

Clifford Capital Pte. Ltd.

\$458mm Issuance of CLO Notes

Case Study

The Client This transaction was Clifford Capital's inaugural securitization of a portfolio of project & infrastructure finance loans, and also the first-ever CLO of its kind from APAC, leading capital markets development for infrastructure finance. Citi was the Joint Global Coordinator and Joint Lead Manager in this transaction.

The Challenge Clifford Capital (CCPL) is a Singapore-based project finance specialist and is 40.5% owned by Temasek Holdings. This transaction is CCPL's debut issuance of CLO notes backed by 30 projects across diverse sectors including power, water, transportation and natural resources located in APAC and the Middle East. These projects are marquee projects in the regions, with large international corporates, state owned enterprises, or government sponsors as offtakers and sponsors.

Aim: To arrive at the most optimal capital structure and mobilize institutional investor liquidity into the project finance market which has traditionally been financed by banks' balance sheets.

The Solution The CLO structuring process involved a two-track workflow:

- (i) rating of the underlying projects; and
- (ii) deriving the CLO capital structure

Close coordination with Moody's was critical in arriving at the most efficient capital structure for Clifford Capital.

In addition, Citi arranged for multiple non-deal roadshows and investor education efforts (Q&A, teleconference), including extensive investor pre-marketing across APAC, Europe and the Middle East.

The Result **The transaction announced on 17 July 2018 with indication of interest (IOI) oversubscription for each of the classes. Through comprehensive and strategic marketing process, the IOI-to-final order conversion rate was high. Until pricing on July 25th, orders totaled over \$750mm from ~25 different investors, featuring notable sponsorship from high quality institutional buyer base not typically active in the structured financing/project & infrastructure finance space. Citi had played a pivotal role in the marketing and bookbuilding process, by proactively reaching out to investors for feedback, addressing investors' questions and acting as billing and delivery bank to ensure live orderbook update among all banks.**