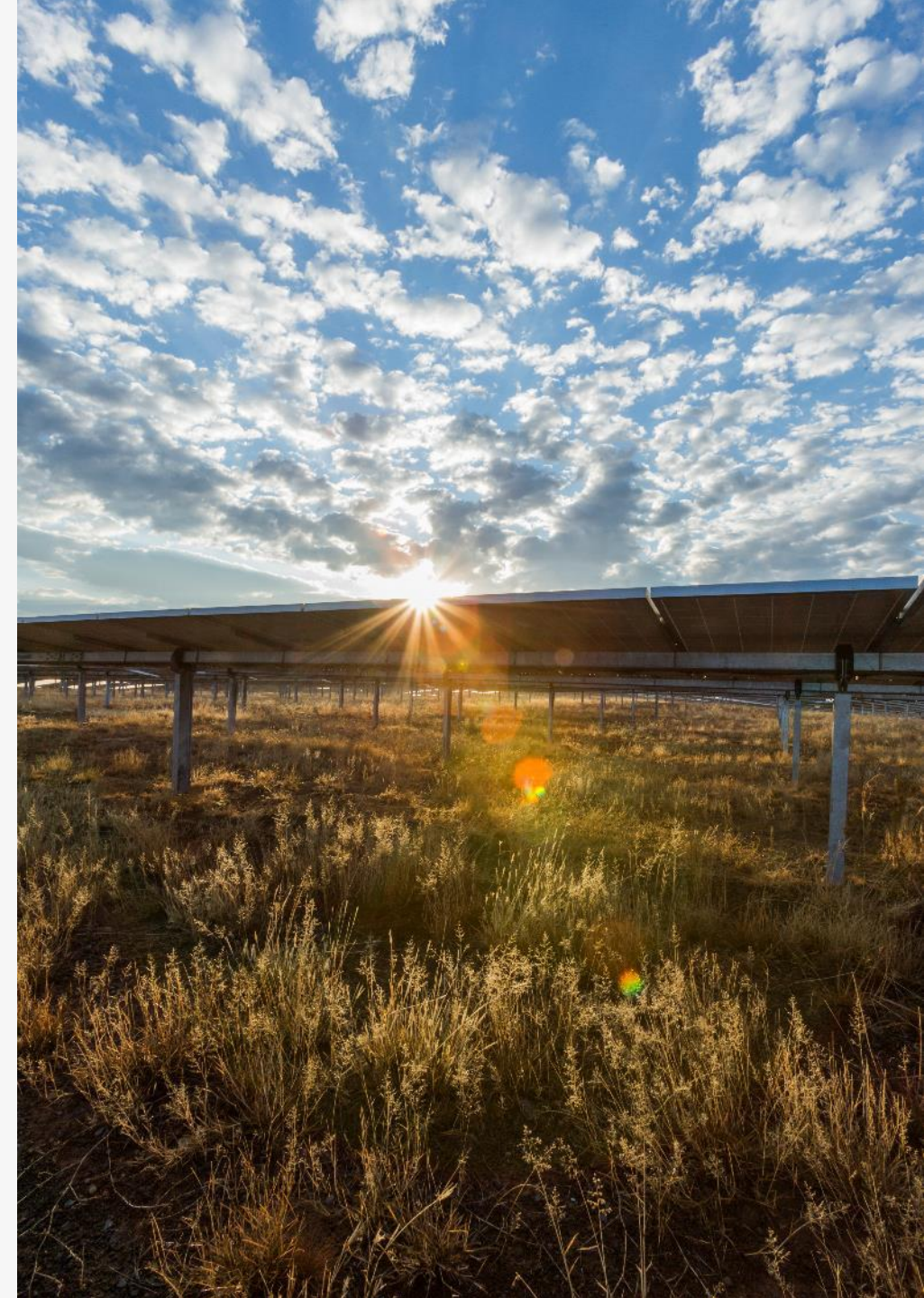
Services EBITDA

- FY'24 EBITDA estimate: NOK 120-130 million

Corporate EBITDA

- FY'24 EBITDA estimate: NOK -120 to -130 million

18 1) Includes NOK 2 billion for the 273 MW Grootfontein in South Africa and NOK 0.5 billion for the first 60 MW of the 120 MW solar project in Botswana





Our strategy

Develop, build, own and operate renewable energy in emerging markets

Grow Renewables

500-750

million NOK annually in gross **equity investments** towards 2027



Focus on PV, wind and BESS due to **attractive fundamentals**



Selective growth within green H₂ in Egypt and hydro through partnerships

Optimise Portfolio



More **capital recycling** to self fund growth and consolidate the portfolio



Capital discipline and **deleverage** at corporate level, positioning for future opportunities





Overview of change in proportionate net debt during the quarter

Project and Group level net interest bearing debt















NOK billion	Q3'23	Repayments	New debt	Disposal	Change in cash	Currency effects	Q4'23
Project level	-14.0	0.6	-0.5	0.4	0.3	0.4	-12.8
Group level*	-6.4		-0.7		-0.9	0.1	-8.0
Total	-20.4	0.6	-1.2	0.4	-0.6	0.5	-20.8

- **Repayments:** Ordinary project debt repayments and repayment of PowerChina debt
- **New debt, project level:** Mainly drawdown in Pakistan
- **Disposal:** Disposal of projects in Mozambique and Argentina
- **New debt, corporate level:** Drawdown of revolving credit facility
- **Currency effects:** Strengthening of NOK against main functional currencies






Our asset portfolio






Plants in operation

	Capacity MW	Economic interest
South Africa	 730	49%
Philippines	 673	50%
Laos	 525	20%
Egypt	 380	51%
Ukraine	 336	89%
Uganda	 255	28%
Malaysia	 244	100%
Brazil	 162	44%
Honduras	 95	51%
Jordan	 43	62%
Vietnam	 39	100%
Czech Republic	 20	100%
Release	 38	68%
Rwanda	 9	54%
Total	3,549	52%

Under construction

	Capacity MW	Economic interest
Mendubim, Brazil	 531	33%
Sukkur, Pakistan	 150	75%
Release	 9	68%
Total	690	43%

Project backlog

	Capacity MW	Economic interest
South Africa	 273	51%
Egypt	 260	52%
Tunisia	 120	51%
Botswana	 120	100%
South Africa	 103	51%
Total	876	58%

Project pipeline

	Capacity MW	Share in %
Solar	6,571	59%
Wind	2,280	21%
Hydro	700	6%
Green Hydrogen	1,240	11%
Release	300	3%
Total	11,091	100%