Shuaibah Expansion II IWP





Kingdom of Saudi Arabia

Key features of the financing:

- Financing of a 55 MIGD Reverse-Osmosis Desalination Plant;
- Project emerged with an unsolicited biding proposal from the Sponsor to the government-owned utility, a framework that is gaining momentum in our region given the urgent need for greenfield infrastructures to be developed by the private sector in a context of economic diversification, especially in Saudi Arabia;
- Natixis fully arranged the USD 100m Fixed Rate Tranche placed with our NBFI partners prior to signing date, a first for a greenfield financing in the Middle East for Natixis; and
- Natixis also acted as Mandated Lead Arranger and Hedge Provider.



Hedge Provider

SPONSORS

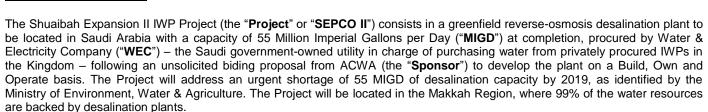
ACWA Power ("ACWA")

100%

PROJECT COMPANY

Shuaibah Two Water Development Project Company (the "Project Company")

PROJECT DESCRIPTION



Construction of the Project is scheduled to last for c. 2 years with Scheduled COD set for the first half of 2019. The EPC Contractor is a joint-venture (the "EPC JV") comprising Fisia, a fully owned subsidiary of Salini Impregilo with extensive EPC credentials for thermal desalination plants in the Middle East, and Abeinsa, a subsidiary of Abengoa with unparalleled experience in designing plants and procuring equipment for reverse-osmosis desalination projects globally.

The plant's entire desalination capacity and water output is contracted for 25 years post-completion to WEC under the terms of the Water Purchase Agreement ("WPA") signed between the Project Company and WEC. An O&M Contract co-terminus with the WPA has also been executed between the Project Company and NOMAC, ACWA's fully owned O&M services provider.

FINANCING

Total project costs of USD 315m will be financed through Commercial Base Facilities split across a USD 167m Floating Rate Tranche and a USD 100m Fixed Rate Tranche, with remaining costs funded by an Equity Bridge Loan based on a debt-to-equity ratio of 85:15. An additional Commercial Standby Facility was also raised to fund any potential cost overruns. The tenor runs for 23.5 years door-to-door with a balloon.

The original bank pool comprises **Natixis**, MUFG, SCB and KDB, with Natixis' two Korean NBFI partners, Samsung Life Insurance and KB Insurance, also being lenders of record as at signing date.

ROLE OF NATIXIS

Natixis fully arranged the USD 100m Fixed Rate Tranche, placed with Samsung Life Insurance and KB Insurance prior to signing date under our co-investment agreements, and Natixis will assist them throughout loan life with ongoing servicing.

Natixis also acted as Mandated Lead Arranger and Hedge Provider.

