

## Clifford Chance Badea advised the underwriters in the largest European public offering, the Hidroelectrica IPO



A multijurisdictional team of Clifford Chance lawyers from the Bucharest, London and Frankfurt offices, coordinated by [Madalina Rachieru-Postolache](#) (partner in the global Capital Markets practice), has advised the underwriters in connection with Hidroelectrica's historical listing, the largest IPO launched in Europe this year, with a total value of RON 9.3 billion (including the additional shares that can be over-allotted for stabilisation purposes).

The banks advised by *Clifford Chance* are Erste Group Bank AG, Citigroup Global Markets Europe AG, Jefferies GMBH and Morgan Stanley Europe SE (as joint global coordinators), Banca Comerciala Româna SA, Barclays Bank Ireland PLC, BofA Securities Europe SA, UBS Europe SE, UniCredit Bank AG and Wood & Company Financial Services (as joint bookrunners), Auerbach Grayson, BRD – Groupe Société Générale, S.S.I.F. BT Capital Partners S.A. and S.S.I.F. Swiss Capital S.A. (as co-lead managers).

Madalina has coordinated a significant multijurisdictional team, with main lawyers including **Gabriel Toma** (Senior Associate) and **Nicolae Grasu** (Associate) from the Bucharest office, **Christopher Roe** (Partner), **James Koessler** and **Anjaneya Das** (Senior Associates) from the London office, and **George Hacket** (Partner), **Andrei Manea** (Senior Associate) and **Gordana Golubić-Huertas** (Associate) from the Frankfurt office.

The *Clifford Chance* lawyers provided assistance throughout the entire transaction, starting with the structuring of the offering, the due diligence, drafting of certain sections of the prospectus, drafting and negotiation of the contractual documentation according to international standards, and advising the 14 banks throughout the process.

**Madalina Rachieru-Postolache**, head of the *Bucharest Capital Markets* practice, says: "The extraordinary enthusiasm for the listing of Hidroelectrica that we have witnessed these days confirms the state of anticipation accumulated since the previous attempt to list Hidroelectrica in 2014. We advised the underwriters in 2014 as well, and we are happy that, this time, the economic context and the decision-makers have aligned to complete the largest transaction ever seen by the Bucharest Stock Exchange, which is also the largest European listing of 2023. This was a very complex and intensive deal, with many innovative aspects, challenges and an ambitious timeline, and we are honoured to have been part of this project alongside Fondul Proprietatea, Hidroelectrica, the arranger banks syndicate and the other fellow consultants."

**Daniel Badea**, Managing Partner *Clifford Chance Badea*, adds: "We take pride in having developed one of the most dynamic and best-performing Capital Markets practices in the global Clifford Chance network. We started two decades ago as pioneers in an emerging market, and we have gradually gathered all of the outstanding transactions in our portfolio, either Debt or Equity, local or international deals, that have contributed to the growth

of the Romanian capital market. Today, our team coordinates some of the most complex and innovative projects in the Clifford Chance portfolio, and the Hidroelectrica listing is amongst the historical transactions that Clifford Chance has advised globally".

Fully integrated into the global *Clifford Chance* network, the *Bucharest Capital Markets* practice has been acknowledged by all major international legal directories as one of the top Romanian law firms in the field (the Tier 1 category) for over 17 years. The Capital Markets portfolio successfully advised by Clifford Chance Badea in the past 12 months exceeds EUR 17 billion, the Bucharest team advising on all major mandates launched in Romania, as well as a series of complex transactions at global level.

As market maker, **Clifford Chance Badea** has a track record of first-of-their-kind stock and bond offerings in Romania, including the first corporate bond issue (Raiffeisen Bank, 2004); the first Medium-Term Notes (MTN) Programme of a Romanian issuer (Banca Comerciala Româna, 2009); Romania's Global Medium-Term Notes Programme, which also included the first issue of bonds to American investors (2011); the first dual listing, which also included the first issue of Global Depository Receipts (GDRs) in Romania (Romgaz IPO, 2013); the first green bond financing project (2018), the first covered bonds programme carried out by a Romanian issuer (Alpha Bank Romania, worth up to EUR 1 billion, 2019).

*Its most recent portfolio includes landmark projects such as:*

1. The Medium-Term Notes (MTN) Programme of Banca Transilvania – Advising the arrangers in connection with the establishment of Banca Transilvania's Medium-Term Notes program, as well as the inaugural public offering of EUR 500 million;
2. The Medium-Term Notes (MTN) Programme of CEC Bank - Advising Citigroup and Raiffeisen Bank International as arrangers on the establishment of a EUR 600 million Medium-Term Note Programme, as well as advising Citigroup, Raiffeisen Bank International and Raiffeisen Bank S.A. on CEC Bank's inaugural public offering of EUR 119.3 million (bonds listed on the Luxembourg and Bucharest Stock Exchanges);
3. The Medium-Term Notes (MTN) Programme of Unicredit Bank - Advising UniCredit Bank in relation with the establishment of a EUR 200 million Medium-Term Note Programme, as well as in relation to the first corporate bonds issue within the programme, that was oversubscribed by local institutional investors and international financial institutions for RON 488.5 million;
4. The OMV Petrom share capital increase – Advising OMV Petrom in relation to its share capital increase and listing of the new shares and GDRs on the Bucharest and London Stock Exchanges;
5. Fondul Proprietatea buyback program - Advising Fondul Proprietatea S.A., managed by Franklin Templeton International Services S.R.L., in connection with the proposed tender offers for shares on the Bucharest Stock Exchange and global depository receipts on the London Stock Exchange;
6. IPO in the energy industry - Advising a leading energy distribution group in its listing on the Bucharest Stock Exchange (ongoing);
7. Romania's EUR 56 billion Medium-Term Eurobonds (MTN) Programme – Clifford Chance Badea has been involved in all sovereign bond issues since the launch of the programme, in 2011. The latest include:
  - May 25, 2022 – Advising Citigroup, Erste Group, J.P. Morgan, Raiffeisen Bank and Société Générale in relation to the issue of
    - o USD 1 billion, 5.250 per cent. Notes due 2027, and
    - o USD 750 million, 6.000 per cent. Notes due 2034
  - September 27, 2022 – Advising Citigroup, Erste Group, J.P. Morgan, Raiffeisen Bank and Société Générale in relation to the issue of
    - o EUR 600 million, 5.000 per cent. Notes due 27 September 2026 and

- o EUR 750 million, 6.625 per cent. Notes due 27 September 2029
- January 5, 2023 – Advising BNP Paribas, HSBC, ING, Raiffeisen Bank and UniCredit Bank AG in relation to the invitation by Romania, acting through its Ministry of Finance, to purchase its outstanding 4.375 per cent, notes due 2023, and 4.875 per cent, notes due 2024;
- January 17, 2023 – Advising BNP Paribas, HSBC, ING Bank N.V., Raiffeisen Bank and UniCredit Bank AG, in relation to the issue of
  - o USD 1,242,608,000 6.625 per cent. Notes due 2028,
  - o USD 1,5 billion 7.125 per cent. Notes due 2033 and
  - o USD 1,25 billion 7.625 per cent. Notes due 2053;
- February 6, 2023 – Advising Citigroup, Erste Group, HSBC, J.P. Morgan SE and Société Générale in relation to the issue of
  - o EUR 600 million, 5.000 per cent. Notes due 27 September 2026 and
  - o EUR 1,4 billion, 6.625 per cent. Notes due 27 September 2029;

8. Complex global securitization transactions – The Bucharest lawyers consistently advise global financial institutions, either as part of London teams or independently, under the coordination of a London partner, in relation to large securitization transactions and the issues of related financial instruments. The value of transactions concluded in the last year exceeds GBP 2.5 billion. The team of lawyers provides advice regarding the drafting of prospectuses and the main transaction documents, the establishment of the relevant investment companies (SPV), the structuring of the documentation to obtain certain qualifications, such as STS securitization (simple, transparent and standardized), while ensuring the coordination of multi-jurisdictional (including US) teams.

**Clifford Chance Badea** advises shares and bond issuers as well as arranger syndicates in capital markets transactions. Projects are often advised by multi-jurisdictional teams that generate an optimal mix of local expertise and global know-how. Where needed, clients benefit from a full-service English and American law practice.

Furthermore, lawyers constantly advise the companies they work with in relation to compliance and alignment with capital market legislation on various aspects such as market abuse, the legal framework related to privileged/insider information the obligation to launch mandatory public offers, transparency obligations, etc.

Clifford Chance has been present in Romania since 2006 and operates now as Clifford Chance Badea. The Bucharest office is fully integrated in the global network and is frequently involved in complex transactions such as syndicated loans, project finance, restructurings, Eurobonds and shares issues on international capital markets, derivatives, companies' acquisitions by strategic investors or private equity funds, infrastructure and motorway projects, real estate investments etc., as well as domestic and international litigation and arbitration.