CREDIT OPINION
2 April 2025

Update

Send Your Feedback

Analyst Contacts

Tengfu Li	+65.6311.2630
VP-Senior Analyst, Financial Institutions	
tengfu.li@moodys.com	
Venessa Leow	+65.6398.3721
Ratings Associate	
venessa.leow@moodys.com	
Alka Anbarasu	+65.6398.3712
Associate Managing Director	
alka.anbarasu@moodys.com	

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Clifford Capital Pte. Ltd.

Update following rating affirmation

Summary

The Prime-1 (P-1) local- and foreign-currency short-term debt ratings assigned to Clifford Capital Pte. Ltd.'s (CCPL) $700 million euro commercial paper (CP) program reflect the Government of Singapore's (Aaa stable) guarantee on CPs issued under this program. There is no outlook on these short-term ratings.

Credit strengths

» CPs issued under this program are guaranteed by the Singapore government.

Credit challenges

» Same as those faced by the guarantor, which is the Singapore government

Outlook

No outlook on short-term ratings.

Factors that could lead to an upgrade

An upgrade of CCPL's CP program ratings is not possible because they are already the highest on our rating scale.

Factors that could lead to a downgrade

A downgrade of CCPL's CP program ratings is unlikely because of the stable outlook on Singapore's sovereign rating. Moreover, a downgrade of the CP program ratings would require a multi-notch downgrade of the sovereign rating.

Profile

Clifford Capital Pte. Ltd. (CCPL) was established in 2012 by Temasek Holdings (Private) Limited (Temasek, Aaa stable)[1] and a consortium of financial institutions. Its formation was driven by the Singapore government's initiative of providing project and structured financing solutions to Singapore-based companies for their overseas expansion.

On 1 April 2020, CCPL became a wholly owned subsidiary of Clifford Capital Holdings Pte. Ltd (CCH). As of 12 July 2024, Temasek, through its wholly owned investment vehicles, owned 46.9% of CCH. The remaining shareholders include Prudential Assurance Company Singapore (Pte) Limited, Asian Development Bank (Aaa stable)[2], Standard Chartered Bank (Singapore) Limited (A1 stable, a3)[3], Sumitomo Mitsui Banking Corporation (A1/A1 stable a3), DBS Bank Ltd. (Aa1/Aa1 stable, a1) and Manulife (Singapore) Pte Ltd.

CCPL classifies its credit exposures into the natural resources, industrials and transportation, energy and utilities, and social and digital infrastructure segments, which constituted 40%, 33%, 23% and 4% of its outstanding commitments, respectively, as of 31 December 2023.

The credit exposures are diversified geographically, with Asia-Pacific, South America and North America accounting for 57%, 17% and 13% of its outstanding commitments, respectively, as of 31 December 2023.

CCPL's outstanding debt amounted to $1.9 billion as of 31 December 2023, and all of it is guaranteed by the Singapore government. The guarantee covers principal and interest amounts of up to $3.5 billion and $0.4 billion, respectively, with sub-limits allocated across the company's euro medium-term note (MTN) program, euro CP program and bank borrowings.

Recent developments

In January 2025, CCPL issued $500 million worth of bonds out of its $2.5 billion euro MTN program, which is also guaranteed by the Singapore government.

Detailed credit considerations

CP program ratings reflect the Singapore government's guarantee

The P-1 ratings reflect the Singapore government's guarantee on CCPL's outstanding debt issued under its CP program. The guarantee covers up to $700 million in principal and $35 million in interest. CCPL's outstanding CPs totaled $35 million as of 31 December 2023.

Key terms of the guarantee meet our principles for applying credit substitution, which are as laid out under our methodology Guarantees, Letters of Credit and Other Forms of Credit Substitution. Specifically, the guarantee is unconditional, irrevocable and covers payments that have been rescinded, repudiated or clawed back. It also extends until the term of the underlying obligations. Further, the guarantee is governed by laws in Singapore, a jurisdiction that we deem as hospitable to guarantee enforcement.

However, the guarantee terms lack an explicit waiver on defenses and include a 15-day period for payment upon notice of demand, which are not ideal features under our credit substitution methodology. Nevertheless, we expect the Singapore government to pay CCPL's creditors without delay, considering its very strong credit standing and the process that it has put in place for contingency.

ESG considerations

We assess that CCPL's exposure to environmental risk is moderate to high, unlike our general view of low environmental risk for finance companies (see our environmental risk heat map for further information). This is because CCPL has sizable exposure to carbon-intensive sectors, such as utilities, offshore marine and shipping. At the same time, the associated risks are mitigated by the company's climate risk management and business strategy to drive sustainable financing.

On the other hand, CCPL's exposure to social risk is low, in contrast to the moderate level that we typically assign to finance companies (see our social risk heat map for further information). This is because CCPL's customers are corporates, and therefore, the company is less exposed to risks associated with data privacy and security, mis-selling and regulatory oversight when compared with other finance companies that lend to individuals.

Meanwhile, governance remains highly relevant to CCPL as it does to all participants in the industry. It is a key credit consideration and requires ongoing monitoring. Governance risks are internally driven and governance weaknesses could translate into a deterioration in a company's credit profile. In the case of CCPL, we assess that the company has put in place an appropriate risk management framework commensurate with its risk appetite.

Ratings

Exhibit 1

Category	Moody's Rating
CLIFFORD CAPITAL PTE. LTD.	
Bkd Commercial Paper	P-1
PARENT: CLIFFORD CAPITAL HOLDINGS PTE LTD	
Outlook	Stable
Issuer Rating	Aa1
ST Issuer Rating	P-1

Source: Moody's Ratings

Endnotes

1 The rating refers to the long-term issuer rating.

2 The rating refers to the long-term issuer rating.

3 The bank ratings shown in this report are the bank's domestic deposit rating, senior unsecured debt rating (where available) and Baseline Credit Assessment.

REPORT NUMBER 1442033

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454