



# Silknet successfully priced a USD 300 mln Eurobond on Euronext Dublin

20.01.2022

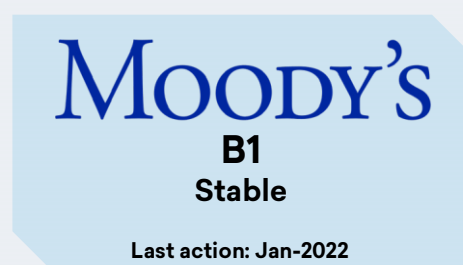
Andro Tvaliashvili  
Senior Research Associate

# A USD 300 MLN, 8.375% 5-YEAR EUROBOND SUCCESSFULLY PRICED BY SILKNET

The Eurobond volume is USD 300 mln with coupon rate of 8.375%, maturing in 5 years. The joint lead managers of the deal are TBC Capital, J.P. Morgan, and UBS Investment Bank

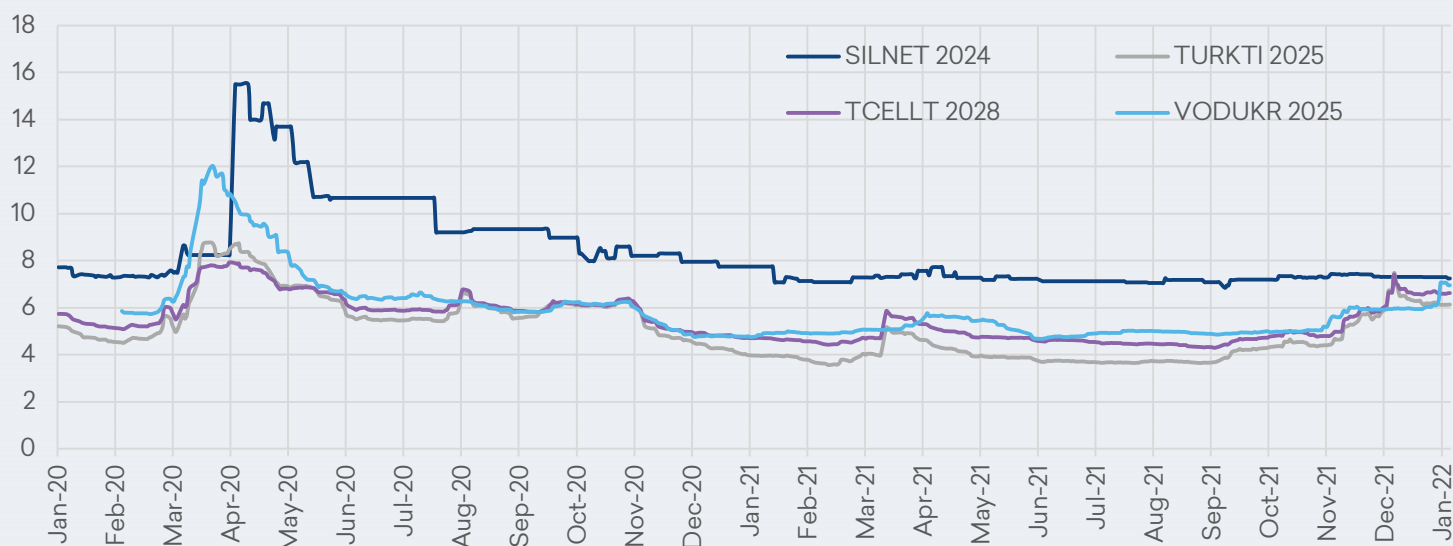
Issuer	Silknet JSC
Status	Direct senior unsecured
Format	REGS/144A
Issued Amount	USD 300 mln
Settlement Date	31-Jan-2022
Maturity Date	31-Jan-2027
Coupon/Frequency	Fixed 8.375%/Semi-annual
First call date	31-Jan-2024
Price at issue	100.0
Yield at issue	8.375%
Use of proceeds	Refinance the existing indebtedness and other corporate purposes
Listing	Euronext Dublin

## Silknet's issuer credit rating



- Coupon rate for the new notes was set at 8.375%, which represents a 676.5 bps spread over the benchmark US Treasury due December 2026
- The 8.375% initial yield and coupon rate place Silknet's new Eurobond competitively among regional comparable Eurobonds. For comparison, Vodafone Ukraine (VODUKR '25) and Turk Telekom (TURKTI '25) trade in the range of 8.08%-9.27% as of January 19<sup>th</sup> 2021
- Unlike the refinanced Eurobond, the new issue will be eligible for inclusion in the JP Morgan Corporate Emerging Markets Bond Index (CEMBI)
- The new Eurobond's coupon rate, a 2.625 pp cut compared to the refinanced notes, has been positively affected by the 2021 Georgian benchmark bond's unprecedented low rate. The previous Eurobond (SILNET '24) has been trading at premium for the past years, well below the coupon rate, with the exception of the pandemic-related hike in April 2020
- Moody's has recently changed Silknet's negative outlook to stable based on the improved operating performance and adequate liquidity position among other rationales

## Silknet and selected peer Eurobonds' yield to maturity (%)



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