

Clifford Capital prices Bayfront Infrastructure Capital V US\$508.3 million infrastructure asset-backed securities

- Bayfront Infrastructure Capital V is the fifth, and largest, IABS issuance to date by Clifford Capital.
- Reinforces strong investor demand for IABS and Clifford Capital’s ability, through Bayfront, to mobilise institutional capital into more infrastructure debt financing.
- BIC V offers a diversified portfolio of senior ranking project and infrastructure loans and bonds across multiple geographies and sectors.
- Expanded ESG focus on assets within ‘new economy’ sectors, including renewable energy, digital infrastructure, transportation and education.

Singapore, 11 July 2024 – Clifford Capital, an infrastructure financing platform based in Singapore, is pleased to announce the successful pricing of its fifth public infrastructure asset-backed securities (“IABS”) transaction and its largest to date.

Bayfront Infrastructure Capital V Pte. Ltd. (“**BIC V**”) is a wholly owned and newly incorporated distribution vehicle of Bayfront Infrastructure Management Pte. Ltd. (“**Bayfront**”), a subsidiary of Clifford Capital that also includes the Asian Infrastructure Investment Bank (“**AIIB**”) as a shareholder.

Clifford Capital has now structured and placed five public IABS transactions totalling US\$2.2 billion. Cumulatively since the initial BIC issuance in 2018, seven IABS tranches have received ratings upgrades from Moody’s, including most recently BIC III Class B and Class C notes in June 2024.

BIC V features a portfolio size of approximately US\$508.3 million spread across 37 individual loans and bonds, 36 projects, 15 countries and 10 industry sub-sectors. Amongst all IABS issued to date, BIC V has the highest proportion of sustainable assets, with an initial aggregate principal balance of US\$218.4 million of eligible green and social assets, as defined under Bayfront’s Sustainable Finance Framework, which represent 43.0% of the aggregate principal balance of the portfolio.

Overview of the Issuance

Class	Amount (US\$ million)	Ratings (Moody’s)	Spread (over SOFR)	Issue Price
A1	208.7	Aaa (sf)	140.0 bps	100.0%
A1-SU	145.0	Aaa (sf)	137.5 bps	100.0%
B	76.8	Aa1 (sf)	180.0 bps	100.0%
C	32.0	A3 (sf)	350.0 bps	100.0%
D ¹	20.3	Unrated	275.0 bps	100.0%
Preference Shares	25.5	N/A	N/A	N/A
Total	508.3			

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¹ The Class D Notes benefit from a guarantee from GuarantCo Ltd for principal and interest amounts payable.

Five classes of notes (Class A1, Class A1-SU, Class B, Class C and Class D) of US\$482.8 million in aggregate principal amount were offered to institutional investors. The Class A1, Class A1-SU, Class B and Class C Notes (the “**Rated Notes**”) are rated investment grade by Moody’s and will be listed on the Singapore Exchange. The Class D Notes benefit from a guarantee from GuarantCo Ltd (“**GuarantCo**”), which is rated A1 by Moody’s and AA- by Fitch as of June 2024. As Sponsor, Bayfront expects to retain all of the preference shares for alignment of interest with investors and to comply with EU and UK risk retention requirements. BIM Asset Management Pte. Ltd. will act as the collateral manager, as it has done for all IABS transactions since BIC II.

The Class A1-SU Notes represent the dedicated sustainability tranche, which is classified as a Secured Sustainability Standard Bond under the latest International Capital Market Association (“**ICMA**”)’s Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines.

The issuance saw demand from a variety of institutional investors spanning North and Southeast Asia, the Middle East and Europe. The orderbook for the Rated Notes closed at approximately US\$1.4 billion, which represents an oversubscription rate of approximately 3.0x over the US\$462.5 million of Rated Notes issued.

Citi and Standard Chartered Bank are the Joint Global Coordinators, and Citi, MUFG, Natixis, OCBC, Societe Generale and Standard Chartered Bank are the Joint Bookrunners and Joint Lead Managers.

Mr. Murli Maiya, Group Chief Executive Officer, Clifford Capital, said: “BIC V demonstrates the growing appetite from institutional investors for exposure to high-quality, diversified portfolios of infrastructure assets. This frees bank capital to be recycled back into infrastructure investment. I am particularly pleased that BIC V is our largest IABS issuance to date with a substantial sustainability tranche. Sustainable infrastructure development is one of the most exciting investment themes in the market today and Clifford Capital is well placed to support the development of those projects from origination to securitisation.”

Mr. Nicholas Tan, Chief Executive Officer, Bayfront and Group Head, Markets & Investor Services, Clifford Capital, said: “We are pleased that the IABS programme continues to help facilitate institutional participation in infrastructure debt as an asset class. We are proud to partner with GuarantCo / PIDG again to enhance our IABS programme, and our fifth public IABS issuance, with a significant over-subscription rate, firmly validates robust demand from infrastructure investors to access this attractive investment opportunity.”

Layth Al-Falaki, Chief Executive Officer of GuarantCo, said: “We are delighted to have provided a guarantee to an international asset backed securitisation structure for the second time following our first transaction in September 2023. The transaction presents a sustainable solution to support the building of green and social assets in the region. Our involvement in this novel asset class further strengthens our strategic ambition to mobilise private sector institutional capital, help develop secondary markets for such products and to continue to bridge the infrastructure financing gap to the benefit of local capital markets and the local people. This also aligns well with GuarantCo’s strategy of doing replicable transactions to help create scale and further mobilise and crowd-in private sector capital.”

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About [Clifford Capital](#)

Clifford Capital is headquartered in Singapore and was established in 2012 with the support of the Government of Singapore as a provider of debt financing solutions to companies and projects with a nexus to Singapore in the infrastructure and maritime sectors.

Clifford Capital is an infrastructure financing platform with an increasing focus on areas such as energy and utilities, natural resources, maritime, industrials and transportation, and social and digital infrastructure. Its ambition is to deliver innovative financing solutions that positively influence sustainability and deliver commercial returns for its shareholders.

Clifford Capital's shareholders comprise Temasek Holdings, Prudential Assurance Company Singapore, Sumitomo Mitsui Banking Corporation, Standard Chartered Bank, DBS Bank, Manulife Singapore and the Asian Development Bank.

About [Bayfront Infrastructure Management Pte. Ltd. \("Bayfront"\)](#)

Bayfront is a Singapore-based platform with a mandate to invest in and distribute project and infrastructure loans in Asia Pacific and Middle East regions.

It was established in 2019 in connection with the Infrastructure Take-Out Facility initiative sponsored by the Government of Singapore, which was designed for institutional investors to access Asia Pacific infrastructure debt. It seeks to address the infrastructure financing gap in the Asia-Pacific region by facilitating the mobilisation of private institutional capital into the infrastructure financing market.

Bayfront's business model is to acquire infrastructure debt, as well as structure, execute and manage securitisations (through its Infrastructure Asset Backed Securities product) or other forms of distribution to institutional investors.

Bayfront's shareholders comprise Clifford Capital and the Asian Infrastructure Investment Bank, with equity commitment on a 70/30 basis respectively. Debt instruments issued by Bayfront to acquire and warehouse loans from banks benefits from a guarantee provided by the Government of Singapore.

About [GuarantCo](#)

GuarantCo mobilises private sector local currency investment for infrastructure projects and supports the development of financial markets in lower-income countries across Africa and Asia.

GuarantCo is part of the Private Infrastructure Development Group (PIDG) and is funded by the governments of the United Kingdom, Switzerland, Australia, and Sweden, through the PIDG Trust, the Netherlands, through FMO and the PIDG Trust, France through a stand-by facility and Global Affairs Canada through a repayable facility. GuarantCo is rated AA- by Fitch and A1 by Moody's.

Since 2005, GuarantCo has enabled US\$6.2 billion of total investment and US\$5.2 billion of private sector investment, giving 45.2 million people improved access to infrastructure and creating around 229,000 jobs.