

Scatec

Investor Presentation

January 2025





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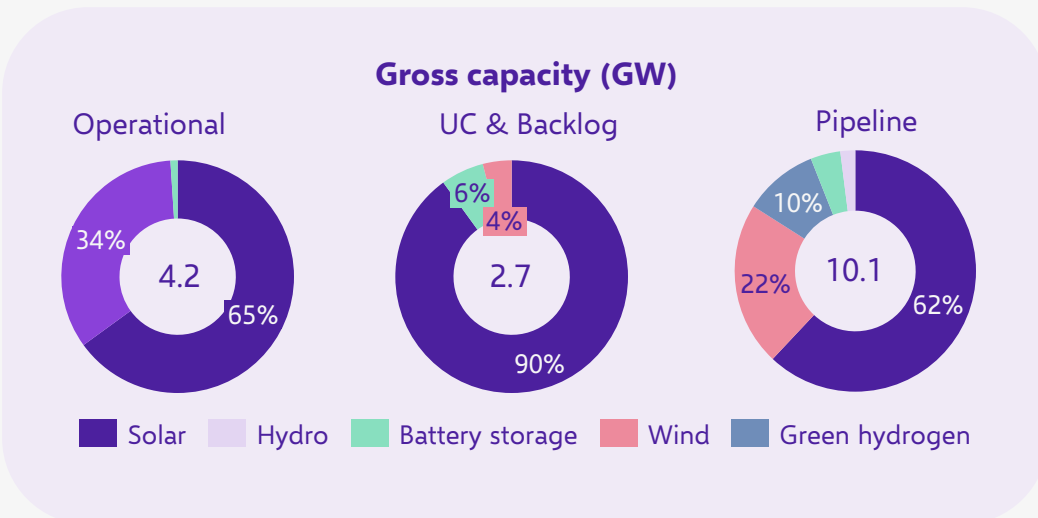
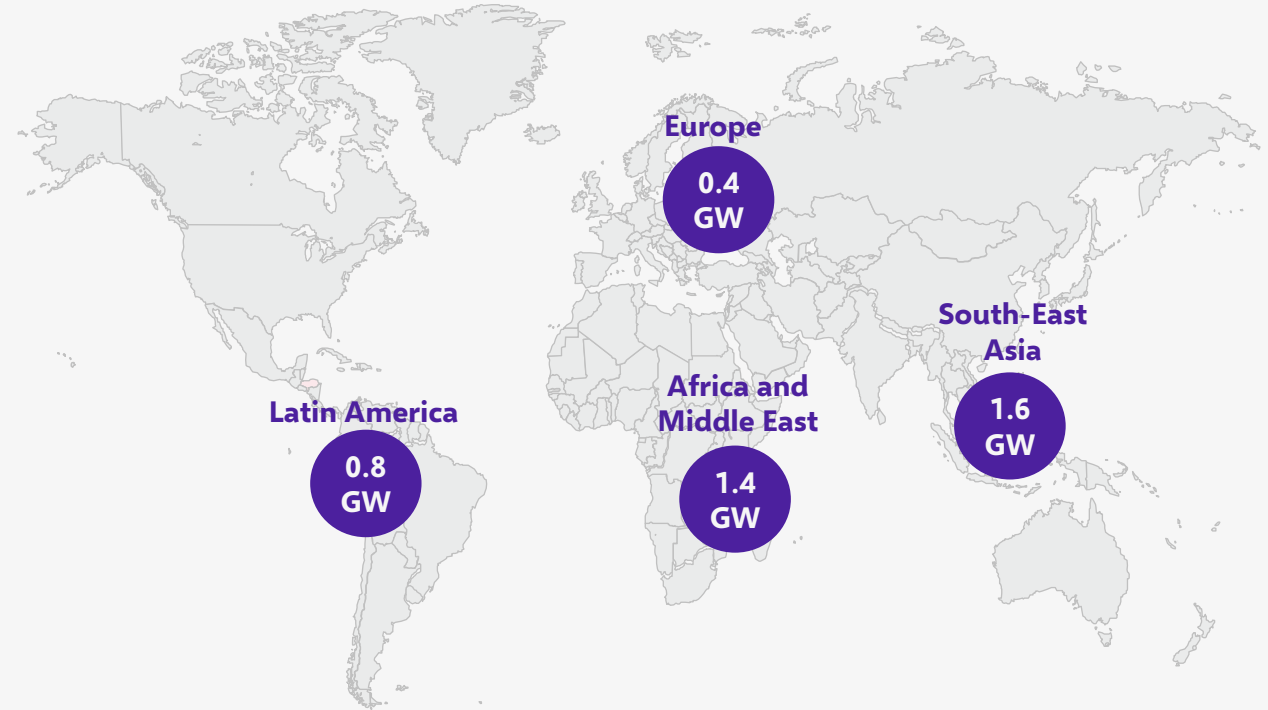
Alternative performance measures (APM) used in this presentation are described and presented in the fourth quarter 2024 report for the group.





Scatec is a leading emerging market renewables IPP focused on strong, contracted cashflow and value accretive growth

- **Leading renewable power producer** with 4.2 GW in operation and additional 0.8 GW under construction
- Generating **strong predictable cash flows** from PPAs with 14 years remaining duration
- Integrated business model generating **15-30% project equity IRR** from multiple revenue streams
- **Self-funded** growth and deleverage plan with high visibility on **attractive short-term growth**
- **High ESG standards** across all operating activities

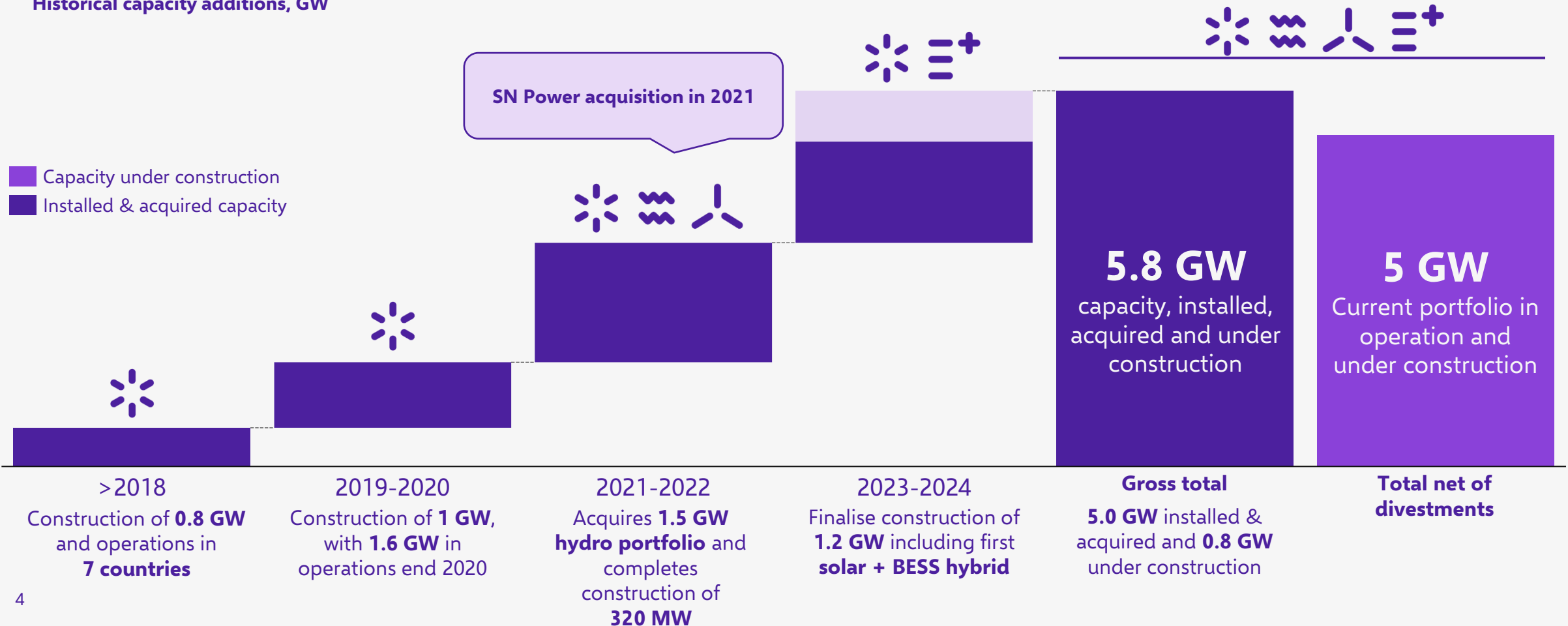


1) 225 MW/1,140 MWh of battery storage is additionally in operation related to the Kenhardt project in South Africa
Note: Scatec's focus markets: Brazil, South Africa, Philippines, Egypt.



Scatec has a strong historical track record of delivering capacity growth...

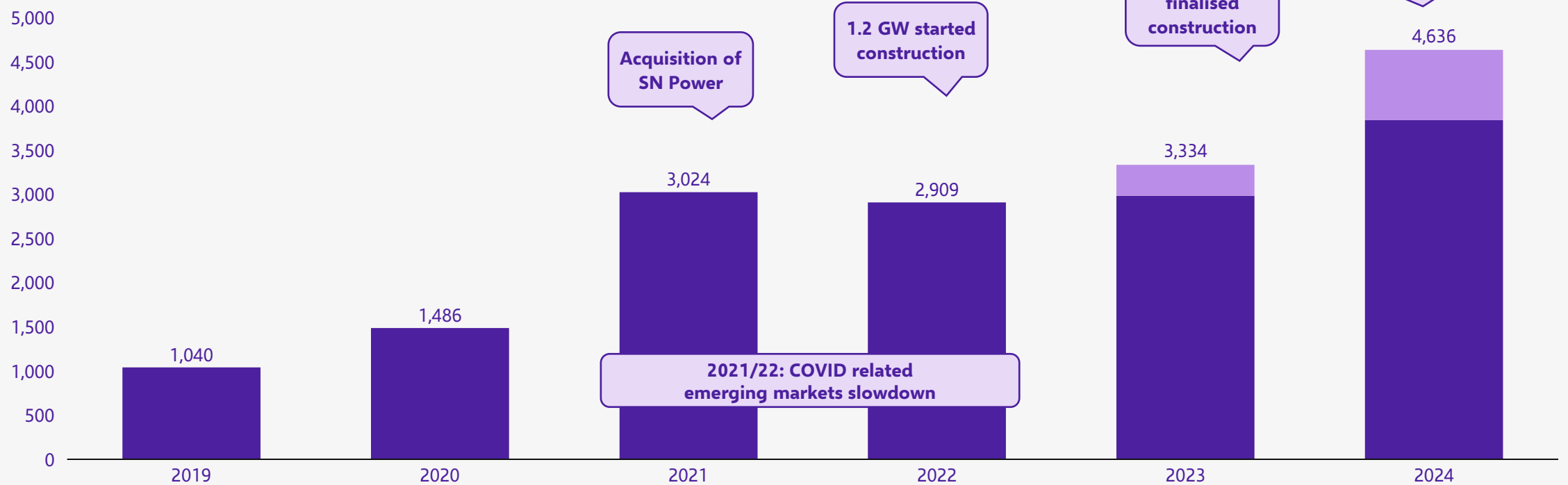
Historical capacity additions, GW





...With EBITDA of NOK 4.6 billion in 2024

Proportionate power production EBITDA¹, NOK million



Gain from asset sales

1) Restated based on new reporting structure effective as on 1 January 2024

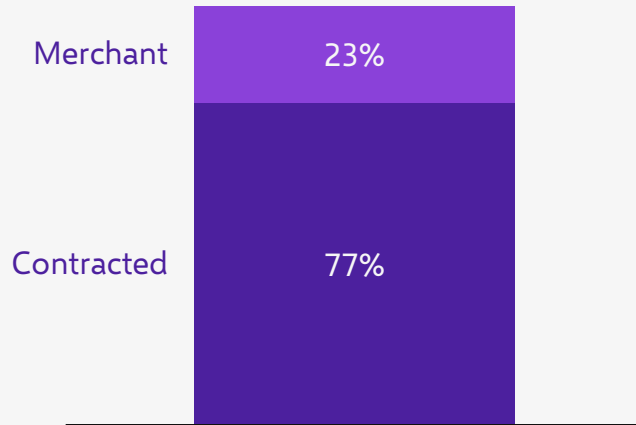


Long-term contracted and risk mitigated cashflows

>80% of capacity under long-term PPAs

14 years

Average remaining PPA

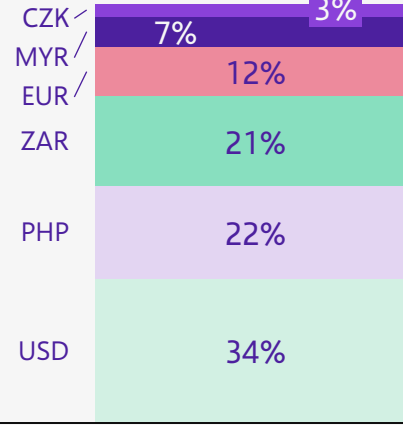


Power production EBITDA¹

Matching revenues and debt currencies to reduce exposure

~70%

in hard currencies and/or inflation adjusted

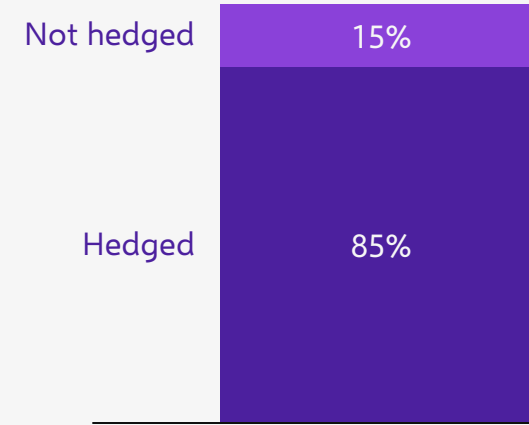


Power production EBITDA¹

85% interest hedging of project debt

12 years

Average remaining debt tenor



Non-Recourse Project Debt



Strategy 2027: Delivering attractive self-funded growth in selected markets while increasing financial flexibility...

Grow Renewables



Target **NOK 750 million** of annual **equity investments** on average towards 2027



Focus on **PV & BESS** short-term and build onshore wind portfolio over time



Selective growth within green H₂ in Egypt and hydro in the Philippines



Building scale in our **four core markets** (South Africa, Brazil, Egypt and Philippines)

Asset rotation & deleverage



At least **NOK 4 billion proceeds** from divestments of non-core assets by 2027



Capital light approach with lower ownership stakes and increased equity returns

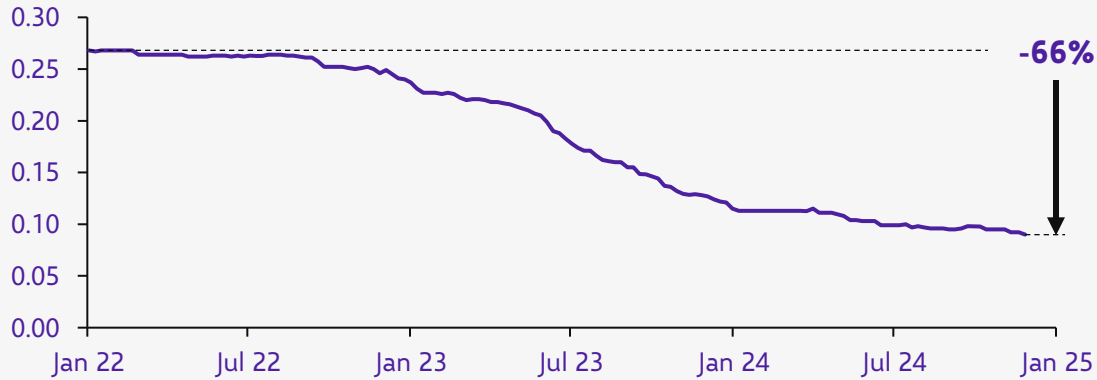


~75% of divestment proceeds allocated to **corporate debt repayments** towards 2027

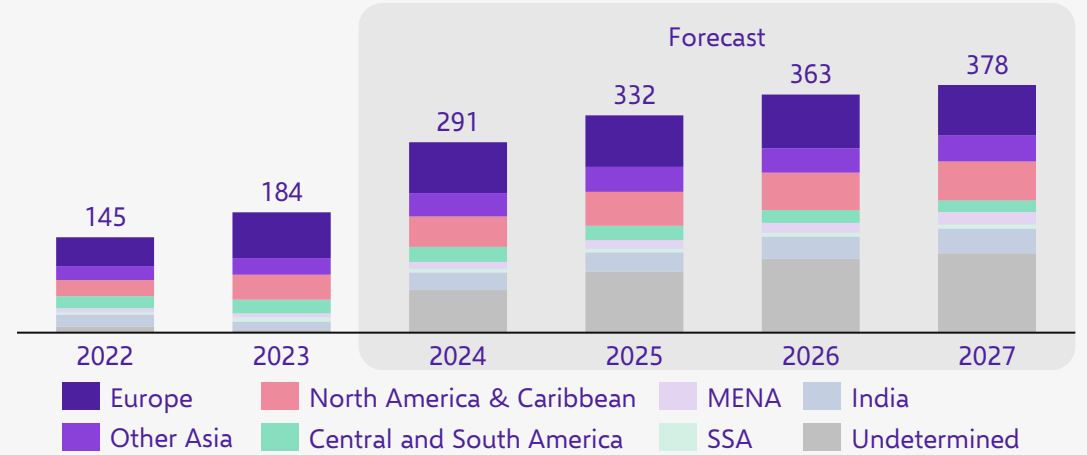


Favourable price drops paves the way for attractive growth

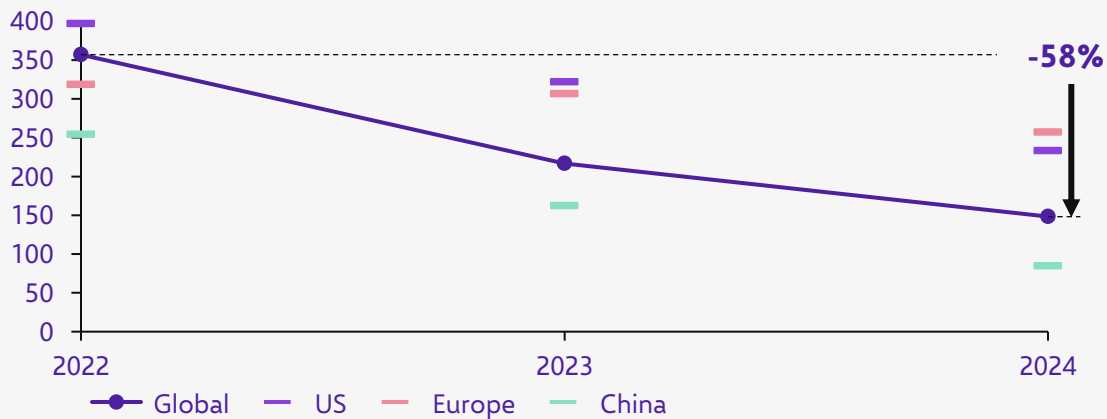
Solar PV module prices (USD/W)



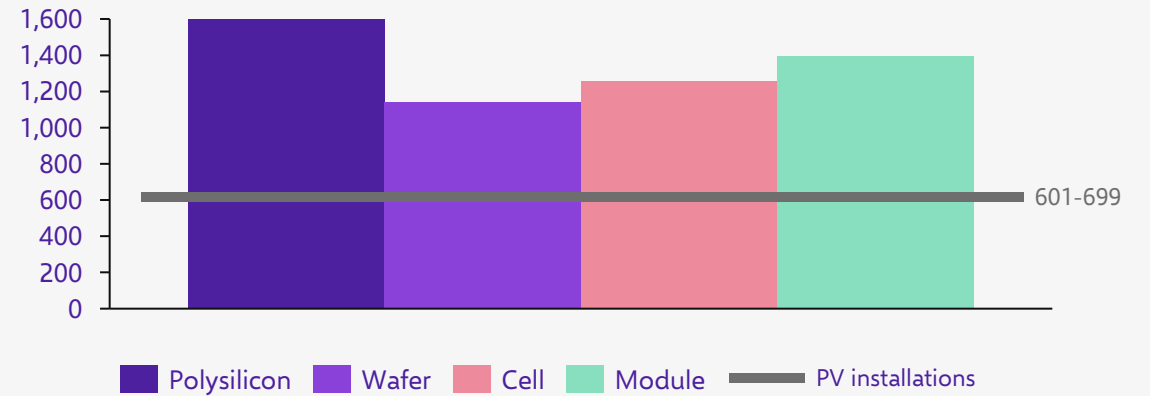
Global newbuild PV forecast excl. China (GW)



Turnkey energy storage system prices¹ (USD/kWh)



2024e global manufacturing capacity vs 2025e PV installations (GW/year)



1. Four-hour duration systems

Sources: BNEF: 4Q 2024 Global PV Market Outlook, Energy Storage System Cost Survey 2024



Based on key market selection criteria...

- 1 Meets required project returns
- 2 Large and growing power demand
- 3 Stable regulatory environment
- 4 Strong fundamentals for renewables
- 5 Established offtake routes
- 6 Scatec with well established position

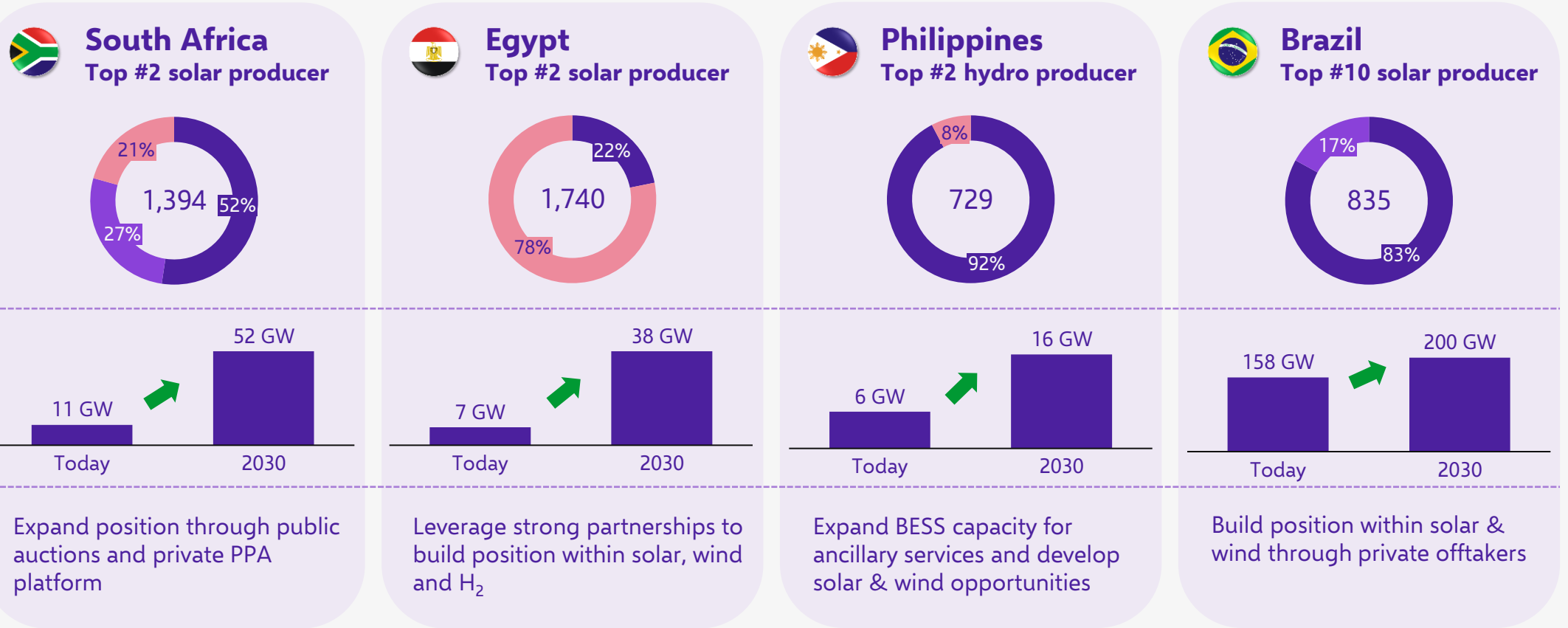




We have selected four core markets with attractive growth outlook

■ In operation
■ Under construction
■ Backlog

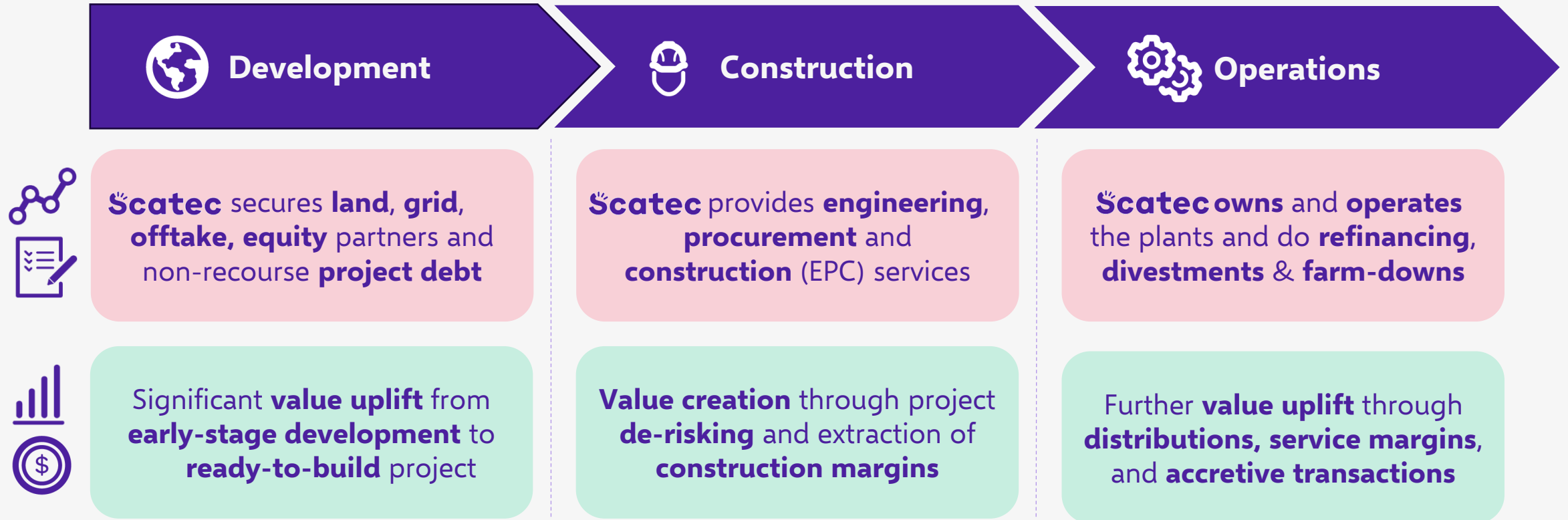
Portfolio, MW



Opportunistic approach to markets outside the four core markets



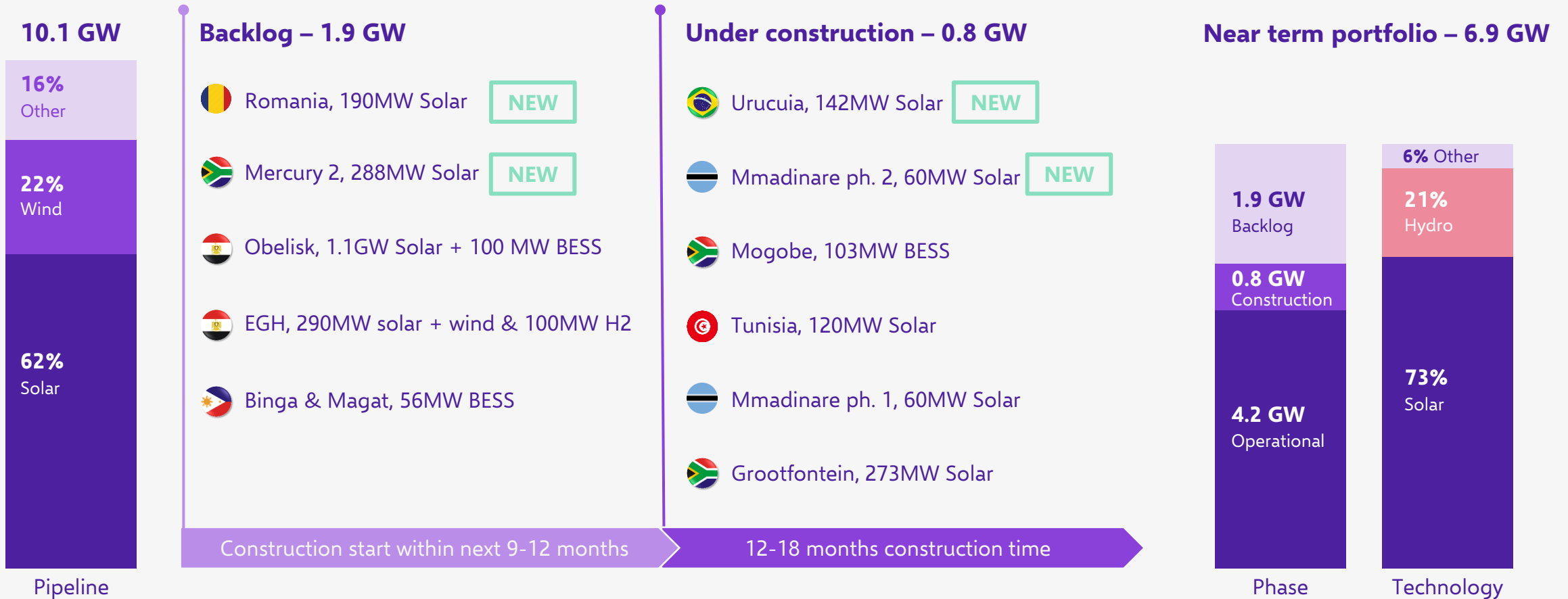
We apply our integrated approach for speedy, high-quality execution and enhanced value creation





Attractive fundamentals driving projects forward...

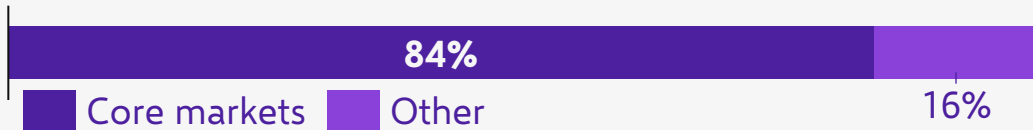
with D&C gross margins covering a substantial part of Scatec's target equity investments



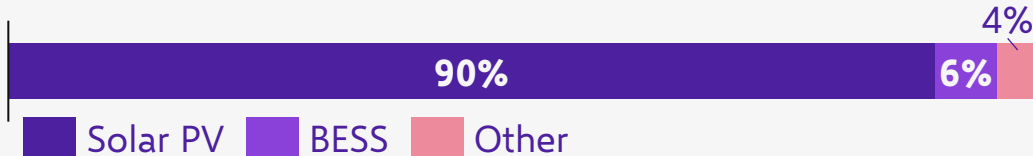


The 2.7 GW are in the sweet spot of our growth ambitions

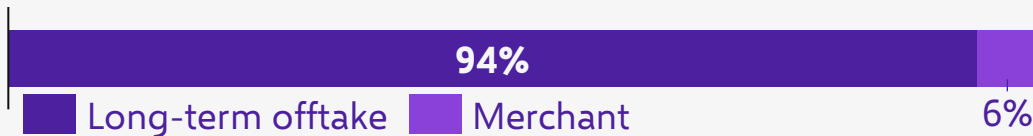
Delivering profitable growth in **core markets...**



...with focus on **Solar PV & BESS...**



...generating **average 20-year contracted cash flows...**



...and **substantial D&C gross margins** covering ~**75%** of Scatec's target equity investments

\$2.1 billion total capex

\$1.7 billion non-recourse debt & grants

\$1.4 billion D&C revenues

\$150 million D&C gross profit

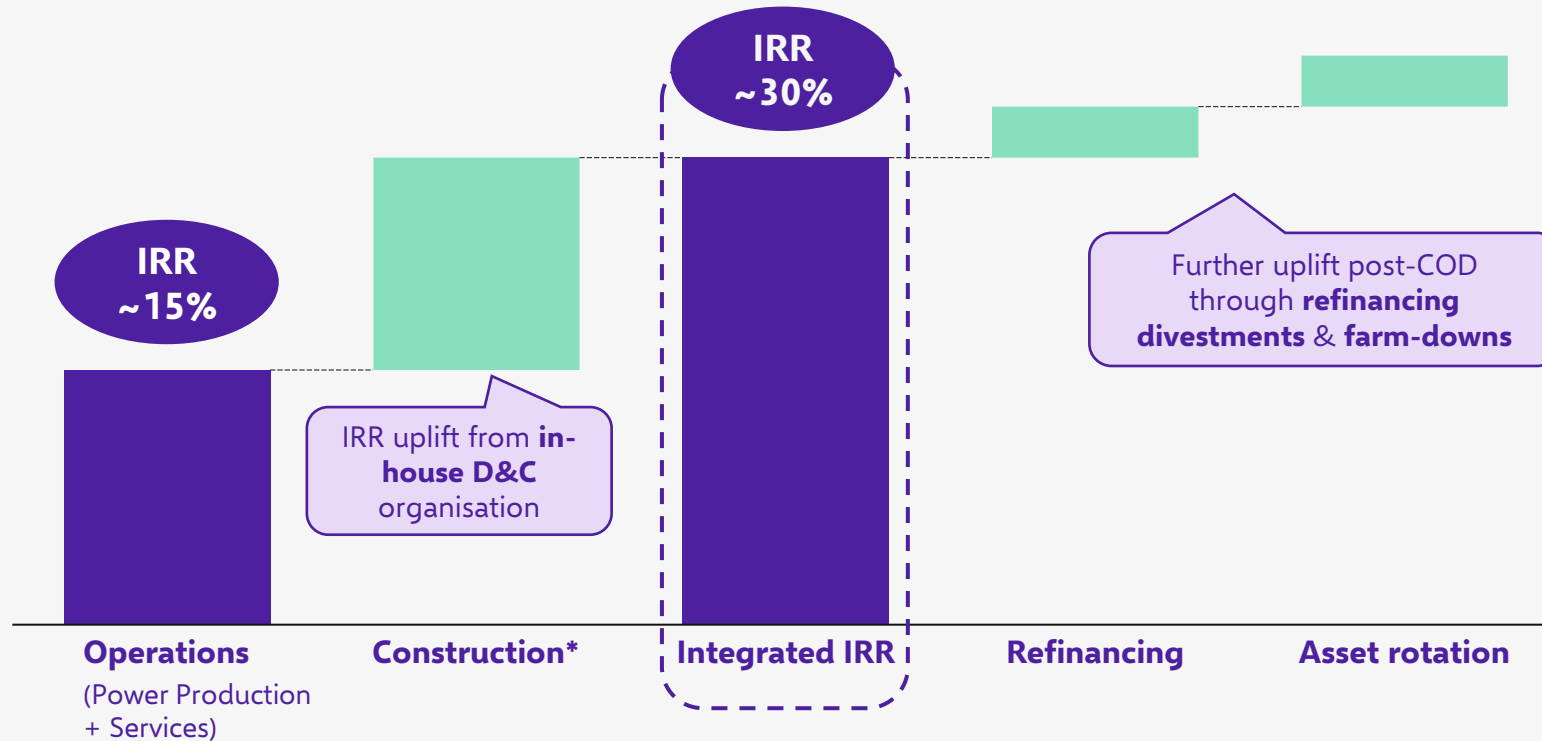
\$198 million Scatec equity investment*



...With solid project equity returns generated from our integrated approach

Scatec project equity IRR build up

- Average equity IRRs for projects under construction, backlog and mature pipeline projects

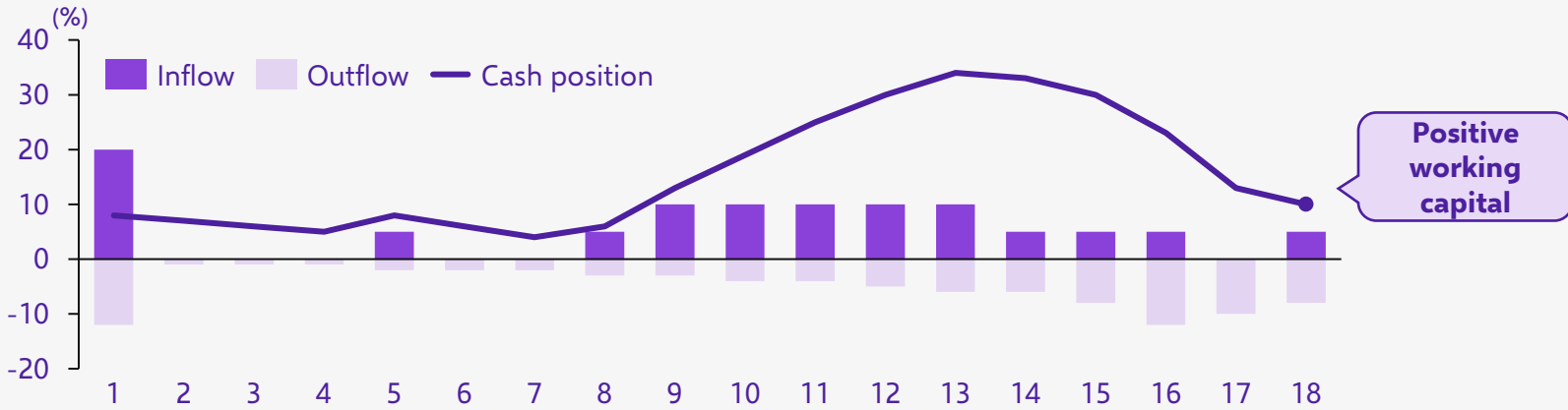


- **Strict value creation criteria** drives all investment decisions
- **Maximising returns** through an integrated approach
- Average IRR from operations of **~15%** and integrated IRR of **~30%** incl. construction margins
- **Returns locked in** before construction start

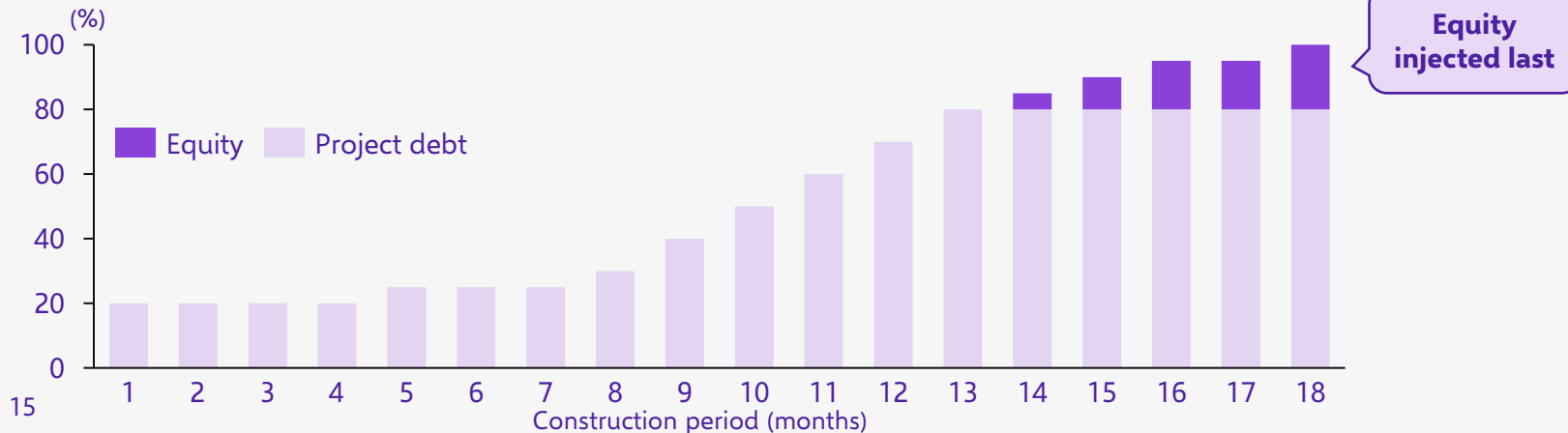


We optimise EPC cash flows and equity injections during construction

Illustrative Scatec EPC cash flows during construction (%)



Illustrative equity last financing structure* (%)



*Based on 80% leverage on a 100% basis

EPC-working capital

- **Upfront inflows** based on milestone payments
- **Back-ended outflows** achieved through supplier credits and trade finance
- **D&C margins** accumulated during the construction period

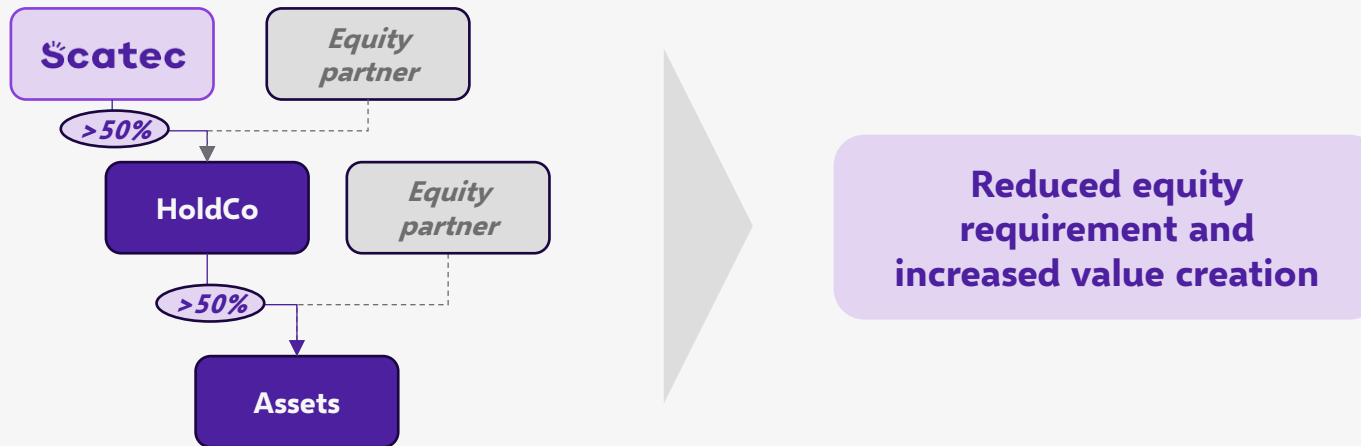
Equity last financing structure

- Equity injected last to optimize cash flows and project returns



Capturing more value through capital efficiency

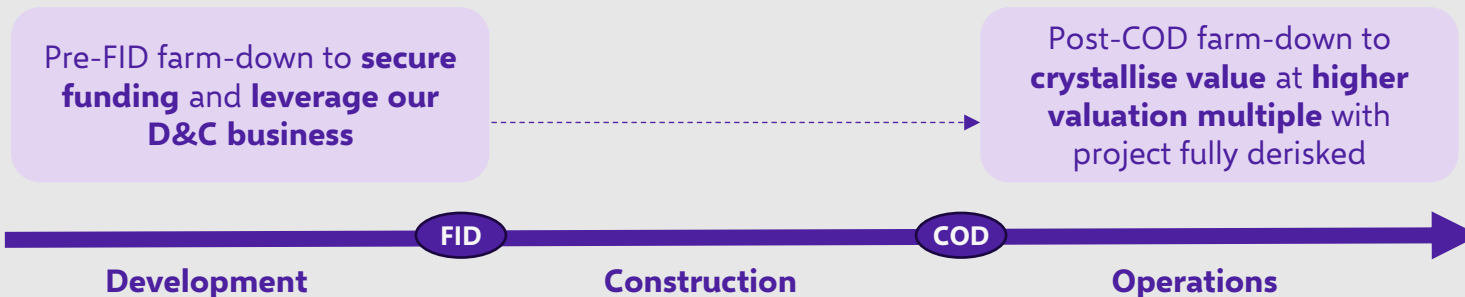
Illustrative ownership platform – farm-down to 26% while retaining control



Key rationale

- **Value creation** through **increased D&C margins** per equity invested
- Further **IRR uplift** through optimal timing of farm-down
- **Reduced funding requirement** supporting self-funded growth plan
- **Retained control** over construction and operations
- **Egypt projects most relevant** near-term for ownership platform

Optimising timing of farm-down

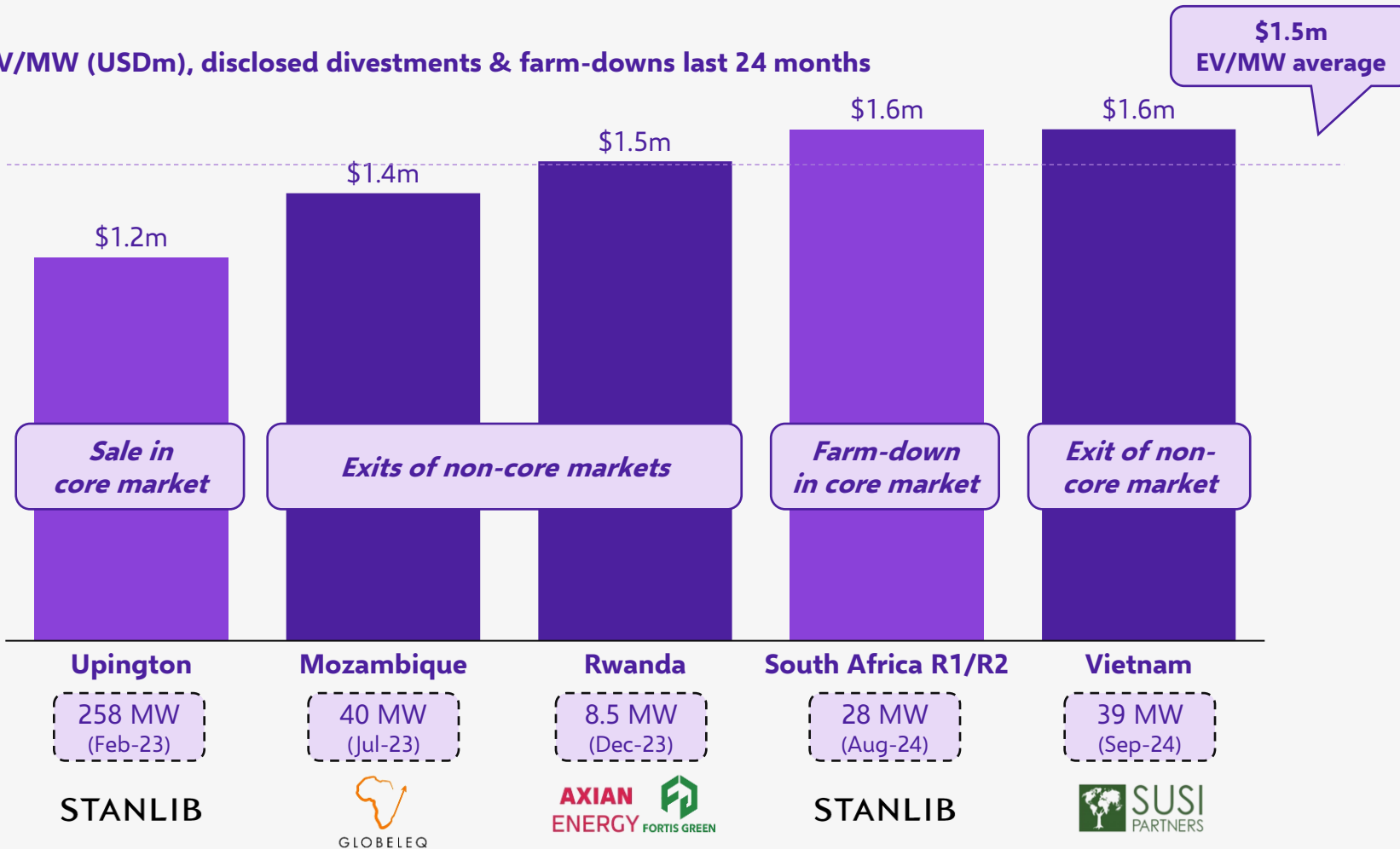


Timing dependent on project size and market conditions



Focus on divesting operating assets to fund strategic initiatives and crystallise value

EV/MW (USDm), disclosed divestments & farm-downs last 24 months



Solid track record

- 6 transactions last 24 months*

Attractive pricing

- USD 1.5 million EV/MW average
- Value accretive price a prerequisite for all transactions

Structured valuation approach

- DCF of estimated future cash-flows with project specific discount rate**

*JV Hydro Africa sale to TotalEnergies in Jul-24 not included in the chart due to non-disclosure of transaction price

**DCF valuation highly dependent on remaining lifetime, PPA tariff, local discount rates etc.



Strong ESG focus across all operating activities



Minimising social and environmental impacts

- Science based approach to climate change
- Responsible lifecycle management
- Minimise potential negative impacts and restore biodiversity



Safeguarding our people and local value creation

- Work for zero harm
- Embrace diversity, equity, inclusion and belonging
- Positively impact the local communities



Being a trusted business partner

- Maintain the highest ethical standards
- Respect and protect human rights
- Mitigate risk to ensure responsible supply chain

Net Zero climate target

Minimise direct emissions by 2030 and achieve **net zero** emissions across the value chain by 2040.



All projects must adhere to the IFC Performance Standards and Equator Principles





Key takeaways

- Strong financial performance
- Solid platform for further growth
- Continuing to deleverage





Our asset portfolio

Plants in operation

	Capacity MW	Economic interest
South Africa	730	41%
Brazil	693	33%
Philippines	673	50%
Laos	525	20%
Egypt	380	51%
Ukraine	336	89%
Uganda	255	28%
Malaysia	244	100%
Pakistan	150	75%
Honduras	95	51%
Jordan	43	62%
Vietnam	39	100%
Czech Republic	20	100%
Release	38	68%
Total	4,221	49%

Under construction

	Capacity MW	Economic Interest
Grootfontein, South Africa	273	51%
Urucuia, Brazil	142	100%
Tunisia portfolio	120	51%
Mmadinare, Botswana	120	100%
Mogobe, South Africa	103	51%
Release	9	68%
Total	767	68%

Project backlog

	Capacity MW	Economic interest
Egypt	1,125	100%
Egypt	290	52%
South Africa	288	51%
Romania	190	65%
Philippines	56	50%
Total	1,949	81%

Project pipeline

	Capacity MW	Share in %
Solar	6,258	62%
Wind	2,274	22%
Green Hydrogen	980	10%
Release	300	3%
Storage	160	2%
Hydro	144	1%
Total	10,116	100%

