

QUARTERLY AND HALF
YEAR REPORT

Q2

2022

Key figures

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|--|----------------|--------|---------|--------------|---------|---------|-----------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Income statement | | | | | | | |
| Gross operating revenues and other income underlying | 25 360 | 15 576 | 9 784 | 67 234 | 33 723 | 33 511 | 83 440 |
| Net operating revenues and other income underlying | 8 356 | 9 151 | - 795 | 30 443 | 19 825 | 10 618 | 41 749 |
| EBITDA underlying | 4 945 | 6 592 | -1 647 | 24 018 | 14 793 | 9 225 | 30 906 |
| Operating profit/loss (EBIT) underlying | 3 817 | 5 632 | -1 815 | 21 770 | 12 848 | 8 922 | 26 792 |
| - of which unrealised effects | -8 660 | 2 763 | -11 423 | -1 365 | 825 | -2 191 | 3 647 |
| Operating profit/loss (EBIT) IFRS | 4 687 | 5 830 | -1 143 | 21 650 | 12 148 | 9 503 | 29 727 |
| Share of profit/loss in equity accounted investments | - 513 | - 74 | - 438 | 157 | 370 | - 213 | 1 686 |
| Net financial items | -1 500 | - 621 | - 879 | 148 | 890 | - 741 | 1 331 |
| Profit/loss before tax | 2 674 | 5 134 | -2 460 | 21 956 | 13 407 | 8 549 | 32 744 |
| Net profit/loss | -1 217 | 2 423 | -3 640 | 10 224 | 7 243 | 2 982 | 16 081 |
| Key financial metrics | | | | | | | |
| Operating profit/loss (EBIT) margin underlying | 15.1% | 36.2% | -21.1% | 32.4% | 38.1% | -5.7% | 32.1% |
| ROACE | | | | 29.0% | 13.2% | 15.8% | 22.4% |
| ROAE | | | | 10.0% | 6.0% | 4.0% | 12.1% |
| Balance sheet and investments | | | | | | | |
| Assets | | | | 401 073 | 206 129 | 194 944 | 310 004 |
| Equity | | | | 113 779 | 100 639 | 13 140 | 107 775 |
| Net interest-bearing debt | | | | -7 145 | 13 996 | -21 141 | 14 439 |
| Capital employed | | | | 129 372 | 118 073 | 11 298 | 123 598 |
| Equity accounted investments | | | | 14 639 | 13 409 | 1 231 | 14 771 |
| Total investments | 2 390 | 2 404 | - 14 | 4 889 | 3 923 | 966 | 11 868 |
| Cash Flow | | | | | | | |
| From operating activities | 16 551 | 5 963 | 10 588 | 19 137 | 9 914 | 9 223 | 26 243 |
| Cash and cash equivalents (incl. restricted cash) | | | | 53 417 | 17 719 | 35 698 | 37 162 |
| Currency rates | | | | | | | |
| NOK/EUR average rate | 10.02 | 10.09 | -0.07 | 9.98 | 10.18 | -0.20 | 10.16 |
| NOK/EUR closing rate | | | | 10.35 | 10.17 | 0.18 | 9.99 |

Definitions

See section Alternative Performance Measures at the end of this report for definitions.

The quarterly report shows the development in the quarter compared with the same quarter last year, unless otherwise stated.

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DEMANDING ENERGY MARKETS



There were strong revenues from spot sales in the quarter due to record-high prices. Negative unrealised effects from hedging of future generation revenues more than offset the effect of the high prices.

To meet the sharp increase in demand for energy Statkraft has updated the strategy and will accelerate the renewable growth.

The European energy crisis has accelerated throughout the second quarter due to a shortage of gas supplies from Russia. This has led to an unprecedented increase in the forward price of energy and energy-related commodities.

The underlying EBIT in the second quarter was NOK 3.8 billion, down NOK 1.8 billion compared with the second quarter last year. In the second quarter, revenues from spot sales increased significantly due to high power prices. Statkraft has over the years entered into hedging positions to stabilise the revenues from operations. The contracts have typically fixed prices that are lower than the current high forward prices. For some of these contracts the price difference is booked as unrealised gain or loss for the remaining contract period in each quarter. During the second quarter the forward power prices increased significantly leading to unrealised losses of NOK 8.7 billion mainly from such contracts.

The average Nordic system price was 121 EUR/MWh compared with 42 EUR/MWh in the same quarter in 2021. The spread in power prices between the Norwegian price areas was significant, with particularly high prices in Southern-Norway.

The combination of very dry weather and higher risk of gas rationing for the coming winter in Europe, particularly in Germany, has increased Statkraft's water values (value of future generation). This has led to lower hydropower generation in the quarter. Total power generation was 14.2 TWh, which was 1.3 TWh lower than the same period last year. The reduction was primarily related to Norwegian hydropower generation sold in the spot market.

Despite a solid EBIT, net profit ended at NOK -1.2 billion due to negative currency effects under financial items and high tax expenses due to high revenues from Norwegian hydropower generation subject to resource rent tax. Net profit was NOK 3.6 billion lower compared to the same quarter in 2021.

Cash flow from operating activities in the quarter was a solid NOK 16.6 billion, adding to an already strong financial platform.

The energy markets are changing faster than ever and there is a sharp increase in demand for renewable energy. To meet this increased need Statkraft has updated the growth strategy with new and more ambitious targets towards 2030.

A key element of the strategy is to upgrade and expand the Norwegian hydropower assets with a goal to start at least five major hydropower projects by 2030. In June, Statkraft sent a licence application for one such modernisation – the Folgefonn power scheme in Hardanger - to the Norwegian Water Resources and Energy Directorate (NVE). The application requests an increase in installed capacity from 250 MW to 880 MW and will also provide 70-80 GWh of new clean energy. It is 40 years since Statkraft last submitted a license application for such a large hydropower project. In May, Statkraft also opened two new small-scale hydropower plants in Norway – Vesle Kjela and Storlia.

Within offshore wind, Statkraft is pursuing an industrial role in Norway and Ireland. Furthermore, Statkraft aims to be a leading developer of green hydrogen in Norway and Sweden, and to broaden its geographical scope outside the Nordics. The target is to develop 2 GW of green hydrogen by 2030.

A significant part of the future growth will be linked to the development of onshore wind, solar and battery storage, across all Statkraft markets. In May, Statkraft won state contracts in Ireland for one wind and three solar projects with a total capacity of 360 MW and opened its first large-scale solar park in India – Nellai (76 MWp).

Statkraft will continue to offer long-term power contracts to maintain the position as a competitive supplier to the industry in Norway and Sweden. In the quarter, Statkraft signed several new industrial contracts – with Hunton Fiber, Omya Hustadmarmor, FREYR and H2 Green Steel.

In June, Statkraft successfully issued an inaugural green bond supporting the growth strategy.

In accordance with the updated strategy, Statkraft will change the organisational structure by establishing the three geographical regions Nordic, Europe and International as separate business areas. To strengthen the development of new business opportunities within the green energy transition New Energy Solutions will be established as a separate business area.

Strategic targets

The Board of Directors has set financial and non-financial targets for the Group. The performance related to several of the targets will be assessed over a longer time horizon. The main targets and the status at the end of the quarter are listed in the table below.

| AMBITION | TARGET | STATUS |
|---|---|--------|
| HSE and sustainability | | |
| Prevent incidents and be committed to a workplace without injury or harm | Zero serious injuries | 9 |
| Prevent corruption and unethical practices in all activities | Zero serious compliance incidents | 0 |
| Deliver climate-friendly, renewable power and taking responsible environmental measures | Zero serious environmental incidents | 0 |
| Financial performance | | |
| Deliver a solid return on capital (ROACE) | | 29% |
| Value creation in ongoing business | | |
| Efficient management of energy resources in the Nordic hydropower fleet | >3.5% higher realised prices than the average spot price in the market | 9.0% |
| Growth | | |
| Grow capacity in renewable energy (hydro-, wind- and solar power) | 9 GW growth by 2025 | 3.4 GW |
| Organisational enablers | | |
| Improve diversity in background, competence and gender across the company | At least 35% women in top management positions by 2025 and at least 40% by 2030 | 31% |

In the first half of 2022, there were two fatalities in addition to nine serious injuries. Strengthening the safety culture and performance – across the organisation and among subcontractors – is the top priority and has high attention throughout the organisation. Caring for people is at the core of Statkraft's activities and Statkraft works continuously towards the goal of zero injuries.

Statkraft has zero tolerance for corruption and unethical practices in all activities, and there were no serious compliance incidents in the first six months of 2022.

Assessing environmental risks is part of Statkraft's daily risk management procedures and practices, and there were no serious environmental incidents in the first half of 2022.

Statkraft aims to deliver a solid return on capital employed. Measured on 12 months rolling basis, the ROACE was 29 per cent. See section "Return on average capital employed (ROACE)" for more information.

With Europe's largest portfolio of flexible hydropower plants and reservoir capacity, Statkraft can optimise Nordic hydropower generation over several years. Statkraft is therefore well positioned to achieve a higher average spot price for this generation than the average Nordic spot price. As of June 2022, Statkraft's realised prices (measured over the last 60 months) were 9 per cent higher than the average spot price in the Nordics.

The strategy has a growth target of 9 GW by 2025. At the end of the second quarter, the status for this target is 3.4 GW. By 2025, the aim is to be a major wind and solar developer with a development rate of 2.5–3 GW per year. The strategy has been updated with a target also for 2030 – the ambition then is to have an annual development rate of 4 GW per year from 2030.

Statkraft aims for a diverse workforce and has a long-term ambition of having at least 40 per cent women in top management positions. At the end of June 2022, the total share of women in all top management positions was 31 per cent, up from 30 per cent at the end of 2021.

Corporate responsibility and HSE

| | Second quarter | | Year to date | | Year |
|---|----------------|------|--------------|-------|-------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Corporate responsibility and HSE | | | | | |
| Fatal accidents ¹⁾ | 2 | 0 | 2 | 0 | 0 |
| Serious environmental incidents | 0 | 0 | 0 | 0 | 0 |
| Absence due to illness, Group | 3.2% | 2.2% | 3.2% | 2.2% | 2.4% |
| TRF rate ¹⁾²⁾ | | | 4.3 | 3.6 | 3.6 |
| Full-time equivalents, Group | | | 4 512 | 4 215 | 4 385 |

¹⁾ Includes employees and suppliers in plants where Statkraft owns 20% or more.

²⁾ TRF rate (rolling 12 months): Number of injuries per million hours worked.

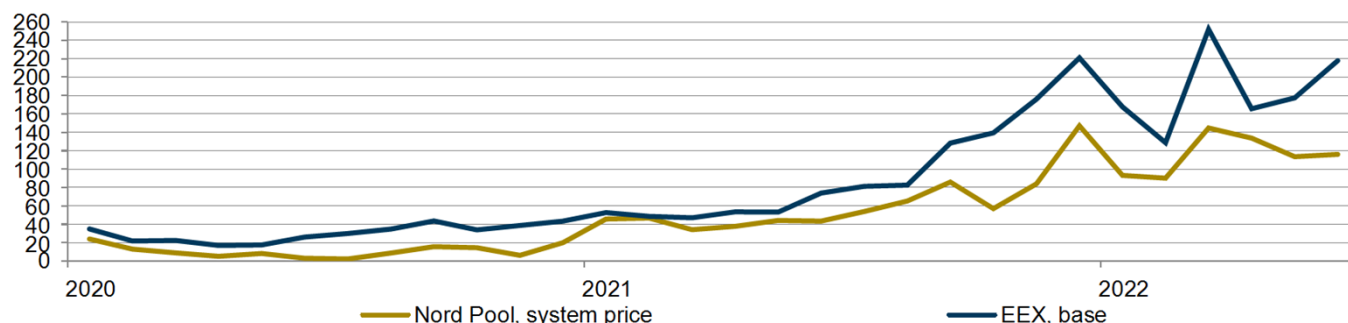
In May, a fatal accident occurred at the Tidong Hydropower project in India, where two employees of a local contractor lost their lives and two were seriously injured. In addition, there were two serious injuries in the quarter, one in Norway and one in Germany. Improving safety-performance and awareness across the organization and among subcontractors continues to be a top priority.

Market and production

Power prices and optimisation of power generation constitute the fundamental basis for Statkraft's revenues. The majority of Statkraft's output is generated in the Nordic region. Power prices are influenced by hydrological factors, commodity prices for thermal power generation, technology cost, grid restrictions and nuclear availability.

POWER PRICES

Electricity, average monthly system price
EUR/MWh



Sources: Nord Pool and the European Energy Exchange (EEX).

| | Second quarter | | | Year to date | | | Year |
|--------------------------------------|----------------|------|--------|--------------|------|--------|-------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | 2021 |
| Market prices (average) | | | | | | | |
| System price, Nord Pool (EUR/MWh) | 121.2 | 41.9 | 79.3 | 115.3 | 42.1 | 73.2 | 62.2 |
| Spot price (base), EEX (EUR/MWh) | 187.1 | 60.3 | 126.8 | 185.0 | 55.0 | 130.0 | 96.6 |
| Spot price (peak), EEX (EUR/MWh) | 197.7 | 65.2 | 132.6 | 206.1 | 62.3 | 143.7 | 114.5 |
| Spot price (base), N2EX UK (GBP/MWh) | 153.7 | 73.0 | 80.7 | 176.1 | 68.5 | 107.6 | 117.4 |

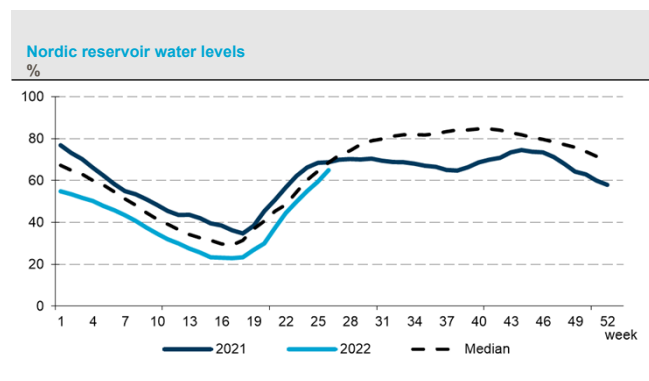
The European energy crisis following Russia's invasion of Ukraine has accelerated throughout the second quarter due to shortage of gas supplies from Russia. This has led to the price of energy and energy-related commodities to remain at a very high level in the quarter.

The average system price in the Nordic region was 121.2 EUR/MWh in the quarter, an increase of 79.3 EUR/MWh. The increase was mainly due to higher thermal prices and lower reservoir levels, as well as very low snow levels in parts of South Norway. There were significant price area differences in the quarter, with average Norwegian prices in the south around 167 EUR/MWh and prices in the mid- and north around 19 EUR/MWh.

The average base price in the German market (EEX) was 187.1 EUR/MWh in the quarter, an increase of 126.8 EUR/MWh. The increase was mainly due to significantly higher gas, coal and CO₂ prices.

The average base price in the UK was 153.7 GBP/MWh in the quarter, an increase of 80.7 GBP/MWh. The increase was mainly driven by substantially higher gas prices.

CONSUMPTION AND RESOURCE ACCESS IN THE NORDIC REGION



The total reservoir level for all hydropower producers in the Nordic region was 95 per cent of median level at the end of the quarter, corresponding to 64.9 per cent of total capacity. There were significant differences in the reservoir levels in Norway, with the levels in the south of Norway well below median.

STATKRAFT'S POWER GENERATION

Statkraft's generation optimisation is determined by price expectations, water reservoir capacity and reservoir water levels, access to resources (inflow and wind), the margin between power prices and gas in addition to CO₂ prices (spark spread) and grid restrictions.

| TWh | Second quarter | | Year to date | | Year |
|-------------------------------|----------------|-------------|--------------|-------------|-------------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Generation, technology | | | | | |
| Hydropower | 13.1 | 14.0 | 29.6 | 32.3 | 63.0 |
| Wind power | 0.8 | 0.7 | 2.4 | 1.9 | 3.9 |
| Gas-fired power | 0.3 | 0.8 | 0.6 | 1.8 | 2.7 |
| Biomass and solar power | 0.1 | 0.0 | 0.1 | 0.1 | 0.2 |
| Total generation | 14.2 | 15.5 | 32.7 | 36.1 | 69.9 |

| TWh | Second quarter | | Year to date | | Year |
|------------------------------|----------------|-------------|--------------|-------------|-------------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Generation, geography | | | | | |
| Norway | 10.9 | 11.9 | 25.2 | 27.8 | 54.5 |
| Sweden | 1.5 | 1.6 | 3.5 | 3.6 | 7.1 |
| Europe ex. Nordic | 0.7 | 1.2 | 1.7 | 2.7 | 4.3 |
| Rest of the world | 1.1 | 0.9 | 2.3 | 2.0 | 4.0 |
| Total generation | 14.2 | 15.5 | 32.7 | 36.1 | 69.9 |

The Group generated a total of 14.2 TWh in the quarter, a decrease of 8 per cent compared with the corresponding quarter last year. The combination of very dry weather and higher risk of gas rationing for the coming winter in Europe, particularly in Germany, has increased Statkraft's water values. This has led to lower Norwegian hydropower generation in the quarter. In addition, there was lower generation from gas-fired power plants following outage due to revision and fewer hours with positive spark spread.

The district heating deliveries amounted to 0.2 TWh and were stable compared with the same quarter last year.

| TWh | Second quarter | | Year to date | | Year |
|-----------------------------------|----------------|------|--------------|-------|-------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Consumption and output | | | | | |
| Nordic | | | | | |
| Nordic consumption | 86.6 | 87.8 | 197.6 | 206.4 | 397.7 |
| Nordic output | 93.6 | 95.1 | 213.1 | 216.6 | 420.2 |
| Net Nordic import(+)/export(-) | -7.0 | -7.3 | -15.6 | -10.2 | -22.5 |
| Norway | | | | | |
| Norwegian consumption | 29.9 | 30.4 | 68.7 | 73.1 | 138.3 |
| Norwegian output | 32.8 | 35.5 | 75.5 | 81.2 | 156.5 |
| Net Norwegian import(+)/export(-) | -3.0 | -5.1 | -6.7 | -8.1 | -18.1 |

Financial performance

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|--|----------------|--------|---------|--------------|--------|--------|-----------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Net operating revenues and other income underlying | 8 356 | 9 151 | - 795 | 30 443 | 19 825 | 10 618 | 41 749 |
| Operating profit/loss (EBIT) underlying | 3 817 | 5 632 | -1 815 | 21 770 | 12 848 | 8 922 | 26 792 |
| - of which unrealised effects | -8 660 | 2 763 | -11 423 | -1 365 | 825 | -2 191 | 3 647 |
| Operating profit/loss (EBIT) IFRS | 4 687 | 5 830 | -1 143 | 21 650 | 12 148 | 9 503 | 29 727 |
| Share of profit/loss in equity accounted investments | - 513 | - 74 | - 438 | 157 | 370 | - 213 | 1 686 |
| Net financial items | -1 500 | - 621 | - 879 | 148 | 890 | - 741 | 1 331 |
| Profit/loss before tax | 2 674 | 5 134 | -2 460 | 21 956 | 13 407 | 8 549 | 32 744 |
| Tax expense | -3 891 | -2 711 | -1 180 | -11 731 | -6 164 | -5 567 | -16 663 |
| Net profit/loss | -1 217 | 2 423 | -3 640 | 10 224 | 7 243 | 2 982 | 16 081 |

FINANCIAL PERFORMANCE SECOND QUARTER

The underlying EBIT in the second quarter was lower compared with the second quarter last year. In the quarter, revenues from spot sales increased significantly due to very high power prices. Statkraft has over the years entered into hedging positions to stabilise the revenue from operations. The contracts have typically an agreed fixed price that is lower than the current high forward prices. For some of these contracts, the difference resulting in unrealised gain or loss for the remaining contract period is accounted for at the end of each quarter. During the second quarter the forward power prices have increased significantly leading to unrealised losses of NOK 8.7 billion mainly from such contracts.

Underlying operating expenses increased 29 per cent compared with the second quarter last year, primarily related to public pension scheme changes in Norway and increased activity level in line with the growth strategy.

The EBIT IFRS was positively affected by unrealised value changes from embedded EUR derivatives driven by a weaker NOK against EUR and reversal of impairments for hydropower assets in Albania and Germany, partly offset by impairments for hydropower assets in Chile.

The decrease in share of profit/loss in equity accounted investments was primarily related to Agder Energi and Eviny. For both companies the decrease was primarily driven by negative value changes from energy contracts. The decrease was partly offset by reversal of impairments of Statkraft's equity accounted investments in Chile and India.

Net financial items and tax expense are commented in separate sections.

FINANCIAL PERFORMANCE YEAR TO DATE

The increase in underlying EBIT compared with the first six months of 2021 was primarily related to the very high Nordic power prices. This led to improved results from the segments European flexible generation and Industrial ownership. Furthermore, the results from the Market operations segment significantly improved, particularly related to origination activities.

Underlying operating expenses increased 24 per cent compared with the first half last year, mainly related to the same factors as for the second quarter.

The decrease in share of profit/loss in equity accounted investments was primarily related to negative results from Agder Energi and Eviny in the second quarter.

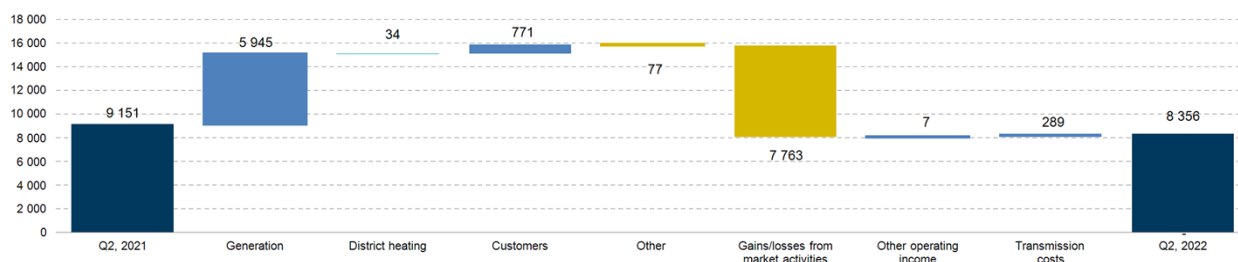
Net financial items and tax expense are commented in separate sections.

Statkraft's total assets have increased significantly since the corresponding quarter in 2021 and the book value is more than NOK 400 billion at quarter end. The significant increase in total assets is mainly explained by a surge in the price of energy and energy-related commodities, leading to a substantial increase in the value of the Group's derivatives.

NET OPERATING REVENUES AND OTHER INCOME UNDERLYING

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|--|----------------|---------------|----------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Net operating revenues and other income | | | | | | | |
| Generation | 13 236 | 7 030 | 6 206 | 28 711 | 16 333 | 12 379 | 43 412 |
| District heating | 205 | 177 | 28 | 571 | 610 | - 39 | 1 154 |
| Customers | 15 452 | 5 054 | 10 398 | 32 241 | 10 839 | 21 402 | 34 062 |
| Other | 1 846 | 937 | 910 | 5 428 | 2 018 | 3 410 | 6 028 |
| Sales revenues | 30 739 | 13 198 | 17 541 | 66 952 | 29 800 | 37 152 | 84 656 |
| Gains/losses from market activities | -5 509 | 2 254 | -7 763 | - 73 | 3 690 | -3 763 | -1 950 |
| Other operating income | 131 | 124 | 7 | 355 | 234 | 122 | 734 |
| Gross operating revenues and other income | 25 360 | 15 576 | 9 784 | 67 234 | 33 723 | 33 511 | 83 440 |
| Generation | - 958 | - 698 | - 260 | -2 232 | -1 387 | - 845 | -3 335 |
| District heating | - 46 | - 52 | 6 | - 155 | - 207 | 52 | - 380 |
| Customers | -14 572 | -4 946 | -9 627 | -30 823 | -10 493 | -20 331 | -33 536 |
| Other | -1 392 | - 405 | - 987 | -3 187 | - 899 | -2 288 | -2 717 |
| Energy purchase | -16 968 | -6 100 | -10 868 | -36 397 | -12 986 | -23 411 | -39 968 |
| Transmission costs | - 36 | - 325 | 289 | - 394 | - 913 | 519 | -1 723 |
| Net operating revenues and other income | 8 356 | 9 151 | - 795 | 30 443 | 19 825 | 10 618 | 41 749 |

Net operating revenues and other income underlying
NOK million



In the graph above Generation, District heating, Customers and Other are shown as sales revenues less energy purchase.

- Net operating revenues from Generation increased, mainly driven by significantly higher Nordic power prices, partly offset by lower Norwegian hydropower generation driven by lower reservoir fillings in Southern Norway.
- Net operating revenues from Customers increased, mainly driven by improved margins from market activities on the Continental Europe.
- Gains/losses from market activities decreased, mainly driven by large negative unrealised effects from financial hedging of generation revenues driven by a significant increase in the forward power prices in the quarter.
- Transmission costs have decreased, mainly driven by negative energy fees in the NO2 (Southern Norway) price area.

OPERATING EXPENSES UNDERLYING

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|---------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|----------------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Operating expenses | | | | | | | |
| Salaries and payroll costs | -1 773 | -1 189 | - 584 | -3 393 | -2 499 | - 894 | -5 286 |
| Depreciations and amortisations | -1 128 | - 960 | - 168 | -2 247 | -1 945 | - 303 | -4 113 |
| Regulatory fees | - 335 | - 327 | - 8 | - 703 | - 675 | - 28 | -1 375 |
| Other operating expenses | -1 304 | -1 043 | - 261 | -2 329 | -1 857 | - 472 | -4 183 |
| Operating expenses | -4 539 | -3 518 | -1 021 | -8 673 | -6 976 | -1 696 | -14 957 |

- The increase in salaries and payroll costs was mainly due to public pension scheme changes in Norway (see note 12), a higher number of full-time equivalents following the increased activity level in line with the growth strategy and higher performance-related bonus costs in the segment Market operations.
- The increase in depreciations and amortisations was mainly related to newly acquired companies within German and French wind power and higher carrying value following previous reversal of impairments within Nordic wind power and German gas-fired power.
- Other operating expenses was higher mainly due to increased business development costs in the segments European wind and solar and International power related to the growth strategy and costs from newly acquired companies.

ITEMS EXCLUDED FROM OPERATING PROFIT/LOSS (EBIT) UNDERLYING

The segment reporting is based on underlying figures, which is in accordance with how the corporate management makes, follows up and evaluates its decisions. Unrealised value changes from embedded EUR derivatives, gains/losses from divestments of business activities which is not included in the DS/DBS business model and impairments/reversal of impairments are excluded from operating profit/loss (EBIT) underlying. See the section Segments in the quarterly financial statements as well as the Alternative Performance Measures section for further information.

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|--|----------------|------------|------------|--------------|-------------|------------|--------------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Items excluded from operating profit/loss (EBIT) underlying | | | | | | | |
| Unrealised value changes from embedded EUR derivatives | 546 | 118 | 428 | -155 | -831 | 677 | -1 285 |
| Gains/losses from divestments of business activities | -0 | 85 | -85 | -0 | 85 | -86 | 817 |
| Impairments/reversal of impairments | 324 | -6 | 329 | 35 | 46 | -11 | 3 403 |
| Items excluded from operating profit/loss (EBIT) underlying | 870 | 198 | 672 | -120 | -700 | 581 | 2 934 |

- Embedded EUR derivatives linked to long-term industry contracts had a positive effect. This was mainly driven by a weakening of the forward NOK against EUR.
- Impairments/reversal of impairments in the quarter was net positive, see note 8.

NET FINANCIAL ITEMS

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|------------------------------------|----------------|-------------|-------------|--------------|------------|-------------|--------------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Net financial items | | | | | | | |
| Net currency effects | -1 672 | -545 | -1 127 | -457 | 816 | -1 273 | 1 089 |
| Interest and other financial items | 172 | -77 | 249 | 605 | 74 | 531 | 242 |
| Net financial items | -1 500 | -621 | -879 | 148 | 890 | -741 | 1 331 |

Net financial items second quarter

- Net currency losses in the quarter were driven by a weakening of NOK against EUR and were primarily related to external debt.
- Interest and other financial items increased mainly due to positive value changes on interest rate derivatives and higher interest income from increased liquidity, partly offset by increased interest expenses.

Net financial items year to date

- Net currency losses year to date of NOK 457 million were primarily related to a weakening of NOK against EUR.
- The increase in interest and other financial items were mainly driven by the same factors as for the quarter.

TAX EXPENSE

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|---|----------------|--------------|--------------|---------------|--------------|--------------|---------------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Tax expense | | | | | | | |
| Profit/loss before tax | 2 674 | 5 134 | -2 460 | 21 956 | 13 407 | 8 549 | 32 744 |
| Nominal tax rate in Norway | 22% | 22% | 0% | 22% | 22% | 0% | 22% |
| Tax calculated at nominal Norwegian tax rate | 588 | 1 130 | - 541 | 4 830 | 2 950 | 1 881 | 7 204 |
| Tax on share of profit/loss in equity accounted investments | 113 | 16 | 96 | - 35 | - 81 | 47 | - 371 |
| Resource rent tax payable | 2 836 | 928 | 1 908 | 6 236 | 2 427 | 3 810 | 7 749 |
| Resource rent tax deferred | 408 | 557 | - 149 | 987 | 545 | 442 | 2 324 |
| Other differences from the nominal Norwegian tax rate | - 53 | 80 | - 133 | - 288 | 324 | - 612 | - 244 |
| Tax expense | 3 891 | 2 711 | 1 180 | 11 731 | 6 164 | 5 567 | 16 663 |
| Effective tax rate | 145.5% | 52.8% | 92.7% | 53.4% | 46.0% | 7.5% | 50.9% |

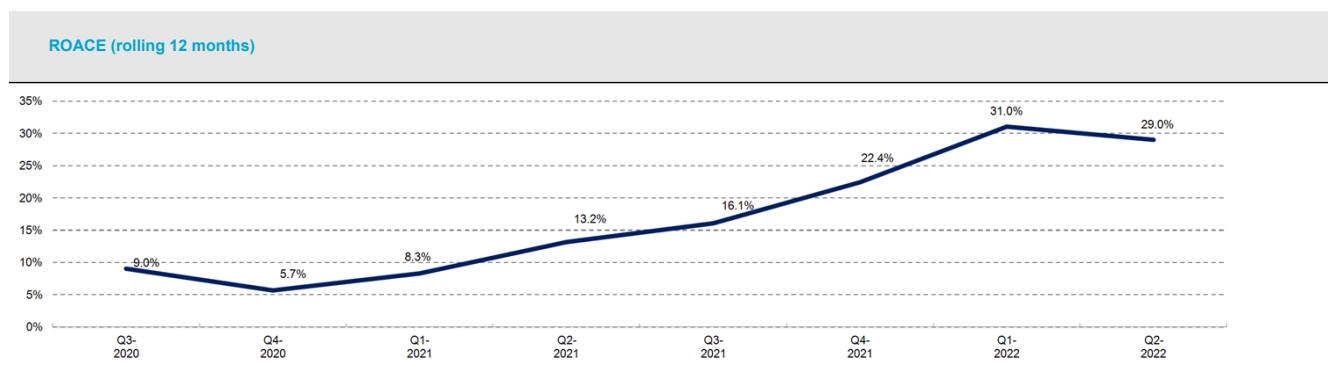
Tax expense second quarter

- Resource rent tax payable increased, mainly due to significantly higher Norwegian power prices. This was partly offset by lower generation.
- Resource rent tax deferred decreased, mainly due to unrealised value changes related to embedded derivatives.
- The high effective tax rate was mainly driven by significant contributions from Norwegian hydropower generation with a marginal tax rate of 59 per cent combined with negative contributions from financial hedging and currency effects subject only to ordinary income tax.

Tax expense year to date

- Resource rent tax payable increased, mainly due to the same factors as for the second quarter.
- Resource rent tax deferred increased, mainly due to unrealised value changes related to embedded derivatives.
- Other differences from the nominal Norwegian tax rate were mainly driven by foreign tax rate differences.

RETURN ON AVERAGE CAPITAL EMPLOYED (ROACE)



The decrease in ROACE compared with the last quarter was mainly due to a lower operating profit/loss (EBIT) underlying (rolling 12 months). Average capital employed was stable compared with the last quarter.

CASH FLOW

| NOK million | Second quarter | | | Year to date | | | Year 2021 |
|--|----------------|--------------|--------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | Change | 2022 | 2021 | Change | |
| Cash flow | | | | | | | |
| Operating activities | 16 551 | 5 964 | 10 587 | 19 137 | 9 914 | 9 223 | 26 242 |
| Investing activities | -1 844 | - 650 | -1 194 | -3 347 | -1 724 | -1 623 | -5 618 |
| Financing activities | - 452 | 66 | - 518 | - 867 | -1 695 | 828 | 5 418 |
| Net change in cash and cash equivalents | 14 256 | 5 380 | 8 875 | 14 923 | 6 495 | 8 428 | 26 042 |
| Cash and cash equivalents (incl. restricted cash) at period end | | | | 53 417 | 17 719 | 35 698 | 37 162 |

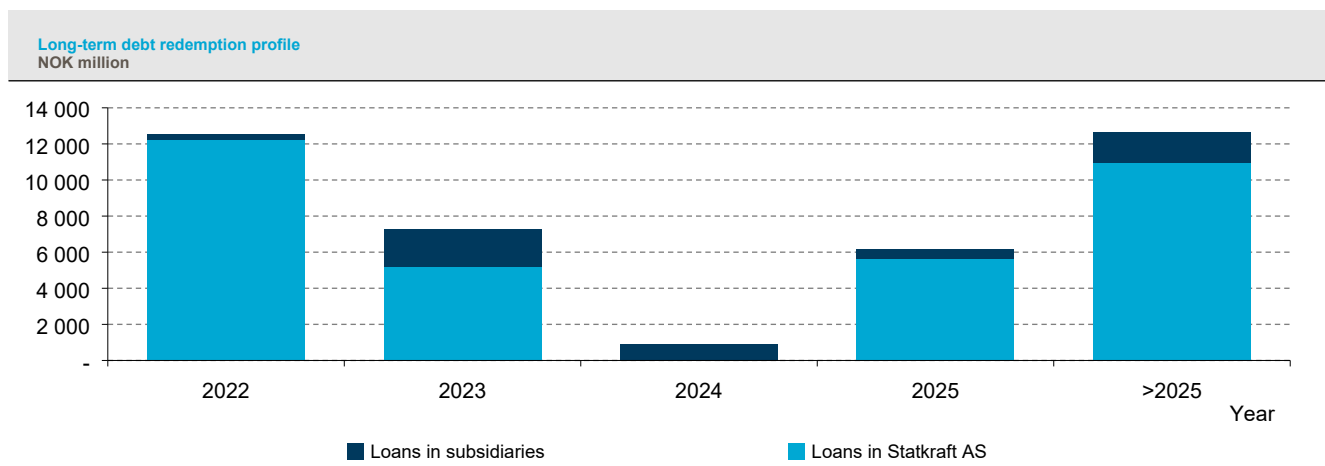
Cash flow in the quarter

- The EBIT (IFRS) of NOK 4687 million includes NOK 8114 million of non-cash negative unrealised effects, and in addition working capital changes of NOK 5248 million contributed positively. This was partly offset by cash outflow from cash collateral related to operations and margin calls of NOK -1005 million as well as taxes paid of NOK -1187 million, in total leading to the cash flow from operations of NOK 16 551 million.
- The negative cash flow from investing activities of NOK -1844 million was mainly due to cash outflow following investments of NOK -2253 million primarily related to construction projects within wind power in Chile and Brazil and maintenance investments in Norwegian hydropower. This was partly offset by net cash inflow of NOK 591 million from divestments within the DS/DBS business model, primarily from the Twentysilling wind farm in the UK.
- The cash flow from financing activities was NOK -452 million and mainly includes repayment of debt of NOK -5700 million and new debt of NOK 5798 million, as well as net cash outflows for cash collateral related to financing of NOK -508 million.

Cash flow year to date

- The EBIT (IFRS) of NOK 21 650 million was partly offset by working capital changes of NOK -3295 million and taxes paid of NOK -2500 million, leading to a cash flow from operations of NOK 19 137 million.
- The negative cash flow from investing activities was mainly driven by the same factors as for the quarter, with investments of NOK -4006 million, partly offset by net cash inflows from divestments of assets within the DS/DBS business model of NOK 1018 million.
- The cash flow from financing activities includes mainly repayment of debt of NOK -15 697 million and new debt of NOK 15 103 million.

INTEREST-BEARING DEBT REPAYMENT PLAN ¹⁾



¹⁾ Lease liabilities and debt related to cash collateral are not included.

At the end of the quarter, Statkraft had the following financial structure:

- Net interest-bearing liabilities were NOK -7145 million compared to NOK 14 439 at the end of 2021.
- Net interest-bearing liabilities - equity ratio was -6.7 per cent, an improvement from the ratio of 11.8 per cent at the end of 2021.

Very volatile commodity markets with record-high prices have resulted in significantly higher margin requirements. To manage the market volatility, Statkraft has taken precautionary measures to secure liquidity and financial flexibility through raising short-term loans.

In the second quarter, Statkraft issued its first green bond with a total amount of NOK 5 500 million. The bond consists of three tranches with maturity of 5 and 10 years. Repayment of matured debt in the quarter amounted to NOK 5 700 million.

Furthermore, Statkraft also signed a 1.3 EUR billion 5-year sustainability-linked revolving credit facility with two 1-year extension options to support the ongoing operations and the Group's ambitious investment strategy.

INVESTMENTS

New capacity: Construction of new power or heating plants, or investments that increase the capacity (MW) of existing plants. These projects are referred to as build-own-operate (BOO) further in the report.

Maintenance: Investments in existing power or heating plants that do not increase the capacity (MW).

Other: Other investments in property, plant and equipment (PPE) or intangible assets. These include assets such as grid, heating pipes, biofuel assets, vehicle charging infrastructure, data center assets and office equipment.

New capacity for subsequent divestment (DS/DBS): Development and construction investments related to projects that Statkraft intends to divest either before, at the time of, or shortly after completion. The projects are presented as inventories and are reported under the segment European wind and solar. These projects are referred to as develop-sell (DS) and develop-build-sell (DBS) further in the report.

Shareholdings, consolidated: Acquisition of shareholdings that are fully or proportionally consolidated.

Shareholdings, equity accounted: Investments in shareholdings that are accounted for in accordance with the equity method.

Shareholdings, financial non-current: Investments in shareholdings that are recognised as financial assets at fair value.

INVESTMENTS SECOND QUARTER

Investments in new capacity were mainly related to construction of wind farms in Chile and Brazil and hydropower plants in Chile and India. The quarterly maintenance investments were primarily related to Nordic hydropower. Investments classified as “Other” were mainly related to grid in Norway and EV charging activities in the Nordics, whereas wind and solar projects in Ireland were the main quarterly investments in DS/DBS.

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities |
|--|--------------------|------------------------------|-------------------|---------------------|-------------------------|------------------|----------------------|------------------|
| Second quarter 2022 | | | | | | | | |
| New capacity | 664 | 12 | - | 643 | - | - | 9 | - |
| Maintenance | 620 | 556 | - | 31 | 1 | -1 | 33 | - |
| Other | 419 | 39 | 10 | -126 | 137 | 40 | 204 | 115 |
| Investments in PPE and intangible assets | 1 703 | 607 | 10 | 548 | 138 | 39 | 246 | 115 |
| New capacity for subsequent divestment (DS/DBS) | 515 | - | - | - | 515 | - | - | - |
| Shareholdings, consolidated | - | - | - | - | - | - | - | - |
| Shareholdings, equity accounted | 13 | - | - | - | - | - | 13 | - |
| Shareholdings, financial non-current | 160 | - | - | - | - | - | - | 160 |
| Investments in shareholdings | 173 | - | - | - | - | - | 13 | 160 |
| Total investments | 2 390 | 607 | 10 | 548 | 653 | 39 | 259 | 275 |
| Year to date 2022 | | | | | | | | |
| New capacity | 1 617 | 12 | - | 1 591 | - | - | 14 | - |
| Maintenance | 1 060 | 915 | - | 57 | 19 | - | 69 | - |
| Other | 977 | 70 | 26 | 18 | 204 | 71 | 380 | 207 |
| Investments in PPE and intangible assets | 3 654 | 997 | 26 | 1 666 | 223 | 71 | 463 | 207 |
| New capacity for subsequent divestment (DS/DBS) | 860 | - | - | - | 860 | - | - | - |
| Shareholdings, consolidated | 160 | - | - | - | 16 | - | - | 144 |
| Shareholdings, equity accounted | 13 | - | - | - | - | - | 13 | - |
| Shareholdings, financial non-current | 204 | - | - | - | - | - | - | 204 |
| Investments in shareholdings | 377 | - | - | - | 16 | - | 13 | 348 |
| Total investments | 4 889 | 997 | 26 | 1 666 | 1 098 | 71 | 475 | 555 |

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities |
|--|--------------------|------------------------------|-------------------|---------------------|-------------------------|------------------|----------------------|------------------|
| Second quarter 2021 | | | | | | | | |
| New capacity | 392 | 8 | - | 322 | 34 | - | 29 | - |
| Maintenance | 742 | 664 | - | 8 | 8 | 2 | 60 | - |
| Other | 513 | 15 | 3 | 43 | 24 | 36 | 192 | 200 |
| Investments in PPE and intangible assets | 1 647 | 687 | 3 | 373 | 66 | 38 | 281 | 200 |
| New capacity for subsequent divestment (DS/DBS) | | | | | | | | |
| | 439 | - | - | - | 439 | - | - | - |
| Shareholdings, consolidated | 293 | - | - | - | 23 | - | 75 | 195 |
| Shareholdings, equity accounted | - | - | - | - | - | - | - | - |
| Shareholdings, financial non-current | 25 | - | - | - | - | - | 10 | 15 |
| Investments in shareholdings | 318 | - | - | - | 23 | - | 85 | 210 |
| Total investments | 2 404 | 687 | 3 | 373 | 527 | 38 | 365 | 411 |
| Year to date 2021 | | | | | | | | |
| New capacity | 571 | 24 | - | 469 | 34 | - | 44 | - |
| Maintenance | 1 148 | 989 | - | 39 | 8 | 6 | 106 | - |
| Other | 1 159 | 27 | 6 | 56 | 392 | 103 | 330 | 245 |
| Investments in PPE and intangible assets | 2 878 | 1 040 | 6 | 564 | 434 | 109 | 480 | 245 |
| New capacity for subsequent divestment (DS/DBS) | | | | | | | | |
| | 710 | - | - | - | 710 | - | - | - |
| Shareholdings, consolidated | 293 | - | - | - | 23 | - | 75 | 196 |
| Shareholdings, equity accounted | - | - | - | - | - | - | - | - |
| Shareholdings, financial non-current | 42 | - | - | - | - | - | 10 | 32 |
| Investments in shareholdings | 335 | - | - | - | 23 | - | 85 | 228 |
| Total investments | 3 923 | 1 040 | 6 | 563 | 1 167 | 109 | 565 | 472 |

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities |
|--|--------------------|------------------------------|-------------------|---------------------|-------------------------|------------------|----------------------|------------------|
| The year 2021 | | | | | | | | |
| New capacity | 2 271 | 228 | - | 1 925 | 38 | - | 80 | - |
| Maintenance | 2 534 | 2 117 | 1 | 149 | 25 | 10 | 233 | - |
| Other | 3 028 | 105 | 22 | 233 | 1 259 | 180 | 690 | 539 |
| Investments in PPE and intangible assets | 7 833 | 2 450 | 23 | 2 307 | 1 322 | 190 | 1 003 | 539 |
| New capacity for subsequent divestment (DS/DBS) | | | | | | | | |
| | 1 892 | - | - | - | 1 892 | - | - | - |
| Shareholdings, consolidated | 2 033 | - | - | - | 1 762 | - | 75 | 195 |
| Shareholdings, equity accounted | 10 | - | - | - | - | - | 10 | - |
| Shareholdings, financial non-current | 99 | - | - | - | - | - | 8 | 91 |
| Investments in shareholdings | 2 142 | - | - | - | 1 762 | - | 93 | 286 |
| Total investments | 11 867 | 2 450 | 23 | 2 307 | 4 976 | 190 | 1 096 | 825 |

Projects in consolidated operations ¹⁾

| Second quarter | Project | Business model ²⁾ | Country | New capacity (MW) ³⁾ | Statkraft's ownership share | Planned completion | |
|--|--|------------------------------|---------|---------------------------------|-----------------------------|--------------------|----|
| Committed investments in the period | | | | | | | |
| Wind power | Moanvane | DBS | Ireland | 58 | 100% | 2024 | Q3 |
| Main construction projects | | | | | | | |
| Hydropower | | | | | | | |
| | Tidong | BOO | India | 150 | 100% | 2022 | Q4 |
| | Straumsmo | n/a | Norway | - | 100% | 2024 | Q1 |
| | Tysso 2 | n/a | Norway | - | 100% | 2024 | Q1 |
| | Tokke-Vinje | n/a | Norway | - | 100% | 2024 | Q4 |
| | Eringsdalen and Nordalen Dams | n/a | Norway | - | 100% | 2024 | Q4 |
| | Los Lagos | BOO | Chile | 52 | 100% | 2025 | Q1 |
| | Nesjødammen | n/a | Norway | - | 100% | 2026 | Q1 |
| | Hammarforsen | n/a | Norway | - | 100% | 2026 | Q2 |
| | Trollheim Dam | n/a | Norway | - | 100% | 2026 | Q3 |
| Wind power | | | | | | | |
| | Taghart | DBS | Ireland | 23 | 100% | 2022 | Q4 |
| | Cloghan | DBS | Ireland | 34 | 100% | 2023 | Q1 |
| | Torsa | BOO | Chile | 108 | 100% | 2023 | Q2 |
| | Ventos de Santa Eugenia | BOO | Brazil | 519 | 81% | 2023 | Q2 |
| | Morro do Cruzeiro | BOO | Brazil | 80 | 81% | 2024 | Q1 |
| Solar power | | | | | | | |
| | Cadiz ⁵⁾ | DBS | Spain | 234 | 100% | 2023 | Q1 |
| | Talayuela 2 | DBS | Spain | 58 | 100% | 2023 | Q2 |
| | Ballymacarney | DBS | Ireland | 200 | 100% | 2023 | Q2 |
| | South Meath | DBS | Ireland | 80 | 100% | 2023 | Q3 |
| Other technologies | | | | | | | |
| | Lister Drive Greener Grid Park ⁴⁾ | BOO | UK | - | 100% | 2022 | Q4 |
| Completed projects in the period | | | | | | | |
| Solar power | Nellai | BOO | India | 76 | 74% | 2022 | Q3 |

¹⁾ Projects with an estimated CAPEX of at least NOK 300 million.

²⁾ In accordance with the strategy: BOO (Build, Own, Operate), DBS (Develop, Build, Sell). n/a refers to rehabilitation projects.

³⁾ Total for project, incl. partners' share. For solar power projects, the new capacity is based on MWp.

⁴⁾ Grid network rotating stabilisers.

⁵⁾ The project has been divested. Statkraft is conducting the construction, engineering and procurement (EPC) of the Cadiz projects. See note 14.

Segments

The Group's operating segments are in accordance with how the corporate management makes, follows up and evaluates its decisions. The operating segments have been identified on the basis of internal management information that is periodically reviewed by the corporate management and used as a basis for resource allocation and key performance review.

Following Statkraft's updated strategy and corresponding changes to business areas and corporate management, an assessment of the operating and reportable segments is ongoing. It is expected that Statkraft will report on the new reportable segments in the fourth quarter 2022.

All the segments, except Market operations, have a business model that entails ownership and operation of its assets. This business model is known as Build-Own-Operate (BOO).

The current reportable segments are defined as:

European flexible generation includes asset ownership and operations of most of the Group's hydropower business in Norway, Sweden, Germany and the United Kingdom, as well as the gas-fired and the biomass power plants in Germany and the subsea interconnector between Sweden and Germany (Baltic Cable).

Market operations includes trading, origination, market access for smaller generators of renewable energy, as well as dynamic asset management portfolios revenue optimisation and risk mitigation activities related to Continental and Nordic power generation. The segment has activities in several countries in Europe, and is also active in Brazil, India and USA. Market operations generates profit from changes in the market value of energy and energy-related products, and from buying and selling both standard and structured products, typically environmental certificates and power contracts.

International power includes development, ownership and operations of renewable assets in emerging markets. The segment operates in Albania, Brazil, Chile, India, Nepal, Peru and Turkey.

European wind and solar has two main business models. One of the models is to develop and construct onshore wind and solar power plants with the intention to divest the power plants either before, at the time of, or shortly after completion. This business model is known as Develop-Sell (DS) or Develop-Build-Sell (DBS). The segment has development and construction activities in several countries in Europe. The segment also has a BOO business model for wind farms in Norway, Sweden, Ireland, Germany and France, as well as grid service assets in the UK and Ireland.

District heating includes development, ownership and operations of district heating plants in Norway and Sweden.

Industrial ownership includes management and development of Norwegian shareholdings within the Group's core business and includes the shareholdings in Skagerak Energi, Eviny and Agder Energi. Skagerak Energi is included in the consolidated financial statements, while Eviny and Agder Energi are reported as equity accounted investments.

In addition:

Other activities includes costs related to governance of the Group, new businesses within biomass, electric vehicle charging and hydrogen, as well as venture capital investments. Unallocated assets are also reported as Other activities.

Group items includes eliminations.

| Second quarter | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities | Group items |
|--|-----------------------|------------------------------------|----------------------|------------------------|-------------------------------|---------------------|-------------------------|---------------------|----------------|
| Income statement | | | | | | | | | |
| Gross operating revenues and other income underlying | 25 360 | 7 111 | 15 710 | 937 | 168 | 185 | 1 671 | 646 | -1 068 |
| Net operating revenues and other income underlying | 8 356 | 5 605 | 935 | 543 | - 242 | 147 | 1 569 | 553 | - 754 |
| EBITDA underlying | 4 945 | 4 382 | 147 | 245 | - 705 | 50 | 1 219 | - 172 | - 221 |
| Operating profit/loss (EBIT) underlying | 3 817 | 3 885 | 140 | 41 | - 867 | - | 1 085 | - 246 | - 221 |
| - of which unrealised effects | -8 660 | -4 431 | -2 941 | - 414 | - 660 | - | - 15 | - | - 199 |
| Operating profit/loss (EBIT) IFRS | 4 687 | 4 782 | 140 | 38 | - 889 | - 1 | 1 085 | - 246 | - 222 |
| Key financial metrics | | | | | | | | | |
| Operating profit/loss (EBIT) margin underlying | 15.1% | 54.6% | 0.9% | 4.4% | -514.6% | -0.2% | 64.9% | n/a | n/a |
| ROACE | 29.0% | 54.2% | n/a | 0.7% | -5.5% | 5.1% | 33.9% | n/a | n/a |
| ROAE | 10.0% | n/a | n/a | 43.9% | 26.1% | n/a | 0.2% | n/a | n/a |
| Investments | | | | | | | | | |
| Total investments | 2 390 | 605 | 10 | 547 | 654 | 39 | 259 | 275 | - |
| Generation and district heating | | | | | | | | | |
| Generation, volume sold (TWh) | 14.2 | 11.3 | - | 1.4 | 0.7 | - | 0.8 | - | - |
| - hydropower (TWh) | 13.1 | 11.0 | - | 1.3 | - | - | 0.8 | - | - |
| - wind power (TWh) | 0.8 | - | - | 0.1 | 0.7 | - | - | - | - |
| - gas-fired power (TWh) | 0.3 | 0.3 | - | - | - | - | - | - | - |
| - biomass and solar power (TWh) | 0.1 | 0.1 | - | 0.0 | - | - | - | - | - |
| Delivered volume, district heating (TWh) | 0.2 | - | - | - | - | 0.2 | 0.0 | - | - |

EUROPEAN FLEXIBLE GENERATION

| NOK million | Second quarter | | Year to date | | Year |
|--|----------------|--------|--------------|--------|--------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Gross operating revenues and other income | 7 111 | 6 985 | 22 138 | 15 001 | 39 727 |
| Net operating revenues and other income | 5 605 | 5 901 | 18 478 | 12 661 | 33 899 |
| Operating expenses | -1 720 | -1 543 | -3 308 | -3 102 | -6 343 |
| Operating profit/loss (EBIT) underlying | 3 885 | 4 357 | 15 170 | 9 559 | 27 557 |
| - of which unrealised effects | -4 431 | 909 | -2 702 | 1 377 | 1 846 |
| Unrealised value changes from embedded EUR derivatives | 546 | 118 | -155 | -831 | -1 285 |
| Impairments/reversal of impairments | 350 | - | 350 | - | 1 020 |
| Operating profit/loss (EBIT) IFRS | 4 782 | 4 475 | 15 365 | 8 728 | 27 291 |
| Share of profit/loss in equity accounted investments | 1 | -1 | 35 | - | - |
| ROACE (rolling 12 months) | | | 54.2% | 19.0% | 45.2% |
| Total investments | 606 | 687 | 997 | 1 040 | 2 450 |
| Generation (TWh) | 11.3 | 12.3 | 25.4 | 28.2 | 55.0 |

Key events

- Licence application has been sent to NVE for a major modernisation of the Folgefonn hydropower scheme requesting the installed capacity to increase from 250 MW to 880 MW.
- Vesle Kjela and Storlia hydropower plants were officially opened in May, both generating 40 GWh/year.
- During the quarter revised licence terms for Røssåga and Tokke-Vinje regulation was received. For Tokke-Vinje the revised licence will lead to a yearly generation loss of approx. 53 GWh.
- Several new long-term power contracts have been signed in Norway and Sweden providing hedges for 17 TWh for the years 2023-2032. Some of the contracts are subject to conditions precedent.

Quarterly financial performance

- The high power prices continued during the second quarter compared with the same quarter last year contributing to an increase in spot sales revenues. This was offset by lower generation and large negative unrealised effects from financial hedging of generation revenues of NOK 5.2 billion following the significant increase in future power prices seen at the end of the quarter. The generation in South Norway (NO2) has been especially low at the end of the quarter as a consequence of dry weather and low reservoir levels.
- During the quarter a reversal of previous impairments related to a German hydropower pump storage was recognised of NOK 350 million, see note 8.
- Following the new regulation terms from the German and Swedish regulator related to Baltic cable, a reduction of NOK 504 million in the sales revenues has been recognised in the second quarter, see note 11.

Year to date financial performance

- Very high power prices have contributed to the increase in underlying EBIT of NOK 5.6 billion.
- The segment's embedded derivatives linked to various commodities also contributed to an increased underlying EBIT with NOK 1.5 billion.
- The increase was offset by lower Norwegian hydropower generation and a decreased contribution of NOK 5.5 billion from financial hedging of generation revenues.

Financial metrics

- ROACE remained high at 54.2 per cent following the strong underlying EBIT in the quarter.

Quarterly investments

- The investments were mainly related to maintenance within Nordic hydropower.

MARKET OPERATIONS

| NOK million | Second quarter | | Year to date | | Year |
|--|----------------|-------|--------------|--------|--------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Gross operating revenues and other income | 15 710 | 6 648 | 37 860 | 13 936 | 32 383 |
| Net operating revenues and other income | 935 | 1 530 | 6 358 | 2 928 | -2 343 |
| Operating expenses | - 795 | - 504 | -1 531 | - 926 | -2 005 |
| Operating profit/loss (EBIT) underlying | 140 | 1 026 | 4 827 | 2 002 | -4 348 |
| - of which unrealised effects | -2 941 | 1 973 | 3 183 | - 392 | 2 865 |
| Gains/losses from divestments of business activities | - | - | - | - | - |
| Impairments/reversal of impairments | - | - | - | - | - |
| Operating profit/loss (EBIT) IFRS | 140 | 1 026 | 4 827 | 2 002 | -4 348 |
| Share of profit/loss in equity accounted investments | - | - | - | - | - |
| ROACE (rolling 12 months) | | | n/a | n/a | n/a |
| ROAE (rolling 12 months) | | | n/a | n/a | n/a |
| Total investments | 10 | 3 | 26 | 6 | 23 |
| Generation (TWh) | n/a | n/a | n/a | n/a | n/a |

Key events

- A 10-year power supply agreement has been signed in the United Kingdom, with an estimated total volume of 438 GWh.

Quarterly financial performance

- The decrease in underlying EBIT was driven by record-high prices for power and other power-related commodities and high volatility in the forward markets. These price movements led to a positive result from Trading & Origination in the quarter which was mainly offset by a negative result from Dynamic asset management portfolios.
- Dynamic asset management ended with a negative EBIT of NOK 1293 million in the quarter compared with a positive EBIT of NOK 113 million in the second quarter of 2021. The dynamic asset management portfolios in addition to optimise revenues, are risk-reducing portfolios for Statkraft's flexible assets in Europe.
- Trading & Origination had a positive EBIT of NOK 1433 million in the quarter compared with NOK 913 million in the second quarter of 2021.
- The operating expenses increased, primarily related to increased number of full-time equivalents, public pension scheme changes in Norway and higher performance related bonus accruals.

Year to date financial performance

- The increase in underlying EBIT was driven by higher contribution from Trading & Origination.

INTERNATIONAL POWER

| NOK million | Second quarter | | Year to date | | Year |
|--|----------------|-------|--------------|--------|--------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Gross operating revenues and other income | 937 | 593 | 2 069 | 1 338 | 2 588 |
| Net operating revenues and other income | 543 | 389 | 1 330 | 944 | 1 632 |
| Operating expenses | - 502 | - 388 | - 942 | - 789 | -1 677 |
| Operating profit/loss (EBIT) underlying | 41 | 1 | 388 | 155 | - 45 |
| - of which unrealised effects | - 414 | - 137 | - 504 | - 154 | - 676 |
| Gains/losses from divestments of business activities | - | - | - | - | - 4 |
| Impairments/reversal of impairments | - 3 | - 5 | - 268 | - 9 | - 79 |
| Operating profit/loss (EBIT) IFRS | 38 | - 3 | 120 | 146 | - 128 |
| Share of profit/loss in equity accounted investments | 704 | - 18 | 757 | 17 | 553 |
| ROACE (rolling 12 months) | | | 0.7% | 1.1% | -0.2% |
| ROAE (rolling 12 months) | | | 43.9% | -22.9% | 22.1% |
| Total investments | 547 | 373 | 1 666 | 563 | 2 307 |
| Generation (TWh) | 1.4 | 1.1 | 2.8 | 2.6 | 4.9 |

Key events

- On 7 May a fatal working accident occurred at the Tidong hydropower project in India, where two employees of a local contractor lost their lives, and two others were injured.
- Commercial operation for Nellai solar park in India.
- An impairment reversal of NOK 1243 million related to a hydropower plant in Albania, offset by an impairment of NOK 1239 million related to a hydropower project in Chile. See note 8.

Quarterly financial performance

- The underlying EBIT increased mainly as a result of higher contributions from Brazil, Peru and Chile due to higher generation and price levels, partly offset by increased unrealised hedging losses in Albania.
- Increase in share of profit in equity accounted investments was mainly driven by reversal of impairments in Chile and India. See note 8.

Year to date financial performance

- The underlying EBIT increased with positive contributions from Brazil, Turkey and Peru, mainly due to higher power prices.
- Increase in share of profit in equity accounted investments was mainly driven by the same factors as for the second quarter.

Financial metrics

- ROACE was 0.7 per cent, slightly up from previous quarter driven by a higher underlying EBIT.
- ROAE was 43.9 per cent, a significant increase from previous quarter, which was mainly driven by reversal of impairments in Chile and India in the second quarter of 2022.

Quarterly investments

The investments were mainly related to the construction of the wind farms Torsa in Chile and Ventos de Santa Eugenia in Brazil, as well as the hydropower plants Los Lagos in Chile and Tidong in India.

EUROPEAN WIND AND SOLAR

| NOK million | Second quarter | | Year to date | | Year |
|---|----------------|------|--------------|-------|--------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Gross operating revenues and other income | 168 | 269 | 1 366 | 796 | 2 240 |
| Net operating revenues and other income | -242 | 206 | 291 | 544 | 1 703 |
| Operating expenses | -625 | -469 | -1 176 | -844 | -1 867 |
| Operating profit/loss (EBIT) underlying | -867 | -263 | -885 | -299 | -164 |
| - of which unrealised effects | -660 | 1 | -944 | 3 | -82 |
| Gains/losses from divestments of business activities | - | 85 | - | 85 | 821 |
| Impairments/reversal of impairments | -23 | - | -46 | 57 | 2 466 |
| Operating profit/loss (EBIT) IFRS | -889 | -177 | -931 | -157 | 3 123 |
| Share of profit/loss in equity accounted investments | 34 | -85 | 130 | -79 | 3 |
| Gains/losses from divestments of equity accounted investments ^{*)} | - | 21 | - | 21 | 21 |
| ROACE (rolling 12 months) | | | -5.5% | -8.0% | -1.3% |
| ROAE (rolling 12 months) | | | 26.1% | -6.8% | 0.4% |
| Total investments | 653 | 527 | 1 098 | 1 167 | 4 976 |
| Generation (TWh) | 0.7 | 0.6 | 2.2 | 1.7 | 3.5 |

^{*)} Included in Interest and other financial items.

Key events

- The Twentyshilling wind farm in UK was divested. See note 14.
- Secured route to market for six solar parks and four wind farms in Ireland with a total capacity of 810 MW. The projects are currently under development or construction with expected completion during 2023-2025.

Quarterly financial performance

- The decrease in underlying EBIT was mainly driven by significant unrealised hedging losses and higher operating expenses following increased business development activities. This was partly offset by higher generation revenues, primarily following the acquisition of German and French wind farms in the fourth quarter of 2021.

Year to date financial performance

- Year to date underlying EBIT was mainly driven by the same factors as for the quarter.

Financial metrics

- ROACE was -5.5 per cent. The decrease from the previous quarter was primarily due to the decrease in underlying EBIT, mainly driven by unrealised hedging effects.
- ROAE was 26.1 per cent, a significant increase from previous quarters, following higher power prices in the UK, as well as a tax rate adjustment with negative effects in the second quarter last year.

Quarterly investments

- Investments were mainly related to development and construction of wind and solar projects within the DS/DBS business model, primarily in Ireland.

DISTRICT HEATING

| NOK million | Second quarter | | Year to date | | Year |
|---|----------------|------|--------------|------|-------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Gross operating revenues and other income | 185 | 166 | 510 | 551 | 1 045 |
| Net operating revenues and other income | 147 | 124 | 380 | 372 | 716 |
| Operating expenses | -147 | -116 | -275 | -237 | -508 |
| Operating profit/loss (EBIT) underlying | 0 | 8 | 105 | 135 | 208 |
| - of which unrealised effects | - | - | - | - | - |
| Gains/losses from divestments of business activities | - | - | - | - | - |
| Impairments/reversal of impairments | -1 | -1 | -2 | -2 | -4 |
| Operating profit/loss (EBIT) IFRS | -1 | 7 | 103 | 133 | 204 |
| Share of profit/loss in equity accounted investments | - | - | - | - | - |
| Gains/losses from divestments of equity accounted investments ^{*)} | - | - | - | - | - |
| ROACE (rolling 12 months) | | | 5.1% | 3.3% | 5.9% |
| ROAE (rolling 12 months) | | | n/a | n/a | n/a |
| Total investments | 39 | 38 | 71 | 109 | 190 |
| Delivered volume (TWh) | 0.2 | 0.2 | 0.6 | 0.6 | 1.1 |

^{*)} Included in Interest and other financial items.

Quarterly financial performance

- Underlying EBIT decreased compared with the second quarter in 2021 due to higher operating expenses, primarily related to changes in the Norwegian public pension scheme.
- Delivered heating volume was on par with the same quarter last year, while the heating prices were positively affected by high power prices in the southern parts of Norway.

Year to date financial performance

- Underlying EBIT decreased due to the same factors as for the second quarter.
- Delivered heating volume was lower due to relatively mild winter months, while the heating prices were negatively affected by lower regional power prices in the middle and northern parts of Norway.

Financial metrics

- ROACE was slightly down from 5.3 per cent in the first quarter due to the lower underlying EBIT. The average capital employed was stable.

Quarterly investments

- The investments were primarily related to pipelines and reinvestment in existing assets.

INDUSTRIAL OWNERSHIP

| NOK million | Second quarter | | Year to date | | Year |
|--|----------------|-------|--------------|-------|---------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Gross operating revenues and other income | 1 671 | 1 028 | 4 297 | 2 540 | 6 638 |
| Net operating revenues and other income | 1 569 | 967 | 3 983 | 2 341 | 6 053 |
| Operating expenses | - 484 | - 360 | - 939 | - 784 | - 1 716 |
| Operating profit/loss (EBIT) underlying | 1 085 | 607 | 3 044 | 1 557 | 4 337 |
| - of which unrealised effects | - 15 | - | - 21 | - | 17 |
| Operating profit/loss (EBIT) IFRS | 1 085 | 607 | 3 044 | 1 557 | 4 337 |
| Share of profit/loss in equity accounted investments | -1 240 | 50 | - 734 | 474 | 1 227 |
| ROACE (rolling 12 months) | | | 33.9% | 10.2% | 25.6% |
| ROAE (rolling 12 months) | | | 0.2% | 14.9% | 11.6% |
| Total investments | 259 | 365 | 475 | 565 | 1 096 |
| Generation (TWh) | 0.8 | 1.5 | 2.3 | 3.6 | 6.5 |

Quarterly financial performance

- Underlying EBIT increased, mainly due to significantly higher Norwegian (NO2) power prices, partly offset by lower generation.
- Share of profit/loss in equity accounted investments significantly decreased, mainly due to negative value changes from energy contracts, driven by higher future power prices.

Year to date financial performance

- The underlying EBIT increased mainly due to the same factors as for the second quarter.
- The decrease in share of profit/loss from equity accounted investments was mainly driven by the same factors as for the second quarter.

Financial metrics

- ROACE was 33.9 per cent, an increase from the previous quarter, driven by a significantly higher underlying EBIT.
- ROAE was 0.2 per cent, a decrease from the previous quarter, mainly due to a lower share of profit from Agder Energi and Eviny.

Quarterly investments

- The investments were primarily related to grid activities.

OTHER ACTIVITIES

| NOK million | Second quarter | | Year to date | | Year |
|--|----------------|-------|--------------|---------|---------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| Gross operating revenues and other income | 646 | 481 | 1 263 | 902 | 1 926 |
| Net operating revenues and other income | 553 | 431 | 1 061 | 814 | 1 677 |
| Operating expenses | - 799 | - 580 | - 1 523 | - 1 156 | - 2 502 |
| Operating profit/loss (EBIT) underlying | - 246 | - 150 | - 462 | - 342 | - 825 |
| - of which unrealised effects | - | - | - | - | - |
| Operating profit/loss (EBIT) IFRS | - 246 | - 150 | - 462 | - 342 | - 825 |
| Share of profit/loss in equity accounted investments | - 12 | - 20 | - 31 | - 43 | - 97 |
| ROACE (rolling 12 months) | - | - | n/a | n/a | n/a |
| ROAE (rolling 12 months) | | | n/a | n/a | n/a |
| Total investments | 275 | 411 | 555 | 472 | 826 |
| Generation (TWh) | n/a | n/a | n/a | n/a | n/a |

Quarterly financial performance

- The decrease in underlying EBIT was primarily due to higher project and business development costs within EV charging and business development costs within hydrogen.

Year to date financial performance

- The decrease in underlying EBIT was primarily due to the same factors as for the second quarter.

Quarterly investments

The investments were primarily related to purchase of EV charging equipment in MER and investments made by Statkraft Ventures.

Outlook

After the significant increase in the power prices last year, the prices have continued at even higher levels and are very volatile. There is still an extraordinary situation in the energy markets. The shortage of gas supplies from Russia has increased the market uncertainty for the future, and there is a risk that there will be restrictions on export and rationing of gas and electricity in several European countries the coming winter. As a result, the market expects the high prices to continue in the short and medium term, and Statkraft's reservoir filling is increasing to prepare for the coming winter.

The need for flexibility in the energy market is accelerating. Statkraft has Europe's largest portfolio of flexible hydropower plants and reservoir capacity, and these assets are an important source of dispatchable power generation. The operations of the assets are continuously optimised according to the hydrological situation and expected power prices. To further strengthen this competitiveness, Statkraft continues to make significant reinvestments in the Nordic hydropower portfolio and the activity will be at a record-high level towards 2030. Statkraft will also seek new capacity additions in the Norwegian portfolio, aiming at initiating at least five projects by 2030. The first project is most likely Folgefonn, which Statkraft has submitted a license application for.

Statkraft has a substantial volume of long-term power contracts within the segments European flexible generation and International power. These contracts are supplemented with financial power contracts and other risk mitigating activities. This reduces the price risk for significant parts of Statkraft's generation and, in sum, have a stabilising effect on revenues over time. Statkraft will continue to offer new contracts to maintain the position as a competitive supplier to the industry in Norway.

The continuous high Nordic power prices have had a positive effect on the investment capacity. Statkraft is planning substantial net investments in renewable energy, and a significant amount will be invested in Norwegian flexible hydropower and new renewable technologies. The pace and total amount of investments in the strategic period will depend on market opportunities and market development. The investment programme has a large degree of flexibility and will be financed through retained earnings, external financing and divestments.

In the spring of 2022, Statkraft updated its strategy and has extended the strategic horizon from 2025 to 2030. The updated strategy is a continuation of the strategic direction set in 2018, but with significantly higher growth ambitions across our geographies and technologies. Specifically, Statkraft is accelerating the growth rate in renewable energy and will also pursue an industrial role in offshore wind. We want to become a leading developer of green hydrogen in Norway and Sweden and raise the business development level across technologies in Norway.

Statkraft has a solid financial foundation to deliver on the updated growth strategy and aims to be a major solar, onshore wind and battery storage developer with an annual delivery rate of 2.5–3 GW per year by 2025 and 4 GW per year by 2030. In total, Statkraft aims to develop 30 GW new renewable capacity within 2030, which will be partly kept and partly divested. That could increase Statkraft's annual power generation by up to 50 percent from today, to around 100 TWh per year by the end of the decade.

Statkraft's ambition is to maintain the position as the largest generator of renewable energy in Europe and to be a significant player in South America and India through investments in renewable energy. This will contribute to lowering carbon emissions and fight climate change.

Statkraft's commitment to safety, sustainability and responsible business practices continues to be a foundation for all activities.

Oslo, 20 July 2022
The Board of Directors of Statkraft AS

Declaration from the Board of Directors and President and CEO

We hereby declare to the best of our knowledge that the six-month interim financial statements for the period 1 January to 30 June 2022 have been prepared in accordance with IAS 34, Interim Reporting, and the accounting information provides a true and fair view of the Group's assets, liabilities, financial position and performance as a whole, and that the six-month interim report provides a true and fair view of important events in the accounting period and their influence on the six-month interim financial statements, associated material transactions and the key risk and uncertainty factors facing the business in the next accounting period.

Oslo, 20 July 2022
The Board of Directors of Statkraft AS



Thorhild Widvey
Chair of the Board



Peter Mellbye
Deputy chair



Marit Salte
Director



Mikael Lundin
Director



Ingelise Arntsen
Director



Pål Erik Sjøtil
Director



Lars Mathisen
Director



Thorbjørn Holøs
Director



Marte Lind
Director



Christian Rynning-Tønnesen
President and CEO

Statkraft AS Group Interim Financial Statements

| NOK million | Second quarter | | Year to date | | Year 2021 |
|--|----------------|---------------|---------------|---------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | |
| STATEMENT OF COMPREHENSIVE INCOME | | | | | |
| PROFIT AND LOSS | | | | | |
| Sales revenues | 30 739 | 13 198 | 66 952 | 29 800 | 84 656 |
| Gains/losses from market activities | -4 963 | 2 372 | - 228 | 2 859 | -3 235 |
| Other operating income | 131 | 210 | 355 | 319 | 1 556 |
| Gross operating revenues and other income | 25 907 | 15 779 | 67 079 | 32 977 | 82 976 |
| Energy purchase | -16 968 | -6 100 | -36 397 | -12 986 | -39 968 |
| Transmission costs | - 36 | - 325 | - 394 | - 913 | -1 723 |
| Net operating revenues and other income | 8 902 | 9 354 | 30 288 | 19 079 | 41 286 |
| Salaries and payroll costs | -1 773 | -1 189 | -3 393 | -2 499 | -5 286 |
| Depreciations and amortisations | -1 128 | - 960 | -2 247 | -1 945 | -4 113 |
| Impairments/reversal of impairments | 324 | - 6 | 35 | 46 | 3 403 |
| Regulatory fees | - 335 | - 327 | - 703 | - 675 | -1 375 |
| Other operating expenses | -1 304 | -1 043 | -2 329 | -1 857 | -4 188 |
| Operating expenses | -4 216 | -3 524 | -8 638 | -6 931 | -11 559 |
| Operating profit/loss (EBIT) | 4 687 | 5 830 | 21 650 | 12 148 | 29 727 |
| Share of profit/loss in equity accounted investments | - 513 | - 74 | 157 | 370 | 1 686 |
| Net currency effects | -1 672 | - 545 | -457 | 816 | 1 089 |
| Interest and other financial items | 172 | - 76 | 604 | 73 | 243 |
| Net financial items | -1 500 | - 621 | 148 | 889 | 1 331 |
| Profit/loss before tax | 2 674 | 5 134 | 21 956 | 13 407 | 32 744 |
| Income tax expense | -3 891 | -2 711 | -11 731 | -6 164 | -16 663 |
| Net profit/loss | -1 217 | 2 423 | 10 224 | 7 243 | 16 081 |
| Of which non-controlling interest | 142 | 96 | 475 | 252 | 558 |
| Of which owners of the parent | -1 359 | 2 327 | 9 750 | 6 991 | 15 523 |
| OTHER COMPREHENSIVE INCOME (OCI) | | | | | |
| Items in other comprehensive income that recycle over profit/loss: | | | | | |
| Items recorded in other comprehensive income in equity accounted investments | 42 | 25 | 46 | 25 | 1 |
| Recycling of currency translation effects related to foreign operations disposed | - 12 | - | - 12 | - | - 39 |
| Currency translation effects | 6 248 | 1 566 | 4 869 | -1 194 | -2 473 |
| Total | 6 278 | 1 591 | 4 903 | -1 168 | -2 511 |
| Items in other comprehensive income that will not recycle over profit/loss: | | | | | |
| Changes in fair value of financial instruments, net of tax | - 62 | 8 | - 91 | - 4 | 28 |
| Estimate deviation pension in equity accounted investments | - 171 | - 19 | 131 | 52 | 28 |
| Estimate deviation pension, net of tax | - 6 | - 220 | 1 053 | 110 | - 312 |
| Total | - 239 | - 231 | 1 093 | 158 | - 257 |
| Other comprehensive income | 6 039 | 1 360 | 5 996 | -1 011 | -2 767 |
| Total comprehensive income | 4 821 | 3 783 | 16 220 | 6 232 | 13 315 |
| Of which non-controlling interest | 270 | 163 | 737 | 299 | 564 |
| Of which owners of the parent | 4 551 | 3 622 | 15 484 | 5 933 | 12 750 |

| NOK million | Year to date | | Year 2021 |
|--|----------------|----------------|----------------|
| | 2022 | 2021 | |
| STATEMENT OF FINANCIAL POSITION | | | |
| ASSETS | | | |
| Deferred tax assets | 1 843 | 802 | 1 748 |
| Intangible assets | 4 197 | 4 236 | 4 112 |
| Property, plant and equipment | 122 148 | 110 931 | 116 521 |
| Equity accounted investments | 14 639 | 13 409 | 14 771 |
| Derivatives | 56 674 | 11 374 | 27 995 |
| Other non-current assets | 7 082 | 6 448 | 6 488 |
| Non-current assets | 206 583 | 147 199 | 171 635 |
| Inventories | 9 835 | 8 217 | 6 614 |
| Receivables | 53 373 | 16 403 | 42 190 |
| Financial investments | 586 | 631 | 661 |
| Derivatives | 77 279 | 15 960 | 51 741 |
| Cash and cash equivalents (incl. restricted cash) | 53 417 | 17 719 | 37 162 |
| Current assets | 194 491 | 58 930 | 138 369 |
| Assets | 401 073 | 206 129 | 310 004 |
| EQUITY AND LIABILITIES | | | |
| Paid-in capital | 59 219 | 59 219 | 59 219 |
| Other reserves | 6 880 | 3 523 | 2 234 |
| Retained earnings | 42 050 | 33 321 | 41 426 |
| Total equity attributable to owners of the parent | 108 149 | 96 063 | 102 880 |
| Non-controlling interest | 5 630 | 4 577 | 4 896 |
| Equity | 113 779 | 100 639 | 107 775 |
| Deferred tax | 14 618 | 10 583 | 12 723 |
| Pension liabilities | 3 042 | 3 253 | 3 892 |
| Bond and bank debt | 25 761 | 24 704 | 19 632 |
| Lease liabilities | 1 729 | 1 687 | 1 861 |
| Contract liabilities | 3 892 | 4 207 | 4 052 |
| Derivatives | 55 897 | 11 965 | 21 985 |
| Other non-current liabilities | 3 313 | 3 074 | 3 283 |
| Non-current liabilities | 108 251 | 59 473 | 67 427 |
| Commercial papers, bond and bank debt | 13 602 | 3 548 | 18 942 |
| Lease liabilities | 370 | 237 | 303 |
| Contract liabilities | 316 | 316 | 316 |
| Taxes payable | 22 870 | 5 738 | 14 527 |
| Derivatives | 106 621 | 20 854 | 64 647 |
| Other current liabilities | 35 265 | 15 324 | 36 068 |
| Current liabilities | 179 043 | 46 017 | 134 802 |
| Equity and liabilities | 401 073 | 206 129 | 310 004 |

| NOK million | Paid-in capital | Hedging reserves and profit and loss reserves other shares | Accumulated translation differences ¹⁾ | Total other reserves | Retained earnings | Total equity attributable to owner of parent | Non-controlling interests | Total equity |
|--|-----------------|--|---|----------------------|-------------------|--|---------------------------|----------------|
| STATEMENT OF CHANGES IN EQUITY | | | | | | | | |
| Balance as of 31 Dec 2020 | 59 219 | - 203 | 4 936 | 4 733 | 29 889 | 93 840 | 4 188 | 98 028 |
| Net profit/loss | - | - | - | - | 6 991 | 6 991 | 251 | 7 243 |
| Total other comprehensive income | - | 23 | -1 232 | -1 209 | 151 | -1 058 | 47 | -1 011 |
| Total comprehensive income for the period | - | 23 | -1 232 | -1 209 | 7 142 | 5 933 | 299 | 6 231 |
| Dividend | - | - | - | - | -3 673 | -3 673 | - 91 | -3 764 |
| Business combinations/divestments | - | - | - | - | - | - | 97 | 97 |
| Transactions with non-controlling interests | - | - | - | - | - 38 | - 38 | 83 | 45 |
| Balance as of 30 June 2021 | 59 219 | - 180 | 3 704 | 3 524 | 33 320 | 96 063 | 4 577 | 100 639 |
| Balance as of 31 Dec 2020 | 59 219 | - 203 | 4 936 | 4 733 | 29 888 | 93 840 | 4 188 | 98 028 |
| Net profit/loss | - | - | - | - | 15 523 | 15 523 | 558 | 16 081 |
| Total other comprehensive income | - | 24 | -2 523 | -2 499 | - 275 | -2 773 | 7 | -2 766 |
| Total comprehensive income for the period | - | 24 | -2 523 | -2 499 | 15 249 | 12 750 | 564 | 13 315 |
| Dividend | - | - | - | - | -3 673 | -3 673 | - 91 | -3 764 |
| Business combinations/divestments | - | - | - | - | - | - | 101 | 101 |
| Transactions with non-controlling interests | - | - | - | - | - 38 | - 38 | 133 | 95 |
| Balance as of 31 Dec 2021 | 59 219 | - 179 | 2 413 | 2 234 | 41 426 | 102 880 | 4 896 | 107 775 |
| Net profit/loss | - | - | - | - | 9 750 | 9 750 | 475 | 10 224 |
| Total other comprehensive income | - | - 28 | 4 674 | 4 646 | 1 088 | 5 734 | 262 | 5 996 |
| Total comprehensive income for the period | - | - 28 | 4 674 | 4 646 | 10 838 | 15 484 | 737 | 16 220 |
| Dividend | - | - | - | - | -10 214 | -10 214 | - 312 | -10 526 |
| Transactions with non-controlling interests | - | - | - | - | - | - | 310 | 310 |
| Balance as of 30 June 2022 | 59 219 | - 207 | 7 087 | 6 880 | 42 050 | 108 149 | 5 630 | 113 779 |

¹⁾ Includes NOK 1210 million in inflation adjustment of Turkish entities due to hyperinflation as of 30 June 2022. Comparable figures have not been restated. See note 8 for more information.

| NOK million | Second quarter | | Year to date | | Year 2021 |
|---|----------------|---------------|--------------|---------------|---------------|
| | 2022 | 2021 | 2022 | 2021 | |
| STATEMENT OF CASH FLOW | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | |
| Operating profit/loss (EBIT) | 4 687 | 5 830 | 21 650 | 12 148 | 29 727 |
| Depreciations, amortisations and impairments | 804 | 965 | 2 212 | 1 899 | 710 |
| Gains/losses from divestments and disposals of assets | - 55 | - 81 | - 147 | - 79 | - 740 |
| Unrealised effects included in operating profit/loss (EBIT) | 8 114 | -2 881 | 1 520 | 6 | -2 362 |
| Dividends from equity accounted investments | 790 | 513 | 813 | 546 | 571 |
| Changes in working capital | 5 248 | 187 | -3 295 | - 276 | 859 |
| Investments in development and construction projects classified as inventories (DS/DBS) | - 515 | - 439 | - 860 | - 710 | -1 892 |
| Cash collateral, margin calls and option prepayments | -1 005 | 2 903 | 97 | - 574 | 3 311 |
| Cash effects from foreign exchange derivatives related to operations | - 260 | 14 | - 21 | - 17 | - 273 |
| Effects from prepayments from customers | - 62 | - 62 | - 160 | - 160 | - 316 |
| Taxes paid | -1 187 | -1 239 | -2 500 | -2 794 | -3 042 |
| Other changes | - 8 | 254 | - 174 | - 75 | - 311 |
| Cash flow from operating activities | A | 16 551 | 5 964 | 19 137 | 9 914 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| Investments in property, plant and equipment and intangible assets | -2 253 | -1 720 | -4 006 | -2 845 | -7 477 |
| Divestment of shares in subsidiaries, net liquidity inflow | - | 1 137 | - | 1 137 | 2 442 |
| Acquisitions of shares in subsidiaries, net liquidity outflow | - 65 | - 88 | - 222 | - 96 | -1 730 |
| Loans and interest related to equity accounted investments | 33 | 33 | 54 | 55 | 90 |
| Sale of development and construction projects classified as inventories (DS/DBS) | 591 | 14 | 1 018 | 27 | 822 |
| Other investments | - 150 | - 27 | - 191 | - 2 | 233 |
| Cash flow from investing activities | B | -1 844 | - 650 | -3 347 | -5 618 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| New debt | 5 798 | 342 | 15 103 | 380 | 14 935 |
| Repayment of debt | -5 700 | - 198 | -15 679 | -2 164 | -5 842 |
| Cash collateral related to financing | - 508 | - 59 | - 196 | 182 | 333 |
| Interests paid | - 94 | - 64 | - 329 | - 233 | - 567 |
| Interests received from cash and other assets | 143 | 14 | 237 | 53 | 158 |
| Dividend and group contribution paid to Statkraft SF | - | - | - | - | -3 673 |
| Transactions with non-controlling interests | - 91 | 31 | - 2 | 87 | 73 |
| Cash flow from financing activities | C | - 452 | 66 | - 867 | 5 418 |
| Net change in cash and cash equivalents | A+B+C | 14 256 | 5 379 | 14 923 | 6 495 |
| Currency exchange rate effects on cash and cash equivalents | 1 456 | 137 | 1 332 | 68 | - 34 |
| Cash and cash equivalents 01.04 / 01.01 | 37 705 | 12 203 | 37 162 | 11 155 | 11 155 |
| Cash and cash equivalents 30.06 / 31.12 ¹⁾ | 53 417 | 17 719 | 53 417 | 17 719 | 37 162 |
| <i>Of which are cash and cash equivalents in joint operations</i> | 205 | 239 | 205 | 239 | 281 |
| Unused committed credit lines | | | 13 453 | 9 335 | 9 167 |
| Unused overdraft facilities | | | 2 044 | 2 017 | 2 051 |
| Restricted cash | | | 230 | 34 | 342 |

¹⁾ As of 30 June 2022, NOK 1.5 billion from Baltic Cable is included, see note 11 for further information.

| NOK million | Second quarter | | Year to date | | Year 2021 |
|---|----------------|--------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2022 | 2021 | |
| Reconciliation of investments in property, plant and equipment and intangible assets | | | | | |
| Investments in property, plant and equipment and intangible assets in the cash flow | 2 253 | 1 720 | 4 006 | 2 845 | 7 477 |
| Capitalised borrowing costs | 78 | 22 | 149 | 41 | 136 |
| Capitalised decommissioning provisions | 3 | - | 14 | 23 | 138 |
| Non-cash additions from right-of-use assets, other non-cash additions and other adjustments | - 37 | 54 | 145 | 322 | 1 083 |
| Timing differences between capitalisation and payment date | - 593 | - 149 | - 661 | - 353 | -1 001 |
| Investments in property, plant and equipment and intangible assets in the Investments overview | 1 704 | 1 647 | 3 654 | 2 878 | 7 833 |

Segments

The segment reporting is based on underlying figures, which is in accordance with how the corporate management makes, follows up and evaluates its decisions. The tables on the next page show the reconciliation of the IFRS figures versus the underlying figures.

Following Statkraft's updated strategy and corresponding changes to business areas and corporate management, an assessment of the operating and reportable segments is ongoing. It is expected that Statkraft will report on the new reportable segments in the fourth quarter 2022.

SECOND QUARTER 2022

The items below are excluded from the underlying figures:

1. **Gains/losses from market activities:** Unrealised value changes from embedded EUR derivatives related to long-term industry contracts. (NOK -546 million)
2. **Other operating income:** Gains from divestments of business activities that are not included in the DS/DBS business model.
3. **Impairments/reversal of impairments:** Related to intangible assets, property, plant and equipment. (NOK -324 million)
4. **Other operating expenses:** Losses from divestments of business activities that are not classified as DS/DBS.

YEAR TO DATE 2022

The items below are excluded from the underlying figures:

5. **Gains/losses from market activities:** Unrealised value changes from embedded EUR derivatives related to long-term industry contracts. (NOK 155 million)
6. **Other operating income:** Gains from divestments of business activities that are not included in the DS/DBS business model.
7. **Impairments/reversal of impairments:** Related to intangible assets, property, plant and equipment. (NOK -35 million)
8. **Other operating expenses:** Losses from divestments of business activities that are not classified as DS/DBS.

THE YEAR 2021

The items below are excluded from the underlying figures:

1. **Gains/losses from market activities:** Unrealised value changes from embedded EUR derivatives related to long-term industry contracts. (NOK 1285 million)
2. **Other operating income:** Gains from divestments of business activities that are not included in the DS/DBS business model. (NOK -822 million)
3. **Impairments/reversal of impairments:** Related to intangible assets, property, plant and equipment. (NOK -3403 million)
4. **Other operating expenses:** Losses from divestments of business activities that are not classified as DS/DBS. (NOK 5 million)

RECONCILIATION OF IFRS FIGURES VERSUS UNDERLYING FIGURES

| NOK million | Second quarter 2022 | | | Second quarter 2021 | | |
|--|---------------------|--------------|---------------|---------------------|--------------|---------------|
| | IFRS | Adjustments | Underlying | IFRS | Adjustments | Underlying |
| Sales revenues ¹⁾ | 30 739 | | 30 739 | 13 198 | | 13 198 |
| Gains/losses from market activities | -4 963 | - 546 | -5 509 | 2 372 | - 118 | 2 254 |
| Other operating income ¹⁾ | 131 | 0 | 131 | 210 | - 85 | 124 |
| Gross operating revenues and other income | 25 906 | - 546 | 25 360 | 15 779 | - 203 | 15 576 |
| Energy purchase | -16 968 | | -16 968 | -6 100 | | -6 100 |
| Transmission costs | - 36 | | - 36 | - 325 | | - 325 |
| Net operating revenues and other income | 8 902 | - 546 | 8 356 | 9 354 | - 203 | 9 151 |
| Salaries and payroll costs | -1 773 | | -1 773 | -1 189 | | -1 189 |
| Depreciations and amortisations | -1 128 | | -1 128 | - 960 | | - 960 |
| Impairments/reversal of impairments | 324 | - 324 | - | - 6 | 6 | - |
| Regulatory fees | - 335 | | - 335 | - 327 | | - 327 |
| Other operating expenses | -1 304 | 0 | -1 304 | -1 043 | - | -1 043 |
| Operating expenses | -4 216 | - 324 | -4 539 | -3 524 | 6 | -3 518 |
| Operating profit/loss (EBIT) | 4 687 | - 870 | 3 817 | 5 830 | - 198 | 5 632 |

¹⁾ Comparable figures have been restated. See note 4.

RECONCILIATION OF IFRS FIGURES VERSUS UNDERLYING FIGURES

| NOK million | Year to date 2022 | | | Year to date 2021 | | |
|--|-------------------|-------------|---------------|-------------------|-------------|---------------|
| | IFRS | Adjustments | Underlying | IFRS | Adjustments | Underlying |
| Sales revenues ¹⁾ | 66 952 | | 66 952 | 29 800 | | 29 800 |
| Gains/losses from market activities | - 228 | 155 | - 73 | 2 859 | 831 | 3 690 |
| Other operating income ¹⁾ | 355 | 0 | 355 | 319 | - 85 | 234 |
| Gross operating revenues and other income | 67 079 | 155 | 67 234 | 32 977 | 746 | 33 723 |
| Energy purchase | -36 397 | | -36 397 | -12 986 | | -12 986 |
| Transmission costs | - 394 | | - 394 | - 913 | | - 913 |
| Net operating revenues and other income | 30 288 | 155 | 30 443 | 19 079 | 746 | 19 825 |
| Salaries and payroll costs | -3 393 | | -3 393 | -2 499 | | -2 499 |
| Depreciations and amortisations | -2 247 | | -2 247 | -1 945 | | -1 945 |
| Impairments/reversal of impairments | 35 | - 35 | - | 46 | - 46 | - |
| Regulatory fees | - 703 | | - 703 | - 675 | | - 675 |
| Other operating expenses | -2 329 | 0 | -2 329 | -1 857 | - | -1 857 |
| Operating expenses | -8 638 | - 35 | -8 673 | -6 931 | - 46 | -6 976 |
| Operating profit/loss (EBIT) | 21 650 | 120 | 21 770 | 12 148 | 700 | 12 848 |

¹⁾ Comparable figures have been restated. See note 4.

RECONCILIATION OF IFRS FIGURES VERSUS UNDERLYING FIGURES

| NOK million | The year 2021 | | |
|--|----------------|---------------|----------------|
| | IFRS | Adjustments | Underlying |
| Sales revenues | 84 656 | | 84 656 |
| Gains/losses from market activities | -3 235 | 1 285 | -1 950 |
| Other operating income | 1 556 | - 822 | 734 |
| Gross operating revenues and other income | 82 976 | 464 | 83 440 |
| Energy purchase | -39 968 | | -39 968 |
| Transmission costs | -1 723 | | -1 723 |
| Net operating revenues and other income | 41 286 | 464 | 41 749 |
| Salaries and payroll costs | -5 286 | | -5 286 |
| Depreciations and amortisations | -4 113 | | -4 113 |
| Impairments/reversal of impairments | 3 403 | -3 403 | - |
| Regulatory fees | -1 375 | | -1 375 |
| Other operating expenses | -4 188 | 5 | -4 183 |
| Operating expenses | -11 559 | -3 398 | -14 957 |
| Operating profit/loss (EBIT) | 29 727 | -2 934 | 26 792 |

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities | Group items |
|---|-----------------------|------------------------------------|----------------------|------------------------|-------------------------------|---------------------|-------------------------|---------------------|----------------|
| SEGMENTS | | | | | | | | | |
| Second quarter 2022 | | | | | | | | | |
| Gross operating revenues and other income, external | 25 360 | 6 877 | 15 671 | 808 | 18 | 184 | 1 668 | 191 | - 57 |
| Gross operating revenues and other income, internal | - | 234 | 39 | 129 | 150 | 1 | 3 | 455 | -1 011 |
| Gross operating revenues and other income underlying | 25 360 | 7 111 | 15 710 | 937 | 168 | 185 | 1 671 | 646 | -1 068 |
| Net operating revenues and other income underlying | 8 356 | 5 605 | 935 | 543 | - 242 | 147 | 1 569 | 553 | - 754 |
| Operating profit/loss (EBIT) underlying | 3 817 | 3 885 | 140 | 41 | - 867 | - 0 | 1 085 | - 246 | - 221 |
| Unrealised value changes from embedded EUR derivatives | 546 | 546 | - | - | - | - | - | - | - |
| Gains/losses from divestments of business activities | - 0 | - | - | - 0 | - | - | - | - | - |
| Impairments/reversal of impairments | 324 | 350 | - | - 3 | - 23 | - 1 | - | - | - |
| Operating profit/loss (EBIT) IFRS | 4 687 | 4 782 | 140 | 38 | - 889 | - 1 | 1 085 | - 246 | - 221 |
| Share of profit/loss in equity accounted investments | - 513 | 1 | - | 704 | 34 | - | - 1 240 | - 12 | - |
| Year to date 2022 | | | | | | | | | |
| Gross operating revenues and other income, external | 67 234 | 21 663 | 37 844 | 1 866 | 819 | 502 | 4 265 | 399 | - 124 |
| Gross operating revenues and other income, internal | - | 474 | 16 | 203 | 548 | 8 | 33 | 864 | -2 146 |
| Gross operating revenues and other income underlying | 67 234 | 22 138 | 37 860 | 2 069 | 1 366 | 510 | 4 297 | 1 263 | -2 270 |
| Net operating revenues and other income underlying | 30 443 | 18 478 | 6 358 | 1 330 | 291 | 380 | 3 983 | 1 061 | -1 438 |
| Operating profit/loss (EBIT) underlying | 21 770 | 15 170 | 4 827 | 388 | - 885 | 105 | 3 044 | - 462 | - 417 |
| Unrealised value changes from embedded EUR derivatives | - 155 | - 155 | - | - | - | - | - | - | - |
| Gains/losses from divestments of business activities | - 0 | - | - | - 0 | - 0 | - | - | - | - |
| Impairments/reversal of impairments | 35 | 350 | - | - 268 | - 46 | - 2 | - | - | - |
| Operating profit/loss (EBIT) IFRS | 21 650 | 15 365 | 4 827 | 120 | - 931 | 103 | 3 044 | - 462 | - 417 |
| Share of profit/loss in equity accounted investments | 157 | 35 | - | 757 | 130 | - | - 734 | - 31 | - |
| Assets and capital employed 30.06.2022 | | | | | | | | | |
| Property, plant and equipment and intangible assets | 126 345 | 61 797 | 150 | 29 869 | 11 348 | 3 475 | 17 417 | 2 288 | - |
| Equity accounted investments | 14 639 | 3 | - | 3 943 | 927 | - | 9 735 | 57 | - 29 |
| Loans to equity accounted investments | 1 610 | - | - | 1 189 | 368 | - | 53 | - | - |
| Inventories (DS/DBS) | 3 027 | - | - | - | 3 027 | - | - | - | - |
| Other assets | 255 452 | 258 | 156 244 | 3 860 | - 1 266 | 146 | 1 814 | 93 714 | 682 |
| Total assets | 401 073 | 62 058 | 156 394 | 38 862 | 14 403 | 3 622 | 29 020 | 96 061 | 653 |
| Capital employed | 129 372 | 61 797 | 150 | 29 869 | 14 375 | 3 475 | 17 417 | 2 288 | - |
| Average capital employed (rolling 12 months) | 123 114 | 61 233 | n/a | 25 316 | 13 680 | 3 510 | 17 193 | n/a | n/a |
| Return on average capital employed (ROACE) | 29.0% | 54.2% | n/a | 0.7% | - 5.5% | 5.1% | 33.9% | n/a | n/a |
| Return on average equity accounted investments (ROAE) | 10.0% | n/a | n/a | 43.9% | 26.1% | n/a | 0.2% | n/a | n/a |
| Depreciations, amortisations and impairments | - 2 212 | - 641 | - 15 | - 645 | - 398 | - 101 | - 268 | - 144 | - |
| Total investments | 4 889 | 997 | 26 | 1 666 | 1 098 | 71 | 475 | 555 | - |

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities | Group items |
|---|-----------------------|------------------------------------|----------------------|------------------------|-------------------------------|---------------------|-------------------------|---------------------|----------------|
| SEGMENTS | | | | | | | | | |
| Second quarter 2021 | | | | | | | | | |
| Gross operating revenues and other income, external | 15 576 | 6 902 | 6 779 | 566 | 81 | 163 | 1 012 | 119 | - 45 |
| Gross operating revenues and other income, internal | - | 83 | - 131 | 27 | 188 | 3 | 16 | 362 | - 548 |
| Gross operating revenues and other income underlying | 15 576 | 6 985 | 6 648 | 593 | 269 | 166 | 1 028 | 481 | - 593 |
| Net operating revenues and other income underlying | 9 151 | 5 901 | 1 530 | 389 | 206 | 124 | 967 | 431 | - 397 |
| Operating profit/loss (EBIT) underlying | 5 632 | 4 357 | 1 026 | 1 | - 263 | 8 | 607 | - 150 | 46 |
| Unrealised value changes from embedded EUR derivatives | 118 | 118 | - | - | - | - | - | - | - |
| Gains/losses from divestments of business activities | 85 | - | - | - | 85 | - | - | - | - |
| Impairments/reversal of impairments | - 6 | - | - | - 5 | - | - 1 | - | - | - |
| Operating profit/loss (EBIT) IFRS | 5 830 | 4 475 | 1 026 | - 3 | - 177 | 7 | 607 | - 150 | 45 |
| Share of profit/loss in equity accounted investments | - 74 | - 1 | - | - 18 | - 85 | - | 50 | - 20 | - |
| Year to date 2021 | | | | | | | | | |
| Gross operating revenues and other income, external | 33 723 | 14 781 | 14 234 | 1 297 | 220 | 548 | 2 498 | 225 | - 80 |
| Gross operating revenues and other income, internal | - | 220 | - 298 | 41 | 576 | 3 | 42 | 677 | - 1 261 |
| Gross operating revenues and other income underlying | 33 723 | 15 001 | 13 936 | 1 338 | 796 | 551 | 2 540 | 902 | - 1 341 |
| Net operating revenues and other income underlying | 19 825 | 12 661 | 2 928 | 944 | 544 | 372 | 2 341 | 814 | - 781 |
| Operating profit/loss (EBIT) underlying | 12 848 | 9 559 | 2 002 | 155 | - 299 | 135 | 1 557 | - 342 | 82 |
| Unrealised value changes from embedded EUR derivatives | - 831 | - 831 | - | - | - | - | - | - | - |
| Gains/losses from divestments of business activities | 85 | - | - | - | 85 | - | - | - | - |
| Impairments/reversal of impairments | 46 | - | - | - 9 | 57 | - 2 | - | - | - |
| Operating profit/loss (EBIT) IFRS | 12 148 | 8 728 | 2 002 | 146 | - 157 | 133 | 1 557 | - 342 | 82 |
| Share of profit/loss in equity accounted investments | 370 | - | - | 17 | - 79 | - | 474 | - 43 | - |
| Assets and capital employed 30.06.2021 | | | | | | | | | |
| Property, plant and equipment and intangible assets | 115 167 | 60 709 | 137 | 23 747 | 8 205 | 3 548 | 16 972 | 1 850 | - |
| Equity accounted investments | 13 409 | 1 | - | 2 258 | 753 | - | 10 332 | 91 | - 26 |
| Loans to equity accounted investments | 1 436 | - | - | 977 | 418 | - | 41 | - | - |
| Inventories (DS/DBS) | 2 906 | - | - | - | 2 906 | - | - | - | - |
| Other assets | 73 212 | 2 023 | 33 652 | 2 416 | 1 827 | 138 | 1 260 | 32 742 | - 844 |
| Total assets | 206 129 | 62 732 | 33 788 | 29 398 | 14 109 | 3 686 | 28 604 | 34 682 | - 870 |
| Capital employed | 118 073 | 60 709 | 137 | 23 747 | 11 111 | 3 548 | 16 972 | 1 850 | - |
| Average capital employed (rolling 12 months) | 117 944 | 60 919 | n/a | 24 036 | 10 853 | 3 542 | 16 716 | n/a | n/a |
| Return on average capital employed (ROACE) | 13.2% | 19.0% | n/a | 1.1% | -8.0% | 3.3% | 10.2% | n/a | n/a |
| Return on average equity accounted investments (ROAE) | 6.0% | n/a | n/a | -22.9% | -6.8% | n/a | 14.9% | n/a | n/a |
| Depreciations, amortisations and impairments | - 1 899 | - 956 | - 16 | - 331 | - 133 | - 98 | - 256 | - 109 | - |
| Total investments | 3 923 | 1 040 | 6 | 563 | 1 167 | 109 | 565 | 472 | 1 |

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities | Group items |
|---|--------------------|------------------------------|-------------------|---------------------|-------------------------|------------------|----------------------|------------------|---------------|
| SEGMENTS | | | | | | | | | |
| The year 2021 | | | | | | | | | |
| Gross operating revenues and other income, external | 83 440 | 39 194 | 32 844 | 2 454 | 839 | 1 041 | 6 542 | 531 | - 6 |
| Gross operating revenues and other income, internal | - | 533 | - 461 | 134 | 1 401 | 4 | 96 | 1 395 | -3 102 |
| Gross operating revenues and other income underlying | 83 440 | 39 727 | 32 383 | 2 588 | 2 240 | 1 045 | 6 638 | 1 926 | -3 108 |
| Net operating revenues and other income underlying | 41 749 | 33 899 | -2 343 | 1 632 | 1 703 | 716 | 6 053 | 1 677 | -1 587 |
| Operating profit/loss (EBIT) underlying | 26 792 | 27 557 | -4 348 | - 45 | - 164 | 208 | 4 337 | - 825 | 72 |
| Unrealised value changes embedded EUR derivatives | -1 285 | -1 285 | - | - | - | - | - | - | - |
| Gains/losses from divestments of business activities | 817 | - | - | - 4 | 821 | - | - | - | - |
| Impairments/reversal of impairments | 3 403 | 1 020 | - | - 79 | 2 466 | - 4 | - | - | - |
| Operating profit/loss (EBIT) IFRS | 29 727 | 27 291 | -4 348 | -128 | 3 123 | 204 | 4 337 | - 825 | 72 |
| Share of profit/loss in equity accounted investments | 1 686 | - | - | 553 | 3 | - | 1 227 | - 97 | - |
| Assets and capital employed 31.12.2021 | | | | | | | | | |
| Property, plant and equipment and intangible assets | 120 633 | 61 416 | 135 | 24 711 | 11 650 | 3 512 | 17 213 | 1 996 | - |
| Equity accounted investments | 14 771 | - | - | 2 828 | 818 | - | 11 066 | 84 | - 25 |
| Loans to equity accounted investments | 1 459 | - | - | 1 013 | 391 | - | 55 | - | - |
| Inventories (DS/DBS) | 2 965 | - | - | - | 2 965 | - | - | - | - |
| Other assets | 170 176 | 5 236 | 97 594 | 3 364 | 180 | 348 | 1 461 | 61 793 | 200 |
| Total assets | 310 004 | 66 653 | 97 728 | 31 916 | 16 003 | 3 860 | 29 796 | 63 873 | 175 |
| Capital employed | 123 598 | 61 416 | 135 | 24 711 | 14 615 | 3 512 | 17 213 | 1 996 | - |
| Average capital employed (rolling 12 months) | 119 422 | 60 949 | n/a | 23 685 | 12 325 | 3 542 | 16 959 | n/a | n/a |
| Return on average capital employed (ROACE) | 22.4% | 45.2% | n/a | -0.2% | -1.3% | 5.9% | 25.6% | n/a | n/a |
| Return on average equity accounted investments (ROAE) | 12.1% | n/a | n/a | 22.1% | 0.4% | n/a | 11.6% | n/a | n/a |
| Depreciations, amortisations and impairments | - 710 | - 954 | - 32 | - 733 | 1 990 | - 198 | - 531 | - 253 | - |
| Total investments | 11 867 | 2 450 | 23 | 2 307 | 4 976 | 190 | 1 096 | 825 | - |

Selected notes to the accounts

1. FRAMEWORK AND MATERIAL ACCOUNTING POLICIES

The consolidated financial statements for the second quarter of 2022, ended 30 June 2022, have been prepared in accordance with International Financial Reporting Standards (IFRS) and consist of Statkraft AS and its subsidiaries and equity accounted investments. The interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. As the information provided in the interim financial statements is less comprehensive than that contained in the annual financial statements, these statements should therefore be read in conjunction with the consolidated annual report for 2021. The accounting policies applied are the same as those applied in the annual consolidated financial statements for 2021, except IAS 29 – Financial reporting in Hyperinflationary Economies that was applied in the second quarter as the Turkish economy was defined as hyperinflationary. For the period beginning 1 January 2022, Turkish entities' non-monetary assets, liabilities and equity measured at historical cost have been remeasured since acquisition date. See note 8 for further information.

The interim consolidated financial statements have not been audited.

2. PRESENTATION OF FINANCIAL STATEMENTS

The presentation in the interim report has been prepared in accordance with the requirements in IAS 34. The schedules comply with the requirements in IAS 1.

3. ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In applying the Group's accounting principles to the preparation of the interim financial statements, the management has exercised its judgment and employed estimates and assumptions that affect the figures included in the statement of profit and loss and the statement of financial position. The most important assumptions regarding future events and other significant sources of uncertainty in relation to the estimates, and which may involve a significant risk of material changes to the amounts recognised in future financial periods, are discussed in the annual report for 2021. In preparing the consolidated financial statements for the current quarter, the Group's management has exercised its judgment in relation to the same areas where such judgment has had material significance in relation to the figures included in the Group's statement of profit and loss and statement of financial position, as discussed in the annual report for 2021.

Uncertain energy markets

Since the annual report for 2021 was published, Russia invaded Ukraine on 24 February. The invasion has brought increased geopolitical risks to the global energy markets. The Group's liquidity risk as well as the counterparty risk have been reviewed in light of the situation. Statkraft ensures on an ongoing basis that no operations are in breach with the relevant sanctions set out by the EU or other authorities.

Continued high volatility and uncertainty in the power market in the operative horizon have continued in the second quarter and imply high estimate uncertainty. This could lead to adjustments of carrying amounts of non-financial assets and long-term energy contracts in subsequent periods.

Specific counterparties that could be significantly affected by the invasion have been monitored regarding default risk.

The direct effect from the Ukrainian conflict on the financial statements has so far been limited. Management will continue to monitor the situation and adapt to market conditions going forward.

4. CHANGES IN THE FINANCIAL STATEMENTS AND COMPARABLE FIGURES

Presentation of revenues related to DS/DBS business model in Europe Until the fourth quarter 2021, revenues from power generation from a completed wind or solar farm until divestment, as well as asset management, operation and maintenance revenues related to the DS/DBS business model in Europe were presented as Other operating income in the Statement of Comprehensive Income. From the fourth quarter 2021, these revenues are presented as Sales revenues in the sub-category Other. Comparable figures have been restated. In the financial statements for the second quarter and year to date, NOK 36 million have been reclassified from Other operating income to Sales revenues in the sub-category Other.

Presentation of prepayments related to long-term power sales agreements In the second quarter 2021, prepayments related to long-term power sales agreements were presented as Other liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Contract liabilities. Comparable figures for the second quarter have been restated by NOK 4207 million for Other non-current liabilities and NOK 316 million for Other current liabilities.

Presentation of lease liabilities Liabilities related to lease agreements have previously been presented as interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Lease liabilities. Comparable figures for the second quarter have been restated by NOK 1687 million for non-current liabilities and NOK 237 million for current liabilities.

Presentation of bonds and bank debt Liabilities related to bonds and bank debt have previously been presented as interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented separately as Bond and bank debt for non-current liabilities and Commercial papers, bond and bank debt for current liabilities. Comparable figures for the second quarter have been restated by NOK 24 704 million for non-current liabilities and NOK 3548 million for current liabilities.

Presentation of liabilities related to cash collateral Liabilities related to cash collateral have previously been presented as current interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Other current liabilities. Comparable figures for the second quarter have been restated by NOK 1907 million.

Presentation of debt to Statkraft SF Debt to Statkraft SF has previously been presented as current interest-bearing liabilities in the Statement of Financial Position. From the fourth quarter 2021, these are presented as Other current liabilities. Comparable figures for the second quarter have been restated by NOK 201 million.

5. REVENUE SPECIFICATION PER SEGMENT

The Group's sales revenues and energy purchase are divided into four categories:

Generation includes sales revenues and energy purchase related to Statkraft's physical power generating assets. The category includes spot sales, long-term contracts, concessionary sales contracts and certain environmental certificates.

District heating includes sales revenues and energy purchase related to district heating activities in Norway and Sweden.

Customers includes sales revenues and energy purchase related to market access and end-user activities which are in accordance with IFRS 15 and is mainly related to activities in Germany, UK and Norway.

Other mainly consists of:

- Revenues related to DS/DBS business model in Europe.
- A subsea interconnector between Sweden and Germany.
- Rental of power plants in Norway.
- Grid activities in Norway and Peru.
- EV charging activities in Europe.

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities | Group items |
|--|--------------------|------------------------------|-------------------|---------------------|-------------------------|------------------|----------------------|------------------|-------------|
| Second quarter 2022 | | | | | | | | | |
| Generation - sales revenues | 13 236 | 10 321 | - 7 | 1 261 | 327 | - | 1 364 | - | - 30 |
| Generation - energy purchase | - 958 | - 726 | 4 | - 286 | - | - | - | - | 50 |
| Generation - net | 12 278 | 9 595 | - 3 | 975 | 327 | - | 1 364 | - | 20 |
| District heating - sales revenues | 205 | - | - | - | - | 184 | 23 | - | - 2 |
| District heating - energy purchase | - 46 | - | - | - | - | - 37 | - 10 | - | 1 |
| District heating - net | 159 | - | - | - | - | 147 | 13 | - | - 1 |
| Customers - sales revenues | 15 452 | - | 15 658 | 25 | - | - | 46 | - | - 277 |
| Customers - energy purchase | -14 572 | - | -14 779 | - 27 | - | - | - 46 | - | 280 |
| Customers - net | 879 | - | 879 | - 2 | - | - | - | - | 2 |
| Other - sales revenues | 1 846 | 1 102 | - 104 | 64 | 445 | - | 221 | 133 | - 15 |
| Other - energy purchase | -1 392 | - 852 | - | - 56 | - 390 | - | - | - 93 | - 1 |
| Other - net | 455 | 250 | - 104 | 8 | 55 | - | 221 | 40 | - 15 |
| Sales revenues - total | 30 739 | 11 423 | 15 547 | 1 350 | 772 | 184 | 1 654 | 133 | - 324 |
| Energy purchase - total | -16 968 | -1 578 | -14 775 | - 369 | - 390 | - 37 | - 56 | - 93 | 330 |
| Sales revenues adjusted for energy purchase | 13 770 | 9 845 | 772 | 981 | 382 | 147 | 1 598 | 40 | 5 |
| Year to date 2022 | | | | | | | | | |
| Generation - sales revenues | 28 711 | 21 821 | - 1 | 2 582 | 788 | - | 3 554 | - | - 33 |
| Generation - energy purchase | -2 232 | -1 745 | 2 | - 546 | - | - | - | - | 57 |
| Generation - net | 26 479 | 20 076 | 1 | 2 036 | 788 | - | 3 554 | - | 24 |
| District heating - sales revenues | 571 | - | - | - | - | 501 | 73 | - | - 3 |
| District heating - energy purchase | - 155 | - | - | - | - | - 131 | - 28 | - | 4 |
| District heating - net | 416 | - | - | - | - | 370 | 45 | - | 1 |
| Customers - sales revenues | 32 241 | - | 32 922 | 25 | - | - | 87 | - | - 793 |
| Customers - energy purchase | -30 823 | - | -31 505 | - 27 | - | - | - 87 | - | 796 |
| Customers - net | 1 418 | - | 1 417 | - 2 | - | - | - | - | 3 |
| Other - sales revenues | 5 428 | 3 191 | - 104 | 130 | 1 387 | 7 | 538 | 292 | - 13 |
| Other - energy purchase | -3 187 | -1 854 | - | - 111 | -1 020 | - | - | - 202 | 0 |
| Other - net | 2 242 | 1 337 | - 104 | 19 | 367 | 7 | 538 | 90 | - 12 |
| Sales revenues - total | 66 952 | 25 012 | 32 817 | 2 737 | 2 175 | 508 | 4 252 | 292 | - 841 |
| Energy purchase - total | -36 397 | -3 599 | -31 503 | - 684 | -1 020 | - 131 | - 115 | - 202 | 857 |
| Sales revenues adjusted for energy purchase | 30 554 | 21 413 | 1 314 | 2 053 | 1 155 | 377 | 4 137 | 90 | 15 |

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities | Group items |
|--|-----------------------|------------------------------------|----------------------|------------------------|-------------------------------|---------------------|-------------------------|---------------------|----------------|
| Second quarter 2021 | | | | | | | | | |
| Generation - sales revenues | 7 030 | 5 507 | 4 | 655 | 178 | - | 712 | - | -26 |
| Generation - energy purchase | -698 | -613 | - | -106 | - | - | - | - | 21 |
| Generation - net | 6 332 | 4 894 | 4 | 549 | 178 | - | 712 | - | -5 |
| District heating - sales revenues | 177 | - | - | - | - | 156 | 21 | - | 0 |
| District heating - energy purchase | -52 | - | - | - | - | -42 | -10 | - | 0 |
| District heating - net | 125 | - | - | - | - | 114 | 11 | - | 0 |
| Customers - sales revenues | 5 054 | - | 5 217 | - | - | - | - | - | -163 |
| Customers - energy purchase | -4 946 | -1 | -5 108 | - | - | - | - | - | 163 |
| Customers - net | 108 | -1 | 109 | - | - | - | - | - | 0 |
| Other - sales revenues ¹⁾ | 937 | 461 | 12 | 62 | 78 | 2 | 258 | 77 | -13 |
| Other - energy purchase | -405 | -260 | -12 | -47 | -43 | - | - | -50 | 7 |
| Other - net | 532 | 201 | - | 15 | 35 | 2 | 258 | 27 | -6 |
| Sales revenues - total | 13 198 | 5 968 | 5 233 | 717 | 256 | 158 | 991 | 77 | -202 |
| Energy purchase - total | -6 100 | -874 | -5 120 | -153 | -43 | -42 | -10 | -50 | 192 |
| Sales revenues adjusted for energy purchase | 7 098 | 5 094 | 113 | 564 | 213 | 116 | 981 | 27 | -10 |
| Year to date 2021 | | | | | | | | | |
| Generation - sales revenues | 16 333 | 12 728 | 5 | 1 325 | 564 | - | 1 748 | - | -37 |
| Generation - energy purchase | -1 387 | -1 205 | - | -206 | - | - | - | - | 24 |
| Generation - net | 14 945 | 11 523 | 5 | 1 119 | 564 | - | 1 748 | - | -14 |
| District heating - sales revenues | 610 | - | - | - | - | 540 | 70 | - | -0 |
| District heating - energy purchase | -207 | - | - | - | - | -179 | -29 | - | 1 |
| District heating - net | 403 | - | - | - | - | 361 | 41 | - | 1 |
| Customers - sales revenues | 10 839 | - | 11 333 | - | - | - | 2 | - | -496 |
| Customers - energy purchase | -10 493 | -1 | -10 986 | - | - | - | - | - | 494 |
| Customers - net | 347 | -1 | 347 | - | - | - | 2 | - | -1 |
| Other - sales revenues ¹⁾ | 2 018 | 885 | 23 | 126 | 221 | 2 | 662 | 132 | -33 |
| Other - energy purchase | -899 | -511 | -23 | -100 | -204 | - | - | -87 | 26 |
| Other - net | 1 119 | 374 | - | 26 | 17 | 2 | 662 | 45 | -7 |
| Sales revenues - total | 29 800 | 13 613 | 11 361 | 1 451 | 785 | 542 | 2 482 | 132 | -566 |
| Energy purchase - total | -12 986 | -1 717 | -11 009 | -306 | -204 | -179 | -29 | -87 | 545 |
| Sales revenues adjusted for energy purchase | 16 814 | 11 896 | 352 | 1 145 | 581 | 363 | 2 453 | 45 | -21 |

¹⁾ Comparable figures have been restated. See note 4.

| NOK million | Statkraft AS Group | European flexible generation | Market operations | International power | European wind and solar | District heating | Industrial ownership | Other activities | Group items |
|--|-----------------------|------------------------------------|----------------------|------------------------|-------------------------------|---------------------|-------------------------|---------------------|----------------|
| The year 2021 | | | | | | | | | |
| Generation - sales revenues | 43 412 | 34 113 | 13 | 3 058 | 1 357 | - | 5 029 | - | - 158 |
| Generation - energy purchase | -3 335 | -2 912 | - 1 | - 568 | - 1 | - | - | - | 146 |
| Generation - net | 40 076 | 31 201 | 12 | 2 490 | 1 357 | - | 5 029 | - | - 12 |
| District heating - sales revenues | 1 154 | - | - | - | - | 1 031 | 128 | - | - 5 |
| District heating - energy purchase | - 380 | - | - | - | - | - 330 | - 56 | - | 6 |
| District heating - net | 774 | - | - | - | - | 701 | 73 | - | 0 |
| Customers - sales revenues | 34 062 | - | 35 227 | - | 1 | - | 167 | - | -1 333 |
| Customers - energy purchase | -33 536 | - 1 | -34 702 | - | - | - | - 163 | - | 1 330 |
| Customers - net | 527 | - 1 | 525 | - | 1 | - | 4 | - | - 2 |
| Other - sales revenues | 6 028 | 3 274 | 38 | 264 | 921 | 2 | 1 184 | 351 | - 8 |
| Other - energy purchase | -2 717 | -1 832 | - 23 | - 205 | - 435 | - | - | - 249 | 26 |
| Other - net | 3 311 | 1 442 | 16 | 60 | 485 | 2 | 1 184 | 102 | 19 |
| Sales revenues - total | 84 656 | 37 387 | 35 278 | 3 322 | 2 279 | 1 033 | 6 509 | 351 | -1 504 |
| Energy purchase - total | -39 968 | -4 745 | -34 726 | - 772 | - 436 | - 330 | - 219 | - 249 | 1 508 |
| Sales revenues adjusted for energy purchase | 44 688 | 32 642 | 553 | 2 550 | 1 843 | 704 | 6 290 | 102 | 5 |

6. UNREALISED EFFECTS REPORTED IN THE STATEMENT OF PROFIT AND LOSS

The table below discloses the effects recognised in the statement of profit and loss from unrealised value changes from:

- **Gains/losses from market activities** includes inventories and financial instruments measured at fair value.
- **Net currency effects** includes currency gains and losses on financial instruments measured at amortised cost and fair value.
- **Interest and other financial items** includes financial instruments measured at fair value.

| NOK million | Second quarter 2022 | | | Year to date 2022 | | |
|--|---------------------|----------|--------|-------------------|----------|-------|
| | Unrealised | Realised | Total | Unrealised | Realised | Total |
| UNREALISED EFFECTS REPORTED IN PROFIT AND LOSS | | | | | | |
| Gains/losses from market activities ¹⁾ | -8 114 | 3 151 | -4 963 | -1 520 | 1 292 | -228 |
| Unrealised effects included in Operating profit/loss (EBIT) | -8 114 | | | -1 520 | | |
| Net currency effects ²⁾ | -2 540 | 868 | -1 672 | -1 432 | 975 | -457 |
| Interest and other financial items | 294 | - 122 | 172 | 639 | - 34 | 605 |
| Unrealised effects included in Net financial items | -2 246 | | | - 793 | | |
| Total unrealised effects | -10 360 | | | -2 312 | | |

¹⁾ All other financial statement line items included in Operating profit/loss (EBIT) have no unrealised effects.

²⁾ Currency losses year to date from internal loans were NOK 249 million, of which a gain of NOK 22 million was realised.

| NOK million | Second quarter 2021 | | | Year to date 2021 | | | Year 2021 | | |
|--|---------------------|----------|-------|-------------------|----------|-------|--------------|----------|--------|
| | Unrealised | Realised | Total | Unrealised | Realised | Total | Unrealised | Realised | Total |
| UNREALISED EFFECTS REPORTED IN PROFIT AND LOSS | | | | | | | | | |
| Gains/losses from market activities ¹⁾ | 2 881 | - 509 | 2 372 | - 6 | 2 865 | 2 859 | 2 362 | -5 597 | -3 235 |
| Unrealised effects included in operating profit/loss (EBIT) | 2 881 | | | - 6 | | | 2 362 | | |
| Net currency effects ²⁾ | - 730 | 185 | - 545 | 83 | 733 | 816 | 770 | 319 | 1 089 |
| Interest and other financial items | 48 | - 124 | - 77 | 235 | - 161 | 74 | 655 | - 412 | 242 |
| Unrealised effects included in Net financial items | - 682 | | | 318 | | | 1 424 | | |
| Total unrealised effects | 2 199 | | | 312 | | | 3 786 | | |

¹⁾ All other financial statement line items included in Operating profit/loss (EBIT) have no unrealised effects.

²⁾ Currency gains for the year 2021 from internal loans were NOK 27 million, of which a gain of NOK 406 million was realised.

7. NORWEGIAN HYDROPOWER AND RELATED BUSINESS

This note discloses selected financial figures from Norwegian hydropower and related business. See note 4 in the annual report 2021.

| NOK million | "Norwegian hydropower" from: | | | Sum "Norwegian hydropower, excluding related business" | Associated regional companies | Sum "Norwegian hydropower and related business" |
|--|------------------------------|---------------------|----------------------|--|-------------------------------|---|
| | Statkraft AS Group | Statkraft Energi AS | Skagerak Kraft Group | | | |
| Year to date 2022 | | | | | | |
| Gross operating revenues and other income | 67 079 | 15 749 | 3 684 | 19 463 | | 19 463 |
| Net operating revenues and other income | 30 288 | 15 594 | 3 636 | 19 255 | | 19 255 |
| Operating profit/loss (EBIT) | 21 650 | 13 378 | 3 240 | 16 618 | | 16 618 |
| Share of profit/loss in equity accounted investments | 157 | 32 | 0 | 33 | -739 ¹⁾ | -706 |
| Net financial items | 148 | 1 177 | 22 | 1 200 | | 1 200 |
| Tax expense | -11 731 | -9 351 | -1 862 | -11 213 | | -11 213 |
| Net profit/loss | 10 224 | 5 236 | 1 401 | 6 638 | -739 | 5 899 |
| Net profit/loss (of which owners of the parent) | 9 750 | 5 236 | 885 | 6 121 | -739 | 5 382 |
| Paid dividend and group contribution to Statkraft | | 7 543 ²⁾ | 662 ³⁾ | 8 205 | 742 ³⁾ | 8 947 |
| Assets 31.06.22 | | | | | | |
| Equity accounted investments | 14 639 | 2 | 4 | 6 | 9 577 ¹⁾ | 9 583 |
| Other assets | 386 434 | 38 754 | 10 149 | 48 903 | | 48 903 |
| Total assets | 401 073 | 38 756 | 10 153 | 48 909 | 9 577 | 58 486 |
| EBITDA | 23 862 | 13 935 | 3 336 | 17 271 | | 17 271 |
| Depreciations, amortisations and impairments | -2 212 | -558 | -95 | -653 | | -653 |
| Maintenance and other investments | 2 037 | 681 | 68 | 749 | | 749 |
| Investments in new capacity | 1 617 | 0 | 14 | 14 | | 14 |
| New capacity for subsequent divestment (DS/DBS) | 860 | - | - | - | | - |
| Investments in shareholdings | 377 | - | - | - | | - |
| Total investments | 4 889 | 682 | 82 | 764 | | 764 |

¹⁾ Statkraft's share.

²⁾ Dividend and group contribution after tax paid from Statkraft Energi AS.

³⁾ Dividend paid to Statkraft.

| NOK million | "Norwegian hydropower" from: | | | Sum "Norwegian hydropower, excluding related business" | Associated regional companies | Sum "Norwegian hydropower and related business" |
|--|------------------------------|---------------------|----------------------|--|-------------------------------|---|
| | Statkraft AS Group | Statkraft Energi AS | Skagerak Kraft Group | | | |
| The year 2021 | | | | | | |
| Gross operating revenues and other income | 82 976 | 25 373 | 5 267 | 30 658 | | 30 658 |
| Net operating revenues and other income | 41 286 | 24 107 | 5 008 | 29 135 | | 29 135 |
| Operating profit/loss (EBIT) | 29 727 | 19 977 | 4 266 | 24 244 | | 24 244 |
| Share of profit/loss in equity accounted investments | 1 686 | - | 1 | 1 | 1 217 ¹⁾ | 1 219 |
| Net financial items | 1 331 | -330 | -47 | -377 | | -377 |
| Tax expense | -16 663 | -12 842 | -2 426 | -15 267 | | -15 267 |
| Net profit/loss | 16 081 | 6 805 | 1 795 | 8 601 | 1 217 | 9 818 |
| Net profit/loss (of which owners of the parent) | 15 523 | 6 805 | 1 193 | 7 998 | 1 217 | 9 215 |
| Paid dividend and group contribution to Statkraft | | 2 300 ²⁾ | 53 ³⁾ | 2 353 | 495 ³⁾ | 2 849 |
| Assets 31.12.21 | | | | | | |
| Equity accounted investments | 14 771 | 2 | 4 | 6 | 10 927 ¹⁾ | 10 932 |
| Other assets | 295 233 | 38 571 | 10 173 | 48 745 | | 48 745 |
| Total assets | 310 004 | 38 574 | 10 177 | 48 750 | 10 927 | 59 677 |
| EBITDA | 30 437 | 21 091 | 4 457 | 25 548 | | 25 548 |
| Depreciations, amortisations and impairments | -710 | -1 114 | -190 | -1 304 | | -1 304 |
| Maintenance investments and other investments | 5 562 | 1 698 | 252 | 1 950 | | 1 950 |
| Investments in new capacity | 2 271 | 44 | 80 | 124 | | 124 |
| New capacity for subsequent divestment DS/DBS | 1 892 | - | - | - | | - |
| Investments in shareholdings | 2 142 | - | - | - | | - |
| Total investments | 11 867 | 1 742 | 332 | 2 074 | | 2 074 |

¹⁾ Statkraft's share.

²⁾ Dividend and group contribution after tax paid from Statkraft Energi AS.

³⁾ Dividend paid to Statkraft.

8. INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT

| NOK million | Year to date | | Year |
|--|----------------|---------|---------|
| | 2022 | 2021 | 2021 |
| INTANGIBLE ASSETS | | | |
| Balance as of 01.01. | 4 112 | 4 113 | 4 113 |
| Additions | 77 | 223 | 298 |
| Additions from acquisition of companies | 180 | - | - 35 |
| Reclassifications | - 29 | 5 | 29 |
| Amortisations | - 113 | - 84 | - 234 |
| Impairments | - 328 | - 10 | - 61 |
| Reversal of impairments | 4 | - | 26 |
| Derecognition from divestments | - | - | - 32 |
| Disposals | - 0 | - 10 | - 44 |
| Currency translation effects | 295 | - 2 | 51 |
| Balance as of end of period | 4 197 | 4 236 | 4 112 |
| PROPERTY, PLANT AND EQUIPMENT | | | |
| Balance as of 01.01. | 116 521 | 112 057 | 112 057 |
| Additions | 3 280 | 2 369 | 6 316 |
| Additions due to IFRS 16 (new contracts) | 145 | 315 | 1 083 |
| Remeasurements and other changes (IFRS 16) | 35 | 1 | - 154 |
| Additions from acquisition of companies | 15 | 21 | 1 815 |
| Capitalised borrowing costs | 151 | 41 | 137 |
| Reclassifications | 29 | - 5 | - 29 |
| Depreciations | - 2 134 | - 1 861 | - 3 879 |
| Impairments | - 1 234 | - 23 | - 21 |
| Reversal of impairments | 1 592 | 79 | 3 460 |
| Derecognition from divestments | - 197 | - 1 141 | - 2 128 |
| Disposals | - 18 | - 190 | - 254 |
| Currency translation effects ¹⁾ | 3 963 | - 734 | - 1 882 |
| Balance as of end of period | 122 148 | 110 931 | 116 521 |

¹⁾ Includes NOK 1235 million in inflation adjustment of Turkish entities due to hyperinflation as of 30 June 2022. Comparative figures have not been restated.

Accounting policies, judgment and assumptions for impairments are described in note 15 in the annual report 2021.

Hyperinflation in Turkey The Turkish economy was defined as hyperinflationary in second quarter 2022. For the period beginning 1 January 2022, Turkish entities' non-monetary assets and liabilities measured at historical cost have been remeasured since acquisition date. The application of IAS 29 results in an adjustment for the loss of purchasing power of the Turkish Lira. The consumer price index published by the Turkish Statistical Institute has been used when applying IAS 29. The CPI index was 686.95 in December 2021 and 977.90 in June 2022. The main effect from the remeasurement is an increase of Property, Plant and Equipment of NOK 1.2 billion, with a corresponding effect under Other Comprehensive Income.

Impairments/reversal of impairments

Hydropower in Albania In the second quarter a reversal of NOK 1243 million related to hydropower plants in Albania was recognised in the statement of profit and loss under the segment International power. The reversal is explained by higher future power prices.

Hydropower in Germany In the second quarter a reversal of NOK 350 million related to a hydropower pump storage in Germany was recognised in the statement of profit and loss under the segment European flexible generation. The reversal is explained by increased volatility in market prices, especially in the front years.

Hydropower in Chile In the first quarter an impairment of NOK 258 million related to a hydropower project was recognised in the statement of profit and loss under the segment International power. The impairment is explained by increased estimated future costs and decreased revenues. Furthermore, in the second quarter an impairment of NOK 1239 million related to the same project was recognised, mainly as a result of expected lower power prices in the long-term horizon.

The estimated values are sensitive to changes in future power prices and cost of capital.

| NOK million | | | Second quarter | Year-to-date |
|--|------------------------------|----------------|--------------------------------------|--------------|
| Technology | Segment | Country | | |
| Hydropower | European flexible generation | Germany | 350 | 350 |
| Hydropower | International power | Albania | 1 243 | 1 243 |
| Hydropower | International power | Chile | -1 239 | -1 497 |
| Other | | | - 30 | - 61 |
| Total impairments (-)/reversal of impairments (+) | | | 324 | 35 |
| | | | <i>Intangibles</i> | - 262 |
| | | | <i>Property, plant and equipment</i> | - 324 |
| | | | | 586 |
| | | | | 359 |

Equity accounted investments

Hydropower in India In the second quarter an impairment reversal of NOK 202 million related to a hydropower plant was recognised in the statement of profit and loss, mainly as a result of expected higher future power prices. The reversal is presented as share of profit/loss in equity accounted investments under the segment International power.

Hydropower in Chile In the second quarter an impairment reversal of NOK 362 million related to two hydropower plants was recognized in the statement of profit and loss. The reversal is explained by expected higher future power prices in the short-term horizon. The reversal is presented as share of profit/loss in equity accounted investments under the segment International power.

9. INVENTORIES

Statkraft's inventories consist of environmental certificates and wind- and solar projects that Statkraft intends to develop and divest to third parties either before, at the time of or shortly after construction (DS/DBS). In addition, Statkraft also has some inventories which are directly related to the tangible assets, whereof spare parts are the most significant group.

Environmental certificates:

Statkraft's environmental certificates consist of green certificates in the Nordics, Renewable Obligation Certificates (ROCs) in the UK, European Union Allowances (EUAs) and carbon allowances in the US. A significant part of the environmental certificates are ROCs which are purchased from origination and market access activities and in addition from own generating assets that are eligible for receiving these government grants.

Wind- and solar projects:

Inventories in Statkraft comprise costs of solar and wind power development or construction projects that Statkraft intends to divest to third parties. In some cases, an agreement has been entered with third parties to divest the projects when the project reaches agreed conditions. In other cases, no agreements with third parties are entered prior to construction being finalised, however the intention is always to divest the project and a selling process will be ongoing.

Statkraft has defined three categories of inventory within the DS/DBS model:

- **Development projects:** include early-stage wind- and solar projects which have not yet reached the construction phase.
- **Construction projects:** If management has decided to start construction of a wind farm or a solar park based on the developed project, the development project will be transferred to Construction projects.
- **In operation:** After the construction is completed and the project has reached commercial operation date, the wind- or solar park is either sold to a customer or the project will be moved to the category In operation while a process to sell the completed project will be ongoing.

Statkraft currently has 10 ongoing construction projects within the business model, as well as one project where construction is completed. For three of these projects, a put/call option agreement (PCOA) for future sale have been signed. These agreements will be closed when the projects reach the agreed conditions.

Statkraft also divested one wind farm in the UK in the quarter. In addition, one solar park in Spain and three in the Netherlands were divested in the first quarter. See also note 14.

| NOK million | Year to date | | Year |
|--|--------------|--------------|--------------|
| | 2022 | 2021 | 2021 |
| Inventories measured at fair value less costs to sell | | | |
| Environmental certificates | 6 432 | 5 019 | 3 372 |
| Inventories measured at the lower of cost price and net realisable value | | | |
| Environmental certificates | 33 | 20 | 20 |
| Spare parts | 200 | 166 | 153 |
| Other | 143 | 105 | 105 |
| Total | 376 | 292 | 277 |
| Wind and solar projects (DS/DBS) measured at the lower of cost price and net realisable value | | | |
| Development projects ¹⁾ | 1 142 | 1 160 | 1 006 |
| Construction projects ¹⁾ | 1 836 | 1 746 | 1 807 |
| In operation | 49 | - | 152 |
| Total | 3 027 | 2 906 | 2 965 |
| Total inventories | 9 835 | 8 217 | 6 614 |

¹⁾ PCOA has been signed for NOK 1.5 billion of the total value within development projects and construction projects.

10. INTEREST-BEARING LIABILITIES

The table below discloses the specification of interest-bearing liabilities.

| NOK million | Second quarter 2022 | 2021 | Year 2021 |
|--|------------------------|---------------|---------------|
| INTEREST-BEARING LIABILITIES, CURRENT | | | |
| Commercial papers, bond and bank debt | 13 602 | 3 548 | 18 942 |
| Lease liabilities | 370 | 237 | 303 |
| Cash collateral | 4 945 | 1 907 | 10 967 |
| Debt to Statkraft SF | 200 | 201 | 200 |
| Other current liabilities | 23 | 28 | 14 |
| Total | 19 140 | 5 921 | 30 426 |
| INTEREST-BEARING LIABILITIES, NON-CURRENT | | | |
| Bond and bank debt | 25 761 | 24 704 | 19 632 |
| Lease liabilities | 1 729 | 1 687 | 1 861 |
| Total | 27 489 | 26 391 | 21 493 |
| Total interest-bearing liabilities | 46 629 | 32 312 | 51 919 |

11. BALTIC CABLE – REGULATIONS OF REVENUES

Baltic Cable AB (BC) is a subsidiary of Statkraft reported under the segment European flexible generation. The company is the owner of a subsea interconnector between Sweden and Germany. BC is a European transmission system operator (TSO) and is certified in accordance with the German energy legislation.

The Swedish regulator Energimarknadsinspektionen (Ei) and the German regulator Bundesnetzagentur (BNetzA) issued decisions regarding the regulation of BC's revenues during the quarter. Ei decided, for the period 1 July 2013 to December 2021 and with respect to 50 per cent of BC's revenues, that revenues above a defined level of operation costs, depreciation and return on capital must be dedicated to the purposes set out in EU Regulation 714/2009 (i.e., for network investments to maintain or increase capacity). This decision has been appealed to the Swedish administrative court, i.a because BC disagrees with certain elements of the calculations.

BnetzA orders BC, with respect to 50 per cent of its revenues, to transfer cash from revenues exceeding a defined level of operation costs, depreciation and return on capital, to a neighboring German TSO for 2022. BC is of the clear view that there is no legal basis for such an order and will appeal this to the Higher Regional Court in Düsseldorf. BC will also request that the decision is suspended pending the appeal. Since such suspensive effect is not certain, a provision has been recognized in the Q2 accounts. It is expected that BnetzA also will regulate 50% of the revenues for the period 1 July 2013 to 31 December 2021 by requiring revenues above the allowed level dedicated to the purposes set out in EU Regulation.

As of 30 June 2022, cash and cash equivalents in BC amounted to NOK 1.5 billion, of which NOK 460 million is regulated for futures investments, is presented under the line item Cash and cash equivalents in Statkraft's statement of financial position. As a consequence of the decision made by BNetzA, NOK 504 million is recognised as a provision under short term liabilities in the statement of financial position and as a reduction of revenues in the statement of profit or loss.

12. PENSION SCHEME CHANGES IN NORWAY

On 1 April, a regulatory change in the public pension benefit schemes in Norway was enforced. The change was related to the method for annual regulation of pension payments. Prior to the regulatory change, the annual regulation of pension payments was based on the national insurance scheme's basic amount (G) minus a fixed factor of 0.75 per cent. Going forward, the adjustment will be based on the average of salary adjustment and inflation. The regulatory change is assessed to be a plan amendment which has increased Statkraft's consolidated pension liabilities and pension costs with estimated NOK 322 million in the second quarter of 2022.

13. DISPUTES, CONTINGENCIES AND UNCERTAIN TAX POSITIONS

There are no material changes to the facts and circumstances of the significant legal proceedings and uncertain tax positions disclosed in the annual report for 2021.

14. MERGERS, ACQUISITIONS AND DIVESTMENTS

From the Develop-Sell / Develop-Build-Sell (DS/DBS) business model:

On 28 January, Statkraft divested three newly constructed solar parks with a total capacity of 40 MWp in the Netherlands to Encavis AG for a total consideration of NOK 435 million, including cash received for debt paid as part of the Share Purchase Agreements. This led to a total gain of NOK 71 million, recognised as Other operating income.

Statkraft also entered into agreements to provide asset management and operation and maintenance services on the solar parks subsequent to the divestments.

On January 31, Statkraft divested a 58 MWp solar park under construction in Cadiz in Spain to The Renewables Infrastructure Group (TRIG) for a total consideration of NOK 172 million. This led to Statkraft recognising gains of NOK 112 million as Other sales revenues and NOK 27 million as Other operating income.

Following agreements signed in 2021, Statkraft will after the divestment also perform Engineering, Procurement and Construction (EPC) activities to construct the solar park, as well as provide asset management and operation and maintenance activities going forward.

On June 24, Statkraft divested the recently completed 38 MW wind farm Twentyshilling in the UK to Greencoat for a total consideration of NOK 623 million, including payment of a shareholder loan. This led to Statkraft recognising a gain of NOK 49 million as Other operating income.

Statkraft also entered into an agreement to provide asset management services on the wind farm subsequent to the divestment.

15. SUBSEQUENT EVENTS

There are no significant subsequent events.

Alternative Performance Measures

As defined in ESMA's guideline on alternative performance measures (APM), an APM is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Statkraft uses the following APMs:

EBITDA underlying is defined as operating profit/loss (EBIT) underlying before depreciations and amortisations. The APM is used to measure performance from operational activities. EBITDA underlying should not be considered as an alternative to operating profit and profit before tax as an indicator of the company's operations in accordance with generally accepted accounting principles. Nor is EBITDA underlying an alternative to cash flow from operating activities in accordance with generally accepted accounting principles.

Operating profit/loss (EBIT) underlying is an APM used to measure performance from operational activities.

Items excluded from operating profit/loss (EBIT) underlying:

Statkraft adjusts for the following three items when reporting operating profit (EBIT) underlying:

1. **Unrealised value changes from embedded EUR derivatives**, since they do not reflect how the segment is following up on the results. The EUR exposure in the power sales agreements with the power intensive industry are hedged by entering into currency derivatives or EUR bonds. Hence, the unrealised value changes from the energy (EUR) derivatives are partly offset in Net financial items in the Profit and loss statement.
2. **Gains/losses from divestments of business activities that are not classified as DS/DBS**, since the gains or losses do not give an indication of future performance or periodic performance from operating activities. Such gains or losses are related to the cumulative value creation from the time the asset is acquired until it is sold.
3. **Impairments/reversal of impairments**, since they affect the economics of an asset for the useful life of that asset; not only the period in which it is impaired, or the impairment is reversed.

The above items are also excluded from **Gross operating revenues and other income underlying** and **Net operating revenues and other income underlying**. See also section Segment.

ROACE is defined as operating profit/loss (EBIT) underlying divided by capital employed. ROACE is calculated on a rolling 12-month average and is used to measure return from the operational activities as well as benchmarking performance.

ROAE is defined as share of profit/loss in equity accounted investments, divided by the book value of the Group's equity accounted investments. ROAE is calculated on a rolling 12-month average. The financial metric is used to measure return from the Group's equity accounted investments as well as benchmarking performance.

Capital employed is the capital allocated to perform operational activities. Property, plant and equipment, intangible assets and solar- and wind projects presented under inventories in the statement of financial position (DS/DBS) are defined as Statkraft's capital employed.

Net interest-bearing liabilities is used to measure indebtedness.

Net interest-bearing liabilities - equity ratio is calculated as net interest-bearing liabilities relative to the sum of net interest-bearing liabilities and equity.

Operating profit/loss (EBIT) margin underlying (%) is calculated as operating profit/loss (EBIT) underlying relative to gross operating revenues and other income underlying.

| NOK million | Second quarter | | Year to date | | Year |
|---|----------------|--------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2022 | 2021 | 2021 |
| ALTERNATIVE PERFORMANCE MEASURES | | | | | |
| OPERATING PROFIT/LOSS (EBIT) MARGIN UNDERLYING | | | | | |
| Operating profit/loss (EBIT) underlying | 3 817 | 5 632 | 21 770 | 12 848 | 26 792 |
| Gross operating revenues and other income underlying | 25 360 | 15 576 | 67 234 | 33 723 | 83 440 |
| Operating profit/loss (EBIT) margin underlying | 15.1% | 36.2% | 32.4% | 38.1% | 32.1% |
| RECONCILIATION OF OPERATING PROFIT/LOSS (EBIT) UNDERLYING TO EBITDA UNDERLYING | | | | | |
| Operating profit/loss (EBIT) underlying | 3 817 | 5 632 | 21 770 | 12 848 | 26 792 |
| Depreciations and amortisations | 1 128 | 960 | 2 247 | 1 945 | 4 113 |
| EBITDA underlying | 4 945 | 6 592 | 24 018 | 14 793 | 30 906 |
| FINANCIAL STATEMENT LINE ITEMS INCLUDED IN CAPITAL EMPLOYED | | | | | |
| Intangible assets | | | 4 197 | 4 236 | 4 112 |
| Property, plant and equipment | | | 122 148 | 110 931 | 116 521 |
| Inventories (DS/DBS) | | | 3 027 | 2 906 | 2 965 |
| Capital employed | | | 129 372 | 118 073 | 123 598 |
| Average capital employed ¹⁾ | | | 123 114 | 117 944 | 119 422 |
| RETURN ON AVERAGE CAPITAL EMPLOYED (ROACE) | | | | | |
| Operating profit/loss (EBIT) underlying, rolling 12 months | | | 35 714 | 15 529 | 26 792 |
| Average capital employed ¹⁾ | | | 123 114 | 117 944 | 119 422 |
| ROACE | | | 29.0% | 13.2% | 22.4% |
| RETURN ON AVERAGE EQUITY ACCOUNTED INVESTMENTS (ROAE) | | | | | |
| Share of profit/loss in equity accounted investments, rolling 12 months | | | 1 473 | 805 | 1 686 |
| Average equity accounted investments ¹⁾ | | | 14 673 | 13 354 | 13 941 |
| ROAE | | | 10.0% | 6.0% | 12.1% |
| NET INTEREST-BEARING LIABILITIES | | | | | |
| Non-current interest-bearing liabilities | | | 27 489 | 26 391 | 21 493 |
| Current interest-bearing liabilities | | | 19 140 | 5 921 | 30 426 |
| Cash and cash equivalents incl. restricted cash (A) | | | -53 417 | -17 719 | -37 162 |
| Restricted cash (B) | | | 230 | 34 | 342 |
| Cash and cash equivalents included in net interest-bearing liabilities (A+B) | | | -53 187 | -17 685 | -36 819 |
| Current financial investments | | | - 586 | - 631 | - 661 |
| Net interest-bearing liabilities | | | -7 145 | 13 996 | 14 439 |
| NET INTEREST-BEARING LIABILITIES-EQUITY RATIO | | | | | |
| Net interest-bearing liabilities | | | -7 145 | 13 996 | 14 439 |
| Equity | | | 113 779 | 100 639 | 107 775 |
| Sum of net interest-bearing liabilities and equity | | | 106 634 | 114 635 | 122 214 |
| Net interest-bearing liabilities - equity ratio | | | -6.7% | 12.2% | 11.8% |

¹⁾ Average capital employed and average equity accounted investments are based on the average for the last four quarters.

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