



First quarter 2019

Oslo, 26 April 2019



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Agenda

- **Highlights and project update**

Raymond Carlsen, CEO

- **Financial review**

Mikkel Tørud, CFO

- **Summary and outlook**

Raymond Carlsen, CEO



Q1'19:

Continued strong growth and solid financial results

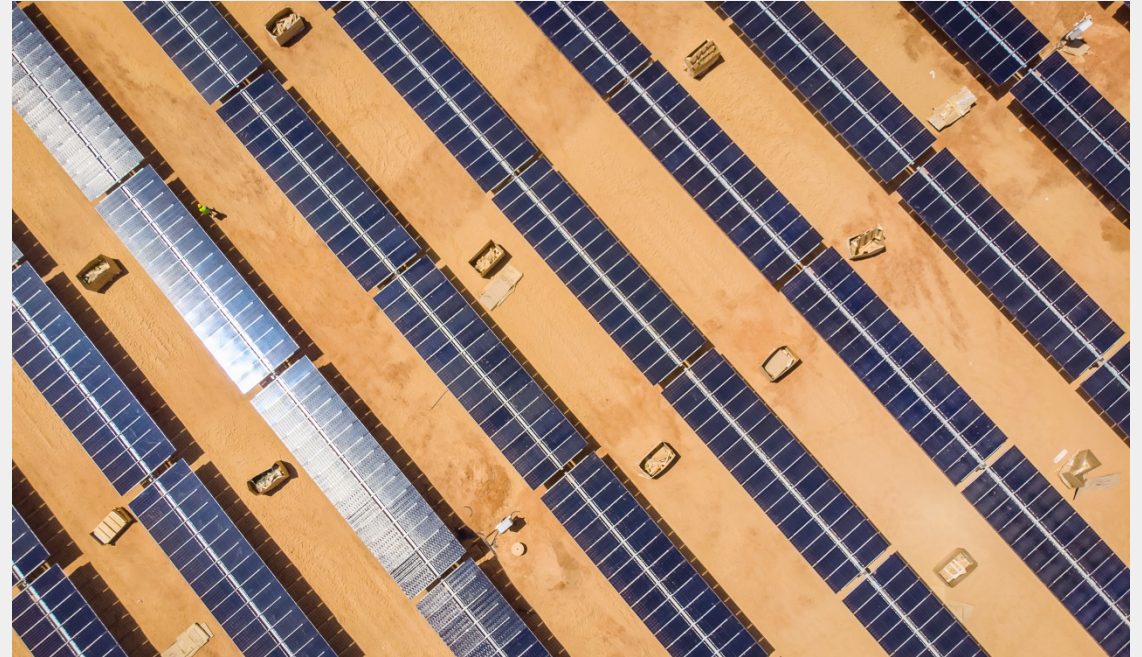
- Proportionate revenues of NOK 1,528 million and EBITDA of NOK 315 million
- Continued high construction activity with D&C revenues of NOK 1,297 million and EBITDA of NOK 159 million
- Power production reached its highest level ever with 133 GWh – revenues up 52% year on year
- A new 152 MW project in Ukraine added to backlog
- Secured the first combined solar and battery project in Africa
- 65 MW of the 400 MW project in Egypt reached commercial operation in April



First 65 of 400 MW in Egypt reached commercial operation

Scatec Solar's Egypt solar power plants:

- Bi-facial solar panels: 1 million
- Peak manning: 4,500
- Lost Time Incidents: 1 on 4 million hours
- Households powered: 420,000
- Annual production: 870 GWh
- Avoided CO2 annually: 350,000 tonnes



Expected commercial operation dates

January
2019



December
2019

Ukraine: 152 MW added to project backlog

- Progressovka, 152 MW:
 - 10 year feed in tariff
 - Annual production: 184 GWh
 - Capex: EUR 156 million
- Scatec Solar's 500 MW portfolio in Ukraine:
 - Under construction: Rengy & Kamianka 77 MW
 - Project backlog: 326 MW
 - Project pipeline: 100 MW



The Rengy project currently under construction.

Broad portfolio of 1,006 MW under construction in six countries

Egypt, 335 MW



South Africa, 258 MW



Jasin & Merchang, Malaysia, 130 MW



Argentina, 117 MW



Ukraine, 77 MW



Redsol, Malaysia, 47 MW



Mozambique, 40 MW



Sustainability is an integrated part of our business

Sustainability is;

- Project risk mitigation and value creation
- Local engagement and strong community relations
- Facilitating strong partnerships (project and group level)
- A competitive advantage if done well



Local development programmes - focus on education



Contributing to local value creation

- Education - key focus for local development programmes – one of our four selected UN Sustainability Development Goals
- Target at least one long-term education programme related to all our solar projects

Examples:

- **Jordan:** English language lab set up to offer free training courses and workshops
- **Honduras:** 80 women from the local community received HSSE training in the Los Prados project
- **South Africa:** 60 Entrepreneurs received business administration training



Read more: [Sustainability Report 2018](#)

Financial review

Mikkel Tørud, CFO



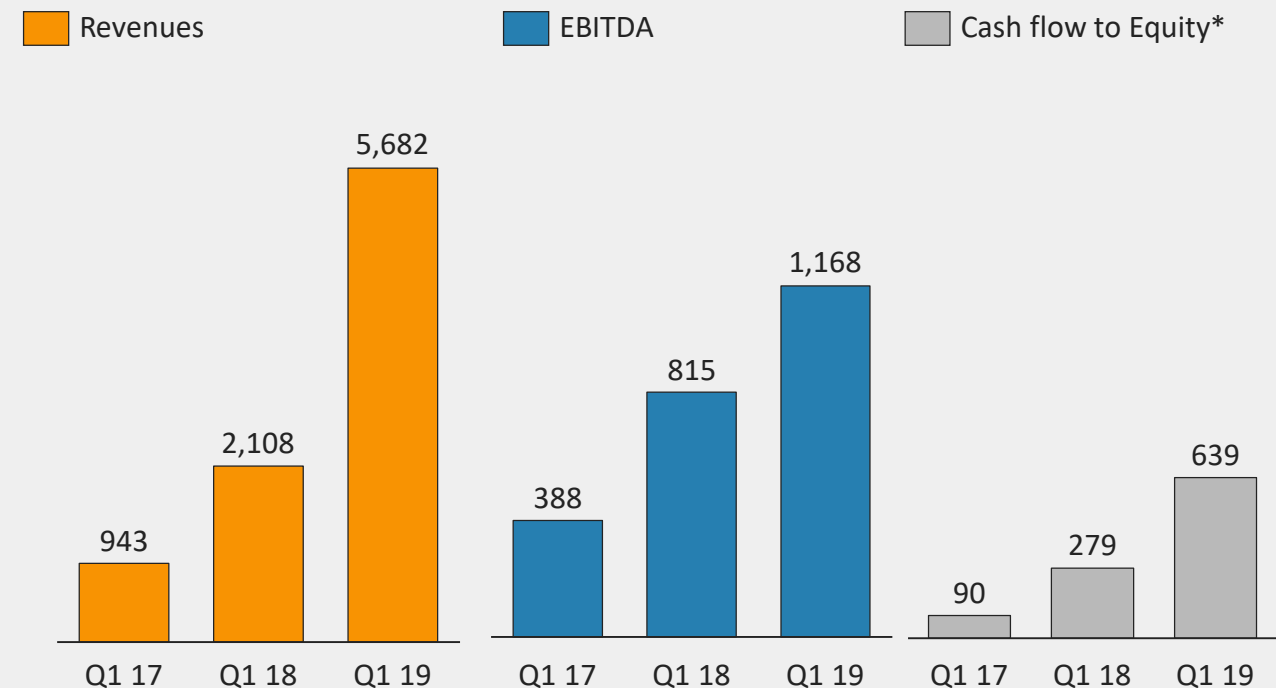
Scatec Solar
Improving our future™

Continued strong growth and solid financial results

Key drivers:

- Consistent conversion of an attractive project pipeline in emerging markets
- Solid delivery on construction across four continents
- A broad asset portfolio with long term cash flows secured
 - 17 years of remaining tenor of current power purchase agreements
- Strong focus on operations & asset management

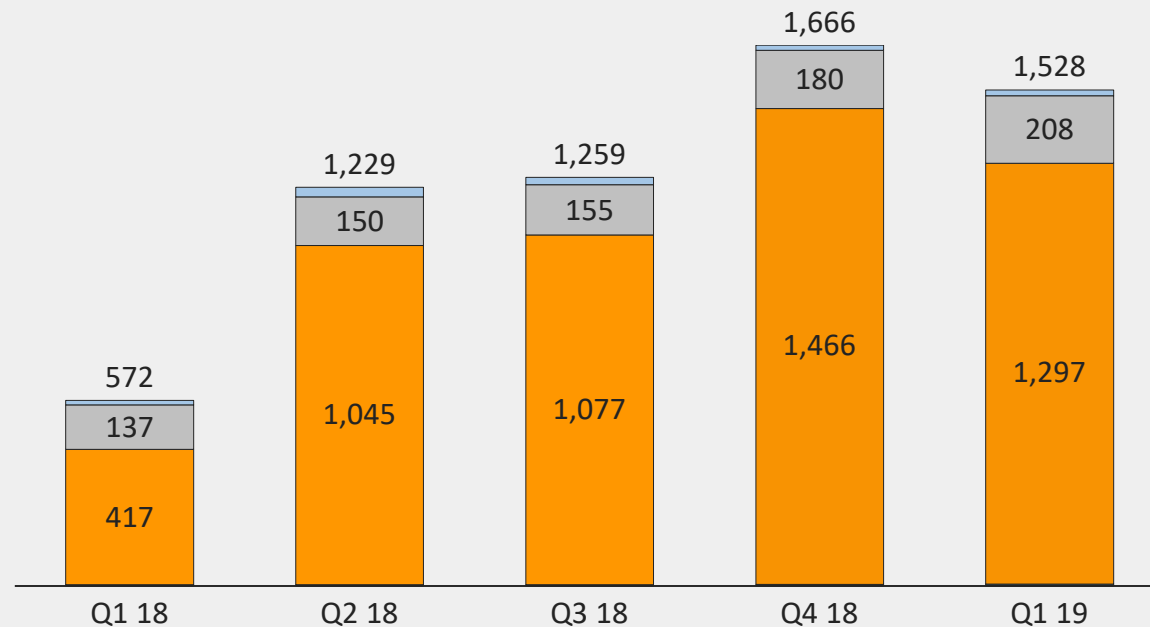
Proportionate financials - last 12 months (NOK million)



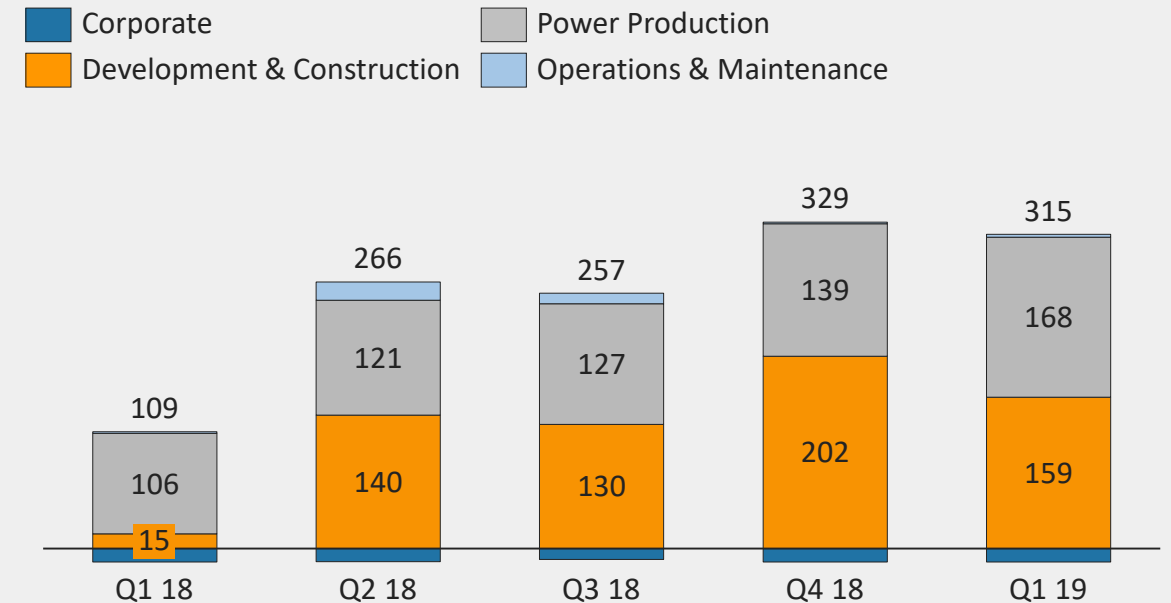
Q1'19:

Revenues and EBITDA are up three fold from the same quarter last year

Proportionate revenues by segment (NOK million)



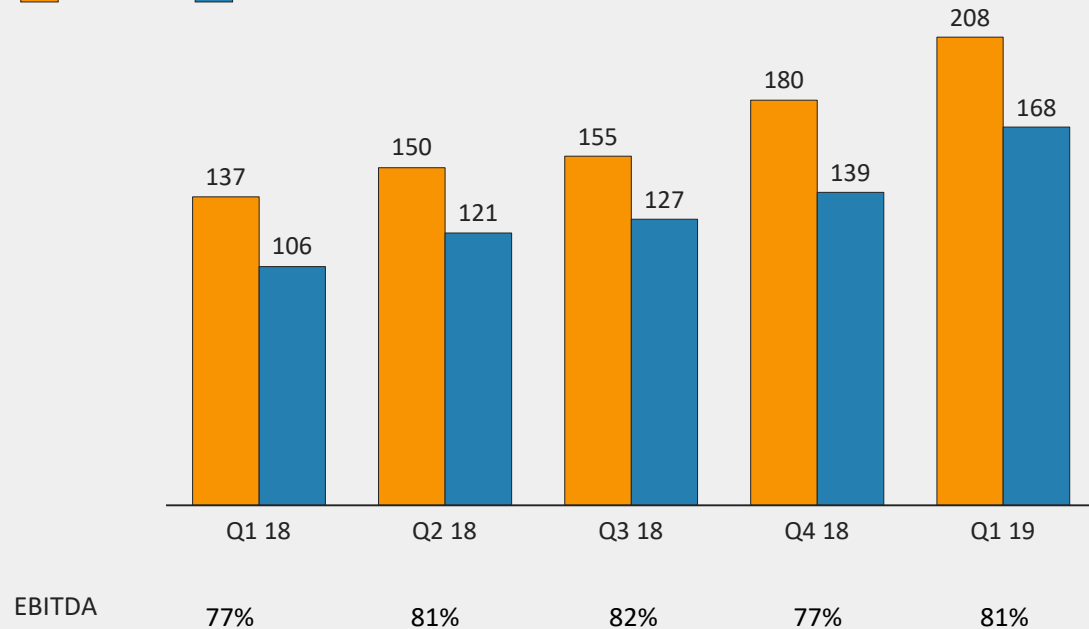
Proportionate EBITDA by segment (NOK million)



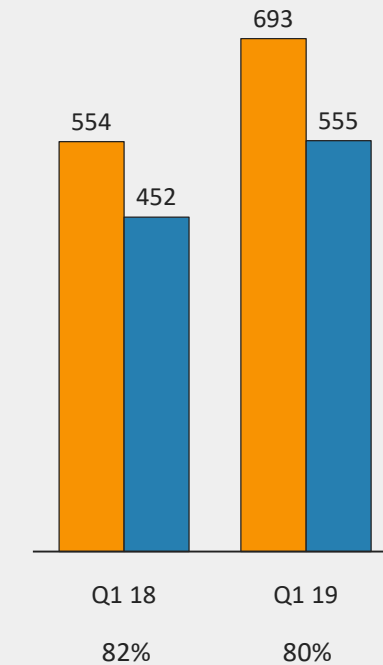
Power production reached highest level ever

Quarterly (NOK million)

Revenues EBITDA



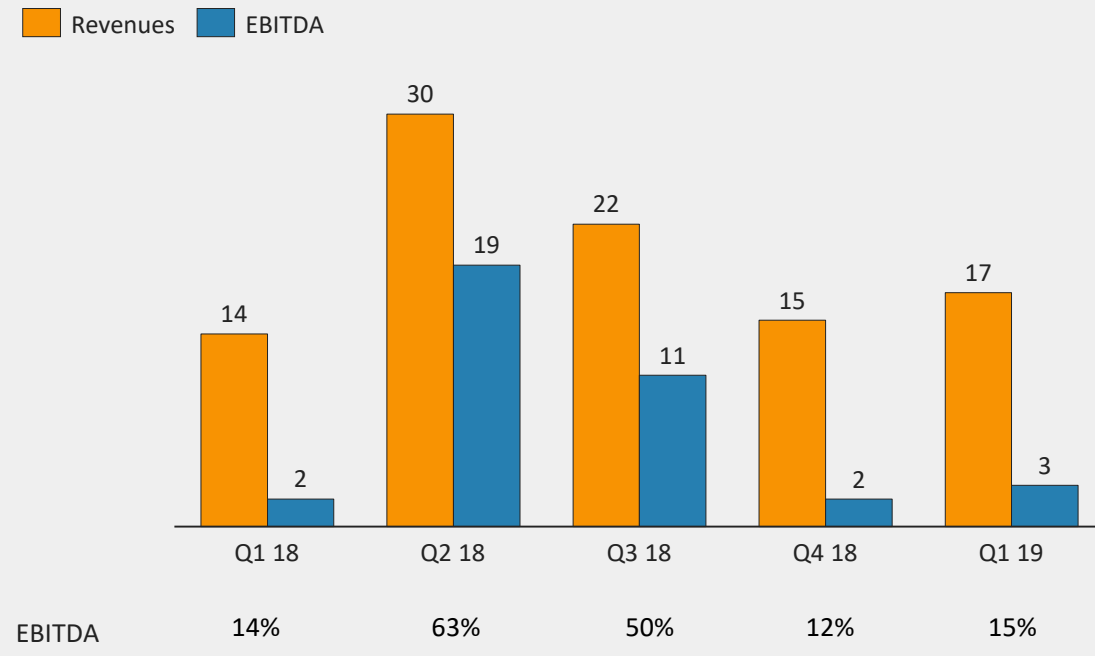
Last 12 months (NOK million)



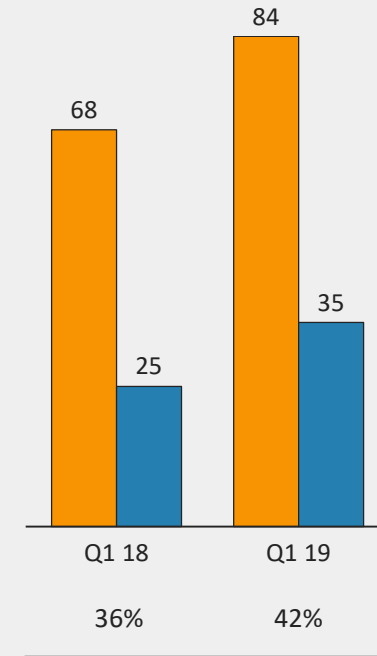
- Production in Brazil and Malaysia below normal levels due to extraordinary weather conditions

Steady operations – revenues set to grow with new plants grid connected

Quarterly (NOK million)



Last 12 months (NOK million)

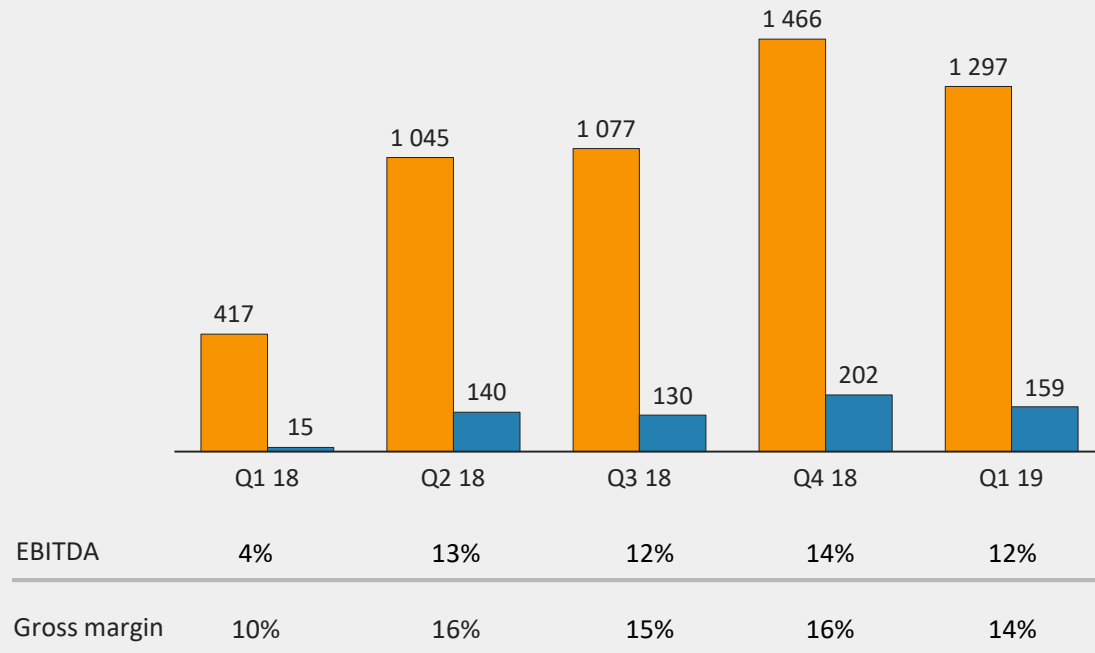


- Q1 Revenues are normally seasonal low in South Africa

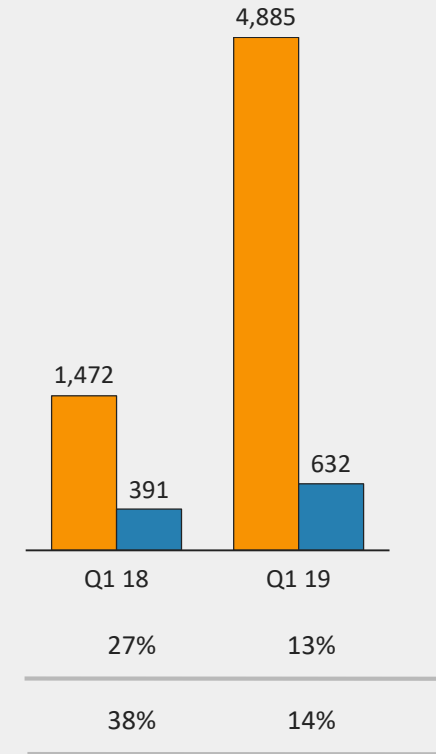
Continued high development and construction activities

Quarterly (NOK million)

Revenues EBITDA



Last 12 months (NOK million)



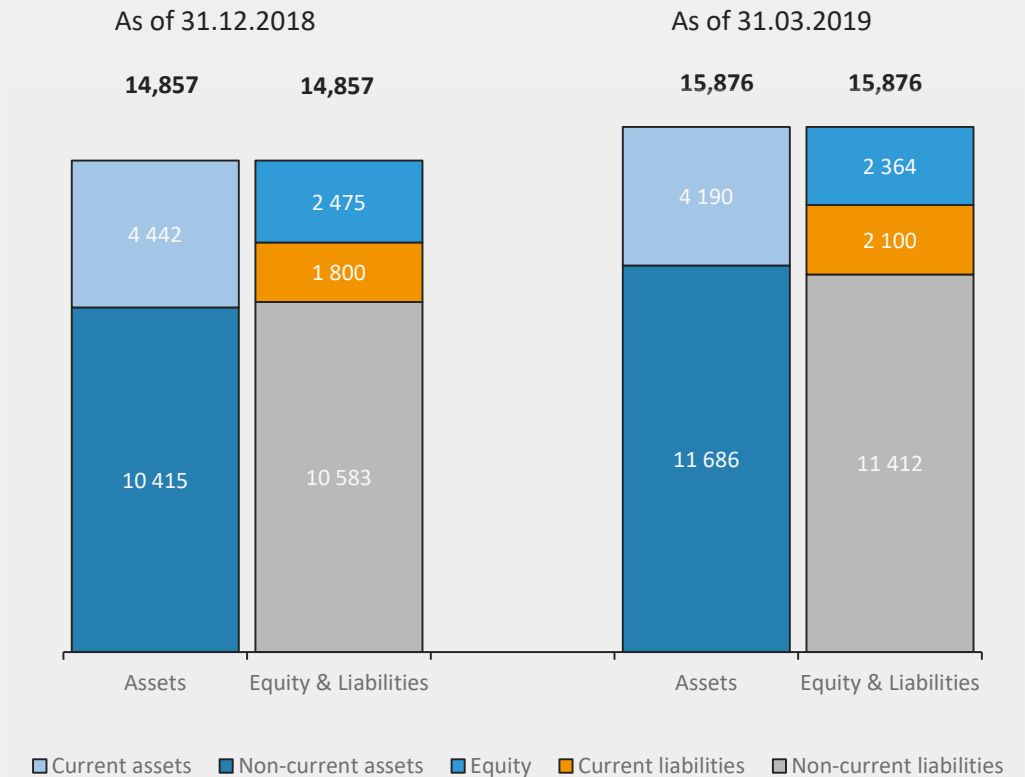
- The project development team continued to mature a wide range of projects
- Jasin, Merchang, Mocuba and next sites in Egypt are expected to reach commercial operation in the second quarter

A solid financial position

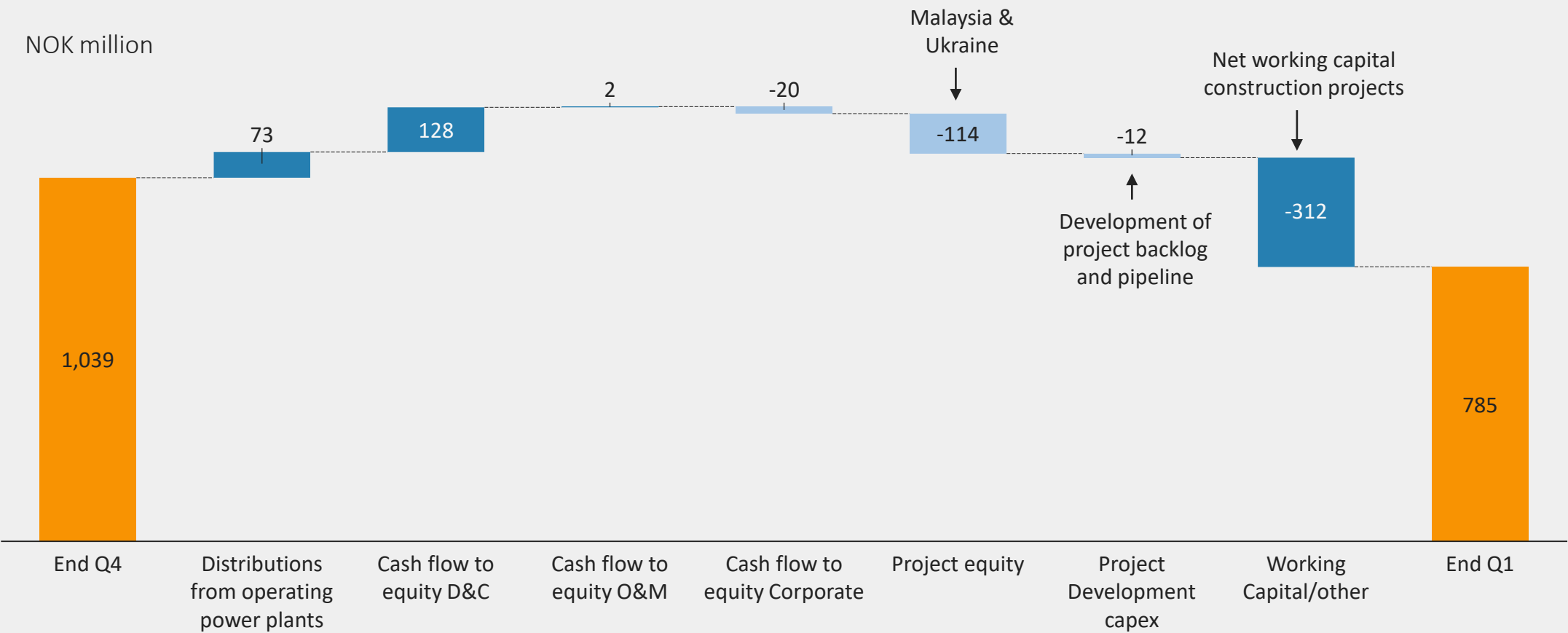
- Group free cash of NOK 825 million
- Revolving Credit Facility increased by NOK 275 million to NOK 775 million – undrawn at the end of Q1'19
- Group* book equity strengthened to NOK 3,318 million – equity ratio of 82%

NOK million	Consolidated	SSO prop. Share	Group level*
Cash	2,806	2,082	785
Interest bearing liabilities*	-10,441	-7,124	-744
Net debt	-7,635	-5,042	41

Consolidated financial position (NOK million)



Q1'19 movement of free cash at group level



Short term guidance

- 2019 O&M revenues of NOK 110-120 million with an EBITDA margin of around 30%
- D&C value for 1 GW under construction: NOK 7 billion
 - Remaining NOK 3.3 billion value to be recognised
- Power production from plants in operation end Q1:

GWh	Q1'19	Q2'19e	2019e
Proportionate	133	150-170	620-660
100% basis	254	290-310	1,100-1,300



The 65 MW Gurun solar plant in Malaysia.

Outlook and summary

Raymond Carlsen, CEO



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Partnering with UN to reduce carbon emissions and the cost of power

- 0.7 MW project for United Nations entity secured in South Sudan
 - Combined battery and solar project for IOM – covering about 90% of off-takers energy demand 24/7
- The solar systems can easily be increased to supply power to local communities or to other off-takers at a later stage
- UN spends about USD 600* million annually on fuel for power
- A large potential to reduce cost and carbon emissions for the UN entities
- In addition, two hybrid plants with total capacity of 2.25 MW for an international agency in South Sudan



Scatec Solar – a global solar power company



Scatec Solar offices

Plants in operation

4,173 MW

Plants under Construction

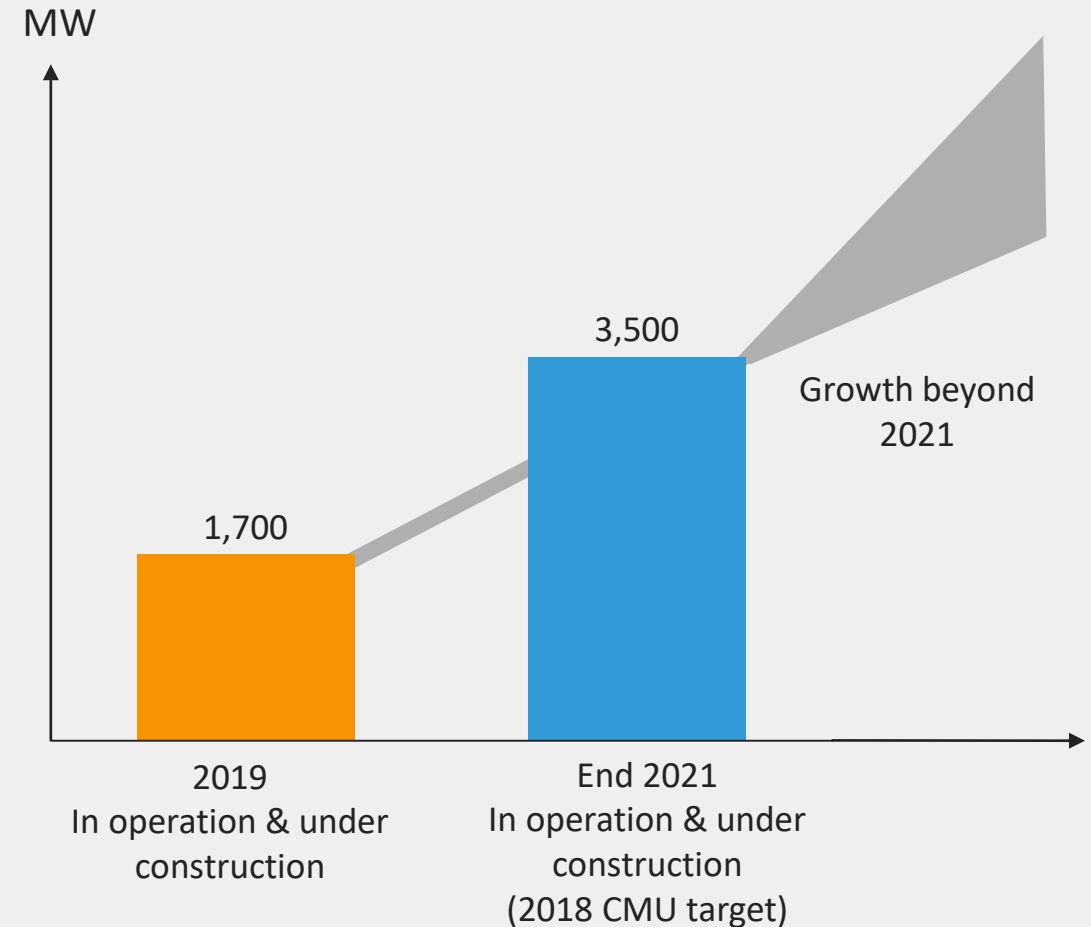
1,006 MW

Backlog & Pipeline

4,550 MW

Strong growth towards 2021 and beyond

- The solar market is expected to grow strongly in the coming decade
- A track record and market position to realise increased growth beyond 2021
- A well-proven business model with a present execution capacity of 800-1,200 MW per year





Thank you!



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