

Scatec Reaches Financial Close for Battery Energy Storage Project in South Africa

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Scatec ASA, a renewable energy provider, has reached financial close for the Mogobe battery energy storage system (BESS) facility in South Africa. The project is part of the country's Battery Energy Storage Independent Power Producer Procurement Programme (BESIPPPP).

Scatec secured a 15-year power purchase agreement (PPA) with the National Transmission Company of South Africa (NTCSA) to provide storage capacity for grid balancing. The estimated total capex for the project is ZAR 3.0 billion (USD 170 million), with Scatec's EPC contracts accounting for approximately 83%.

The project will be financed by ZAR 2.7 billion (USD 154 million) of non-recourse project debt, with Standard Bank of South Africa as the mandated lead arranger. The remaining equity will be provided by Scatec (51%), Perpetua Mogobe (RF) (Pty) Ltd (46.5%), and a holding company of the Mogobe Local Community Trust (2.5%).

Scatec will serve as the engineering, procurement, and construction (EPC) provider, as well as providing operations & maintenance (O&M) and asset management (AM) services for the project.

"This marks a new milestone for Scatec in South Africa and for the renewable energy transition in the country. The Mogobe BESS project is a first of a kind and reaffirms our standing as a leading renewable energy player in South Africa. We continue to see attractive growth opportunities in the market based on the need for growth in power generation, our strong position in the country and our strong and competent local team," says Scatec CEO Terje Pilskog.

"We are showing and supporting that dispatchable energy and grid infrastructure are cornerstones to the

sustainability of South Africa's current and future energy system. By unlocking more grid capacity, we are enabling further electricity access, as well as enabling more renewable energy grid connections in years to come," adds Roar Haugland, EVP Sub-Saharan Africa, Scatec.

"Standard Bank is proud to continue our long-standing partnership with Scatec as the lead arranger for the groundbreaking Mogobe BESS project. This facility represents a significant step forward in South Africa's energy transition, building on our successful collaboration on projects like Kenhardt. We're committed to financing innovative energy solutions that drive sustainable development and economic growth in South Africa and across the continent," says Rentia van Tonder, Head: Power – Corporate and Investment Banking, Standard Bank of South Africa.