

Financial Modelling & Assurance Services

Overview

IDEAS | PEOPLE | TRUST



Financial modelling & assurance services

At a glance

Our dedicated and specialist modelling and project finance team has won multiple sector and industry awards and is internationally recognised as a leading provider of model audit, modelling and related support to project finance, PPP, acquisitions, operational and secondary market activity.

We support projects across all regions and sectors with over 50% of our projects based outside of the UK, and work closely with the BDO International network of member firms, allowing us to provide local expertise for tax, accounting and other support.

With over 25 years' experience of project finance, transactional and bid due diligence and operational support, we have supported over 2,500 projects worldwide, including many award-winning projects.



Recent awards

- ▶ Winner IJGlobal ‘Model Auditor of the Year’ 2020 and 2022, Europe
- ▶ Winner IJGlobal ‘Model Auditor of the Year’ 2019, 2021 and 2022, Middle East and North Africa’
- ▶ Winner IJGlobal ‘Model Auditor of the Year’ 2020 and 2021, Asia-Pacific
- ▶ Infracore & SparkSpread #1 Global Model Auditor by deal value 2018, 2020 and 2021
- ▶ Supported over 20 IJGlobal Award Winning Projects in the last three years.



Our services

Financial model assurance and review

Our multi award winning Financial Model Assurance team supports project finance, PPP, acquisitions, operational and secondary market activity across all sectors. Our services are tailored to give clients the right degree of assurance and reliance to support financing, commercial and investment decisions including:

- ▶ Financial model audits and reviews
- ▶ Financial, asset management and operational model integrity reviews
- ▶ Best practise reviews
- ▶ Specialist payment mechanism/RAB/IFRIC 12 reviews
- ▶ Ongoing covenant monitoring and updates.

For more information, please see our financial model assurance and review capability statement.

Financial modelling and development

Financial, operational or cost forecast models built to exacting standards to meet your needs. BDO provides modelling support through the project lifecycle, across all aspects of structured and project finance, including renewable energy, infrastructure and PPP/P3 transactions, such as:

- ▶ Bidder support for PPP bid submission and preferred bidder stages
- ▶ Business cases and investment appraisals
- ▶ Secondary Market and Portfolio Acquisitions
- ▶ Infrastructure acquisitions and Refinancings
- ▶ Ongoing operational monitoring.

For more information, please see our financial modelling and development capability statement.



Model Advisory & Training

We provide bespoke financial model training courses, led by our highly experienced Director of Modelling, to improve the skills and competency of your team to develop and update in-house financial models.



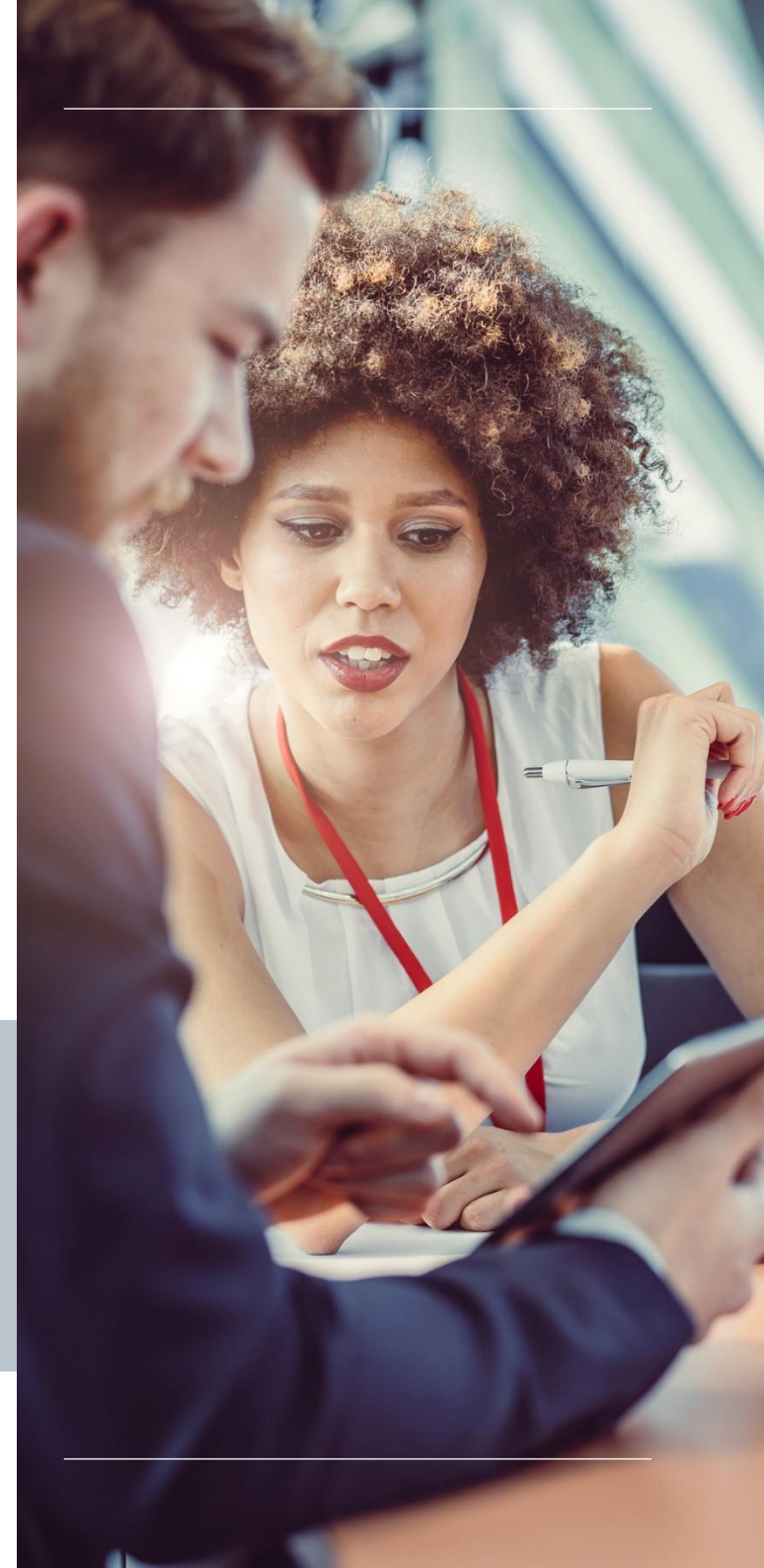
Specialist accounting and tax advice

Both in the UK, and throughout the BDO International network, we can provide specialist accounting and tax support for your projects, and aid conversion of financial models, to comply with the latest tax (eg BEPS) and accounting (eg IFRS 9, 15 and 16) rules.



Project Company & Bidder Support Services

By working collaboratively with our colleagues within Transaction Services, Valuations and Corporate Finance, we can provide a range of bespoke support services to meet your specific transaction needs.



Financial model assurance

Why BDO?

Our flexible model audit approach combines a comprehensive all-cells 'bottom up' review with a 'top down' analytical approach with elements of re-performance, focussed on key sector and project-specific risk areas.

We believe that our comprehensive methodology sets us apart. It allows us to deliver a premium, high-quality service with maximum assurance that is trusted by senior financing parties and investors and leads to repeat instructions as a preferred service provider.



Our team

Our specialist team of qualified accountants and tax experts is the most experienced model audit team in the market with a combined aggregate experience of over 200 years.

All our reviews are managed by an identified 'Project lead', providing a dedicated day-to-day point-of-contact throughout the review, overseen by a senior team member to provide quality assurance on all our outputs.

All our final reports and opinions are reviewed and approved by a partner, ensuring the highest level of assurance.



Our clients

Our clients range from senior lending banks to investment funds, project sponsors working either independently or as a bidding consortia and public sector procuring authorities. We always make sure we fully understand our clients' requirements and expectations on the assurance side and are therefore able to offer a bespoke service tailored to your specific requirements.



The benefits of an 'all-cells' review

- ▶ Re-performance (including testing by rebuilding) alone is not enough. This 'shadow modelling' will not identify latent issues in your model which may only become evident when it's too late
- ▶ A model's inputs may be updated during a bid or financing, post-transaction or in an operational phase, and an 'all-cells' review approach ensures that latent formulaic issues can be identified at the earliest opportunity as these may not be apparent within the existing input dataset and assumptions
- ▶ We know that this twin methodology is stronger than a shadow modelling only approach, as it allows us to check that your model is sufficiently flexible and robust to withstand change. We believe that it is the model auditor's responsibility to provide you with clear assurance on a model's integrity and fitness for purpose
- ▶ We use professional diagnostic tools to enable us to identify not only the unique calculations in the model, but also the consistency with which they have been applied
- ▶ Access to such tools combined with our proven detailed methodology enables us to effectively review the application of formulae and their corresponding dependents.

Financial model assurance

Our 'top down' analytical review and calculation re-performance

We capitalise on the team's extensive experience and in-depth sector knowledge in the analysis of key calculations and outputs. We tailor analytical procedures to the project's risks, utilising techniques such as:

- ▶ Re-performance from first principles of key calculations where errors are commonly made, such as: indexation factors; interest calculations; working capital adjustments; and ratios
- ▶ Proof-in-total - calculating the expected totals for key outputs, such as revenue, opex, interest and tax, based upon the model's inputs and assumptions, and comparing our calculated proof-in-total results to the model's totals
- ▶ Trend analysis - graphical representation of key outputs over time, such as ratios, revenues, opex, interest expense and cash flow, to identify unusual trends
- ▶ Sense checking - assessing the outputs from the model to consider whether they appear consistent with expectations, based on the model's inputs and assumptions.

Other financial model assurance services

As well as our comprehensive 'all cells' approach, we also offer the following tailored financial model assurance options:

- ▶ Modelling Best Practice Reviews - a highly prescriptive review of a model against a defined set of modelling 'best practice' requirements. These are specifically required for UK rail franchise bids for example
- ▶ Integrity Reviews - we offer a tailored 'Integrity Review', often combined with an 'all cells' review of key elements of the model
- ▶ Bespoke Assessments - a bespoke service where we can review as much or as little as you require.



Recent award winning projects

2022

- ▶ Hafslund Eco, Infranode and HitecVision's acquisition of a stake in Fortum Oslo Varme (IJInvestor Awards, Utilities - EMEA Acquisition of the Year 2022)
- ▶ Evos' acquisition of oiltanking assets (IJInvestor Awards, Oil & Gas - EMEA Acquisition of the Year 2022)
- ▶ Neuconnect (IJGlobal European Power Deal of the Year 2022)
- ▶ Advanced Petrochemicals (IJGlobal MENA Petrochemicals Deal of the Year)
- ▶ ADNOC's Project Lightning (IJGlobal MENA Transmission Deal of the Year)
- ▶ Amunet Windfarm (IJGlobal MENA Renewables - Wind and Export Finance Deal of the Year 2022)
- ▶ Red Sea Multi-Utilities Project (IJGlobal MENA Utilities of the Year 2022)
- ▶ Deutsche Glasfaser (PFI Europe Fibre Deal of the Year 2022).

2021

- ▶ University of Birmingham, Pritchatts Park (IJGlobal European Infrastructure Deal of the Year 2021)
- ▶ Area 1 Mozambique LNG (IJGlobal African Oil & Gas Deal of the Year 2021)
- ▶ Jazan IGCC Power Plant Acquisition (IJGlobal MENA Hybrid Energy Deal of the Year 2021)
- ▶ Sadara Chemical Project Restructure (IJGlobal MENA Petrochemicals Deal of the Year 2021)
- ▶ Schools Wave 1 (IJGlobal MENA Social Infrastructure Deal of the Year 2021)
- ▶ Shirin CCGT Power Plant IPP (IJGlobal Asia-Pacific Power Primary Financing Deal of the Year 2021).

2020

- ▶ G.Network (IJGlobal European Digital Infrastructure Fibre Deal of the Year 2020)
- ▶ Coriance (IJGlobal European Refinancing Social Infrastructure - District Heating Deal of the Year 2020)
- ▶ London Array (IJGlobal European Refinancing Renewables Offshore Wind Deal of the Year 2020)
- ▶ Antwerp Gateway (IJGlobal European Refinancing Transport Port Deal of the Year 2020)
- ▶ Iberwind Portuguese Wind Farm (IJGlobal European Refinancing Renewables Portfolio Deal of the Year 2020)
- ▶ A465 (IJGlobal European Transport Deal of the Year 2020)
- ▶ Calisen Refinancing (IJGlobal European Refinancing Telecoms /Digital Infra - Smart Metering Deal of the Year 2020)
- ▶ Project Helios (IJGlobal European Refinancing Solar CSP Deal of the Year 2020)
- ▶ Northvolt (IJGlobal European Battery Storage Deal of the Year 2020 and IJGlobal European Export Finance.

2019

- ▶ Beatrice Offshore Windfarm Refinancing (IJGlobal European Refinancing Deal of the Year 2019)
- ▶ Neart na Gaoithe Offshore Windfarm (IJGlobal European Power Deal of the Year 2019)
- ▶ Bridge Power (IJGlobal African Power Deal of the Year 2019)
- ▶ DEWA IV (IJGlobal MENA Solar Deal of the Year 2019)
- ▶ Hamriyah IPP (IJGlobal MENA Power Deal of the Year 2019).

2018

- ▶ Acquisition of John Laing Infrastructure Fund (IJGlobal European M&A Deal of the Year 2018)
- ▶ Al Dur Power & Water Company Refinancing (IJGlobal MENA Refinancing Deal of the Year 2018)
- ▶ Akuo Kita (IJGlobal African Solar Deal of the Year 2018)
- ▶ Cory Riverside (IJGlobal European Waste Deal of the Year 2018)
- ▶ Farabi Yanbu (IJGlobal MENA Petrochemicals Deal of the Year 2018)
- ▶ Gordie Howe International Bridge Project (IJGlobal North American Roads Deal of the Year 2018)
- ▶ Haren Prison PPP (IJGlobal European Social Infrastructure Deal of the Year 2018)
- ▶ Rotterdam World Gateway Refinancing (IJGlobal European Port Deal of the Year 2018)
- ▶ Royal Inland Hospital Patient Care Tower Project (IJGlobal North American Social Infrastructure Deal of the Year 2018)
- ▶ Salalah IWP (IJGlobal MENA Water Deal of the Year 2018).

2017

- ▶ Coral South FLNG, Mozambique (IJGlobal African Midstream Oil & Gas Deal of the Year 2017)
- ▶ Acquisition of HS1 (IJGlobal European M&A Deal of the Year 2017)
- ▶ Fort McMurray (IJGlobal North American Transmission/ Distribution Deal of the Year 2017)
- ▶ ILX Holdings II (IJGlobal North American Upstream Oil & Gas Deal of the Year 2017)
- ▶ Fadhili CHP (IJGlobal MENA Power Deal of the Year 2017).

Financial model assurance credentials

Financial model assurance services - 2022 highlights

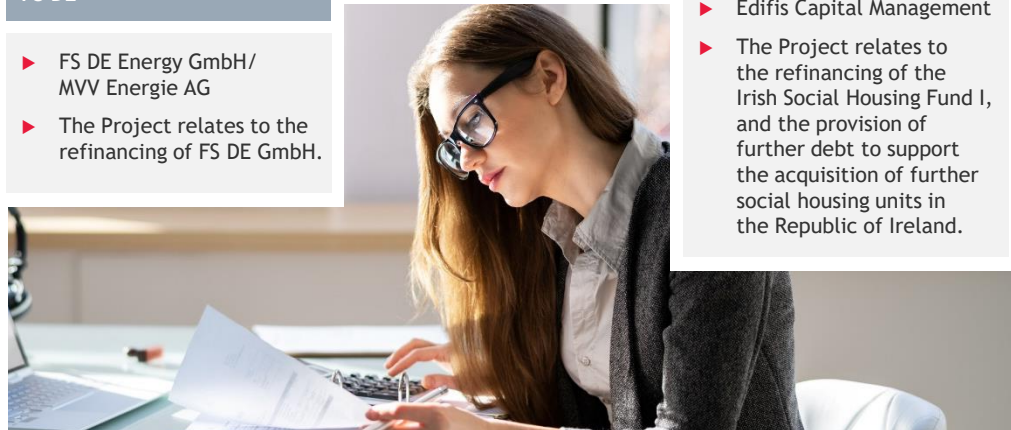
Neuconnect Britain Ltd	East Anglia One OFTO	Boreal Refinancing	National Grid Gas Acquisition and Financing	TNG Financing	InfraFibre Refinancing
<ul style="list-style-type: none"> ▶ Allianz Capital Partners, Kansai Electric Power, Meridiam Infrastructure Europe II ▶ AIB, Ampega, BayernLB, Caixa, DZ, EIB, JBIC, Lloyds, Mizuho, Nippon Life, Nochu, NordLB, Rabo, SG, Shinsei, Siemens, SMBC, SMTB, UKIB, CIC, Bank of China ▶ The Project relates to refinancing of a 725km electricity interconnector between the UK and Germany. 	<ul style="list-style-type: none"> ▶ TC East Anglia One OFTO Limited ▶ Aviva, Bank of China, Barclays, Korea Development Bank, Nippon Life, Nomura, Norinchukin, Royal Bank of Canada, SMTB ▶ The Project relates to the acquisition and financing of offshore transmission link for the East Anglia offshore windfarm. 	<ul style="list-style-type: none"> ▶ Boreal Holding AS ▶ Baloise, Cygnet, NatWest Pension, Paretos, Siemens, SG, DNB, SpareBank ▶ The Project relates to the refinancing of a Norwegian ferry operator. 	<ul style="list-style-type: none"> ▶ Macquarie Global Infrastructure Fund SCSp, Macquarie Super Core Infrastructure Fund SCSp ▶ The Project relates to the acquisition and financing of National Grid gas transmission assets. 	<ul style="list-style-type: none"> ▶ TNG Glasfaser GmbH ▶ ING, HCOB, NIBC, KfW, Kommunalkredit, NordLB ▶ The Project relates to the financing of TNG Glasfaser GmbH, a German fibre broadband business. 	<ul style="list-style-type: none"> ▶ InfraFibre Germany GmbH ▶ ABN AMRO, NatWest, Nord/LB, SEB ▶ The Project relates to the refinancing of a German fibre broadband business.
ADNOC and ADPower Offshore Power Transmission PPP	Tampnet Refinancing	InfraReal Refinancing	Virtus Data Centres Acquisition	Blue Phoenix Group Acquisition	Aurora Infrastructure Acquisition
<ul style="list-style-type: none"> ▶ Abu Dhabi National Oil Company (ADNOC), Abu Dhabi Power Corporation (ADPower) ▶ The Project relates to the refinancing of a 1600MW electricity transmission link off Abu Dhabi. 	<ul style="list-style-type: none"> ▶ Tampnet (Colombo Bidco Ltd) ▶ The Project relates to the refinancing of Tampnet AS, an offshore cable and wireless communications business. 	<ul style="list-style-type: none"> ▶ InfraReal Holding GmbH & Co. KG, Allianz Global Investors GmbH ▶ The Project relates to the refinancing of the operator of industrial parks in Germany. 	<ul style="list-style-type: none"> ▶ MEIF 7 Tigru Bidco Limited ▶ The Project relates to the acquisition of an equity stake in the VIRTUS data centres. 	<ul style="list-style-type: none"> ▶ InfraVia European Fund V ▶ The Project relates to the acquisition of an equity stake in the Blue Phoenix group, an ash processing company in the Netherlands. 	<ul style="list-style-type: none"> ▶ Equitix European Infrastructure II ▶ Nomura International ▶ The Project relates to the acquisition of Aurora Infrastructure Oy, A Finnish electricity network operator.



Financial model assurance credentials

Financial model assurance services - 2022 highlights

<p>Epiim Financing</p> <ul style="list-style-type: none"> ▶ AS Epiim Tootmine ▶ European Investment Bank, ING and LHV ▶ The Project relates to the financing to support the expansion of production facilities for Estonia's largest producer of cheese and dairy products. 	<p>Taaleri Development Financing</p> <ul style="list-style-type: none"> ▶ Taaleri Development Debt Oy ▶ Rivage Euro Debt Infrastructure ▶ The Project relates to the development financing for Taaleri Energia to develop a portfolio of renewable energy projects to ready-to-build stage. 	<p>Red Sea Development Utilities</p> <ul style="list-style-type: none"> ▶ ACWA Power ▶ Standard Chartered Bank, Riyad Bank, Al Rajhi Banking and Investment Corporation, Saudi National Bank, Banque Saudi Fransi, Arab Petroleum Investments Corporation, The Saudi British Bank ▶ The Project relates to the financing for the development of five utilities plants as part of the Red Sea Project in Saudi Arabia. 	<p>Greenlink</p> <ul style="list-style-type: none"> ▶ Greenlink Interconnector Limited ▶ Allied Irish Banks, CaixaBank, DZ Bank, Landesbank Hessen-Thüringen, Lloyds, Mizuho, SGBTCL, Siemens Bank, Societe Generale ▶ The Project relates to the financing of the Greenlink electricity interconnector between the UK and the Republic of Ireland. 	<p>Suomi Gas Financing</p> <ul style="list-style-type: none"> ▶ Suomi Gas Distribution Holding Oy ▶ The Project relates to the refinancing of Suomi Gas's existing debt facilities. 	<p>Ilmatar Development Financing</p> <ul style="list-style-type: none"> ▶ Ilmatar Energy Oy ▶ Rivage Euro Debt Infrastructure High Return, Rivage Euro Debt Infrastructure High Return 2 ▶ The Project relates to the development financing for Ilmatar develop a portfolio of renewable energy projects.
<p>Race Bank Offshore Windfarm</p>	<p>Qatar LNG Vessels</p>	<p>Sawa Refinancing (Bond)</p>	<p>FS DE</p>	<p>UBS Headquarters' Acquisition</p>	<p>Irish Social Housing Fund I Refinancing</p>
<ul style="list-style-type: none"> ▶ Firebolt RB Holdings Limited ▶ Nippon Life, Daido Life Nederland Levensverzekering Maatschappij, NatWest, Societe Generale, NAB, Landesbank Baden-Württemberg, CA CIB, Siemens Bank, ICBC, SMBC, MUFG, Aviva ▶ The Project relates to the amendment and restatement of existing financing facilities for the Race Bank offshore windfarm. 	<ul style="list-style-type: none"> ▶ Qatar Gas Transport Company ▶ SMBC, Abu Dhabi Commercial Bank, Arab Petroleum Investments Corporation, Bank of America, Bank of China, Korea Development Bank, MUFG, SMTB, Qatar National Bank, HSBC, Citibank ▶ The Project relates to the financing of LNG vessels. 	<ul style="list-style-type: none"> ▶ Rabigh Arabian Water and Electricity Company ▶ The Project relates to the bond refinancing of the Rabigh refining and petrochemicals complex (Petro-Rabigh). 	<ul style="list-style-type: none"> ▶ FS DE Energy GmbH/ MVV Energie AG ▶ The Project relates to the refinancing of FS DE GmbH. 	<ul style="list-style-type: none"> ▶ Broadgate Five Holdings (Jersey) Limited ▶ The Project relates to the acquisition of UBS's new headquarters. 	<ul style="list-style-type: none"> ▶ Edifis Capital Management ▶ The Project relates to the refinancing of the Irish Social Housing Fund I, and the provision of further debt to support the acquisition of further social housing units in the Republic of Ireland.



Financial model assurance credentials

Financial model assurance services - 2021 highlights

Falbygdens Energi A, Sweden	Stockholm Exergi AB, Sweden	Boreal, Norway	Goetel GmbH, Germany	Adven, Finland	Multifuel Energy Ltd, UK
<ul style="list-style-type: none"> ▶ Nordion Energi AB ▶ The Project relates to the acquisition by Nordion Energi AB to acquire FEAB, which owns stakes in three Swedish businesses: 100% of a district heating and fibre business, 100% of an electricity distribution system operator business and 51% of a fibre broadband services business. 	<ul style="list-style-type: none"> ▶ APG, PGGM, Alecta, AXA ▶ SG, Mediobanca, Natixis, Intesa Sanpaolo, Bank of China, BBVA, CIBC, Danske Bank, DNB, KfW IPEX, Nordea, OP, Swedbank, SEB ▶ The Project relates to the Consortium's acquisition and financing of a 50% stake in Stockholm Exergi, a district heating and district cooling company operating in Stockholm, Sweden. 	<ul style="list-style-type: none"> ▶ Core Infrastructure Fund III SCS ▶ The Project relates to the acquisition of Boreal Holding A.S., a Norwegian public transport operator. 	<ul style="list-style-type: none"> ▶ Goetel GmbH ▶ Triodos, NIBC, Hamburg Commercial, Raiffeisen Bank International, KfW IPEX, National Australia Bank, Kommunalkredit ▶ The Project relates to the acquisition and subsequent refinancing of goetel GmbH, a telecommunications business, which has operations across 12 regions in Germany. 	<ul style="list-style-type: none"> ▶ IIF Int'l Castle Investments S.à r.l. ▶ The Project relates to the acquisition of Sisu S.à r.l., the owner of the Adven group of industrial energy solutions, district heating and geothermal energy businesses in Finland, Sweden and the Baltics. 	<ul style="list-style-type: none"> ▶ FS Oscar 6 Limited ▶ CACIB, Santander, Natixis, MUFG ▶ The Project relates to the acquisition of a 100% stake in Multifuel Energy Limited, in relation to two energy from waste facilities in the UK, and in respect of the Kemsley and Parc Adfer energy from waste plants.
Gigabox South Battery Storage, UK	Codford Biogas, UK	Oystercatcher/Unitank Terminals	Rainworth Anaerobic Digestion CHP Acquisition, UK	Beatrice OFTO	Rampion OFTO
<ul style="list-style-type: none"> ▶ JLEN Environmental Assets Group UK Limited ▶ The Project relates to the acquisition of a battery storage facility. 	<ul style="list-style-type: none"> ▶ JLEN Environmental Assets Group UK Limited ▶ The Project relates to the acquisition of Codford Biogas Limited which operates an anaerobic digestion from food waste plant in Wiltshire. 	<ul style="list-style-type: none"> ▶ Evos Finance B.V. ▶ Euler Hermes, Tokio Marine, CIBC, DNB, ING, Intesa Sanpaolo, National Australia Bank, UniCredit ▶ The Project relates to the acquisition and subsequent refinancing of four liquid bulk storage terminals in the Netherlands, Belgium and Malta by Evos B.V. and the associated senior financing of the acquisition vehicle, 'BidCo'. 	<ul style="list-style-type: none"> ▶ JLEN Environmental Assets Group UK Limited ▶ The Project relates to the potential acquisition of Rainworth Energy Limited which operates an anaerobic digestion CHP plant generating heat and power for Center Parcs Sherwood Forest. 	<ul style="list-style-type: none"> ▶ TC Beatrice OFTO Limited ▶ SMBC, Santander, DZ Bank, SMTB, Norinchukin, Bank of China, Legal and General, SMBC Nikko, Lloyds ▶ The Project relates to the acquisition of the offshore transmission assets in relation to the Beatrice Offshore Windfarm located in the Moray Firth, approximately 13km off the northeast coast of Scotland. 	<ul style="list-style-type: none"> ▶ TC Rampion OFTO Limited ▶ SMBC, Santander, Norinchukin, SMTB, SMBC Nikko ▶ The Project relates to acquisition of the offshore transmission assets in relation to the Rampion Offshore Windfarm located in the East Quay, approximately 13km off the Sussex Coast.

Financial model assurance credentials

Financial model assurance services - 2021 highlights

Solvtrans, Norway	Vartan Gas, Sweden	Koole Terminals, Netherlands	Evos, Netherlands	Adven, Finland	Meter Fit, UK
<ul style="list-style-type: none"> ▶ Asterix Bidco AS/Sølvtrans ▶ Allianz, Altshuler, DNB, Intesa Sanpaolo, MEAG, Nordea, Rabobank, Swedbank, Natixis, Santander, RBC ▶ The Project relates to the refinancing of the existing debt for the Project Entity, a Norwegian based operator of wellboats that are used to transport young salmon to farms at sea and then transport them back for processing. 	<ul style="list-style-type: none"> ▶ Värtan Gas AB ▶ Massachusetts Mutual Life, C.M. Life, Royal & Sun Alliance and Nationwide Life and Annuity ▶ The Project relates to the refinancing of Värtan Gas AB, the holding company of Gasnätet Stockholm AB and Stockholm Gas AB, which supply gas in the Stockholm area. 	<ul style="list-style-type: none"> ▶ Koole Terminals Subholding II B.V. ▶ BlackRock, Scotia, CA-CIB, AXA, Intesa Sanpaolo, Great-West Life, CIBC, KfW, Rivage, DNB, NAB, EdRAM ▶ The Project relates to the refinancing of Koole Terminals group, the owner of a number of oil storage facility operating companies in the Netherlands, United Kingdom and Poland. 	<ul style="list-style-type: none"> ▶ Evos Finance B.V. ▶ Tokio Marine, Swiss Life, C.M. Life, Massachusetts Mutual Life, CIBC, DNB, ING, Intesa Sanpaolo, KfW, NAB, Santander, UniCredit ▶ The Project relates to the refinancing of Evos Finance B.V., the owner of a number of terminal storage facility operating companies in the Netherlands, Spain and Germany. 	<ul style="list-style-type: none"> ▶ IIF Int'l Castle Investments S.à r.l. ▶ Generali Global Infrastructure SAS ▶ The Project relates to the raising of new junior debt finance to partially refinance the acquisition of Sisu S.à r.l., the owner of the Adven group of industrial energy solutions, district heating and geothermal energy businesses in Finland, Sweden and the Baltics. 	<ul style="list-style-type: none"> ▶ Calisen Group (Holdings) Limited ▶ The Project relates to the refinancing of a Revolving Credit Facility for Meter Fit 5 Limited and Meter Fit 20 Limited, two subsidiaries of Calisen Group (Holdings) Limited.
Pentacom, Spain	Senfluga, Greece	Maestral Windfarm, France	Infinis, UK	VPI Holding, UK	Felix Renewables, Romania
<ul style="list-style-type: none"> ▶ Pentacom Investments (Spain) OPCO, S.L.U. ▶ The Project relates to the raising of a new senior debt facility by Pentacom Investments to refinance existing senior debt and to fund a new fibre network rollout in Spain. 	<ul style="list-style-type: none"> ▶ Senfluga Energy Infrastructure Holdings SA ▶ National Bank of Greece ▶ We understand that relates to the refinancing of the existing bond facility agreement by Senfluga Energy Infrastructure Holdings S, which owns a 66% equity stake in Hellenic Gas Transmission System Operator S.A. ('DESFA'), a gas transmission system operator in Greece. 	<ul style="list-style-type: none"> ▶ Provençialis SAS ▶ KfW IPEX ▶ The Project relates to the refinancing of the 22 wind turbine, 48.4 MW Maestral onshore wind farm in the Provence Alpes Cote d'Azur region of France by Provençialis S.A.S. 	<ul style="list-style-type: none"> ▶ Infinis Energy Management Limited ▶ Lloyds, AIB, NatWest, SEB, JPM, Sequoia, PensionDanmark ▶ The Project relates to the refinancing of the existing debt for Infinis Energy Management Limited, a generator of electricity from landfill gas and coal-based methane, and a natural gas power response provider. 	<ul style="list-style-type: none"> ▶ VPI Holding Limited ▶ ABN AMRO, DBS Bank, Lloyds Bank, Natixis, Qatar National Bank, Rabobank, RBS ▶ The Project relates to the refinancing of VPI Holding Limited, the holding company for the four Project Companies that generate electricity at Damhead, Shoreham, Rye House and Immingham. 	<ul style="list-style-type: none"> ▶ Felix Renewable Holdings SRL ▶ Alpha Bank, UniCredit, BTRL, Raiffeisen, Erste, OTP ▶ The Project relates to the refinancing of Felix Renewable Holdings SRL, a Romanian company with interest in renewable energy production focussing on onshore wind and hydro power through Fantanele, Ovidiu Development and TMK Hydroenergy Power.

Financial model build case studies

Project Verde

Developed a Portfolio Funding Model For a Pan-European renewable energy portfolio. The model was designed to enable the subsequently adaptation to a Valuation Model and a Group Corporate Model which will be updated on an ongoing basis.



Challenges

- ▶ The model build process included extensive discussion with the client, the sponsors, and financial advisors to ensure that the Model contained the necessary calculations to meet each of their requirements.



Solution

- ▶ The Model was built with the flexibility from the start to size and sculpt debt to be used as a Financial Close Model as well as the ability to be updated with actuals and fixed repayment profiles
- ▶ We worked closely with the client's financial advisors leading up to financial close to ensure that the Model met its primary purpose of being used to raise portfolio financing
- ▶ We worked closely with the client to ensure that all relevant amendments and additional workings are added to the Model for them to be able to use it as their Group Corporate Model.



Results

- ▶ We were able to deliver the Model within the required timeframe to meet the targeted financial close date
- ▶ The Model was successfully adapted with sufficient simplicity to be operated by the client and utilised as an ongoing Group Corporate Model.

Heat Networks Investment Project

Developed the Financial and Economic Appraisal model for this £320m BEIS programme to develop the UK district heating industry. The model has been used to evaluate all of the application schemes for each of the funding rounds.



Challenges

- ▶ The model was to combine both financial and environmental factors to provide both financial and economic factors for a broad range of projects and technologies
- ▶ The model build process included extensive liaison and discussions with technical experts from BEIS and the AECOM to determine the appropriate level of detail required for the appraisal process.



Solution

- ▶ Built templates to be robust, flexible and include data integrity checks. These were populated by the applicants to reflect their projects
- ▶ Built the model to extract the application data and perform the appraisal calculations.



Results

- ▶ The model was updated with the client's technical advisor's assumptions without causing any delays to the bid process as no structural changes to the model were necessary
- ▶ We were able to receive NBO's within the timeframe sought by the client and the SPA was signed based on the initial model built.

Financial model build case studies

Greenfield Biogas - Grid Project

Constructed the financial model to support the raising of debt and equity to finance a large greenfield biogas-to-grid projects.



Challenges

- ▶ The Initial technical assumptions provided by the client at the start of the model build process were not detailed while the technical assumptions provided by the technical advisors were expected to be more granular
- ▶ The client requested the model to be operated by bidders to facilitate a relatively short bid process.



Solution

- ▶ Built the model to be robust and flexible, ready to take in granular technical assumptions as provided by the client's technical advisors
- ▶ Built the model with a view to be used and operated by the buy side with built in mechanisms for multiple financing options, project valuation, input consideration to vendor and, in the preferred bidder stage included the tax implications of the proposed acquisition.



Results

- ▶ The model was updated with the client's technical advisor's assumptions without causing any delays to the bid process as no structural changes to the model were necessary
- ▶ We were able to receive NBO's within the timeframe sought by the client and the SPA was signed based on the initial model built.



Financial model build credentials

Project Verde European Developer

The Development of a funding model to refinance a pan-European portfolio of renewable energy assets and then utilise the model as an ongoing portfolio valuation and monitoring model.

Solar PV and Battery Storage Model Samsung C&T

Development of a flexible template model to enable Samsung to evaluate the financial profile and potential returns of their pipeline projects onto a geared and ungeared basis.

Affinity Water InfraRed

Forecasting model for the Affinity Water group, reflecting the OFWAT PR19 transition from RPI to CPI RCV calculations which came into force in March 2020.

Dublin WTE Covanta, MIRA

Operational Model for the Waste To Energy Plant utilising the Dublin's municipal waste as a feedstock.

Hub North Territory UK developer

Development of a flexible financial model to optimise the Annual Service Payments under the hub Procurement rules and determine the borrowing capacity and repayment profiles for single and multiple site projects.

Wind Farm Portfolio Linked Funding

Development of a wind farm portfolio model to be used to close four wind farms at different times, where all would ultimately be drawing upon the same overall debt facility. Each successive close resized the debt.

Project Helios Green Hydrogen

Provided ongoing modelling support to update the existing model for changes in the funding structure for a proposed green hydrogen plant.

Condor Ferries Columbia Threadneedle

The project provided a flexible operational forecasting model to assist in projecting the company results as travel resumes after the Covid 19 travel restrictions.

The Land Group Operational models

Refinancing modelling for a number of projects, running of operational model overlays on chosen projects to assess the extent of the potential refinancing upsides in more detail and to identify any associated risks to execution.

UK Retail Bank Renewable Generation

The construction of the Bank's standard model for small scale renewables projects.

The model was technology agnostic and optimised the debt level for the project in accordance with the Credit committee guidelines.

Parkwind Offshore Wind -Belgium

Provided ongoing modelling support to update the existing offshore wind model for changes in revenue and funding structure for the third project for the developer.

Project Chicago Telecoms

Buy-side advisory engagement for an infrastructure fund portfolio acquisition of a telecoms company.

The model contained detailed sensitivities calculating valuations using complex returns analysis, and multiple scenarios.

FOR MORE INFORMATION:



Kirit Mistry
Partner, Head of Model Assurance

kirit.mistry@bdo.co.uk



Brian O'Connell
Partner

brian.oconnell@bdo.co.uk



James Adams
Partner

james.adams@bdo.co.uk

This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad statements only. This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication without obtaining specific professional advice. Please contact BDO LLP to discuss these matters in the context of your particular circumstances. BDO LLP, its partners, employees and agents do not accept or assume any responsibility or duty of care in respect of any use of or reliance on this publication, and will deny any liability for any loss arising from any action taken or not taken or decision made by anyone in reliance on this publication or any part of it. Any use of this publication or reliance on it for any purpose or in any context is therefore at your own risk, without any right of recourse against BDO LLP or any of its partners, employees or agents.

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO member firms.

BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms.

Copyright © January 2023 BDO LLP. All rights reserved. Published in the UK.

www.bdo.co.uk