Results for Q2 2022

CEO CHRISTIAN RYNNING-TØNNESEN
CFO ANNE HARRIS
OSLO 21 JULY 2022
Second quarter summary

<table>
<thead>
<tr>
<th>Safety</th>
<th>Underlying EBIT</th>
<th>Net profit/loss</th>
<th>Climate action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRI: 4.3</td>
<td>3.8 BNOK</td>
<td>-1.2 BNOK</td>
<td>Delivered 3.4 GW of the target of 9 GW by 2025</td>
</tr>
<tr>
<td>4 serious injuries</td>
<td></td>
<td></td>
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<tr>
<td>Year to date</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRI: 4.3</td>
<td>21.8 BNOK</td>
<td>10.2 BNOK</td>
<td></td>
</tr>
<tr>
<td>9 serious injuries</td>
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</tbody>
</table>

- The **European energy crisis has accelerated** due to a shortage of gas supplies from Russia
- EBIT affected by the **extraordinary situation** in the energy markets
  - Significant revenues from spot generation
  - Offset by negative effects from hedging of future generation
- **Updated strategy** and **organisational changes** to meet increasing need for energy
  - New **hydropower plants** completed and application for **large hydropower upgrade** in Norway
  - Secured contracts for **wind and solar projects in Ireland**
  - Statkraft’s first large-scale **solar park in India** completed

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2 TRI (Total recordable injuries rate): 12-months rolling
Demanding market situation

- Low gas supply from Russia has accelerated the energy crisis in Europe
- Gas, coal and CO₂ prices are volatile and still at high levels - driving European power prices
- Significant price area differences in the Nordics
- Low reservoir levels in South Norway
- Statkraft are taking measures to secure power supply for the winter
Market trends accelerated by strong green policies

Massive growth in wind and solar power

Increased need for flexible-power supply and demand

Decarbonization leads to demand for new technologies

Increased market complexity and high market uncertainty

Strengthened and broadened sustainability agenda
### Updated strategy - enabling a net-zero future

<table>
<thead>
<tr>
<th>Provide clean flexibility – leveraging hydropower</th>
</tr>
</thead>
<tbody>
<tr>
<td>• <strong>Largest hydropower company</strong> in Europe, and a <strong>significant player</strong> in South America and India – investing in at least 5 larger projects in Norway by 2030</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accelerate solar, wind and battery storage</th>
</tr>
</thead>
<tbody>
<tr>
<td>• <strong>Major developer</strong> of solar, onshore wind, and battery storage</td>
</tr>
<tr>
<td>• Annual delivery rate of <strong>2.5-3 GW</strong> in 2025 and <strong>4 GW</strong> by 2030</td>
</tr>
<tr>
<td>• <strong>Industrial offshore wind player</strong> in the North Sea and Ireland</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliver green market solutions to customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>• <strong>Top-tier provider of market solutions</strong> in Europe with a significant global reach</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scale new green energy technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leading developer of <strong>green hydrogen</strong>, <strong>biofuel</strong>, <strong>EV charging</strong> and other green technologies – developing 2 GW green hydrogen by 2030</td>
</tr>
<tr>
<td>• <strong>Top 3 customer friendly and profitable district heating player</strong> in Norway and Sweden</td>
</tr>
</tbody>
</table>

**Sustainable, ethical and safe operations**
New opportunities and increased capacity for Norwegian and Swedish hydropower

- License application of the Folgefonn hydropower scheme in Norway sent
- Vesle Kjela and Storlia – two new hydropower plants in Norway – completed in 2022
- Significant reinvestments in Nordic hydropower portfolio with record-high activity level
Accelerated growth rate in solar, wind and battery storage

- Developed 1.2 GW of new capacity in 2021
- On track to deliver 2.5-3 GW annually by 2025
- Further strengthen growth ambitions – delivering 4 GW annually by 2030

Annual power generation can reach >100 TWh by 2030*

* Excluding district heating, biomass and biofuel
Secured contracts in Irish auction

- Secured four state contracts in Irish renewable energy auction
- One wind and three solar projects with a total capacity of 360 MW
- Statkraft has had significant growth in Ireland since 2018
Solar park in India completed

- Nellai solar park (76 MWp) is Statkraft’s first large-scale solar park in India
- Will generate renewable energy equal to the annual consumption of more than 500,000 Indian homes
- Statkraft will ramp up as a solar and wind power developer in India
High ambitions across technologies in Norway

Statkraft will drive the Norwegian energy transition through

- Develop and deliver green power generation
- Develop and deliver flexible supply (and demand)
- Engage in value chains that enable decarbonization
- Facilitate sustainable industries
Statkraft: Uniquely positioned in the energy transition

• **Solid competence and** highly motivated employees
• **Strong asset base**
• **Robust financial position** enables significantly increased growth targets
• **Updated strategy** to deliver high growth within renewable energy
Key financial figures

Quarterly performance driven by:
- Record-high Nordic power prices
- Lower generation volume in Norway
- Unrealised losses from hedging of future revenues

YTD performance driven by:
- Record-high Nordic power prices
- Significantly improved results from Market operations

12 Underlying figures, see definition in alternative performance measures in financial reports
Voluntary energy market with high prices

- Factors impacting power prices:
  - Reduced Russian gas supply
  - Gas, coal and CO2 prices
  - Low reservoir level in the Nordics – particularly in the southern parts of Norway
  - Significant spread between price areas in Norway

Sources: Nord Pool, European Energy Exchange.
• Total power generation 14.2 TWh, down 8% from Q2 2021
  - Hydropower generation down 0.9 TWh to 13.1 TWh
  - Wind power generation up 0.1 TW to 0.8 TWh
  - Gas-fired power generation down 0.5 TWh to 0.3 TWh
Hedging

Hedged volume 2023 – 2030

Approx. 1/3 of total generation hedged for the next years

Nordic system future price curve

Approx. 1/3 of total generation hedged for the next years
Revenues and cost development

**Quarter**

<table>
<thead>
<tr>
<th></th>
<th>Net operating revenues*</th>
<th>Operating expenses*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MNOK</td>
<td></td>
</tr>
<tr>
<td>Q2 2021</td>
<td>9,151</td>
<td>3,518</td>
</tr>
<tr>
<td>Q2 2022</td>
<td>8,356</td>
<td>4,539</td>
</tr>
</tbody>
</table>

- Net operating revenues decreased
  - Revenues from generation significantly up
  - More than offset by hedging losses

- Operating expenses increased
  - Pension scheme changes in Norway
  - Increased business development activities
  - Newly acquired businesses
  - Higher performance-related bonuses in Market operations

**Year to date**

<table>
<thead>
<tr>
<th></th>
<th>Net operating revenues*</th>
<th>Operating expenses*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MNOK</td>
<td></td>
</tr>
<tr>
<td>Q2 2021</td>
<td>19,825</td>
<td>6,976</td>
</tr>
<tr>
<td>Q2 2022</td>
<td>30,443</td>
<td>8,673</td>
</tr>
</tbody>
</table>

- Net operating revenues increased
  - Very high Nordic power prices
  - Solid contribution from Market operations

- Operating expenses increased
  - Mainly the same factors as for the Q2 increase

*Underlying figures, see definition in alternative performance measures in financial reports*
Underlying EBIT - Segments

- **European flexible generation**
  - Positive effect from high power prices partly offset by lower generation
  - Hedging losses for Nordic and continental assets

- **Market operations**
  - Strong contribution from Trading & Origination
  - High volatility in the power and fuels markets leading to losses for Nordic DAMP

- **European wind and solar**
  - Generation revenues up
  - Hedging losses for wind farms in Germany and France

- **Industrial ownership**
  - High power prices in the NO2 area, partly offset by lower generation

### Quarter

<table>
<thead>
<tr>
<th>Segment</th>
<th>Q2 2021</th>
<th>Q2 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>European flexible generation</td>
<td>4,357</td>
<td>3,885</td>
</tr>
<tr>
<td>Market operations</td>
<td>1,026</td>
<td>1,414</td>
</tr>
<tr>
<td>International power</td>
<td>140</td>
<td>41</td>
</tr>
<tr>
<td>European wind and solar</td>
<td>-263</td>
<td>-867</td>
</tr>
<tr>
<td>District heating</td>
<td>8</td>
<td>607</td>
</tr>
<tr>
<td>Industrial ownership</td>
<td>1,085</td>
<td>1,085</td>
</tr>
<tr>
<td>Other activities/group items</td>
<td>-104</td>
<td>-467</td>
</tr>
</tbody>
</table>
• Rolling 12 months remains at a very solid level
• Average capital employed on par with previous periods
Share of profit in equity accounted investments

- Higher contribution from International power
  - Reversal of impairments in Chile and India
- Reduced contribution from Industrial ownership
  - Negative hedging effects in Agder Energi and Eviny
Investment program – Year to date

- Maintenance investments primarily related to Nordic hydropower
- Other investments related to grid, district heating and EV charging
- New capacity:
  - BOO investments - solar park in India, wind farms in Chile and Brazil as well as a hydropower plants in Chile and India.
- Investments in shareholdings mainly related to investments within EV-charging
Cash flow in the quarter

- Solid cash flow from operations
  - NOK 8.1 billion of non-cash unrealised effects included in EBIT
  - Positive working capital changes of NOK 5.2 billion

- Investing activities related to:
  - maintenance investments
  - new capacity investments
  - partly offset by the divestment of a wind farm

- Financing activities
  - Net of repayment of debt and new debt
Rating, debt and maturity profile

- Rating upgrade from S&P
- Very solid cash position
- Net cash position of NOK 7.1 billion
- Current ratings provide a framework for investments

**Standard & Poor’s:** A (stable outlook)

**Fitch Ratings:** BBB+ (stable outlook)

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### Gross Debt

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Loans in subsidiaries</th>
<th>Loans in Statkraft AS</th>
<th>Null</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2021</td>
<td>12.5</td>
<td>0.6</td>
<td>14.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17.7</td>
<td>32.3</td>
</tr>
<tr>
<td>Q2 2022</td>
<td>7.3</td>
<td>0.9</td>
<td>12.7</td>
</tr>
<tr>
<td></td>
<td>6.2</td>
<td></td>
<td>≥2026</td>
</tr>
</tbody>
</table>

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### Long-term liabilities, debt redemption profile

- Net interest-bearing liabilities
- Cash and cash equivalents, excl. restricted cash
- Current financial investments

Statkraft AS

Subsidiaries
Summary

• The increased revenues from higher spot prices were offset by unrealised hedging losses

• Strong results year to date and high future power prices lift our expected investment capacity

• Investment plan with large degree of flexibility

• Robust financial position and solid foundation to meet growth targets in updated strategy
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