

**DATE**

February 21, 2019

**SECTORS**

Infrastructure

**DEAL LOCATIONS**



**DEAL TEAM**



**Sergio Ronga**

Managing Director



**Martin Krastev**

Executive Director

# DC Advisory advised Arjun Infrastructure on the acquisition of Rothes CoRDe and Beckton Energy from iCON Infrastructure



## Background

- Rothes CoRDe (Rothes) and Beckton Energy (Beckton) are two operational renewable combined heat and power (CHP) plants in the United Kingdom
- Rothes is a c.8 MW/34 MWth power plant located in Speyside, Scotland, and uses a combination of woodchip and a by-product of the whisky distillation industry known as draff to sustainably generate electricity. Rothes plays a critical role in the local whisky economy
- Beckton is a c.18 MW/28 MWth CHP bio-liquids fired power plant which is strategically located in London and integrated with key infrastructure owned by the major utilities Cadent Gas Limited (formerly National Grid Gas Plc) and Thames Water Utilities Limited, to which Beckton provides heat and electricity respectively
- Rothes and Beckton became fully operational in July 2013 and in November 2016 respectively
- Both plants are long-term, highly contracted operational renewable CHP plants of scale, delivering stable cashflows over the long term underpinned by accredited Renewable Obligation Certificates
- In addition to their existing operations, the plants have near-term opportunities for future capital deployment and growth

## Process

- DC Advisory (DC) was engaged by Arjun Infrastructure Partners to act as financial

advisor to provide buy-side M&A advice on the acquisition

- DC has significant knowledge within the renewable energy sector, having previously advised on various transactions in the sector
- DC provided comprehensive financial advisory services to Arjun Infrastructure Partners throughout the acquisition process including:
  - (i) process strategy and tactics;
  - (ii) due diligence coordination;
  - (iii) business plan review;
  - (iv) financial modelling and valuation;
  - (v) preparation of documentation for the investment committees; and
  - (vi) support in negotiations with the seller and on transaction documentation, including SPA.

**Outcome**

- DC ensured all workstreams were successfully completed within a challenging timeframe to position Arjun Infrastructure Partners as the preferred bidder in a highly competitive auction
- On 21 February 2019, Arjun Infrastructure Partners completed the acquisition of a majority equity stake in Rothes CoRDe and Beckton Energy from iCON Infrastructure, while local distillers retained a minority stake in Rothes
- The acquisition price was not disclosed