



## **Ancala Partners agrees to sell Green Highland Renewables**

- **Unconditional agreement to sell GHR follows completion of strategy to transform the company from a hydro developer into a leading independent owner and operator of hydro power plants**

- **London, 4<sup>th</sup> December, 2017** – Ancala Partners LLP ('Ancala'), the independent mid-market infrastructure investment manager, today announces the agreement to sell its hydro power renewables business, Green Highland Renewables ('GHR'), for an undisclosed sum to SIMEC, the energy arm of the global energy, metals and industrials group, the GFG Alliance. The transaction is unconditional and is scheduled to complete before the end of February 2018.

Ancala acquired GHR in April 2015 and through a buy-and-build strategy it has transformed the business from a hydro plant developer into the UK's leading independent owner and operator of hydro power plants.

Ancala invested in GHR, which has two offices in Perth and Dingwall, Scotland, as a platform to execute a consolidation and development strategy within the fragmented UK hydro sector. Following Ancala's investment, GHR has significantly outperformed its acquisition business plan with its portfolio quadrupling in size over three years of ownership. GHR currently has 18 operating projects with a total capacity of over 23 MW and another four under development with a total capacity of 8 MW. The portfolio will comprise over 31 MW of installed capacity once development projects are complete.

A key factor in the success of Ancala's strategy has been the growth in GHR's hydro portfolio through development of new plants and select acquisitions. Earlier this year, Ancala announced that it had raised £51 million of debt facilities for Green Highland Hydro, the asset ownership vehicle for hydro power assets developed by GHR.

The appointment of Ancala Industry Partners Duncan Whyte and David Owens to GHR's board introduced enhanced operating and reporting procedures and policies to improve information flows and decision making. Other highlights included the acquisition of four hydro assets with a total capacity of over 8 MW and the completion of all hydro development projects on time and on budget through close monitoring and proactive asset management.



**Spence Clunie, Managing Partner, Ancala Partners, commented:**

“Our strategy of transforming GHR into one of the leading independent owners and operators of hydro plants in the UK has been successful. We thank the GHR team for their contribution and wish them continued success.

“Ancala remains committed to pursuing opportunities in the UK and European mid-market infrastructure sector which provide inflation-linked, stable cash flows for our investors.”

**Ian Cartwright, Managing Director, Green Highland Renewables, commented:**

“We have enjoyed working with Ancala Partners over the past three years. Ancala saw the opportunity to grow GHR through targeted investment and operational improvement. The access to capital and operating expertise they have provided have allowed us to transform GHR into the UK’s leading independent owner and operator of hydro power plants.”

**For more information, see the website: [www.ancala.com](http://www.ancala.com) or contact:**

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**Notes to Editors**

**About Ancala Partners**

Ancala Partners is an independent infrastructure investment manager.

Ancala launched its UK Mid-Market Infrastructure Platform in February 2016 to meet the requirements of long-term investors looking for enhanced returns from core mid-market infrastructure investments in the UK. Ancala now has over £850 million in funds under management (as at December 2017).

The investment team combines experienced infrastructure investors with operational leaders who have a proven track record of de-risking businesses and improving cashflow through pro-active asset



management, thereby protecting and enhancing returns. Ancala's senior partners are market and industry veterans with over 200 years' experience.

### **About Green Highland Renewables**

GHR is a Scottish company with offices in Perth and Dingwall.

It has been developing run-of-river hydro schemes since 2007, from initial concept through to consent, construction, commissioning and generation. It has extensive in-house capabilities covering planning, development, civil, mechanical and electrical engineering, as well as operations and maintenance.

It has developed 45 hydro schemes with approximately 41MW capacity.