

# BOND ISSUE – SEK 80m

Or its equivalent in NOK/EUR



**CIMCO**  
Endurance by Engineering



## COMPANY IN BRIEF

- Cimco Marine AB (publ) (the "Company") has developed OXE Diesel, the world's first high performance diesel outboarder, designed to replace the traditional gasoline outboarder
- The Company is based in Ängelholm, Sweden, and is listed on the Nasdaq First North Stockholm Stock Exchange
- Its main shareholders are The Happy Bunch Trust, Marinediesel Sweden AB, Per Lindberg, Foster Global Holdings PTY LTD and Prioritet Group AB
- Since its establishment **equity holders have put in approx. SEK 249m**. The Company now intends to issue senior secured bonds of approx. SEK 80m to finance production ramp-up



## INVESTMENT CASE

### Product

- The OXE Diesel is the **first** high performance outboarder designed to replace traditional gasoline outboarder and has lower usage costs compared to gasoline outboarder
- The OXE Diesel engine **performs better** than traditional gasoline driven engines in multiple aspects, e.g. fuel efficiency, low-speed control and torque

### Company

- The Company's intellectual property portfolio contains 32 granted patents and 6 pending patent applications
- Cimco is listed on NASDAQ First North Stockholm stock exchange

### Market

- Regulatory tailwind: NATO "single-fuel" policy (all military vehicles should use the same fuel) gives the OXE Diesel **a competitive advantage** against gasoline driven engines
- No competing product in the segment
- 15 units have been delivered to large Norwegian Cruise liner Hurtigruten, who later placed an order of another 30 units

### Financials

- **Sales target of 2 000+ units (over 1 100 committed volume) and SEK 600m in revenue for 2018**
- Long-term target of an EBITDA-margin of > 20 %
- **Equity injection of approx. SEK 249m since 2014**



\*10 day moving average MCAP since IPO last day 2017-01-25, source NASDAQ

\*\*10 day average closing price 2017-01-12 to 2017-01-25 x outstanding shares, source NASDAQ

\*\*\*Please see term sheet for further details

## SECURITY STRUCTURE

The bonds have the following collateral:

- Security over business mortgage certificates issued by the Issuer amounting to SEK 80 000 000
- The bond will be the company's only permitted long term debt

## EQUITY, MCAP, DEBT

Market cap\*\*



## TERMS IN BRIEF

Issuer:	Cimco Marine AB (publ)
Volume:	Approximately SEK 80 000 000 (or equivalent in NOK/EUR)
Maturity:	36 months
Interest:	10,75 % p.a. with quarterly coupon payments
Minimum investment:	SEK/NOK 1 000 000 or EUR 100 000
Status:	Senior secured callable bond
Issue date:	Expected to be on or about 15 February 2018
Amortization:	Bullet, 100 % repayment at final maturity
Issuer's call option:	The bonds may be redeemed at any time, but always subject to payment of an amount equal to the interest that would have accrued from the Issue Date, plus 102 % of nominal amount if called during the first 12 months, 101 % of nominal amount if called month 13-24 or 100 % of nominal amount if called month 25-36.
Subscription fee:	3 %
Registration:	VPS Norway and Euroclear Sweden
Repayment:	Through cash flow from operations or refinancing
Collateral:	Security over business mortgage certificates issued by the Issuer amounting to SEK 80 000 000
General undertakings:	Inter alia, max. dividend of 50 % of last years net result, restrictions on financial indebtedness and negative pledge***
Agent:	Intertrust (Sweden) AB
Sole manager:	JOOL Markets AS
Legal advisor:	Roschier Advokatbyrå AB
ISIN:	(SEK: SE0010831545), (NOK: TBD), (EUR: SE0010831594)
Target market:	Eligible counterparties, professional clients and retail/non-professional clients. Minimum; retail investors with medium experience/knowledge and a portfolio of minimum SEK 5m with an investment horizon of 2-5 years and a high risk profile.
Secondary market:	To be listed on First North Bond Market (or equivalent) within 30-60 days after issue date JOOL Markets will facilitate transactions in the secondary market on "best effort" basis

Investment example for 36 months, incl. subscription fee	SEK
Sum paid in	1 030 000
Sum repayment	1 322 500
Net (whole period)	292 500
Annual effective return	9.9 %