



*cutting through complexity*

# Successfully funding a biofuels project – biodiesel example

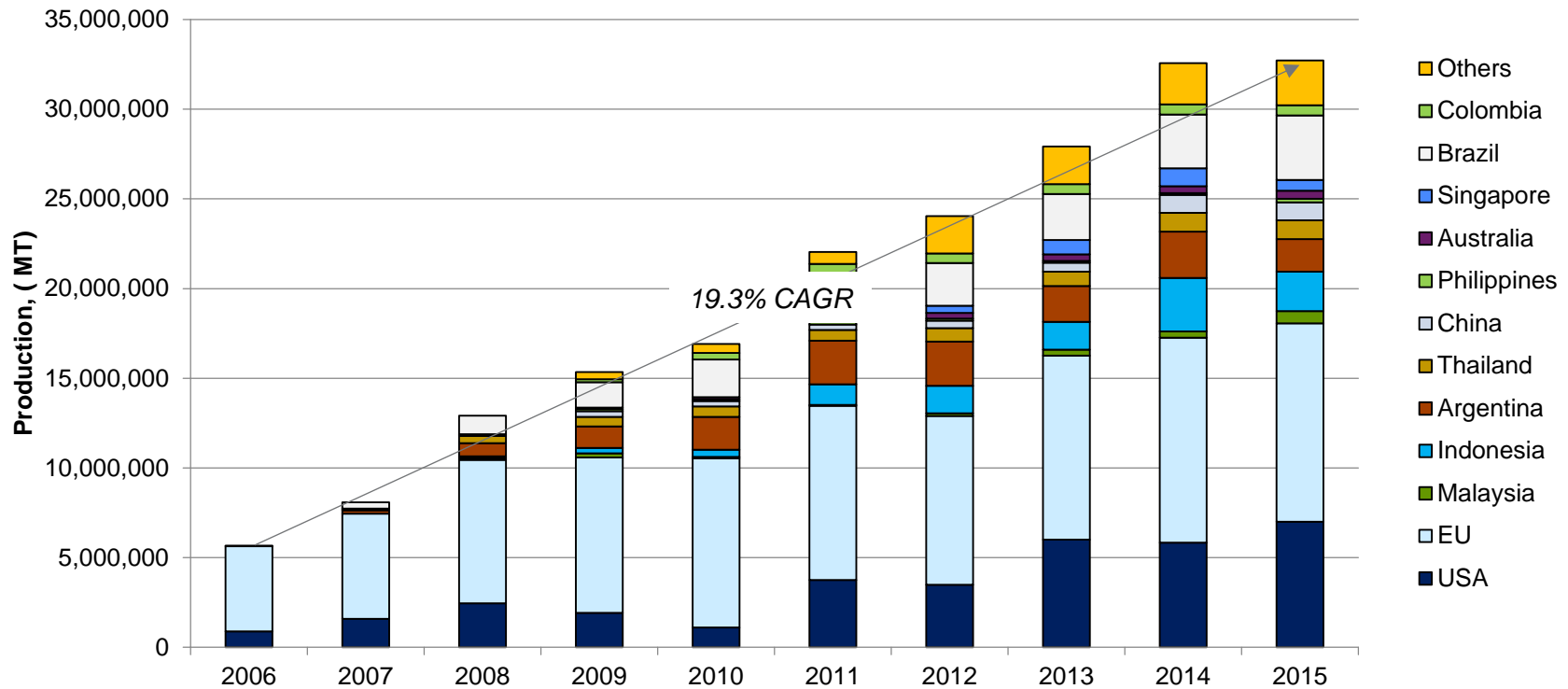
Petrofed Conference

11<sup>th</sup> May 2016

## Biodiesel has grown exponentially over the years

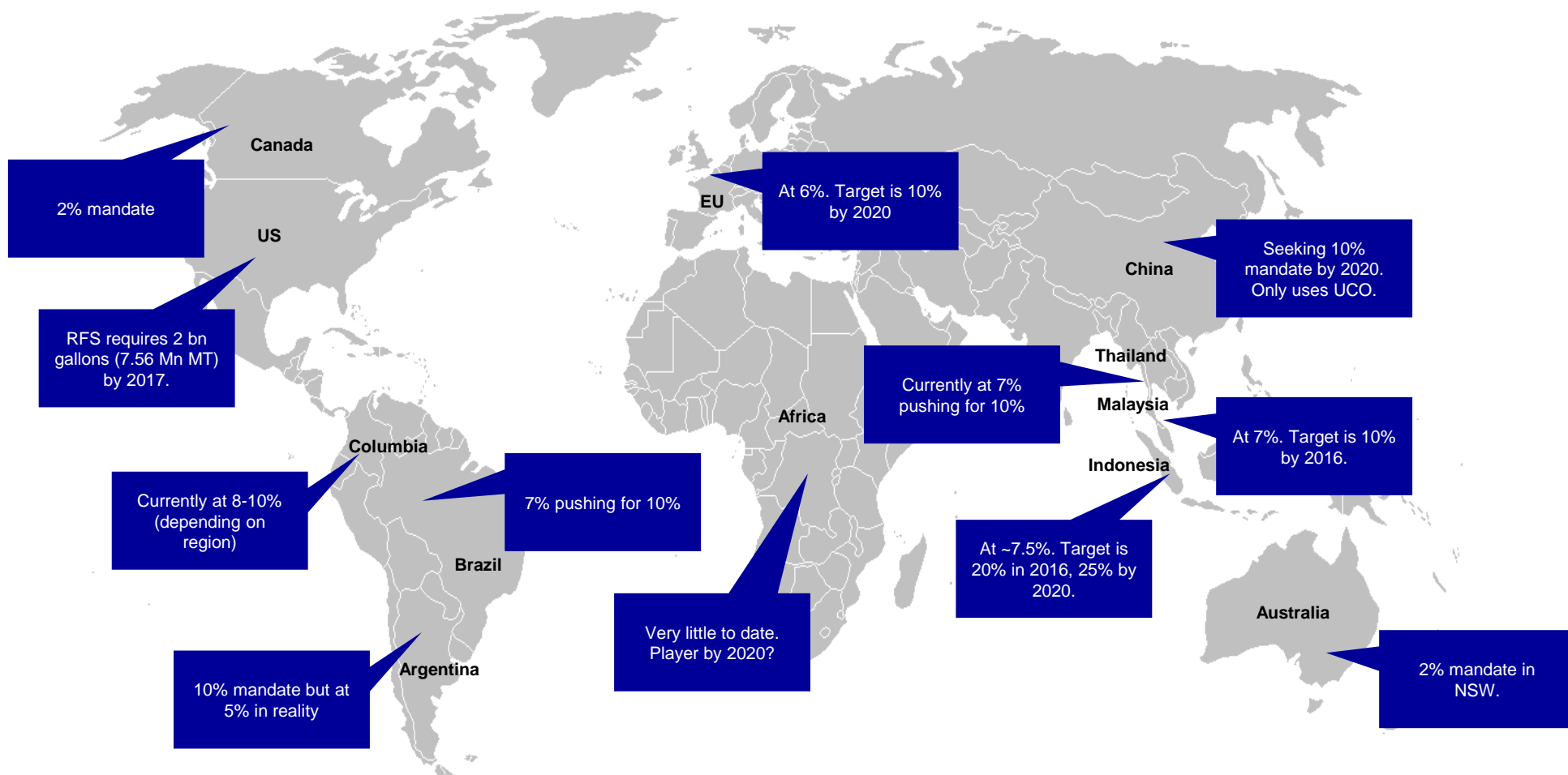
▶ Biodiesel has grown rapidly on a global basis in spite of having been targeted by various groups (NGO's, Auto lobbies), as well as a volatile crude markets, and often unclear or shifting mandates

**Biodiesel Production - 2006 to 2015F, Metric Tonnes**

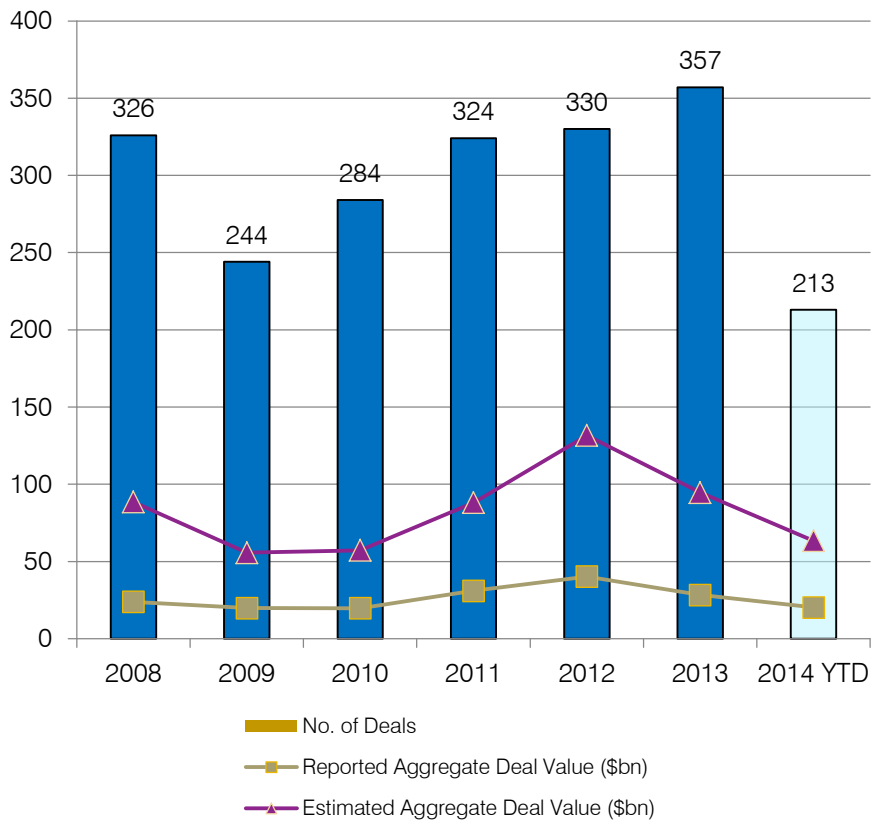


Sources: OECD, F&S estimates, KPMG analysis

▶ *Mandates have been a key driver of biofuels growth over the years*

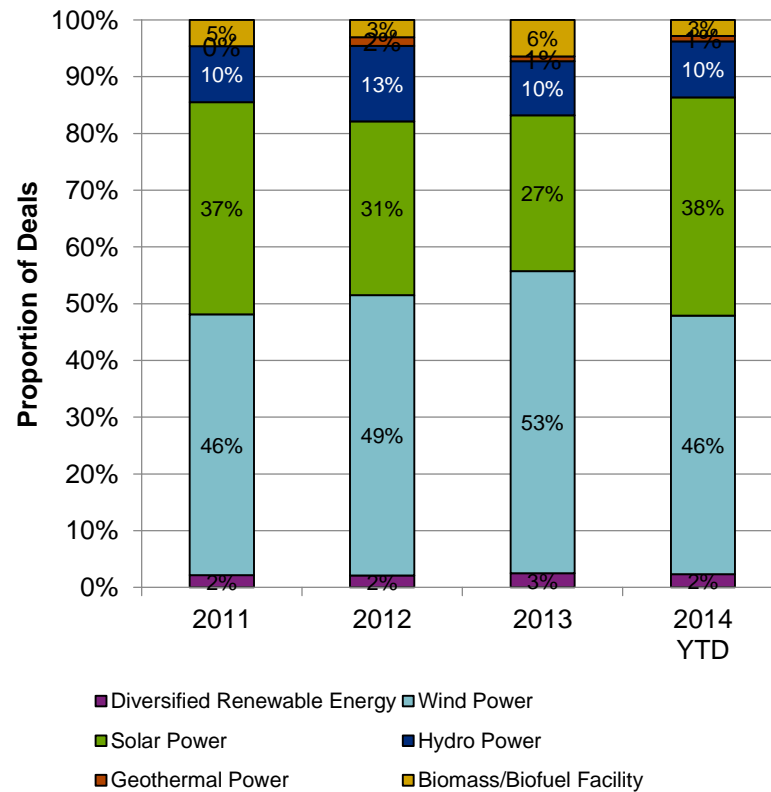


Number and Aggregate Value of Renewable Energy Infrastructure Deals, 2008 - 2014 YTD (As at 6 October 2014)



Source: Preqin

Breakdown of Renewable Energy Infrastructure Deals by Industry, 2011 - 2014 YTD (As at 6 October 2014)



Source: Preqin

Fundable  
project

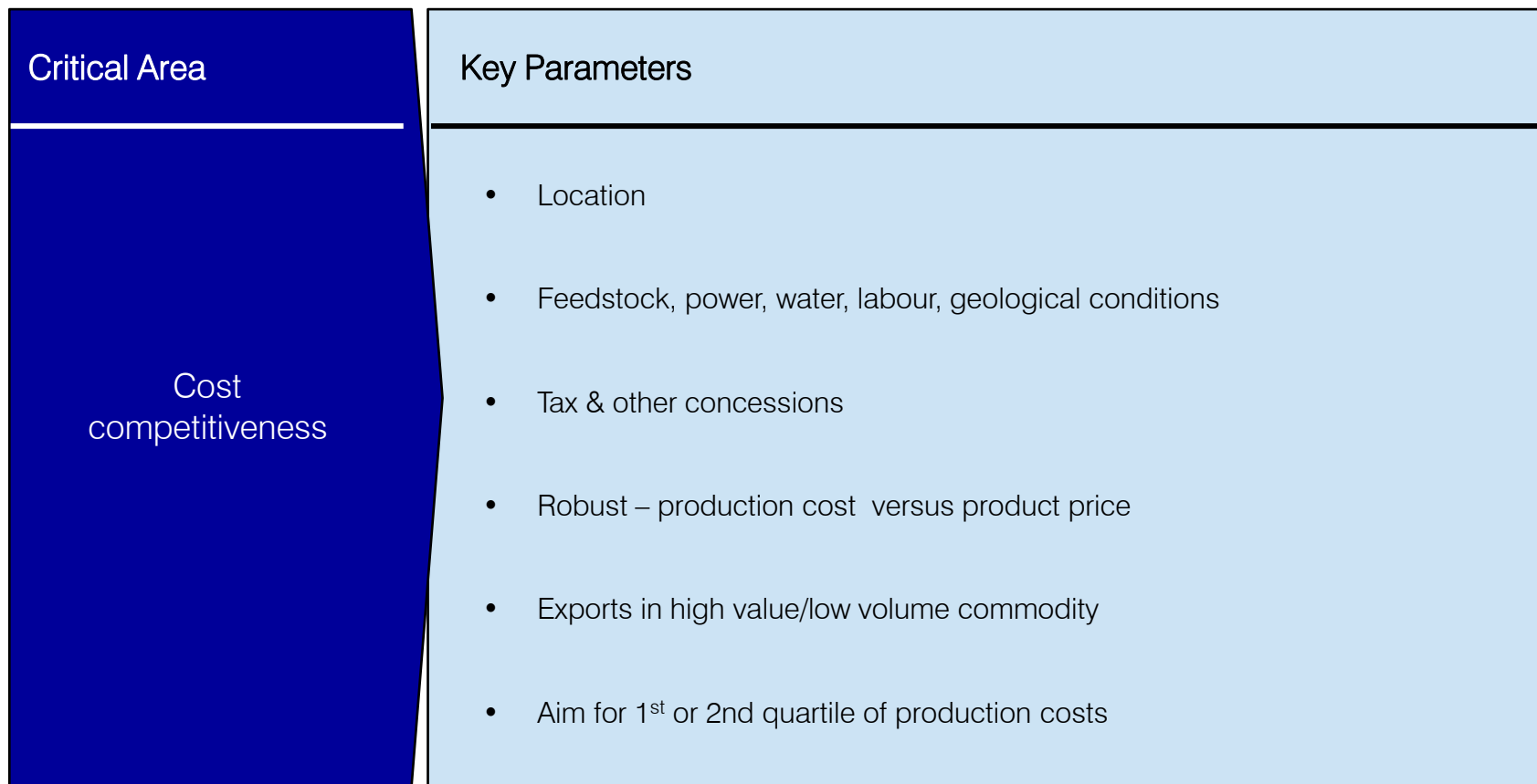
Technically Sound – Any USP's, offtake?

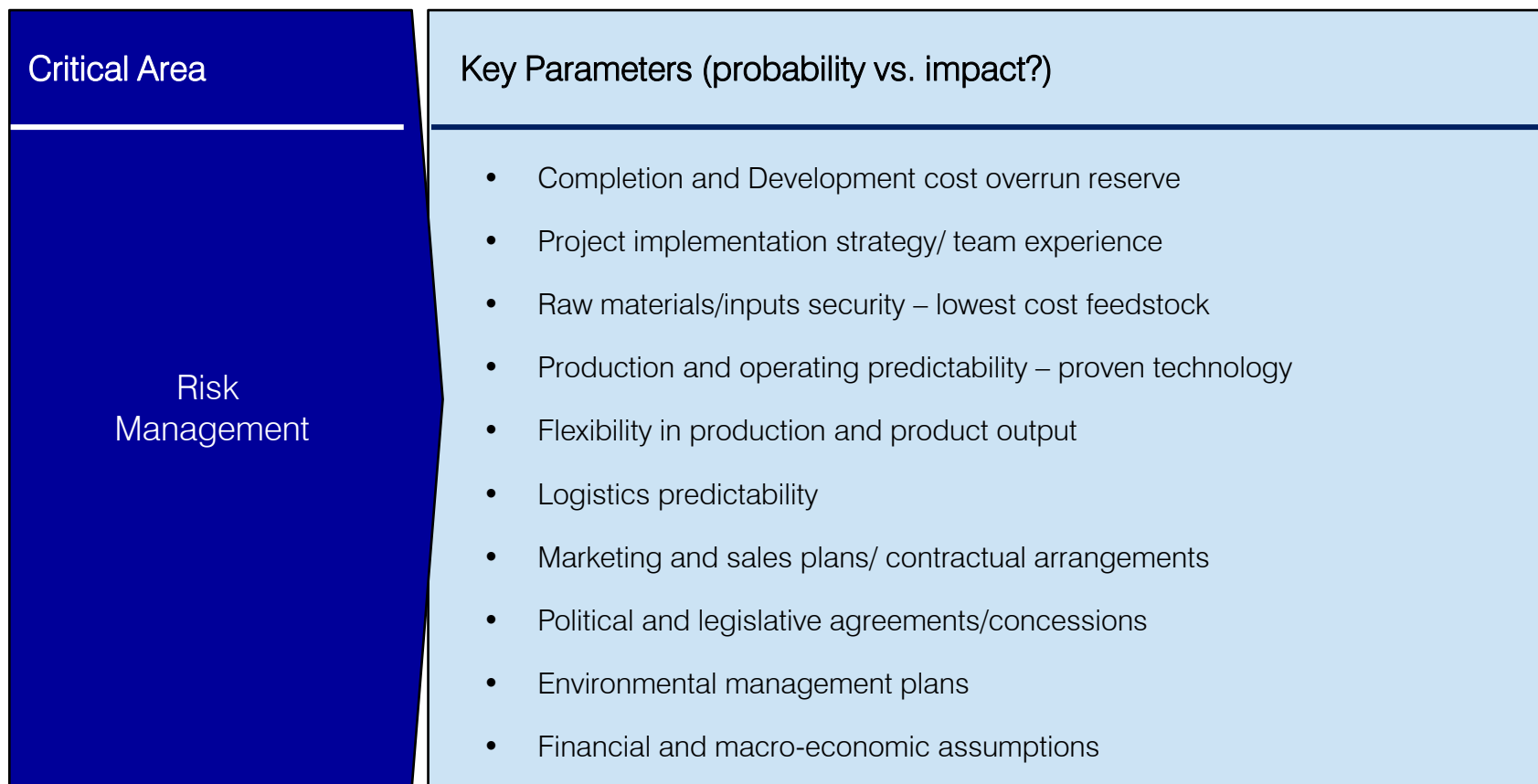
Economic Feasibility – Feedstock, contracts?

Financial Feasibility – Scenarios

Risk – Country, project, legal etc.

Sound management team – track record



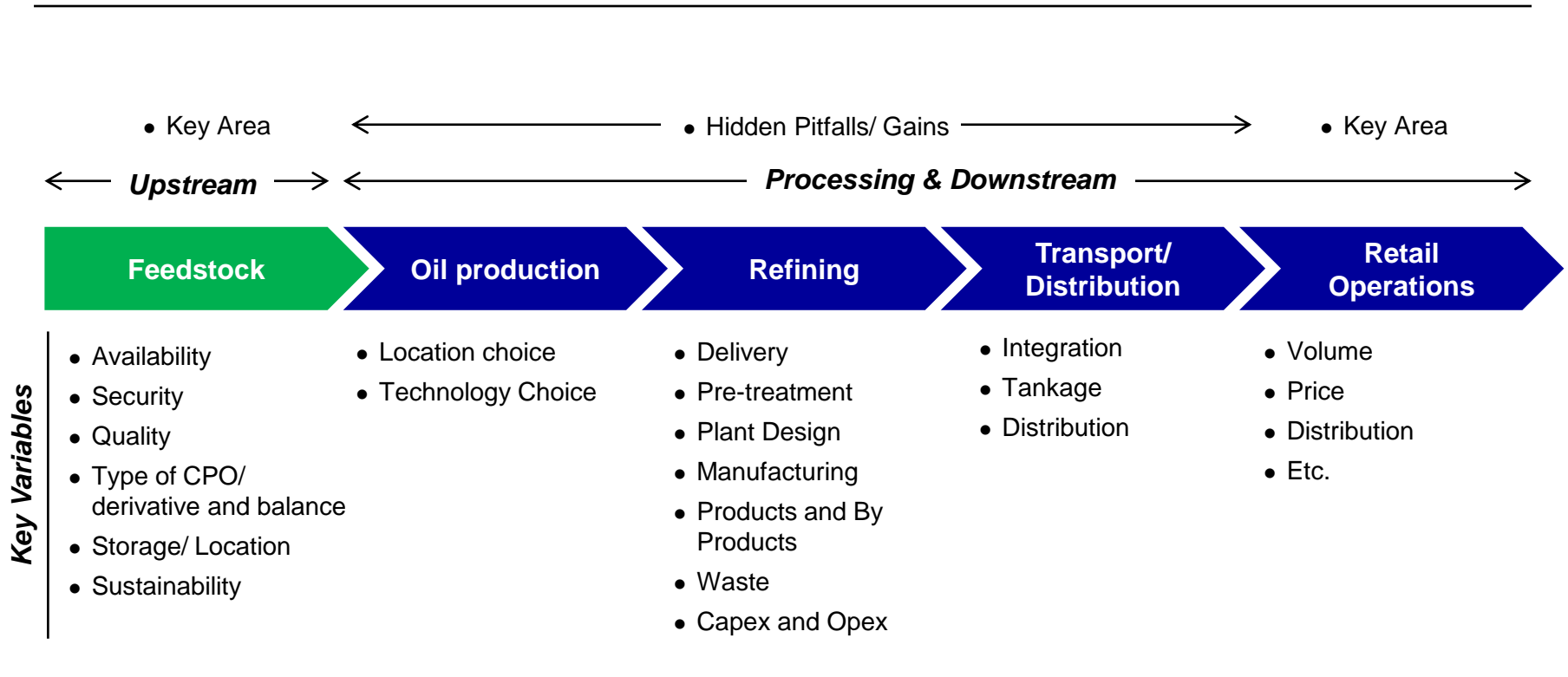






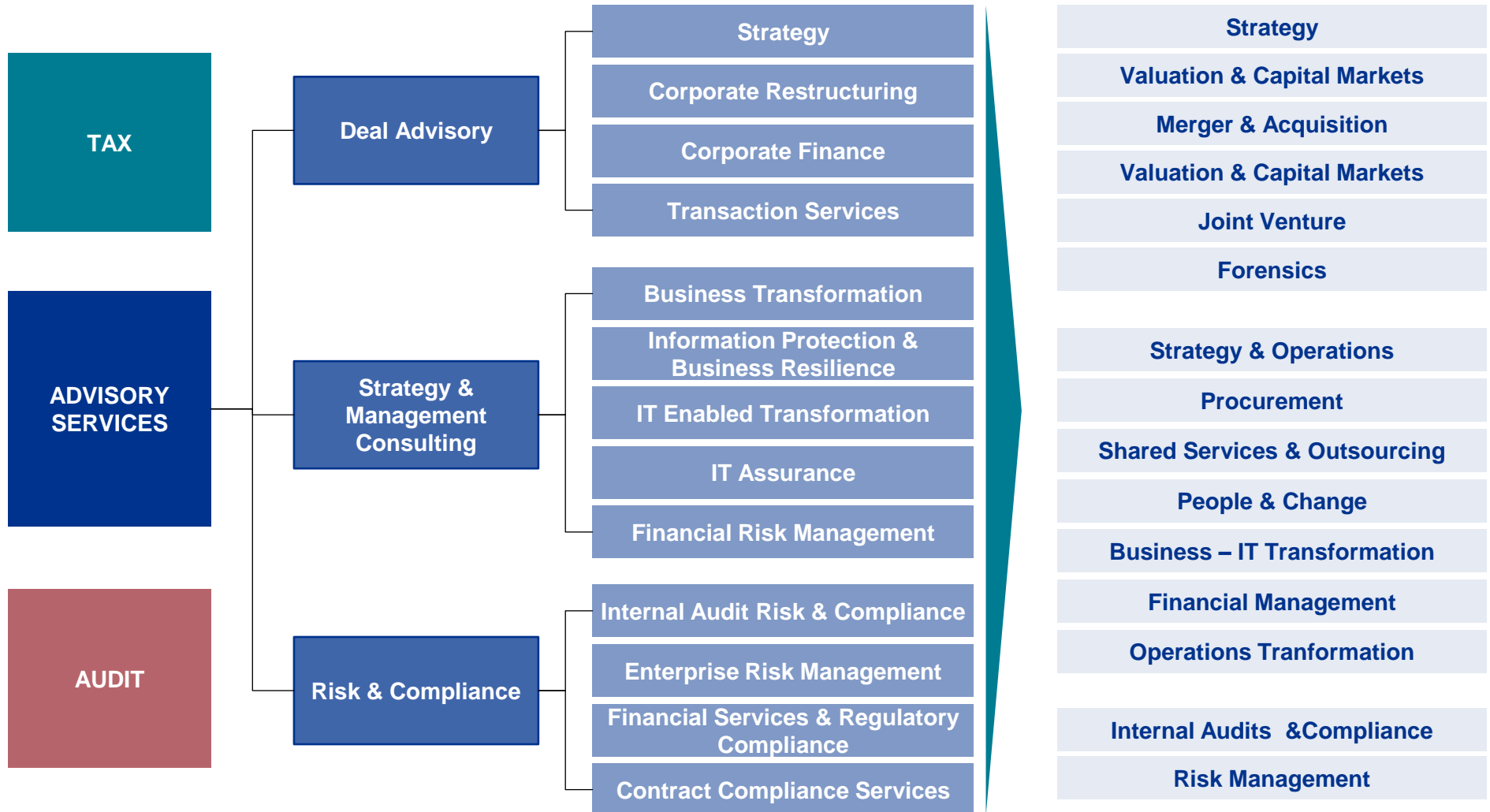
Critical Area	Key Parameters
<p style="text-align: center;">Bank Financing</p>	<ul style="list-style-type: none"> <li>• All revenues flow into single project account</li> <li>• Agreements govern allocation of cash flows according to priorities / waterfall</li> <li>• Debt service reserve account, maintenance reserve account up to 3-6 months P&amp;L</li> <li>• Negative covenants for shareholders dividends or repayments</li> <li>• Cash sweep / mandatory prepayment.</li> <li>• DSCR Covenants set at levels based upon stress testing of the Base Case Model. Can be forward or backward looking.</li> </ul>

### Biofuels Value Chain and Key Variables



# Our Proposition

**Our Service Offerings**



### Functional Breakdown

ADVISORY					TAX	AUDIT
STRATEGY & OPERATIONS	PEOPLE, ORG. & ADMIN	COST & PERFORMANCE MGMT	CONTROLS, QUALITY & RISK MGMT	CORPORATE FINANCE & RESTRUCTURING		
Market Entry Strategy	Post Merger Integration	Project Estimating Cost	Project Scope Management	Mergers & Acquisitions	Resource Tax	External Audit
Organization Strategy	Change or Stakeholder Management	Financial Management	Risk Management	Valuation	International Expat Services	Governance, Risk and Compliance
Operations Strategy	Human Resources & Labour	Asset Management	Environment Health & Safety	Corporate Structures and Planning	International Tax	Regulatory Advisory
		Supply Chain Management	Quality Management	Due Diligence	Corporate Tax	
		Procurement Management	Project Management	Financial Modeling	Indirect Tax	
		Shared Services & Outsourcing		Forensics		
		Information Management				



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