

# **RAIM, IST and DEI to acquire Celtic Roads Group (Waterford) DAC**

**31 January 2023**

A consortium backed by Real Asset Investment Management (“RAIM”), IST3 Investment Foundation (acting in respect of and on behalf of its investment group IST3 Infrastruktur Global) (“IST”) and Daiwa Energy & Infrastructure Co. Ltd. (“DEI”) has entered into a binding agreement to acquire 100% of Celtic Roads Group (Waterford) DAC (“CRG Waterford” or the “Company”), including all outstanding debt instruments, from its current owners. RAIM led the consortium and will provide investment management services to the shareholders going forward.

CRG Waterford is the operator of the N25 Waterford Bypass toll road concession in South-East Ireland. The project concession comprises 23 km of dual carriageway including 4 km of single carriageway, 2 grade-separate junctions and 3 at-grade junctions, a 465 metres length cable-fan bridge, and tolling facilities. The route connects the M9 Motorway, N24, N25 and N29 national route to complete a critical road access link and relieve congestion in the rapidly expanding region of South-East Ireland. The route also provides access to commercial ports on the eastern and southern seaboard, and improved accessibility to Waterford Airport. The original project concession agreement was signed in April 2006 for a period of 30 years and involved a total capital expenditure program in excess of EUR 600 million.

Antony Peters and John Rowland, Partners of RAIM, said: “We are delighted to have agreed the acquisition of CRG Waterford. The road network has been a key contributor to sustainable economic growth in the region. Traffic has proven resilient despite the Covid-19 crisis, demonstrating the road’s strategic importance. As a long-term investment manager, we intend to work in partnership with the various stakeholders involved in the project in order to ensure it continues to serve the local and regional communities efficiently.”

Martin Ragettli, Head of Acquisitions and member of the Management Team at IST3 Infrastruktur Global said: “This investment further diversifies our global infrastructure portfolio, providing accretive cash yield and inflation correlation characteristics. Furthermore, we are excited to participate in the strong socio-economic and demographic developments of Ireland’s South-East region, together with like-minded long term oriented partners, and are impressed by the execution capabilities brought to the table by RAIM.”

Morimasa Matsuda, President at DEI, said: “The acquisition of CRG Waterford with a reliable co-investor and an experienced asset manager, IST and RAIM, enables us to first enter the transportation sector of infrastructure, accelerating our strategy of expanding our portfolio in Europe. Furthermore, we are pleased to contribute to sustainable development of Ireland’s South-East region through the investment in CRG Waterford.”

Paul, Weiss, Rifkind, Wharton & Garrison LLP and Matheson LLP acted as the buy-side legal advisers on this transaction. Other buy-side advisers included A3I for traffic & technical due diligence, Alvarez & Marsal Transaction Advisory Group Europe LLP for financial & tax due diligence, and Aon M&A and Transaction Solutions for insurance due diligence.

Macquarie Capital and A&L Goodbody LLP, respectively, acted as financial adviser and legal adviser to the selling shareholders and lenders.

### **About IST Investment Foundation**

IST3 Investment Foundation enters the investment through its discretionary private infrastructure equity vehicle, IST3 Infrastruktur Global (IST3 IG), which is funded exclusively by Swiss pension funds and has an unlimited lifetime. IST3 IG is part of the IST platform, which was founded in 1967 and manages more than CHF 10bn in capital out of Zurich and Lausanne for approx. 500 Swiss pension funds, providing transparent, cost efficient and best in class traditional and alternative investment management services. IST3 IG's defensive direct infrastructure investment approach aims at pooling Swiss pension fund capital in order to invest directly into long-term infrastructure assets on a diversified basis across OECD countries. IST3 IG has existing capital commitments of approximately CHF 1bn and will be open for new subscriptions in Q1 2023. To learn more about the IST platform, please visit <https://istfunds.ch/en/about-us/>

### **About Daiwa Energy & Infrastructure Co. Ltd. (<https://www.daiwa-ei.jp/en/>)**

Daiwa Energy & Infrastructure is a core strategic subsidiary of Daiwa Securities Group Ltd., for exploring further investment opportunities in infrastructure assets, renewable energy and resource. Daiwa Securities Group established the SDGs Promotion Committee in 2018, incorporating the perspective of SDGs into the foundation of our management strategy, and has endeavoured to provide products and services contributing to the realization of a sustainable society. In May 2021, we formulated the management vision "Vision 2030", aiming to realize the SDGs by creating a sustainable capital cycle with the core concept of "From savings to SDGs"

### **About Real Assets Investment Management ([www.realassetsim.com](http://www.realassetsim.com))**

RAIM is an independent infrastructure investment platform backed by long term institutional investors. It aims to generate stable and attractive returns for its investors by following a patient and disciplined investment approach. It works with best-in-class management teams to drive growth and value creation initiatives within its portfolio companies.