

Company Presentation

Pareto Power and Renewables Conference

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January 11, 2018

Our values

- Predictable
- Driving results
- Changemakers
- Working together



Disclaimer

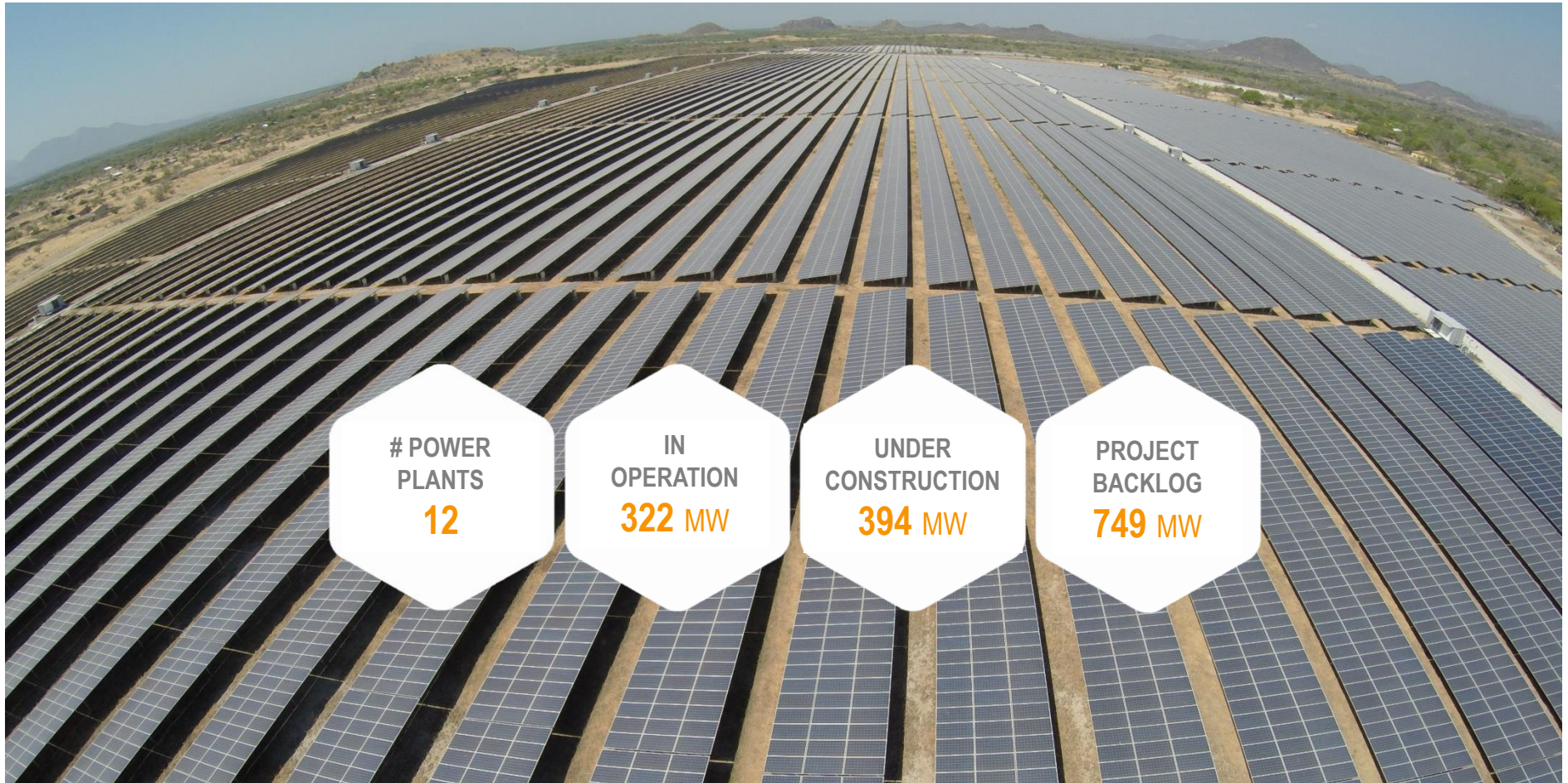
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Independent Power Producer (IPP)

Develops, builds, owns and operates utility-scale solar power plants



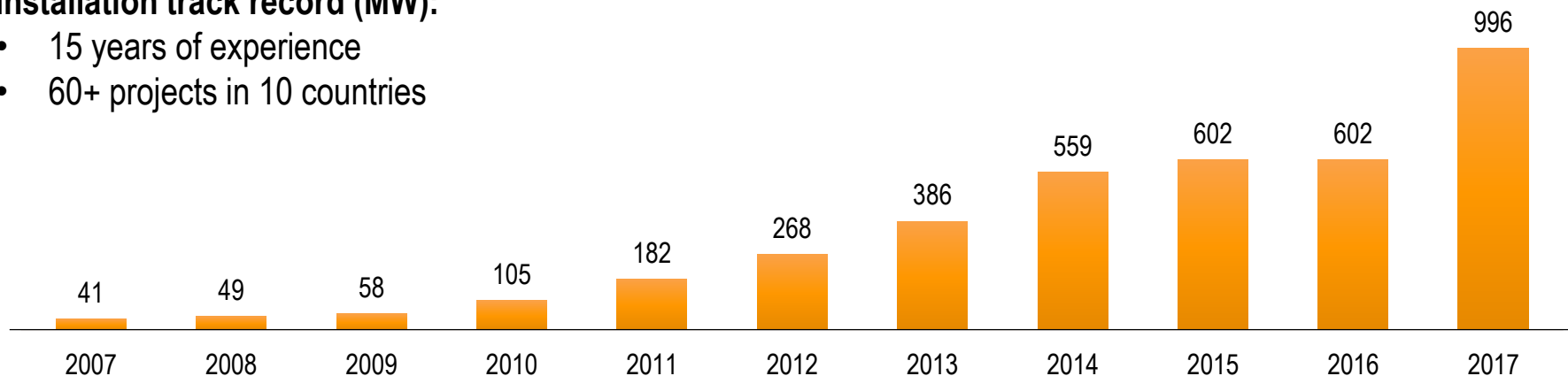
A solid PV track record on a growth trajectory

716 MW in operation and under construction:

Czech	South Africa	ASYV	Agua Fria	Jordan	Malaysia	Apodi
						
20 MW	190 MW	9 MW	60 MW	43 MW	197 MW	162 MW
Czech Republic	South Africa	Rwanda	Honduras	Jordan	Malaysia	Brazil

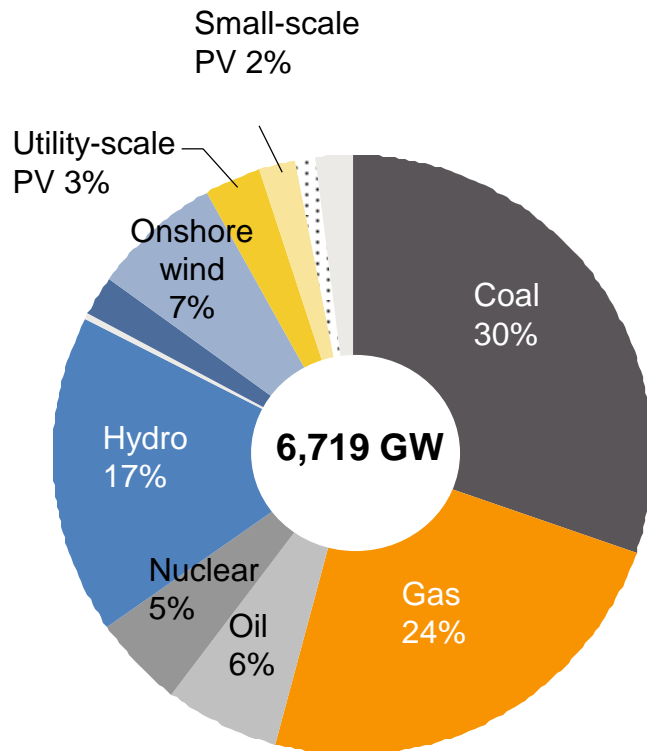
Installation track record (MW):

- 15 years of experience
- 60+ projects in 10 countries

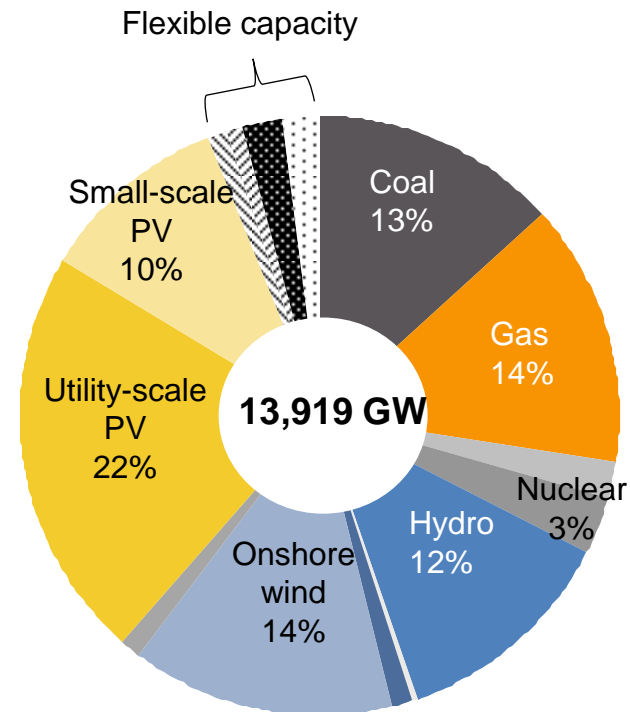


Solar and wind dominate the future of electricity

Global cumulative installed capacity: 2016



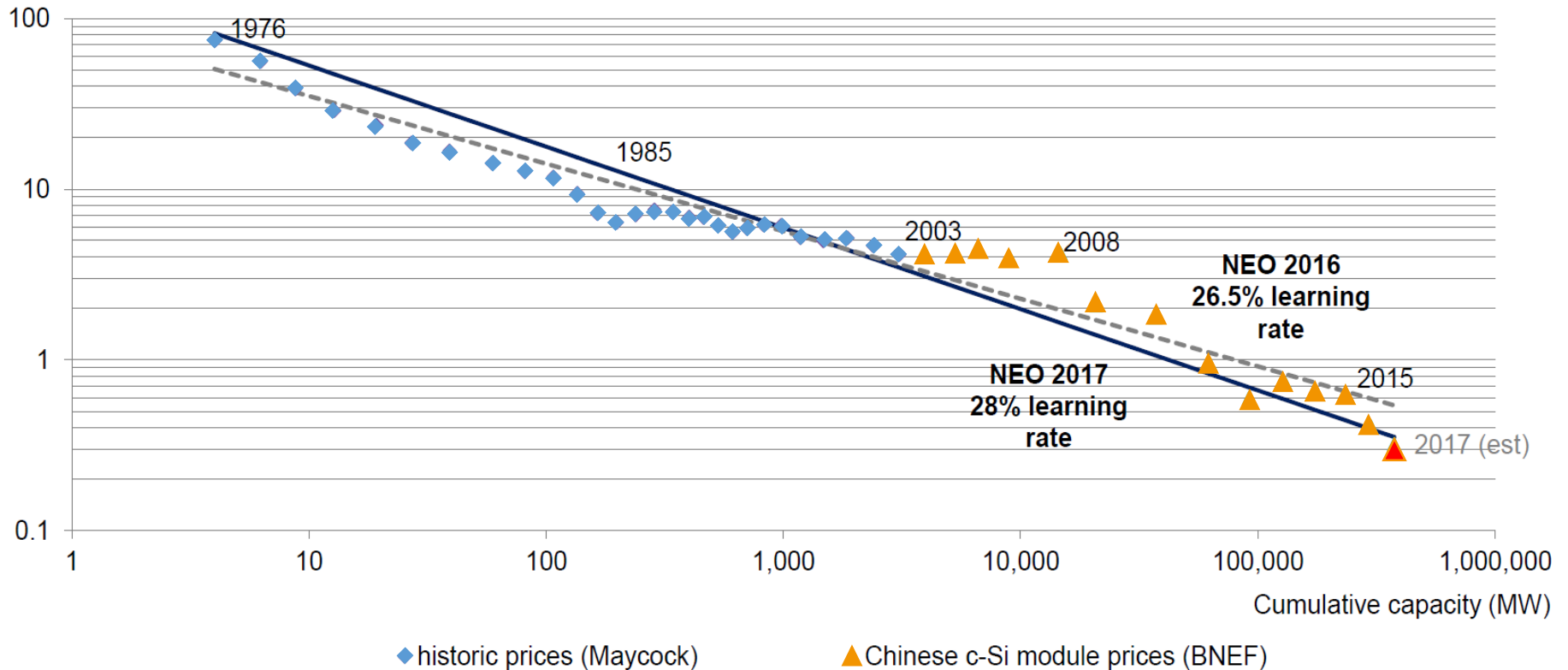
Global cumulative installed capacity: 2040



PV market:

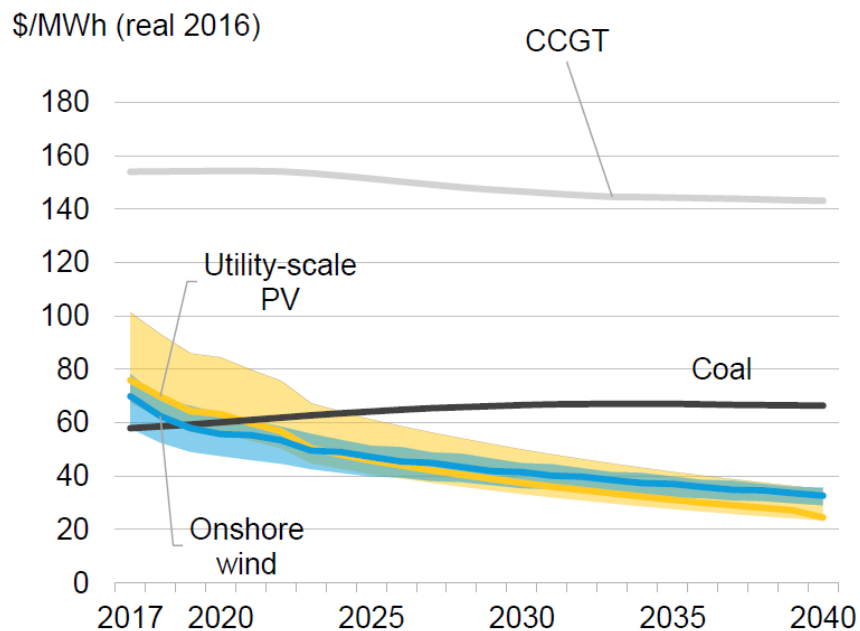
Solar technology is getting cheaper, faster

2016 (\$/W)

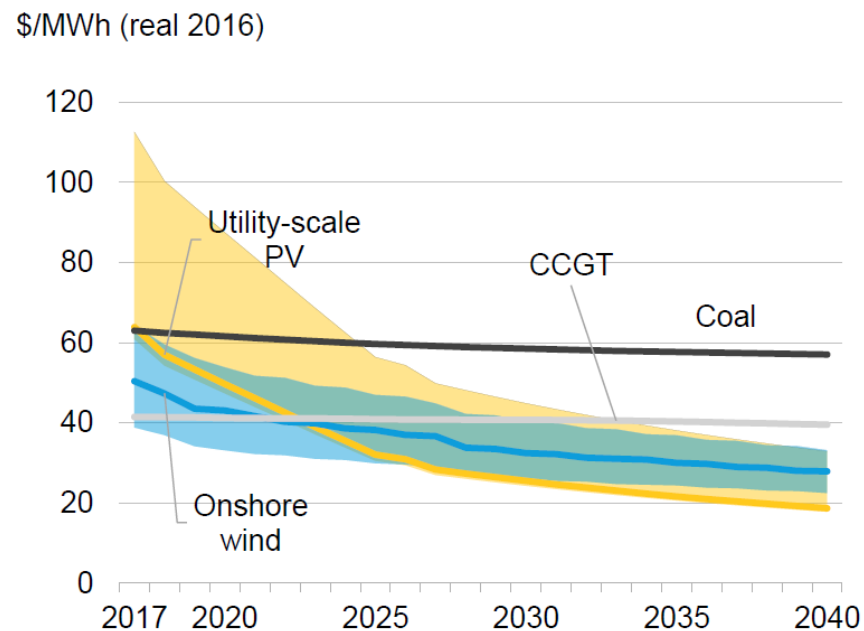


PV market: Tipping point: new vs new

China

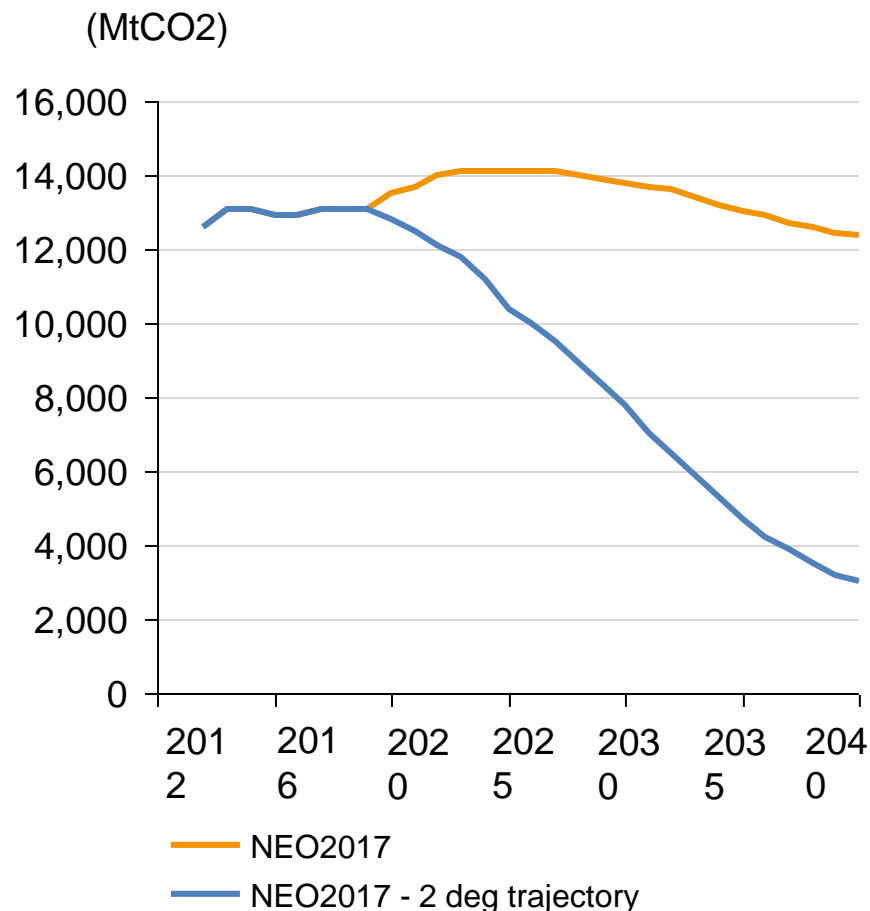


U.S.



...but 2 degree is an additional \$5.3 trillion

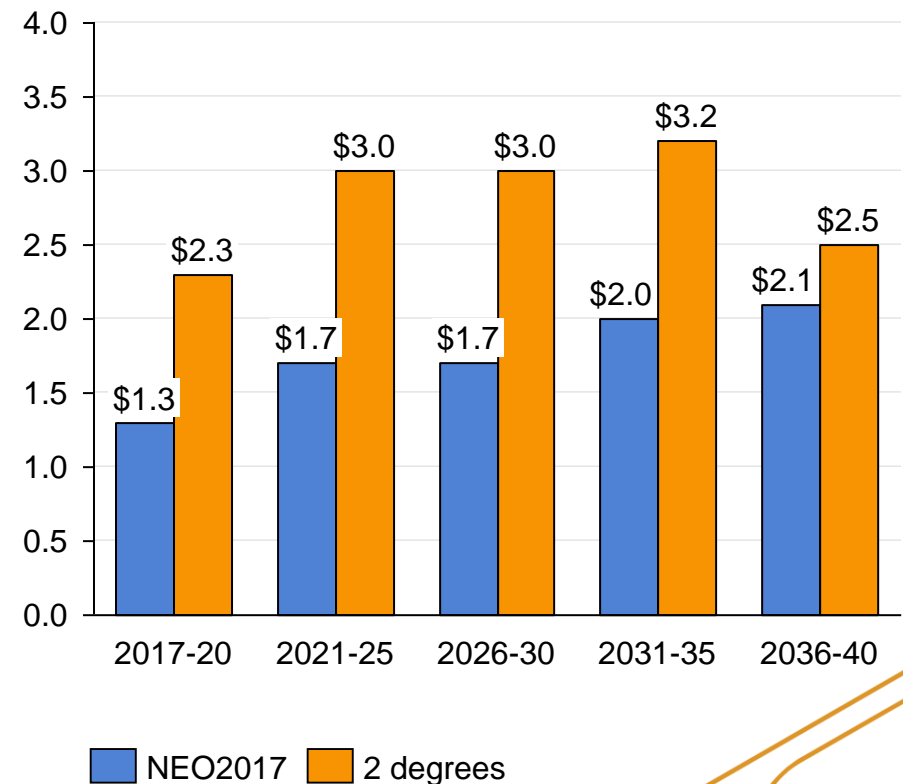
Global power sector CO2 emissions



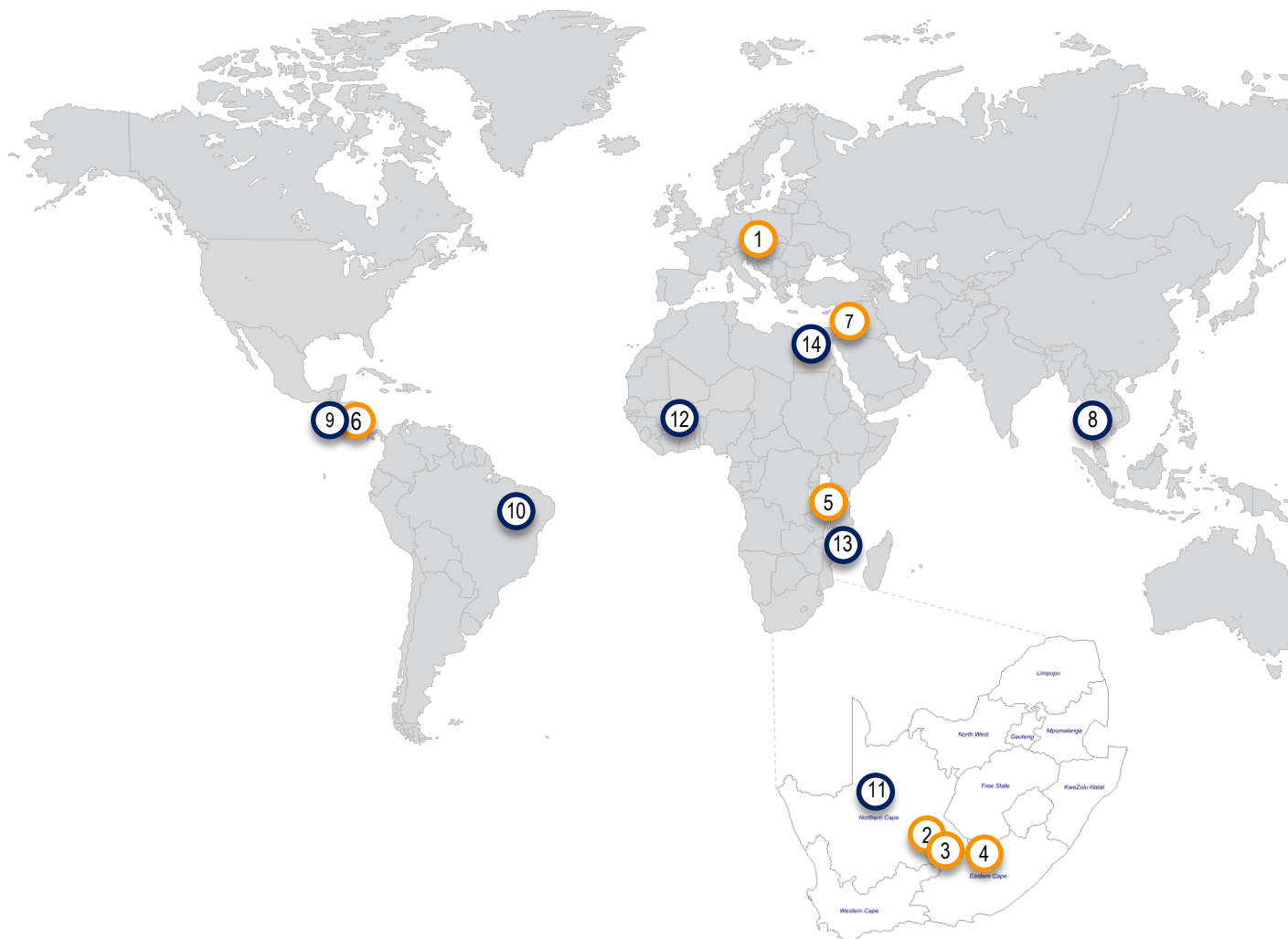
Source: Bloomberg New Energy Finance, 2017

Total investment in zero-carbon capacity

(\$ trillion – 2016 real)



A growing and diversified asset portfolio



In operation

Czech Republic	1	20 MW
Kalkbult, RSA	2	75 MW
Linde, RSA	3	40 MW
Dreunberg, RSA	4	75 MW
ASYV, Rwanda	5	9 MW
Agua Fria, Honduras	6	60 MW
Jordan	7	43 MW
Total		322 MW

Under construction

Malaysia	8	197 MW
Honduras (phase I)	9	35 MW
Brazil	10	162 MW
Total		394 MW

Projects in backlog*

Honduras (phase II)	9	18 MW
South Africa	11	258 MW
Mali	12	33 MW
Mozambique	13	40 MW
Egypt	14	400 MW
Total		749 MW

(*) Projects with secured tariff and/or off take agreements

Malaysia, Honduras & Brazil – construction started

Malaysia, 197 MW

- 21 year PPA with TNB
- Capex: USD 293 million



Status

- Financial close on October 6 - issued world largest green sukuk bond - 18 year tenor

Honduras, 35 MW, phase 1

- 20 year PPA with ENEE
- Capex: USD 80 million



Status

- Construction started early July 2017 to comply with timeline in the PPA

Apodi, 162 MW

- 20 year PPA with CCEE
- Capex: USD 215 million



Status

- Construction start in October 2017 – grid connection expected second half of 2018

Egypt, South Africa, Mozambique and Mali

Egypt, 400 MW

- 25 year PPAs with Gov of Egypt
- Capex: USD 450 million



Status

- Financial close at end of October 2017

South Africa, 258 MW

- 20 year PPA with Eskom
- Capex: USD 370 million



Status

- Timing of financial close relies on alignment between Eskom and the various government bodies

Mozambique, 40 MW

- 25 year PPA with EDM
- Capex: USD 76 million



Status

- All permits secured for the project
- Good progress on debt and equity structuring

Mali, 33 MW

- 25 year PPA with Energie du Mali
- Capex: USD 56 million



Status

- Board approval obtained for IFC project finance and for Partial Risk Guarantee from the World Bank

Developing more than 2 GW of opportunities globally



Typical market characteristics:

- Strong demand for new and clean power and solid solar irradiation
- Renewables programme under establishment / early phase
- Active support from development banks / DFIs

Partnering with Governments and Development banks

- As cost of solar continues to decline - governments are looking to solar to cover their power needs and grow the economy
- Governments in emerging economies find private/public partnerships very attractive implementation model (IPPs)
 - Converts capex to opex
 - Development banks and private players provide funding
 - Kick-starting the market with built up of solar know-how / employment
- Multilateral development banks typically with a long standing presence and experience in the country
 - Important lender to infrastructure projects for the governments
 - Non-recourse project finance lending
 - High standards on Environment, Social, Governance
- Project structures and contracts designed to mitigate risk (political financial, compliance etc)



- Reduces risks of Scatec Solar's investments significantly

Strong focus on project execution

- **Engineering & Design**
 - Early phase assessments
 - Execution planning
- **Procurement & Logistics**
 - Local supplier development
 - Global framework agreements on key components
 - Fulfilling local content requirements
 - Logistics and customs clearance
- **Project management & execution**
 - Construction sequence and contingencies
 - Feedback and learning to increase efficiency
- **Testing & Commissioning**
 - Close cooperation with grid operator
 - Ensure optimal feeding of power to grid
 - Advising grid operator on PV specifics



Always with sustainability integrated

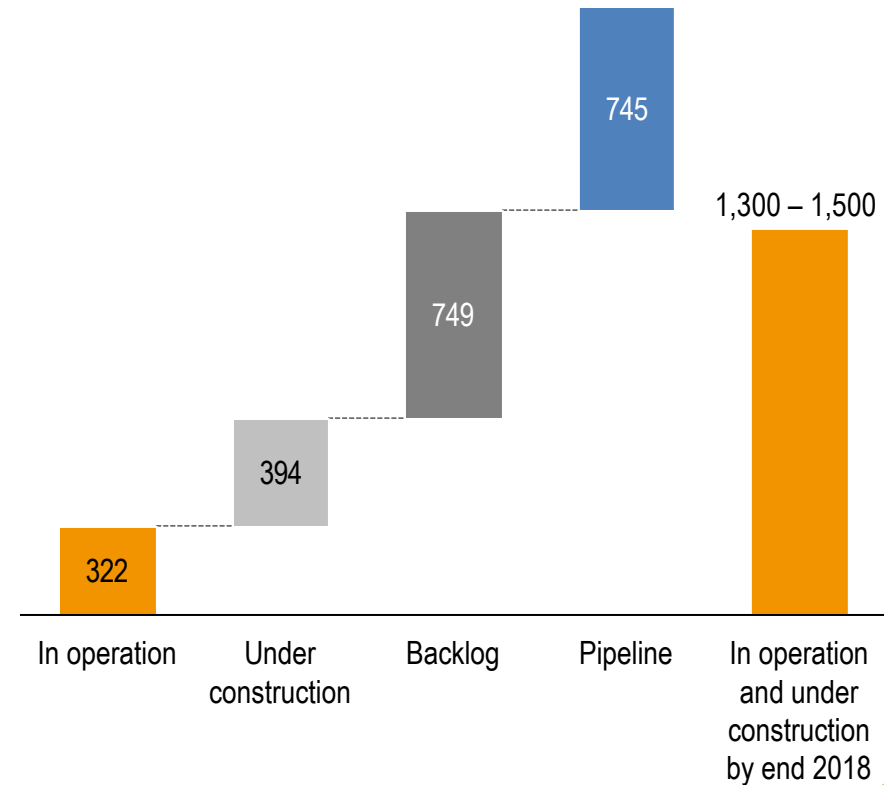
- Solar plants embedded in local communities in emerging economies for 20-25 years
- Economic activity is of vital importance to both countries and communities
- Local suppliers, local employees and good relations with local communities impact performance, cost and risks
- Environmental and Social Impact Assessments are undertaken at the start of the project phase
- Community relations, social and environmental impacts are managed as an integrated part of the business
- Specialist advisors engaged to manage CSR and Economic Development programs



PV market towards 2020

- The global market will continue to expand
- Emerging markets take advantage of reduced electricity prices to support growth
- Scatec Solar is expanding geographic reach in emerging markets applying our integrated business model

Growth target (MWs)



Thank you

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