

## Update on acquisitions of ASX-listed renewables developers

In its formal bidder's statement, Philipines UAC Energy has urged Infigen shareholders to accept its takeover bid of \$0.80 a share, while Infigen remained adamant no action should be taken in relation to the "opportunistic" offer. Previously, the acquisition of another prominent renewables developer, Windlab, was greenlit in a landslide shareholder vote.

JUNE 11, 2020 **MARIJA MAISCH**



Hybrid arrays have a number of advantages in terms of production profile and optimizing grid connection.

*Image: Wikimedia / Armin Kübelbeck*

### Windlab acquisition moves forward

The acquisition of another publically listed renewable energy developer, Windlab, passed an important milestone last week after shareholders overwhelmingly voted in support of the deal. The developer behind the landmark Kennedy Energy Park, Australia's first project on a major grid to combine wind, solar and battery technologies, received **the takeover bid** in March from a consortium consisting of private equity investor Federation Asset Management and Squadron Wind Energy Development, owned by Andrew Forrest's Mindereroo Group.

Already a major Windlab shareholder with an 18.4% stake, Federation had previously offered to pay Windlab \$1 per share, valuing the company at around \$70 million. The offer represented a nearly 40% premium on the share price prior to the announcement of the takeover bid with Windlab's shares trading at around \$0.72.

Prior to the vote, the Windlab board of directors unanimously recommended that shareholders approve the offer. The company announcement released on Friday revealed that 99.6% of shareholder votes cast on the poll were in favor of the deal.

As part of the takeover proposal, Federation and Squadron have agreed to provide a loan of up to \$20 million to Windlab for a period of three years to help the developer manage through any delays on its projects, including the embattled Kennedy Energy Park. Following months of connection delays, Windlab confirmed a \$29.4 million write-down on its landmark project.

Prior to the write-down announcement, Windlab and contractors Danish Vestas Wind Systems and U.S. Quanta Services engaged in an out-of-court dispute following an adjudication that ruled Windlab would be the sole party to bear the costs of delays at the Kennedy hub. According to the latest update, the stand-still agreement and the ongoing dispute have been further extended until June 30.

Construction of the Kennedy hub – combining 43 MW of wind, 15 MW of solar and a 2MW/4MWh Tesla battery – was completed in December 2018. The project located east of Hughenden in Queensland was energized in August last year but its commercial operation has been delayed due to complications in the connection process. Today, the project is behind schedule for over 20 months.

The takeover of Windlab, which was originally a spin-off of the CSIRO founded with the goal to commercialize innovative wind farm optimization software but later shifted its focus to project development, is now subject to the approval of the Supreme Court of New South Wales. The acquisition is expected to be finalized by 26 June.

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