

Dentons advises one of the leading global pipe manufacturers on its debut Eurobond issuance

October 23, 2019

Moscow, London —Dentons has advised Chelpipe, one of the leading industrial groups in the Russian metallurgical industry, on its debut issuance of US\$300 million 4.50 percent loan participation notes due 2024 (Rule 144A/Regulation S). Dentons acted as English, United States and Russian counsel to Chelpipe.

This transaction represents the first Rule 144A/Regulation S bond offering by a Russian business on which Dentons Capital Markets team has advised, and follows the arrival in 2018 of the Moscow-based capital markets team led by **Tamer Amara**, who has more than 18 years of experience of advising on capital markets transactions in Russia and the CIS.

Chelpipe Group is one of the largest pipe manufacturers globally with a diversified client base spanning the automotive, energy and utilities, mining and machinery industries and a particularly strong position in the Russian market. Chelpipe Group's business comprises scrap procurement, steel pipe production as well as production of trunk pipeline systems and offering integrated solutions for the oil and gas and power engineering industries. Chelpipe Group's key assets are located in Chelyabinsk (Chelyabinsk Pipe Plant), Pervouralsk (Pervouralsk Pipe Plant), Almetyevsk (Alnas) and Izhevsk (Izhneftemash) and it employs more than 24,000 people. Chelpipe Group is rated Ba3 (stable) by Moody's and BB- (stable) by Fitch.

Chelpipe's bond offering was heavily oversubscribed, and achieved the lowest coupon for Russian debut issuers since 2013. Market participants have called it one of the most successful inaugural issuances out of Russia.

Valery Borisov, Chelpipe Group's Chief Financial Officer said "I was impressed with Dentons capital markets team, who were able to execute a challenging transaction against an aggressive deadline and guide us through the intricacies of a bond issuance process".

Tamer Amara, who heads Dentons Capital Markets Group in Russia, commented "Chelpipe is a long-standing corporate client of the Firm and I am very pleased that we were able to advise the company on their first international debt capital markets offering and demonstrate the breadth and depth of our capital markets practice".

Cameron Half, Dentons capital markets and U.S. securities partner based in London, added: "This transaction demonstrates Dentons' ability to deliver high-quality cross-border advice on complex financings, and builds on our recent work on bond issuances by high profile Central and Eastern issuers such as Koç Holding in Turkey, Silknet in Georgia and Air Baltic in Latvia".

The Dentons team working on the transaction was led by capital markets and US securities partner **Cameron Half** in London and capital markets partner **Tamer Amara** in Moscow, together with London-based capital markets partner **David Cohen** and US securities associate **Nicolo Ascione** as well as Moscow-based senior associate **Filipp Petyukov** and associate **Arsen Safaryan** in Moscow. New York-based partner **Jon T. Hutchens** led the U.S. tax advice.

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