

**SERVING
POWER INDUSTRY**



**EXPORT FINANCING
WITH ŠKODA PRAHA**



WE ARE THE LARGEST CZECH EPC CONTRACTOR ABLE TO DELIVER POWER GENERATION PROJECTS FROM THE DESIGN, THROUGH PROCUREMENT, CONSTRUCTION, AND INSTALLATION, UP TO COMMISSIONING AND PROVISION OF BOTH WARRANTY AND EXTENDED WARRANTY SERVICE. AS EPC CONTRACTOR OF NUCLEAR POWER PLANT PROJECTS IN CZECH AND SLOVAK REPUBLIC, WE HAVE MAINTAINED OUR COMPETENCY FOR SUPPLIES OF CONVENTIONAL ISLAND AND BALANCE OF PLANT.

◀ Tušimice II POWER PLANT, Czech Republic

60+
years

We offer many years of experience, extensive know-how and unique skills obtained during 60 years of our presence in the power business. During these years we have installed 40 GW of total power output worldwide. We are implementing the largest Czech industrial project of the decade – the renewal of the ČEZ Group production portfolio in the Czech Republic comprising 4 power plants with a total installed capacity of 3,050 MW.

100
power units

ŠKODA PRAHA with its long-term experience in the market and a long list of successful projects, enjoys a privileged position in securing officially supported export financing for our customers' projects.

25
countries

Supported export financing in the Czech Republic is officially promoted by two Export Credit Agencies (ECAs) – Czech Export Bank (CEB) and the Export Guarantee and Insurance Company (EGAP) – both are 100% government-owned specialized institutions operating within the rules framework of the WTO, OECD and EU, and with 20 years history and experience in exporting machinery and equipment for the energy production.

40 GW
of installed capacity

Furthermore, our cooperation with its subcontractors' local ECAs and international commercial banking houses, enables us to provide tailor-made export financing and bank guarantees. There are various financing options available on the market and ŠKODA PRAHA is ready to help you identify a financing package suitable for your project.

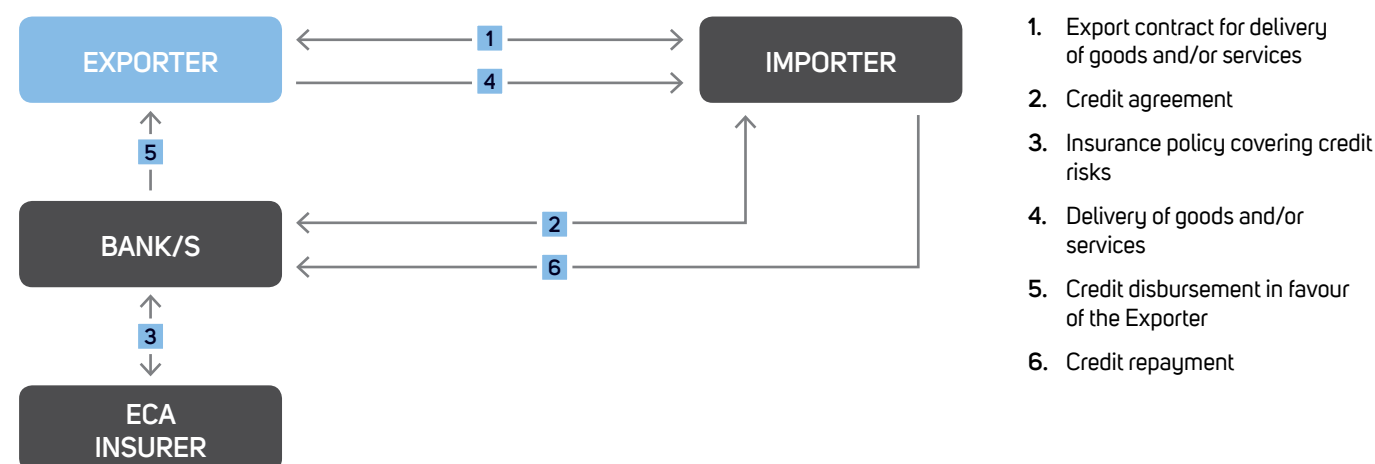
ARRANGEMENT ON OFFICIALLY SUPPORTED EXPORT CREDIT RULES - CONSENSUS OF THE OECD

- all OECD and EU member countries are bound by these rules
- a minimum of 15% of the export contract is paid directly by the importer to the exporter in an advance
- export credit may finance up to 85% of the export contract
- financing of local costs should not exceed 24% of the export contract
- credit disbursement/utilization period up to 3-4 years, grace-period 6 months, the repayment period up to 10-12 years (with equal and max. biannual repayment of the principle)
- sets minimum limits for interest and insurance rates! The amount of insurance premium depends on the volume of the export, negotiated payment terms, assessment of the importer and country risk
- classifies country risk into 7 categories (from category 0/1 – low risk, to category 7 – the highest risk). The classification is based on the results of the Country Risk Assessment Model using the latest International Monetary Fund and World Bank data on the financial and economic situation of the country assessed on an annually

GENERAL CONDITIONS OF LONG-TERM EXPORT CREDIT:

- must be Consensus OECD compliant
- cannot be provided to a subject or a country subject to international sanctions
- may be provided as direct buyer's credit (borrower: creditworthy entity with history), or limited/full-recourse project financing (borrower: SPV + guarantor)
- must be secured in a way acceptable to the bank and must be insured by the ECA insurer
- may be provided in EUR or USD. Either floating or fixed interest rate may be available.
- at least 50 % of the export deliveries should be of Czech origin
- in the case of SPV financing - the total amount of own resources (equity) on all costs related to the Project are in the amount of at least 30% (at least 10% has to be inserted into the share capital of the company, the rest can be formed by subordinated shareholders' - loans, land, machinery, advance payment, insurance premium and other financial costs)

BASIC MODEL OF DIRECT BUYER'S CREDIT



Headquarters

ŠKODA PRAHA a.s.
Duhová 1444/2
140 00 Prague 4
Czech Republic

Phone: +420 211 045 242

Fax: +420 211 045 032

E-mail: finance@skodapraha.cz

www.skodapraha.cz



ŠKODA PRAHA

