Solar and wind

Terje Pilskog, EVP Project Development Solar & Wind

Capital Markets Update 23 March 2021
Consistent positive development in pipeline

- Structured work over many years
- PV, wind, hybrids and hydro
- Projects increasing in size
- Broad opportunity space beyond pipeline
- Comfort related to future growth targets

Backlog and pipeline development last two years, GW

<table>
<thead>
<tr>
<th></th>
<th>Backlog &amp; pipeline Q1 2019</th>
<th>Moved to construction</th>
<th>Growth solar and wind</th>
<th>Growth hydropower</th>
<th>Backlog &amp; pipeline at CMU 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar</td>
<td>4.2</td>
<td>-0.3</td>
<td>5.1</td>
<td>2.9</td>
<td>11.9</td>
</tr>
<tr>
<td>Wind</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydropower</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Key principles of development strategy

- **Growth markets**
  - Predictable, sizeable growth markets
  - Market understanding

- **Early development**
  - Secure rights early
  - Capture value from development work

- **Partners**
  - Local developers
  - Global network of partners
  - Financing institutions

- **Integrated**
  - Optimize projects
  - Ensure competitiveness
  - Manage complexities
  - Attractive partner

- **Multi-technology**
  - Broad competence
  - Seek hybrid opportunities
  - Market synergies
Multi technology broadens opportunity space in key markets

<table>
<thead>
<tr>
<th>Country</th>
<th>Size (GW)</th>
<th>RE (%)</th>
<th>PV</th>
<th>Wind</th>
<th>Hydro</th>
<th>Hybrids</th>
<th>State PPA</th>
<th>Corporate PPA</th>
<th>Merchant</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>60</td>
<td>17%</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Brazil</td>
<td>71</td>
<td>29%</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>India</td>
<td>378</td>
<td>28%</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Vietnam</td>
<td>56</td>
<td>19%</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Philippines</td>
<td>25</td>
<td>15%</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Source: Bloomberg, figures for 2019.
First operational project in Vietnam

- 39.4 MW Dam Nai Wind power plant
- Located in the Ninh Thuan province
- Operating since 2018
- Consists of 15 Siemens WTGs, each of 2.6 MW, 80m hub height
- ~123 GWh/yr generation
- USD~10.5 million annual revenues, dollar-pegged on 20-year PPA
- Non-recourse financing from the Bank for Investment and Development of Vietnam (BIDV)
Key mature projects to reach Financial Close in 2021

**Pakistan, 150 MW**
- Financial close reached
- 75% leverage
- 75% equity stake

**Tunisia*, 360 MW**
- Backlog
- Tariff awarded
- 75% leverage
- 50-60% target equity stake

**South Africa, 600 MW**
- Pipeline
- Bid into RMIPP**
- 80% leverage
- 51% equity stake

**Brazil, 101 MW**
- Backlog
- Blended off-take
- Kroma and Equinor partners
- 60% leverage
- 40% equity stake

**Brazil, 530 MW**
- Pipeline
- Equinor and Hydro partners
- Negotiating off-take
- 70% leverage
- 33% equity stake

**India, 900 MW**
- Pipeline
- Tariff awarded
- 75% leverage
- 50% equity stake
- No EPC

**Brazil, 101 MW**
- Backlog
- Blended off-take
- Kroma and Equinor partners
- 60% leverage
- 40% equity stake

* Tozeur and Sidi Bouzid, 60 MWp each and Tataouine, 240 MWp
** RMIPP: Risk Mitigation IPP Procurement Program. REIPPP: Renewables IPP Procurement Program
First financial close in 2021  
- the 150 MW Sukkur project in Pakistan

- Key project information:
  - Capex est. USD 100 million
  - Annual production: 305 GWh
  - Ownership: Scatec 75%, Nizam Energy 25%
  - Scatec to provide EPC, O&M and Asset Management Services to the project
  - 75% project finance from FMO, Faysal Bank, Bank of Punjab and PAK Kuwait Investment
  - Start of construction expected in 1H 2021
  - Pakistan has plans to increase the share of renewable energy to 30% by 2030
First project in merchant market with blended contract portfolio - The 101 MWp Sao Pedro and Paulo (SPP) project

- Located in Flores, Pernambuco
- 40/40/20 equity participation by Scatec/Equinor/Kroma
- Financing from Banco do Nordeste (BNB)
- Financial Close 2021 and COD in 2022
- Awarded a 20-year regulated PPA with ANEEL for 25% of generation
- Signed a 10-year PPA with Engie for 50% of the volume
- Remaining energy to be contracted in the Brazilian Free Market

SPP energy contracting strategy

- The 101 MWp Sao Pedro and Paulo (SPP) project
The 12 GW development portfolio
- Broadening across geographies, technologies and off-take
Significant project pipeline for 2025 delivery

**South Africa**
- Pipeline of 2,250 MW
- Large ready to bid portfolio
- Permits to also include batteries
- Wind portfolios secured

**Vietnam**
- Pipeline of 1,940 MW
- Broad set of projects pursued
- Floating PV and offshore wind

**Brazil**
- Pipeline of 1,230 MW
- Two large PV projects in mature stage
- MoU with Hydro and Equinor
- Further projects in pipeline

**India**
- Pipeline of 900 MW
- Securing further pipeline of large projects
- Preparing for future tenders

(*) RMIPP: Risk Mitigation IPP Procurement Program. REIPPP: Renewables IPP Procurement Program
Positioning for growth in India - A key growth market for renewables

Market
• Strong economic growth and 1.3 billion population
• More than 50% of power generation is coal
• Targeting +200 GW of new RE capacity by 2030

Scatec position
• Scatec presence established on the ground
• Closing 900 MW of projects with offtake secured
• Negotiation partnerships and portfolio acquisitions with experienced local players
• Participating in future solar, wind and hybrid tenders
• Round-the-clock tenders, corporate PPAs and hydrogen
Large potential in South Africa

• More than 10 GW expected to be procured through IPP program by 2025
• Deregulation ongoing to allow for wheeling and large corporate PPAs
• Deep understanding of market and strong local organisation
• 14 PV projects fully permitted also for storage
• Four wind projects of 140 MW secured
• Corporate PPA with AbInbev

Current planned IPP Procurement Program

<table>
<thead>
<tr>
<th>Technology</th>
<th>MW</th>
<th>RFP to Market*</th>
</tr>
</thead>
<tbody>
<tr>
<td>PV + Wind</td>
<td>1,000+1,600</td>
<td>R5 March 2021</td>
</tr>
<tr>
<td>PV + Wind</td>
<td>1,000+1,600</td>
<td>R6 August 2021</td>
</tr>
<tr>
<td>Storage</td>
<td>513</td>
<td>R6 August 2021</td>
</tr>
<tr>
<td>Wind</td>
<td>1,600</td>
<td>R7 January 2022</td>
</tr>
<tr>
<td>PV + Wind</td>
<td>1,000+3x1,600</td>
<td>R8, R9, R10 TBA</td>
</tr>
</tbody>
</table>

Current 2 GW pipeline

* Based on IRP 2019, SONA Feb '21