

Financial Modelling



Their engagement process is detailed and draws out the real ‘ask’... this is fundamental to meeting deadlines with successful outcomes

Amey

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Evolnra built a flexible and future proof model... the team are professional, knowledgeable, reliable, and true masters of financial modelling

Reichmuth & Co

Introduction to Evolnra

Evolnra is a market-leading advisory and modelling practice, and as such, we specialise in providing modelling, financial model audit and financial modelling training to our clients across all sectors and sub-sectors within infrastructure and energy – including core infrastructure such as transport, social infrastructure, and utilities; energy infrastructure such as renewable energy, energy transition, and oil & gas; property and real estate; and mining and metals.

The Evolnra team has been at the forefront of the advancement of financial modelling best practice, with over 100 years of collective experience producing models and business tools to support hundreds of transactions. Consequently, Evolnra has a highly experienced and rigorously trained modelling team, senior members of which have over a decade of experience, resulting in the production of quality and user-friendly models.

We build best-practice financial models used for a wide variety of purposes - such as underpinning the financing of a project, determining the pricing of a bid or acquisition, performing 'what-if' analysis, or simply tracking

the performance of an operational asset for covenant reporting. We also frequently second staff to clients to alleviate resource constraints in busy periods.

Our consultants take pride in delivering bespoke modelling solutions to meet a specific business requirement. All our financial models are designed to be simple to use, intuitive to update and produce outputs that are transparent to all stakeholders.

Overview of Financial Modelling Services



Transaction Support

- Primary bid transaction models
- Refinancing and restructuring models
- Valuation models for equity purchases and sales
- Supporting business cases and prospective ventures



Operational / Portfolio Models

- Monitor performance of projects through construction and into operations phase
- Key is simplicity, robustness, and reliability
- Focus on end-users being able to update easily
- Project finance debt structures
- Clear end dates
- Often shortly after financial close



Corporate Models

- Similar principles as operational models, but with a corporate finance structure instead
- Focus on reporting timeframes, budgeting, and forecasting
- Model built for entity as a going concern



Secondments

- Help clients bridge the gap of staff departures and new arrivals
- Assist in periods of high demand
- Provide expertise where clients have a skill shortage

Sectors Covered

Our team has a deep understanding of modelling projects across the whole of the infrastructure and energy spectrum, including traditional ‘core’ sectors and emerging core-plus sub-sectors, including but not limited to:

Regulated and Unregulated Utilities	Oil & Gas Distribution Storage	Renewable Energy	Flexible Generation – Gas Peaking / Battery Storage
Waste	Biomass / Anaerobic Digestion	District Heating / Cooling	PFI/PPP
Social Infrastructure	Education	Commercial / Residential Property	Transport
Telecommunications and Fibre	Electric Vehicles	Data Centres	Healthcare

Their sector expertise and technical skills were key for them to understand our needs and reflect them in the final model.

Hermes Infrastructure



Transaction support

We have developed hundreds of models to support project sponsors and investors on infrastructure transaction, and can provide this service on either a standalone basis or as a part of a wider finance advisory engagement.

Whilst we pride ourselves on building reliable and informative models that give users confidence in the results, this is not however the full extent of the job; we passionately believe there is more to modelling than just inputting the required assumptions into a template model and ‘turning the handle’.

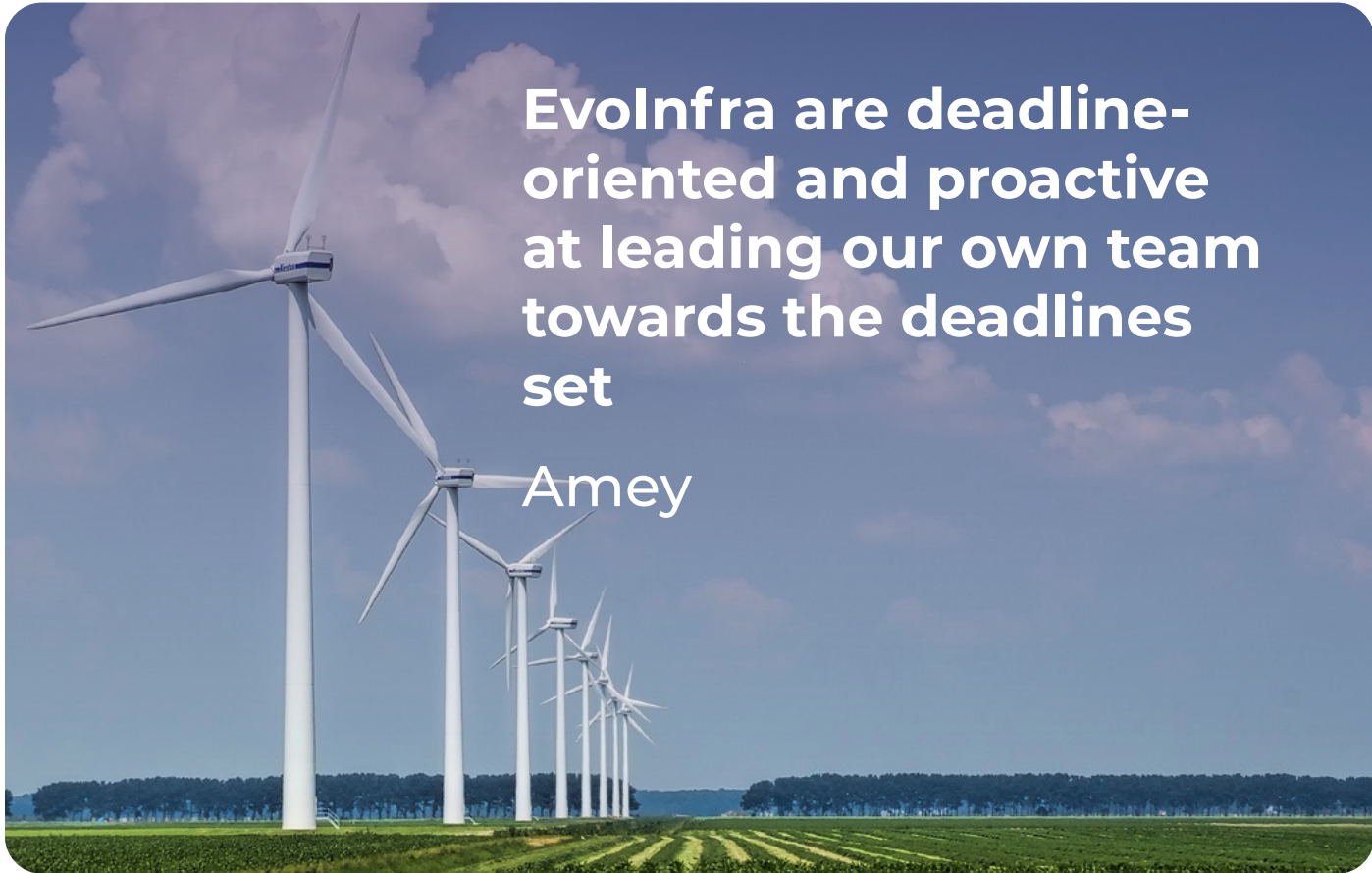
A good modeller will add value to the process – either by critically questioning the validity of inputs through application of his/her knowledge of the sector, providing informed input into commercial matters, or by using his/her detailed understanding of model dynamics to best achieve shareholder objectives given, for example, underlying funder constraints.

Our involvement typically commences at the early stages of transactions, through

development of a model and associated analyses to prove economic viability, whilst helping shape solutions through a full appraisal of options.

Our experience covers the full range of transaction types, including:

- Primary bid transaction models (incl. PFI/PPP);
- Refinancing and restructuring models;
- Valuation models for M&A (e.g. equity purchases or sales)
- Models to support business cases for prospective ventures.



Transaction modelling credentials

Engie

Appraisal model and transaction support for UK PRS development



Greencoat

Project Fen – UK’s most advanced greenhouse



Confidential

Aberdeen Hydrogen Energy Partnership, a green hydrogen DBFO project procured by the Aberdeen City Council



Pension Infrastructure Platform

UK wind portfolio acquisition and refinancing



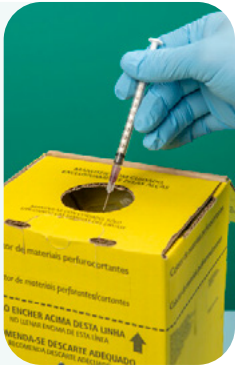
Hresys

Transaction model for the acquisition and financing of UK solar PV & battery storage co-location projects



Gresham House

Appraisal model for the development and operation of a clinical waste disposal project



Confidential

Transaction and modelling support in bidding for the EelPower JV, a 1.6GW pipeline of UK battery storage projects



Invesis

Assisting the acquisition of 100% stake in Asanti, a UK-based data centre operator, alongside an operational portfolio in the UK.



Operational/Corporate and Portfolio Modelling

Operational Models



In addition to developing financial models that underpin project finance transactions, we also use our financial modelling expertise to help clients monitor the performance of projects through construction or once facilities are operational. Operational models are built for project financed assets with a clear end date. This can be done on a single SPV basis or through the construction of portfolio models where a project consists of multiple assets or SPVS.

An operational model is based on the underlying logic of the financial close model but often includes additional functionality and a more granular level of detail for the SPV manager to accurately record and forecast the project contracts from an accounting and tax perspective.



Key to the success of any operational model is simplicity, with a focus on end-users being able to update the model with actual financial results and a short/medium term budget forecast. This process should be straight-forward and robust but with sufficient error checks included to guard against mistakes, and ensure reliability.

Operational modelling credentials


Oslofjord Varme
One of the leading district heating and cooling companies in Norway





Amey
Individual asset operational models for four energy from waste investments





Vattenfall
Blakliden Fäbodberget, Europe's largest onshore wind farm



Northleaf Capital Partners
Project Mula, 494MW Solar Farm in Spain



Islalink
Operator of submarine fibre optic cables connecting mainland Spain, Italy and Greece with regional islands



Our process starts with an initial scoping meeting to ensure a full understanding of project requirements. Once this is understood we agree timescales to complete, with early drafts of outputs subsequently produced to give clients the opportunity to feed back on model design before significant development time is expended.

Outputs will not only cover internal reporting requirements and valuation, but, following review of funding documentation, will also be designed with funder compliance reporting in mind.

On completion of the operational model development we prepare a full reconciliation of results to the original financial close model, giving both clients and funders confidence in the starting position. We also provide bespoke user-guides where required.

EvoInfra has developed operational models covering a broad range of sectors including waste, accommodation, renewable energy, utilities, district heating, power, transport, healthcare and wider infrastructure sectors.

Portfolio and Fund Models

Portfolio models have also been developed for a number of infrastructure funds, producing the key information required for fund level reporting. We have also designed portfolio models that report performance on both operational projects as well as those still in construction, that have investments in multiple jurisdictions (with their corresponding tax treatments), and incorporating various debt structures and accounting treatments.

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Portfolio and fund modelling credentials

Stratera Energy
Statara Energy Portfolio II, a leading developer of flexible generation assets (battery storage / gas peaking)



Gresham House
PRS development portfolio allowing for project appraisal and portfolio consolidation of individual developments



Pensions Infrastructure Platform
Portfolio of UK onshore wind assets



Alight Energy
Alight II portfolio model, for rooftop and solar PV assets across jurisdictions



John Laing
Glasfaser Direkt, a rural FTTH platform in Germany



Hermes Infrastructure
Fund Model to evaluate, monitor, and manage existing and future investments



Corporate modelling

Whilst an operational model is usually created for a single or multiple SPV project financed asset(s) with a clear end date, a corporate model is created for an entity as a going concern, with a corporate finance debt structure with its associated reporting requirements.

The fundamental modelling approach remains the same for a corporate model as an operational model, however the level of detail contained therein, along with the reporting timeframe, may be very different.

We have developed corporate models to assist in short to medium-term treasury management, for covenant reporting on corporate debt facilities, to assist in the decision-making processes for restructuring businesses, and for general budgeting and forecasting purposes.

The initial consultative and scoping process is particularly important when developing a corporate model given the potential broadness of the task, the need to strike the right balance between the level of detail and usability of the model, as well as the variety of stakeholders who may be involved.

Corporate modelling credentials

Interparking

One of Europe's largest car park management companies with operations across nine countries, 900+ car parks



Confidential

Europe's third largest private water company and seventh in the world, with both regulated and unregulated business units



Scotia Gas Network

One of the largest regulated gas utilities in the UK



GGND

Portugal's largest regulated gas distribution network



Associated British Ports

The UK's leading port operator with a network of over 20 ports across Britain



Acciona Energia Internacional

A global renewable energy platform, active across OECD countries



Secondments

We have a large team of dedicated financial modelling and analytical resources of all levels of experience. We frequently second members of this team to clients on one-week assignments through to six months periods or more to:

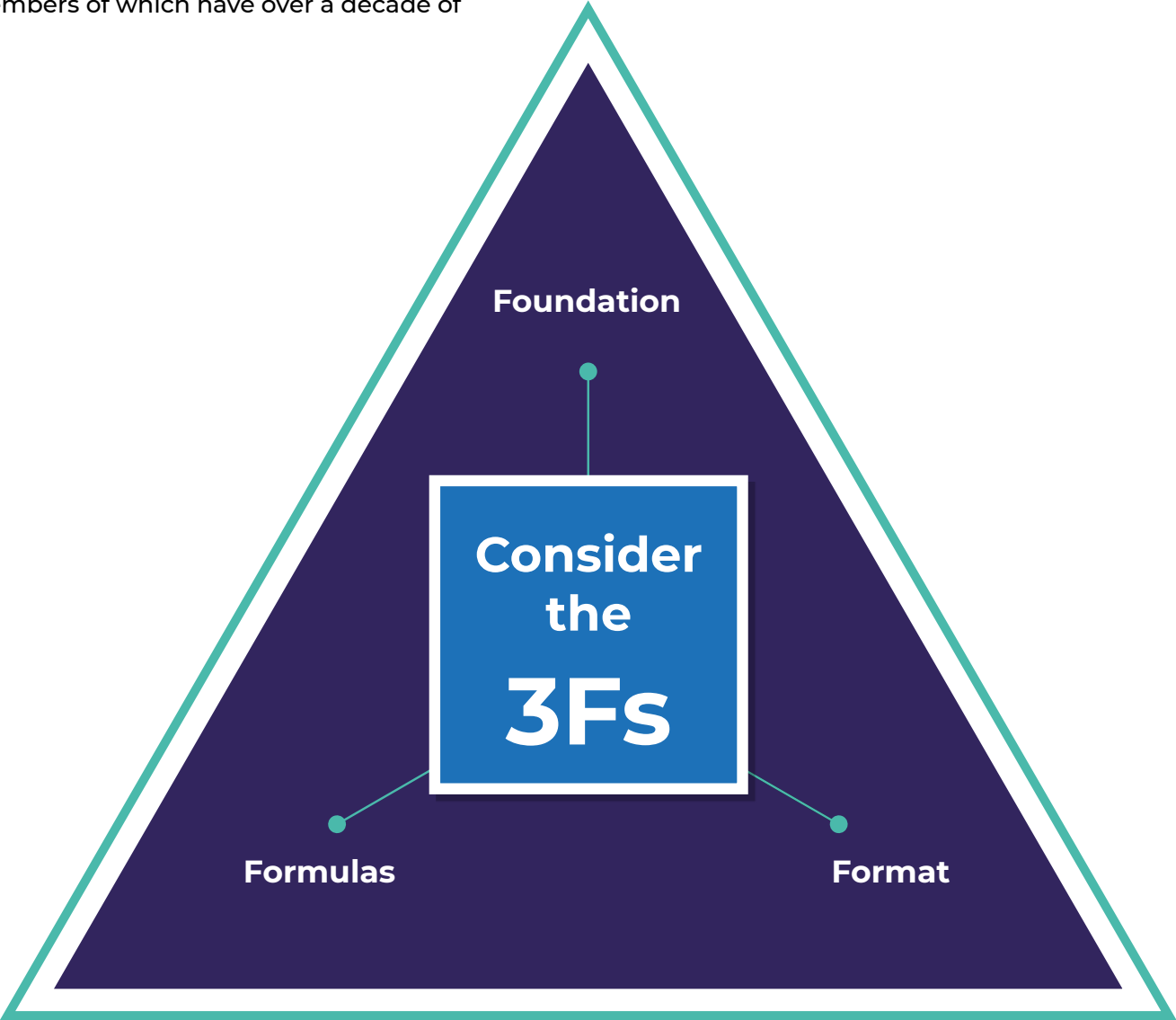
- Help clients bridge the gap between staff departures and new arrivals;
- Assist in periods of particularly high demand (e.g. year end); and
- Provide expertise in a particular area where the client may have a skill shortage.



Methodology: Modelling Best Practice & Standards

The EvolnInfra team has been at the forefront of the advancement of financial modelling best practice, with over 100 years of collective experience producing models and business tools to support hundreds of transactions. Consequently, EvolnInfra has a highly experienced and rigorously trained modelling team, senior members of which have over a decade of

experience, resulting in the production of quality and user-friendly models. All our financial models are designed to be simple to use, intuitive to update and produce outputs that are transparent to all stakeholders. The “3Fs” underpin our approach to best practice financial modelling.



EvolnInfra were extremely detailed throughout the project, with constant communication... It was clear to me they had a high attention to detail... to deliver a well designed model

Northleaf Capital Partners

3Fs

FOUNDATION

- Separation of inputs, calculations and outputs
- Consistency in calculation structure throughout
- Clearly laid out worksheets with the end user in mind
- Informative dashboard and bespoke output sheets
- Flexible, future proof and easy to use
- Minimal use of VBA

FORMAT

- Consistent use of Excel style pallet
- Clearly formatted input cells
- Consistent labelling of all inputs and calculations
- Consistent labelling of units and calculation of row totals
- Use of dynamic conditional formatting to highlight flags and model integrity checks
- Use of row and column grouping to allow user to quickly find relevant section
- Avoid hiding calculations and sheets

FORMULAE

- Avoid multiple IF statements
- Use of short, easy to follow calculation logic
- Shorten formula structure by not calling up inputs and calculations from other worksheets
- Minimise use of confusing Array formulae
- Avoid using hard coded values within a formula
- One formula per row or column
- Consistent timeline between the worksheets

Global Coverage

Always sensible, responsive, and proactive in coming up with ways to resolve potential issues and improve the usability of our models

Gresham House



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