

Press Release

EFG Hermes' Vortex platform completes acquisition of TerraForm's 365 MW UK solar portfolio

The transaction makes Vortex one of the largest renewable energy focused investment vehicles in Europe, with EFG Hermes Private Equity Division's assets under management reaching USD 1.4bn

11 May 2017 (London, UK) — EFG Hermes announced today that Vortex, the European renewable energy platform managed by its private equity division, reached financial close today on its 100% acquisition of a 365 MW portfolio of 24 operational solar assets in the United Kingdom from TerraForm Power.

The landmark transaction marks Vortex's first investment in the solar energy sector and increases Vortex's total net operational capacity to 822 MW.

“In well under four years, Vortex evolved rapidly to become one of the largest renewable energy-focused investment vehicles in Europe with a wide range of solar and wind assets spreading across six countries in Europe, generating more than 1,500 GWh of renewable energy which is enough to power more than 350,000 households each year,” said Karim Moussa, Head of Asset Management and Private Equity at EFG Hermes.

“Vortex's success to date underpins our transformation from being a manager of investments across MENA to being an investment manager that caters to our client's specific needs in our region and beyond. Vortex will continue to target wind and solar acquisitions in Europe with a target of owning a total of more than 2 GW in generation capacity within three years,” Moussa added.

Vortex signed the c. GBP 470 million transaction (enterprise value) in January 2017. The equity share capital of the transaction was funded through a 50% subscription from Tenaga Nasional Berhad (“TNB”), one of the largest utility players in Asia with a market capitalization of c. USD 18 billion and a power generation capacity of 13 GW. The remaining 50% of the equity ticket was underwritten by EFG Hermes consistent with the merchant banking model that it announced last year.

Accordingly, Vortex plans to sell down 45% of the equity share capital of the transaction in the near future, retaining a 5% stake in line with its previous transaction structures. Vortex is also in the process of refinancing the portfolio's existing debt facilities.





Since its launch in late 2014, Vortex has successfully invested more than EUR 1.3 billion in the European renewables market. The UK solar portfolio joins an existing 457 MW (net) portfolio of operating onshore wind assets operated by EDP Renováveis SA across four Western European countries.

About EFG Hermes

With a current footprint spanning seven countries in the Middle East and North Africa, EFG Hermes started in Egypt and has grown over 30 years of success to become the region's leading investment bank. Drawing on our proven track-record and a team of 865 talented employees, we provide a wide spectrum of financial services that include investment banking, asset management, securities brokerage, research and private equity to the entire region.

Combining our strengths and expertise in the region, we offer our clients best-in-class products and services that are tailored to their needs to maximize their investment goals in a rapidly changing environment.

EFG Hermes' private equity arm is one of the Arab world's leading private-equity groups with a special focus on investing in infrastructure (particularly renewable energy), healthcare and consumer products. With more than 25 years of experience in investing across a broad industrial footprint, the firm is a leader in infrastructure private equity.

For further information about EFG Hermes, please visit www.efghermes.com and stay connected with us:    

About Vortex

Vortex was established in 2014 as an investment platform, sponsored by EFG Hermes, to pursue yielding renewable energy assets in Europe. Vortex comprises of a team of 10 dedicated infrastructure and private equity specialists with wide experience in global infrastructure and renewable energy investments.

Vortex acquired in 2014 a 49% stake in wind energy company EDPR France in a USD 208 million leveraged buyout and acquired a 664 MW portfolio spanning Spain, Portugal, Belgium, and France in 2016 for USD 620 million, bringing Vortex's net capacity in onshore wind to 457 MW.

About Tenaga Nasional Berhad (TNB)

TNB is one of the largest players operating in the utilities sector in Malaysia in Asia, primarily in the generation, transmission and distribution of electricity with a total installed capacity of c.12 GW as of FY2015. The Company has a strong integrated business model, encompassing the entire electricity value chain, in addition to a diverse generation mix (including coal, gas & hydro). TNB contributes about 50% of Malaysia's installed capacity, and is the sole owner and operator of peninsular Malaysia's electricity transmission and distribution network.

Listed on the Malaysian Stock Exchange with a market capitalization of around USD 20bn as of December 2016, TNB has a robust asset base exceeding USD 30bn and is looking to continue expanding it further through selective investments that drive changes to its business operations, amongst which is growing its geographical presence with a focus on renewable energy investments.

About TerraForm Power

TerraForm Power is a renewable energy company that is changing how energy is generated, distributed and owned. TerraForm Power creates value for its investors by owning and operating clean energy power plants. For more information about TerraForm Power, please visit: www.terraformpower.com

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Note on Forward-Looking Statements

In this press release, EFG Hermes may make forward looking statements, including, for example, statements about management's expectations, strategic objectives, growth opportunities and business prospects. These forward-looking statements are not historical facts but instead represent only EFG Hermes' belief regarding future events, many of which, by their nature are inherently uncertain and are beyond management's control and include among others, financial market volatility; actions and initiatives taken by current and potential competitors; general economic conditions and the effect of current, pending and future legislation, regulations and regulatory actions. Accordingly, the readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made.