

# SSE PLC

## Q1 TRADING STATEMENT

21 JULY 2022

- **Reaffirming guidance of FY23 adjusted earnings per share of at least 120p**
- **Performance slightly exceeding our expectations for the quarter, with continued progress on key energy infrastructure projects**
- **Commenced formal process for disposal of a 25% minority stake in SSEN Transmission**

This Trading Statement updates the market on the Group's financial outlook since publication of the Group's Preliminary Full-year Results statement on 25 May 2022 and provides operational performance data ahead of today's SSE plc Annual General Meeting.

### TRADING UPDATE

Q1 performance has slightly exceeded our expectations and further demonstrates the strength and stability provided by SSE's balanced mix of regulated and market-facing businesses. Progress across the various capex projects also continues at pace, with first power from Seagreen offshore wind farm expected by the end of this month and construction on Viking onshore wind farm and Dogger Bank A, B & C offshore wind farms progressing well.

Correspondingly, as previously stated on 25 May 2022, SSE expects to report full year adjusted earnings per share of at least 120p and anticipates adjusted capital expenditure and investment to total in excess of £2.5bn\* this financial year.

Progress continues to be made on the disposal of a 25% minority stake in SSEN Transmission with the formal process now under way. The Group has targeted an agreed sale by the end of the calendar year, with completion following receipt of regulatory approvals.

\* including acquisitions but net of project finance development expenditure refunds

#### **Gregor Alexander, Finance Director, said:**

"We continue to make excellent progress on our Net Zero Acceleration Programme, investing at pace in the vital electricity infrastructure that will help build a more secure, affordable and sustainable energy system.

"The strength of SSE's integrated and balanced business model, combined with our commitment to positive engagement with key stakeholders, is serving us well through a period of market, political and regulatory complexity. Meanwhile, CfD success at Viking, progress on our Southern European pipeline acquisition, the positive outlook for Transmission from the

recent Holistic Network Design and new hydrogen options at Saltend all position us well for the long term.

“Having advocated for some time for an evolution of the current electricity market frameworks to deliver net zero cost effectively and securely, we welcome the recent BEIS Review of Electricity Markets Arrangements (REMA) consultation, believing that an orderly consultative process is the right way to deliver the necessary investment.

“We remain confident in our financial outlook for strong earnings growth this year and look forward to updating the market on performance in our interim results statement on 16 November 2022.”

## APPENDIX – Q1 PERFORMANCE

### SSE Renewables

Output of electricity from renewable sources in which SSE has an ownership interest across the UK and Ireland was 93GWh or around 5%, ahead of plan in the quarter to 30 June 2022, mainly due to weather conditions.

	Actual output for 3 months to 30 June 2022	% of planned output	Planned output for 3 months to 30 June 2022	Actual output for 3 months to 30 June 2021
Onshore wind generation output – GWh inc. constrained off output	1,133	115	989	791
Offshore wind generation output – GWh inc. constrained off output	343	86	400	290
Conventional hydro generation output – GWh	593	101	587	593
<b>Total renewables output (excl. pumped storage) – GWh</b>	<b>2,069</b>	<b>105</b>	<b>1,976</b>	<b>1,674</b>
Pumped storage generation output – GWh	60	-	-	48
<b>Total renewables output – GWh</b>	<b>2,129</b>	<b>-</b>	<b>-</b>	<b>1,722</b>

1. Output based on contractual share and in the three months to 30 June 2022 includes 98GWh of onshore and 27GWh of offshore compensated constrained off generation. The same period in 2021 includes 28GWh of onshore, and 0.5GWh offshore, compensated constrained off generation.

### SSE Thermal

Flexible thermal generation continues to play a key part in the GB and Irish energy markets in the transition to net zero, creating shareholder value by providing the vital flexibility and fast response services required in a renewables-led system. Output of electricity from SSE’s gas-fired generation plant for the three months to 30 June 2022 was overall slightly ahead of the same period last year, reflecting market conditions and individual plant availability.

	<b>3 months to 30 June 2022</b>	<b>3 months to 30 June 2021</b>
Gas-fired generation output (GB) – GWh	3,683	2,840
Gas-fired generation output (ROI) – GWh	126	911
<b>Total gas-fired generation output – GWh</b>	<b>3,809</b>	<b>3,751</b>

1. Output includes 143GWh of oil-fired generation in the three months to 30 June 2022 and 177GWh of oil-fired generation in the same period in 2021, primarily older Irish plant.
2. In September 2021 SSE's offtake agreement for 100% of output from its Seabank CCGT JV expired, with output following that date only recognised to the extent of its 50% equity share.
3. Output in Ireland in the three months to 30 June 2022 was impacted by unavailability at Great Island CCGT.
4. Output in GB excludes 459GWh of output in the period from Keadby 2 CCGT, with operational handover expected to occur on 1 October 2022.

## SSE PLC ANNUAL GENERAL MEETING 2022

SSE's Annual General Meeting 2022 takes place today, 21 July, at 12.30pm in Perth. SSE will issue a further business update with its Notification of Close Period statement on 27 September 2022.

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