

DATE

December 31, 2018

SECTORS

Infrastructure

DEAL TYPE

Debt Advisory & Restructuring

DEAL LOCATIONS



DEAL TEAM



Neale Marvin
Managing Director



Phillip Hyman
Managing Director

DC Advisory advised Sisu Industrial Energy Solutions Oy (Adven) on the refinancing of Adven



Background

- Adven is a leading provider of outsourced energy infrastructure with a comprehensive, competitive and sustainable offering through its build, own and operate model
- Adven is an established market leader in Finland, Estonia and, following the acquisition of EVLE at the end of 2017, a growing presence in the Swedish district heating and industrial energy solutions market
- The company owns and operates a diversified high quality asset base, including nearly 300 sites across five countries and 569 heat production units, with a total installed capacity of c.1,900MW
- In January 2016, Adven was acquired by a consortium of AMP Capital and Infracapital, advised by DC Advisory (DC)

Process

- DC was engaged by Adven to provide debt advice on the arrangement of new debt facilities
- DC ran a comprehensive refinancing process engaging various sources of liquidity
- DC led a number of detailed work streams including financial modelling, business planning, due diligence, debt structuring and full documentation negotiations in order to address a number of key objectives:
 - Implement a long-term capital structure with a blended maturity profile by creating a common terms platform (bank, private placement and private fund debt);
 - Increase flexibility of facilities to support new acquisitions and further growth capex

in order to deliver the business plan;

- Locking in favourable pricing, rates and re-profiling covenants.

Outcome DC delivered a market leading outcome in meeting the company's refinancing objectives, including:

- Establishing a sustainable long term common terms platform with a seven-year bank and ten, 12 and 15-year private placement and fund tranches alongside a revolving capex facility and a general corporate purposes revolving credit facility;
- Reduced margins on the bank tranche and an attractive new covenant suite to fit the business plan;
- Refinancing risk reduced by multi-tenor financing, and on improved terms reflective of the growth that has been delivered by Adven and the stable, mature nature of the business;
- Increase flexibility in terms of minimising disruption to the day to day business and allowing the management team to run the business efficiently.