

Sayenko Kharenko advises Ukreximbank on successful UAH 4 billion repeat of hryvnia-denominated Eurobond

Sayenko Kharenko has acted as Ukrainian legal counsel to JSC “The State Export-Import Bank of Ukraine” in connection with UAH 4,051,000,000 (approximately USD 150,000,000) 16.5 per cent. Loan Participation Notes due 2021. Citigroup Global Markets Limited and J.P. Morgan Securities plc acted as joint lead managers for the issue.

The transaction is the second ever UAH-denominated Eurobond issue by a Ukrainian issuer, with the first one also made by Ukreximbank in 2011 with legal support by Sayenko Kharenko (see [this press release](#) for details). The 2018 deal has been structured as loan participation notes and had other distinguishing features (in terms of currency controls, taxation, etc.) as compared to Ukreximbank’s 2011 deposit-linked notes issue.

According to Ukreximbank: “The transaction has allowed Ukreximbank to raise funds denominated in hryvnia for a three-year period – a term that is practically unavailable for local market borrowings at the moment. The transaction will enable JSC Ukreximbank to proceed with its long-term lending projects, which will contribute towards establishing favorable conditions for the Ukrainian economy’s sustainable development.”

“It is always a great pleasure to work with Ukreximbank team. Many of their deals are first-of-a-kind and, like the present one, often unmatched by the rest of the market. We hope to see other Ukrainian banks follow Ukreximbank into international capital markets soon, especially given that the Ukrainian tax opportunity window for Eurobonds will close this year,” said Anton Korobeynikov, Sayenko Kharenko partner.

JSC “The State Export-Import Bank of Ukraine” is a 100 % state-owned bank, one of the major operators in the Ukrainian banking market. The bank services a large portion of export and import transactions by Ukrainian business, acts as a sole financial agent of the Ukrainian government for loans from foreign financial institutions, and partners with major international financial institutions in their Ukrainian business development programs.

Sayenko Kharenko team was led by partner Anton Korobeynikov and included senior associate Marta Lozenko, associate Denys Nakonechnyi, junior associates Vira Pankiv and Oles Trachuk. Senior associate Konstantin Penskoj and associates Yurii Dmytrenko and Mykhailo Grynshyn provided Ukrainian tax and corporate advice.