



Results for Q1 2023

CEO CHRISTIAN RYNNING-TØNNESEN
CFO ANNE HARRIS

OSLO, 23 MAY 2023

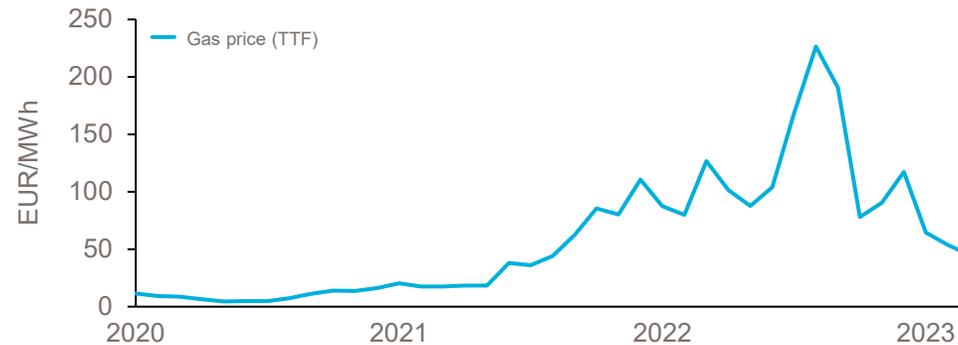
First quarter summary



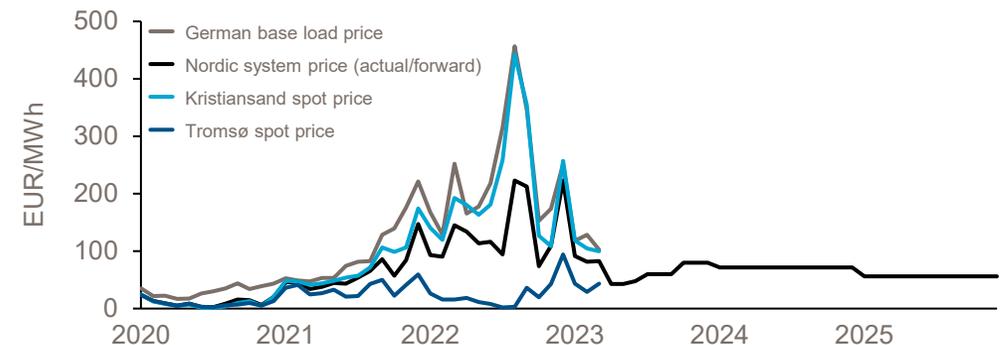
- **Strong financial results** driven by
 - Higher power prices in mid and northern Norway
 - Positive hedging effects
 - Strong results from trading and origination
- Several **new long-term power contracts** with Norwegian industry
- **NOK 1.6 billion gain on offshore wind-deal** in Ireland

Reduced European energy prices, but still at high levels

Gas price (monthly average)



Power prices (monthly average)



- European power prices has come down from very high levels towards the end of 2022
- Still high prices compared to levels seen before 2021
- Still uncertainty going forward

**New long-term
power contracts
with Norwegian
industry totalling
up to 52 TWh until
2035**

INEOS
Inovyn

Grenland

Elkem

Bremanger

**FORTESCUE
FUTURE
INDUSTRIES**



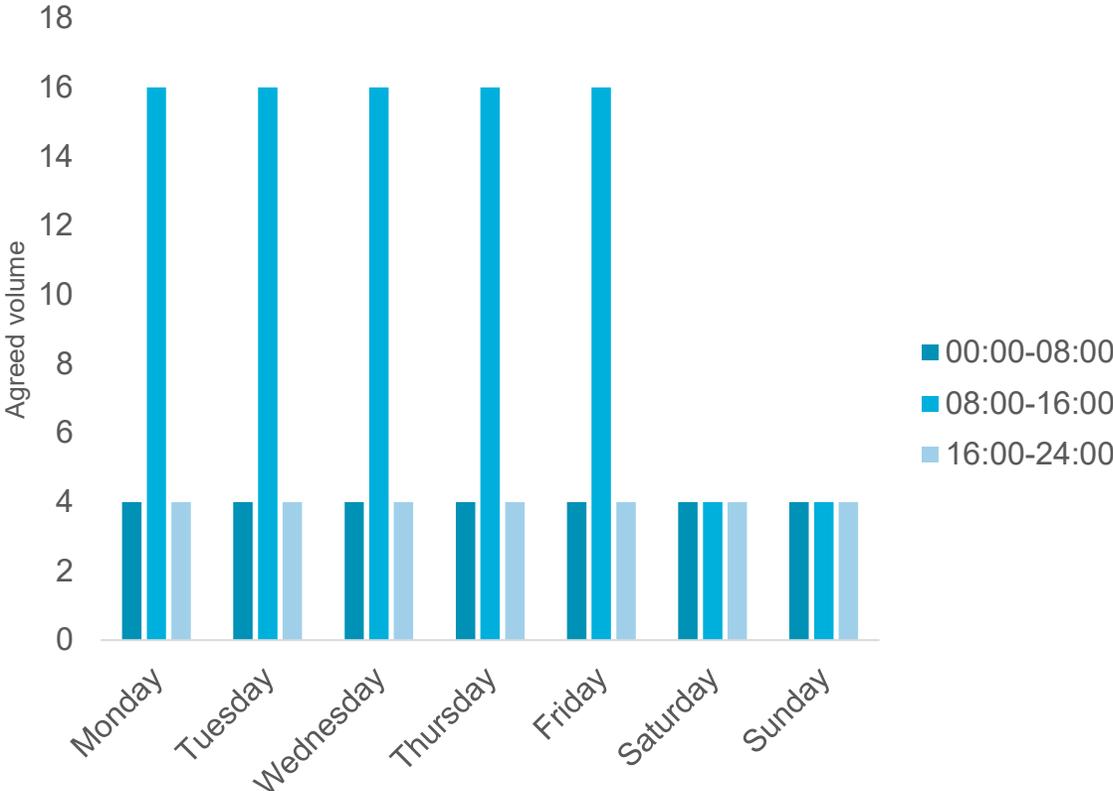
**Bremanger
Hemnes**

celsa
nordic

Mo i Rana

Fixed price contracts – hourly profile introduced

Hourly profile



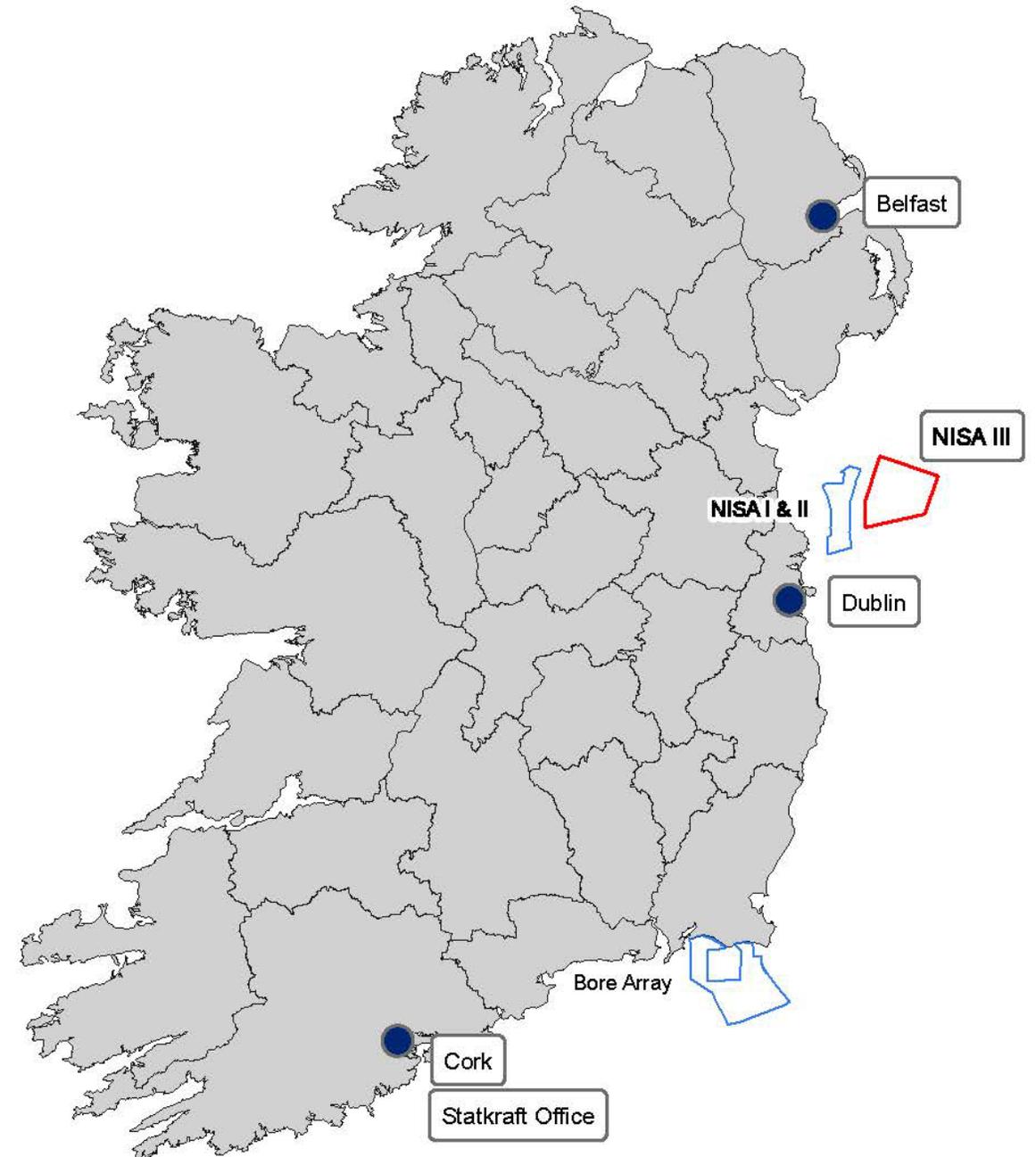
Retailers



- 1.6 TWh sold across all price areas
- 223 contracts in total
- Statkraft and Skagerak first to offer hourly profile

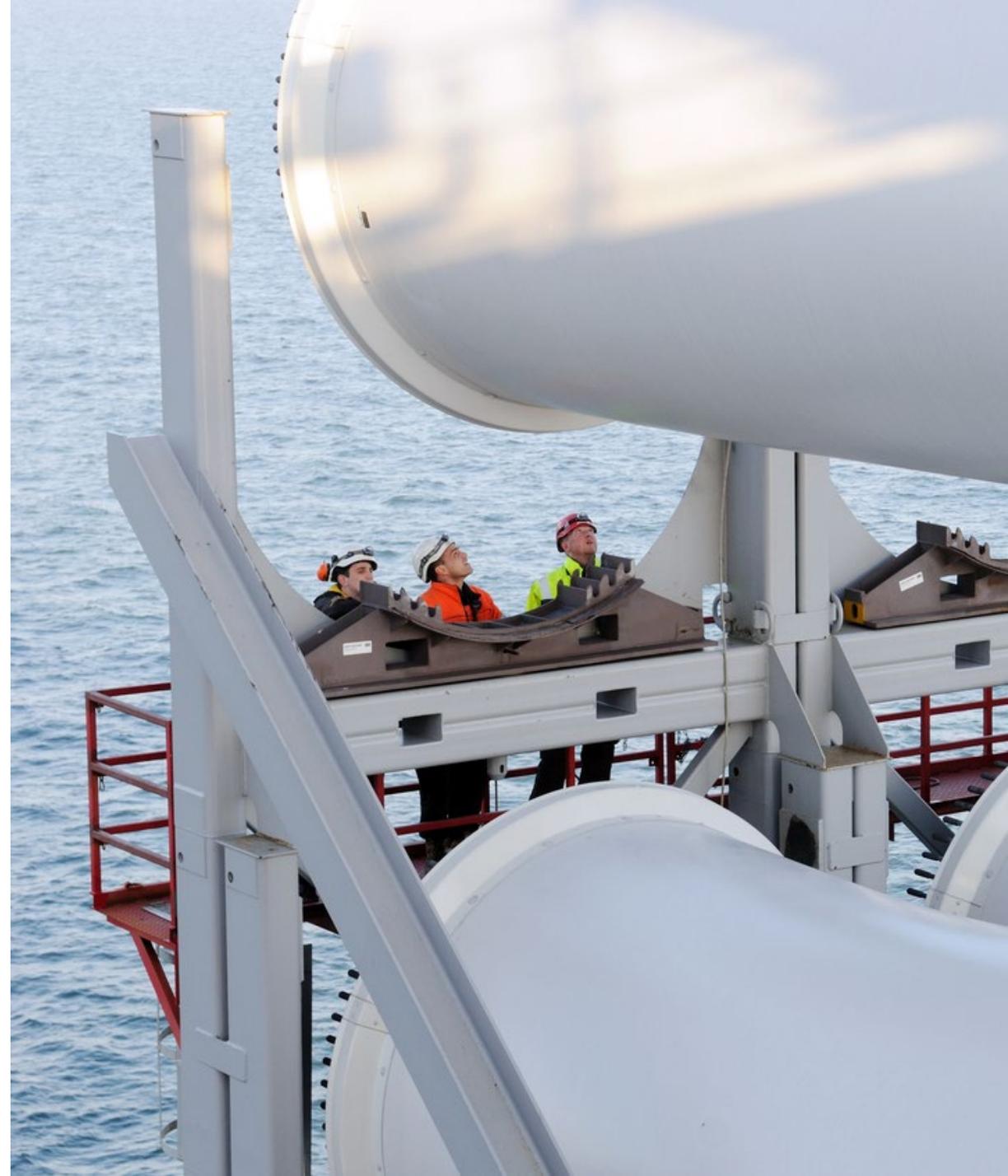
Offshore wind success in Ireland

- Q1: Sale of **50% of our 2200 MW offshore wind power portfolio** in Ireland to Copenhagen Infrastructure Partners (CIP) – gain NOK 1.6 billion
- In May: Statkraft/CIP partnership was awarded **500 MW contract for NISA phase one**
- Transaction includes the **three phases of the North Irish Sea Array (NISA)** and the **Bore Array** (total investments will exceed NOK 40 billion)



Ambitions at Sørliche Nordsjø II and Utsira Nord

- **Partnerships** in Norway and Ireland good starting point to re-enter offshore wind
- **10 years UK offshore wind experience**
- **Strong industrial partners**
- Building **competitive Norwegian offshore wind industry**, competence and jobs



We renew the way the world is powered

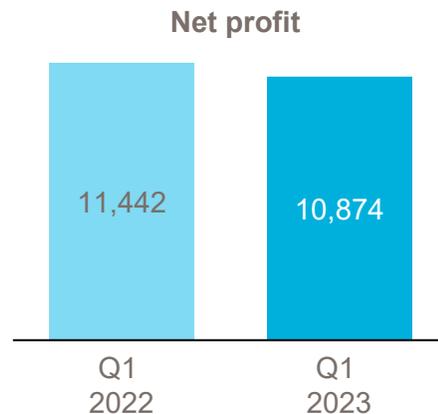
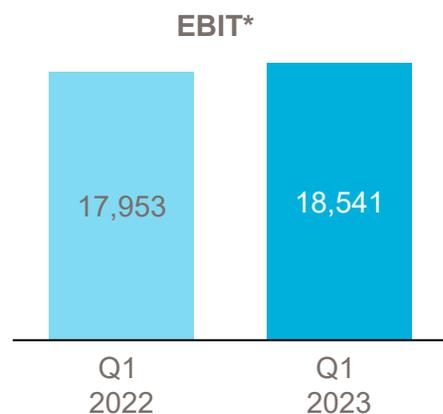
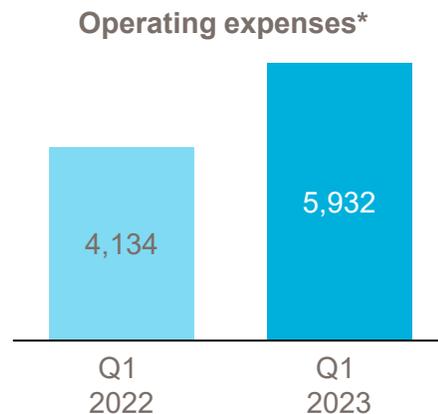
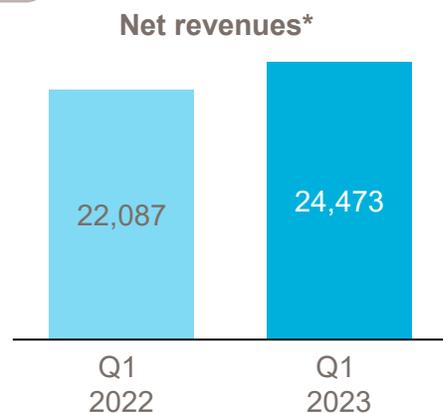
- Continued **robust operations** and **strong results** in all geographies and Markets
- **Strong pipeline** of 500+ projects and **robust financial position**
- **Strong recruitment efforts** underway to support ambitious growth targets
- Run rate of building 1000 MW per year in Q1, on target towards **2500-3000 MW per year** by 2025 - equal to one new power plant every nine days



Key financial figures

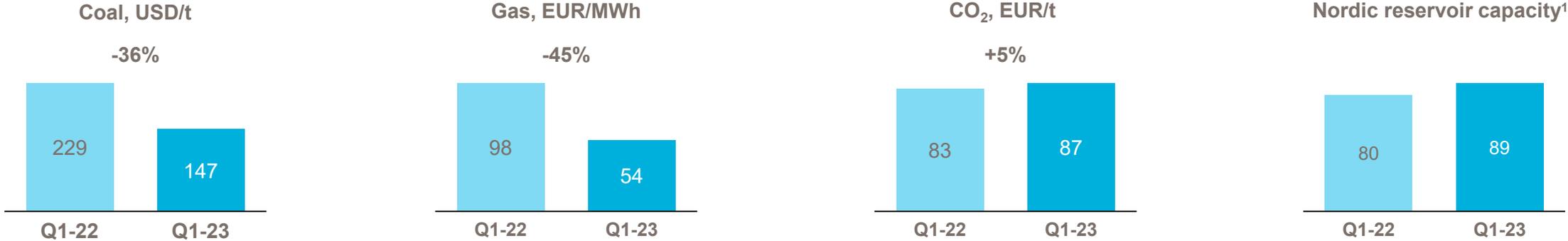
Quarter

MNOK



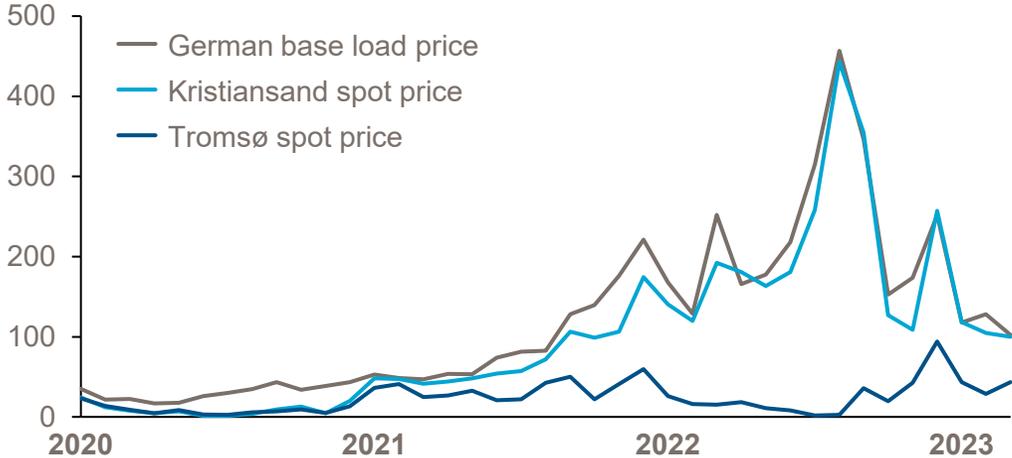
- Net revenues
 - Strong results from trading and origination
 - Higher power prices in mid and northern Norway offset by lower production
 - Positive hedging effects
- Operating expenses
 - Underlying operating cost stable
 - Increase due to high-price contribution and business development activities
 - Negative FX effects due to a weaker NOK
- Gain from sale of 50% of offshore wind portfolio in Ireland
- Increase in tax expense due to a higher resource rent tax rate

Lower energy prices



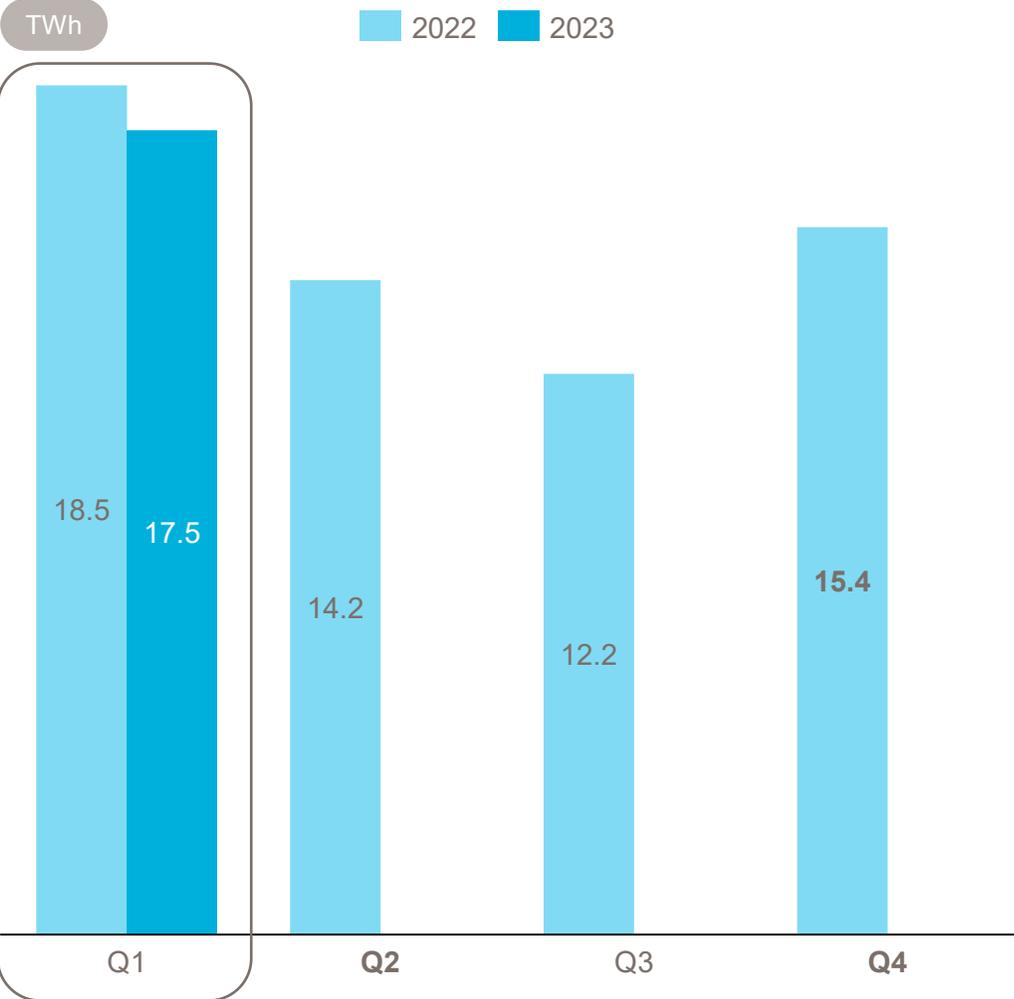
- Factors impacting power prices:
 - Gas, coal and CO₂ prices
 - Improved reservoir situation
- Reduced spread between Nordic price areas
 - Southern prices down
 - Mid and northern prices up

Average quarterly Nordic system price was 85 EUR/MWh, down 24 EUR/MWh Q-on-Q



¹⁰ ¹ Nordic reservoir capacity in percent of median.
Sources: Nord Pool, European Energy Exchange.

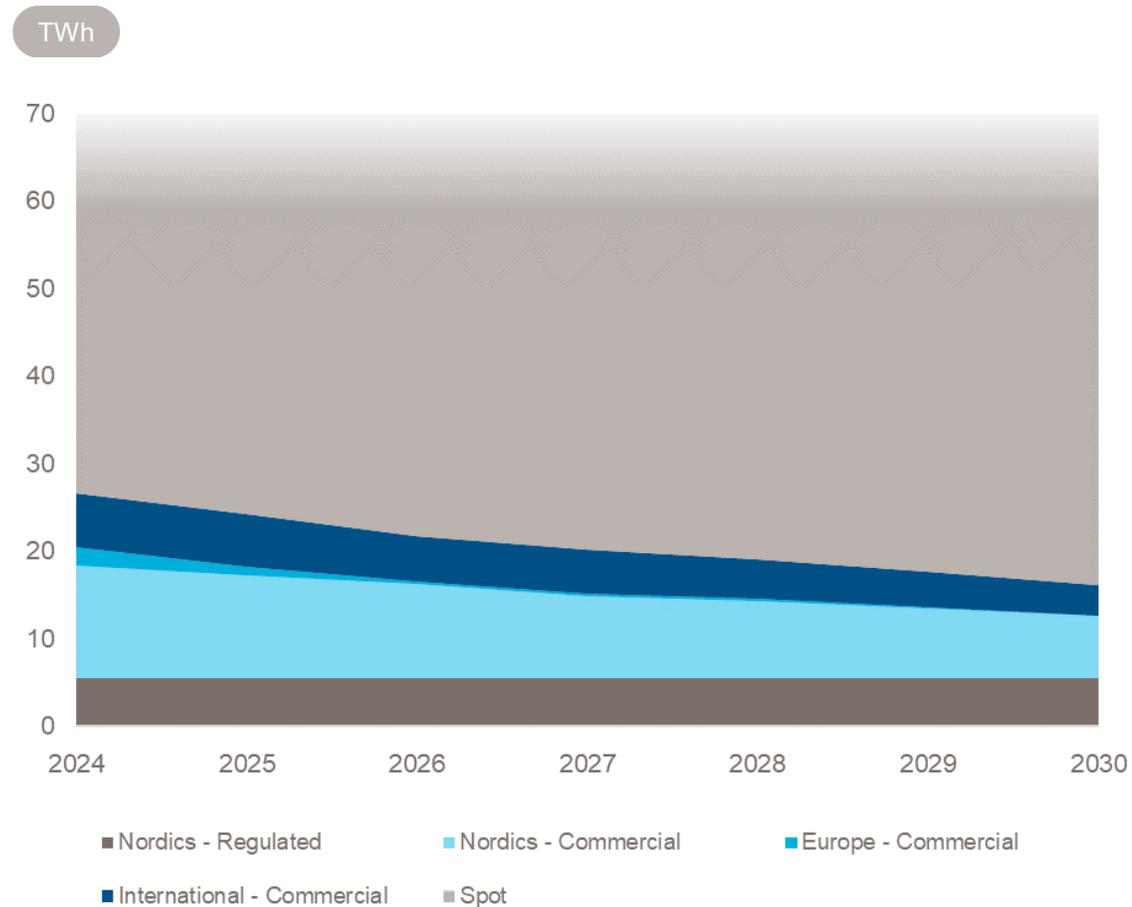
Power generation



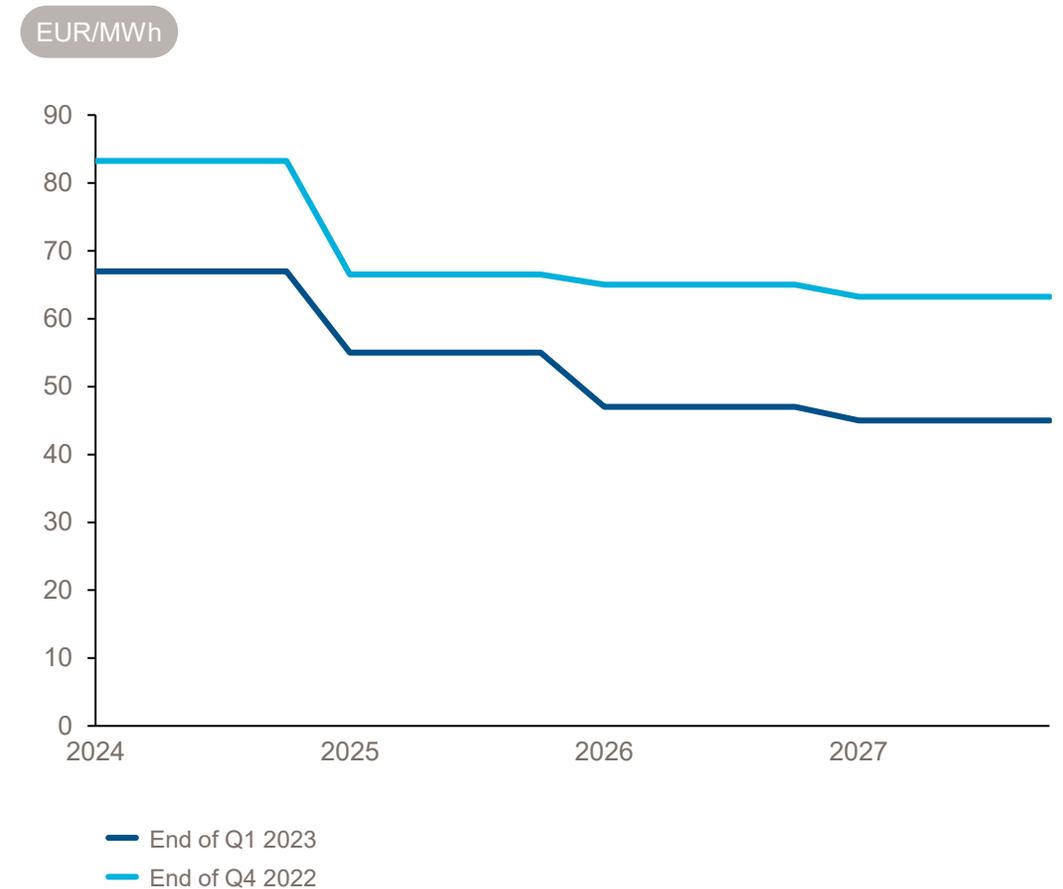
- Total power generation down 5% from Q1 2022
- Decrease driven by lower Norwegian hydropower generation

Hedging

Hedged volume 2023 – 2030



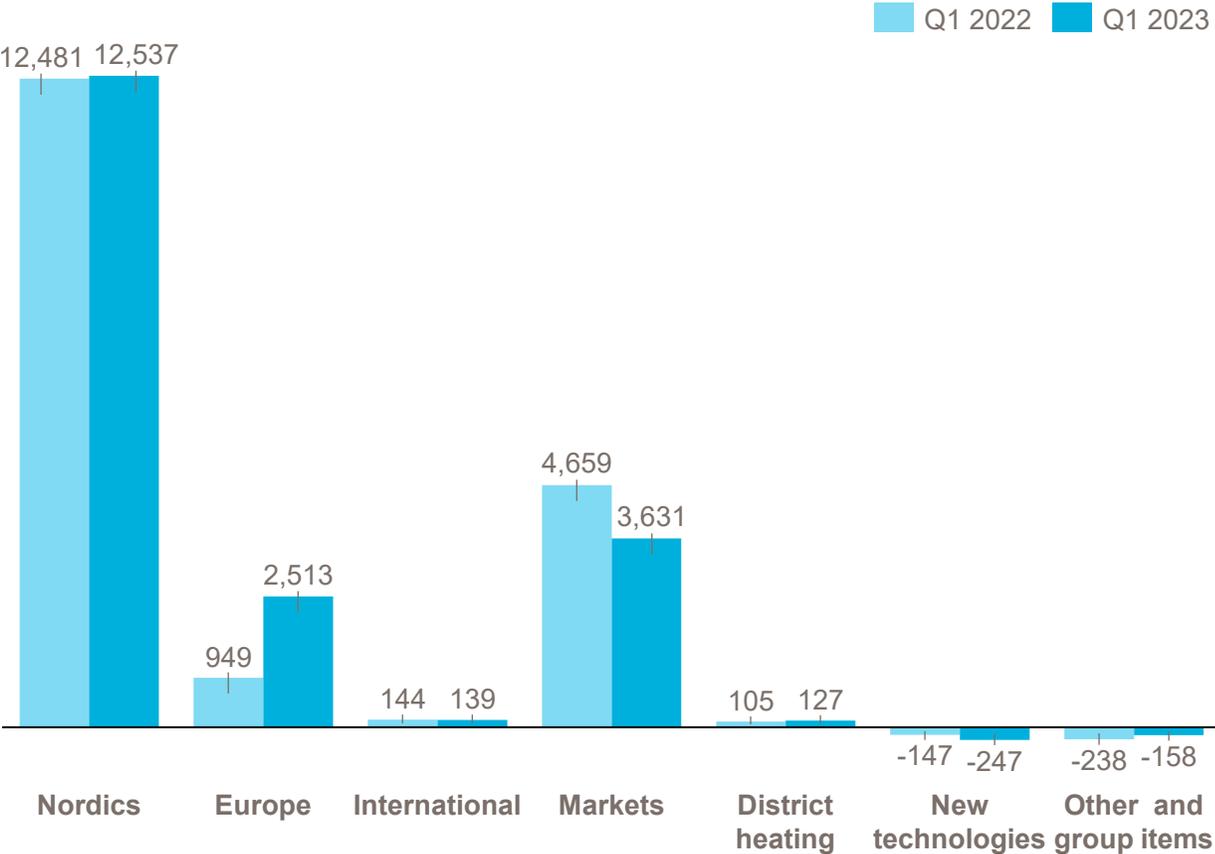
Nordic system future price curve



Underlying EBIT - Segments

Quarter

MNOK



Nordics

- Higher average achieved spot prices
- Hedging gains
- Lower Norwegian hydropower generation

Europe

- Significant hedging gains

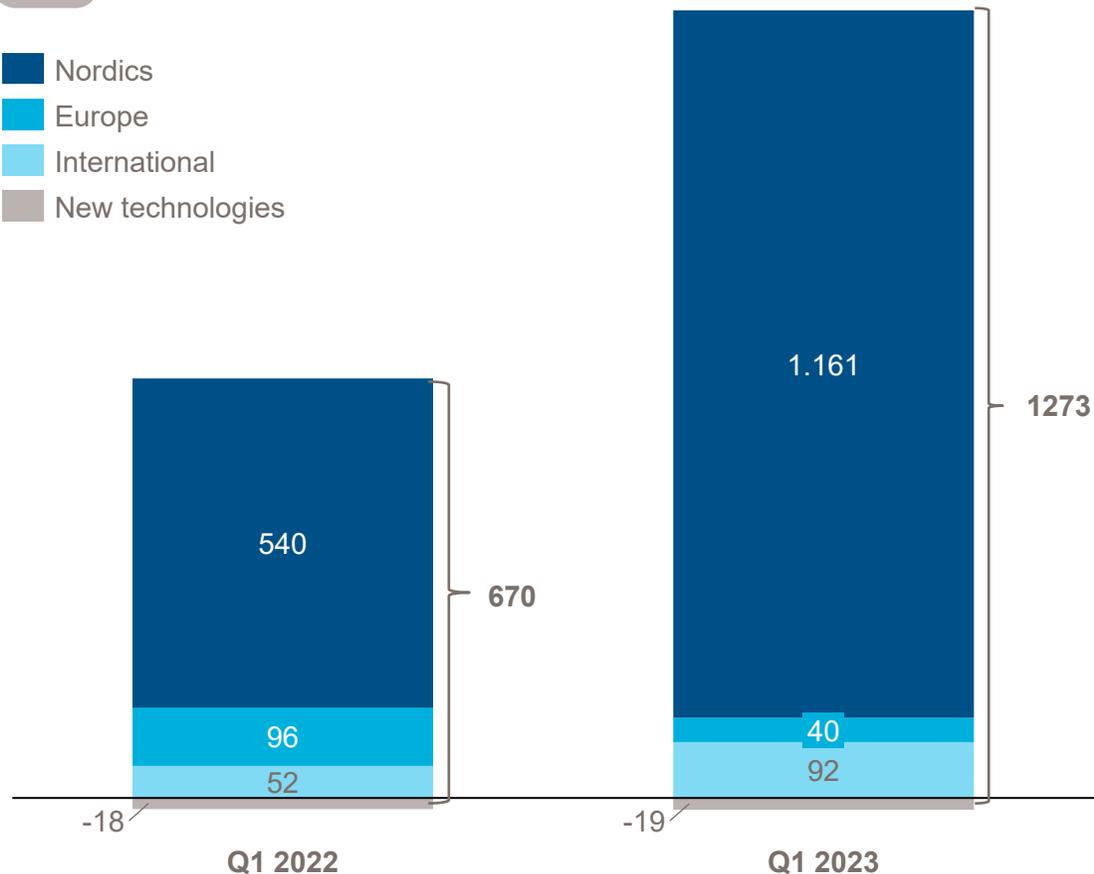
Markets

- Strong results from trading and origination
- DAMP portfolio closed

Share of profit in equity accounted investments

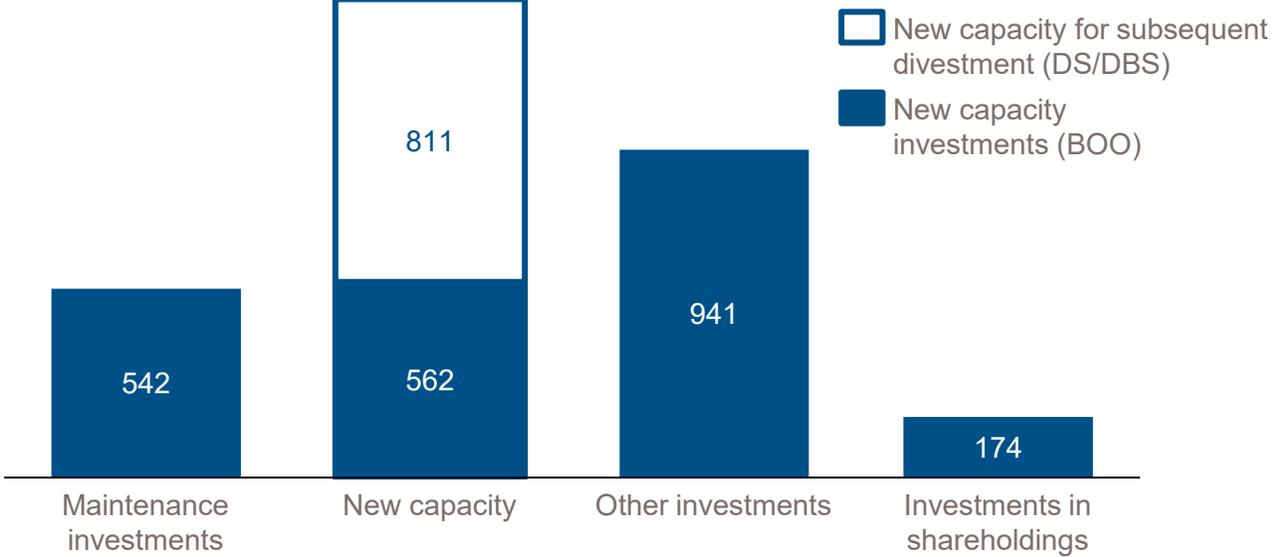
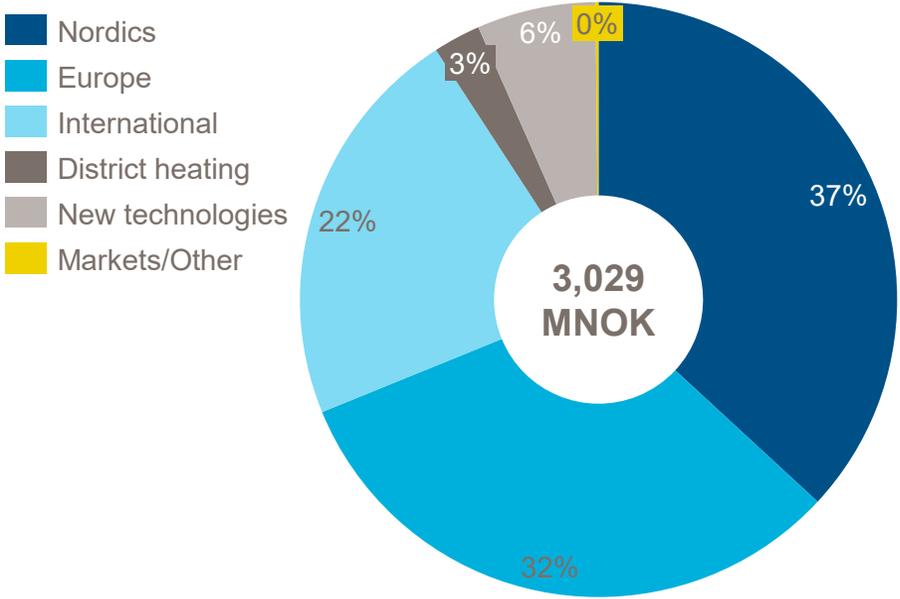
Quarter

MNOK



- Increase primarily related to positive effects from financial hedging
- Increase partly offset by lower generation revenues, high-price contribution and increased resource rent tax

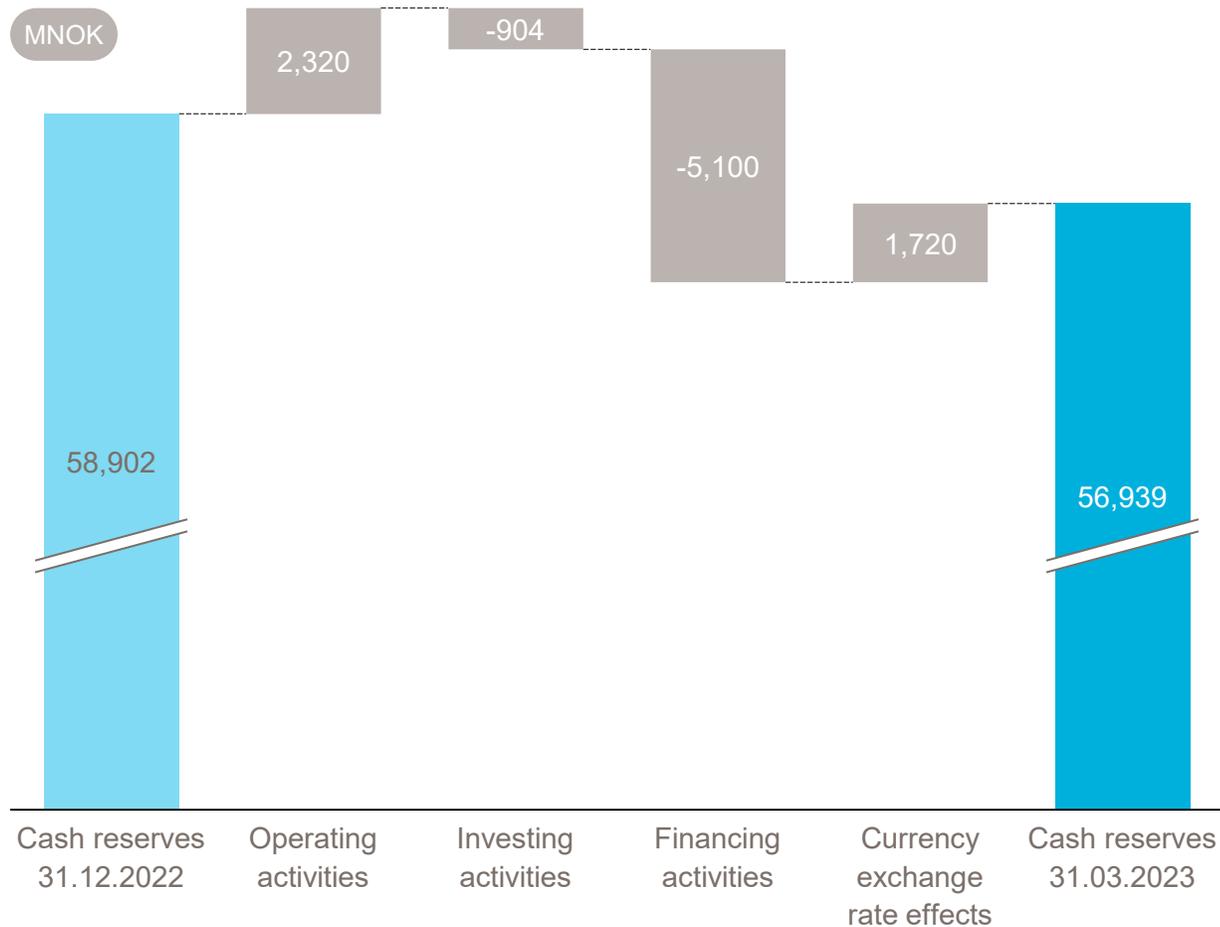
Investment program



New capacity investments – Business models:
 DS: Develop – Sell; DBS: Develop – Build – Sell; BOO: Build – Own – Operate

- Maintenance investments primarily related to Nordic hydropower
- New capacity:
 - Primarily wind and solar projects in Ireland that will be sold
 - Hydropower plants in India and Chile as well as wind farms in Brazil and Chile
- Other investments related to grid, district heating and EV charging

Cash flow



- **Cash flow from operations**

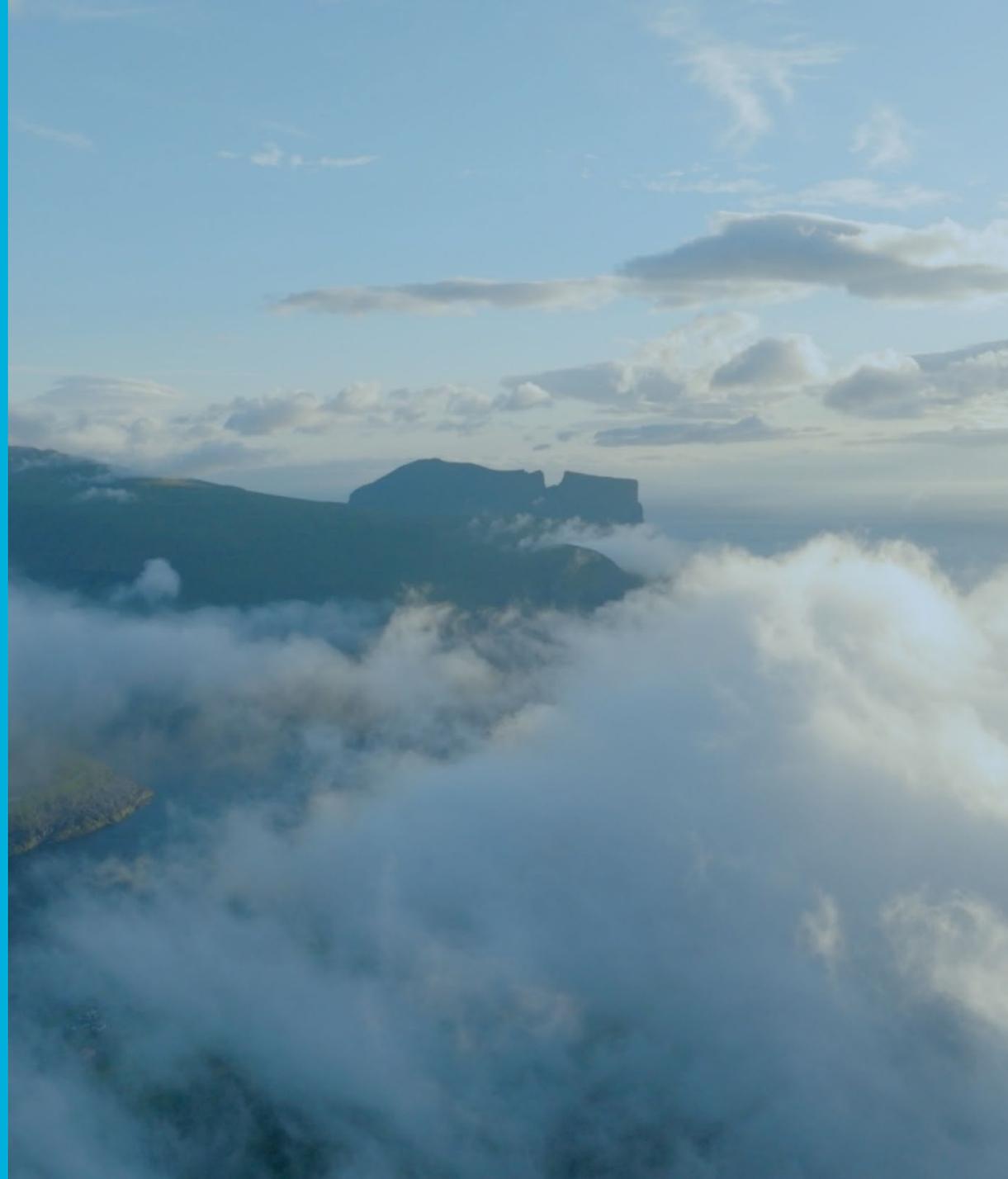
- Taxes paid of NOK 8.5 billion
- Unrealised positive effects included in EBIT NOK 8.9 billion
- Negative working capital movements of NOK 4.3 billion
- Net cash inflow from margin calls of NOK 3.6 billion

- **Financing activities**

- Repayment certificate loan of NOK 5 billion

Summary

- Strong financial results in Q1
- Power prices and volatility in the energy markets has come down, but expected to continue at relatively high levels compared with levels before 2021
- Robust financial position and solid foundation to meet growth targets





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