

**Notice of written procedure for Bonds issued by  
Cimco Marine AB (publ)**

**To the holders of the up to SEK 200,000,000 (or its equivalent in NOK and EUR) Senior Secured Callable Fixed Rate Bonds with ISIN SE0010831545 and SE0010831594 (the "Bonds") issued by Cimco Marine AB (publ) (the "Issuer") on 12 February 2018.**

*Capitalized terms not otherwise defined in this notice shall have the meaning given to them in the terms and conditions relating to the Bonds originally dated 12 February 2018, as amended and restated on 14 February 2019 (the "**Terms and Conditions**").*

**This notice has been sent by Intertrust (Sweden) AB (the "Trustee") to direct registered owners and registered authorised nominees (*förvaltare*) of the Bonds recorded as of 4 July 2019 in the debt ledger produced by Euroclear Sweden. If you are an authorised nominee under the Swedish Financial Instruments Accounts Act or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. See "Voting rights" in section B. (*Decision procedure*) for further information.**

The Trustee, acting in its capacity as Trustee for the Bondholders under the Terms and Conditions and as requested by the Issuer, hereby initiates a written procedure (the "**Written Procedure**") whereby the Bondholders can approve or reject the Proposal (defined below).

**All Bondholders are strongly encouraged to review and consider the Proposal.**

Bondholders may participate in the Written Procedure by completing and sending the voting form attached below to the Trustee. The Trustee must **receive the voting form no later than by 12.00 (CET) on 25 July 2019** by mail, via courier or e-mail to the addresses indicated below. Votes received thereafter will be disregarded. Please note that the Written Procedure may expire early if the requisite majority consents of the total Adjusted Nominal Amount have been received before 25 July 2019.

**To be eligible to participate in the Written Procedure a person must fulfil the formal criteria for being a Bondholder on 5 July 2019 (the "Record Date").** This means that the person must be registered on a Securities Account with Euroclear Sweden as a direct registered owner (*direktregistrerad ägare*) or authorised nominee (*förvaltare*) with respect to one or several Bonds.

If you have an interest in a Bond but are not registered as a direct registered owner or authorised nominee on a Securities Account, you need to obtain a power of attorney or other proof of authorisation from the person who fulfils the formal criteria for being a Bondholder on the Record Date, to be able to participate. An alternative may be to ask the person that is registered as a Bondholder and holds the Bonds on your behalf to vote in its own name as instructed by you. For further information on voting, please see under *Voting rights* in section B. (*Decision procedure*).

Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

**Important Dates**

*Record Date (for voting):* 5 July 2019

*Last time and day to vote:* 12.00 CET 25 July 2019

## A. Proposal

### 1. Background

The Issuer has for some time been in discussions with the European Investment Bank (“EIB”) about the EIB providing project finance to the Issuer.

After negotiations, the Issuer and the EIB have on 5 July 2019 signed a finance contract (the “EIB Agreement”) under which the EIB will provide a credit facility of up to EUR 14,000,000 to the Issuer. The signing of the EIB Agreement was press released by the Issuer and the EIB on 5 July 2019.

The main commercial terms of the EIB Agreement are the following:

|                                     |   |
|-------------------------------------|---|
| <b>Facility amount:</b>             | EUR 14 million split into three conditional tranches of EUR 4 million (A), EUR 4 million (B) and EUR 6 million (C), respectively.   |
| <b>Security:</b>                    | Unsecured   |
| <b>Purpose:</b>                     | Finance up to 50 percent of the Issuer’s development of a new family of diesel outboard engines, <i>inter alia</i> a 3 litre, 6-cylinder twin turbo diesel engine for marine outboard applications, with a number of power outputs between 200hp and 300hp (the “Project”).   |
| <b>Interest:</b>                    | Tranches A and B: no interest.<br>Tranche C: EURIBOR plus ten percent.  |
| <b>Maturity date and repayment:</b> | 5 years per tranche, with bullet repayment structure (no amortisation until maturity).  |
| <b>Availability Period:</b>         | Up to 30 months (during which the Issuer can meet all milestones for tranches A-C).   |
| <b>Drawdown conditions:</b>         | Each tranche is <i>inter alia</i> conditioned upon the Issuer meeting certain financial and operational milestones.<br><br>Additionally, drawdown of tranches A and B are conditional upon the Issuer issuing share warrants to the EIB entitling the EIB to a cumulative total of 15 percent of the fully-diluted share capital of the Issuer (7.5 percent per tranche); and drawdown of tranche C is conditional on the Bonds being repaid in full. |
| <b>Commitment fee:</b>              | None for the first 12 months and thereafter 1 percent p.a. of non-utilised amounts until final availability date (30 months from signing).  |
| <b>Permitted indebtedness:</b>      | The Bonds must be repaid at the end of the Availability Period.   |

Loans taken up by the Issuer under the EIB Agreement will not be Subordinated Loans but will rank *pari passu* in right of payment with the Bonds. However, as the EIB loans will not be secured, Bondholders will continue to have a first right of payment from the business mortgages securing the Bonds.

### 2. Proposal

In the opinion of the Issuer, the EIB Agreement is the best funding available for the Project, which in turn is crucial for the Issuer to meet its short- and long-term targets.

Since the loans from the EIB will be unsecured, the Issuer believes that the EIB Agreement will not be detrimental to the interest of the Bondholders but rather strengthen the Bondholders position, as Project funding and long-term financial stability will be secured. Since tranches A and B are interest-free, the Issuer's cash flow will not be negatively impacted by the EIB funding in the short term. In the longer term, the Bondholders will be able to benefit from the early repayment of the Bonds at the end of the Availability Period.

Against this background, the Issuer proposes (the "**Proposal**") that the Bondholders grant a waiver of the requirements in Section 14.2 (v) (*Distributions*) and Section 14.3 (*Financial Indebtedness*) of the Terms and Conditions in respect of Financial Indebtedness (including interest) incurred by the Issuer under the EIB Agreement (the "**Waiver**"), to the effect that the Issuer incurring Financial Indebtedness (including interest) under the EIB Agreement, and the Issuer prepaying and/or repaying such Financial Indebtedness (including interest), will not constitute an Event of Default.

The largest Bondholder Scandinavian Credit Fund I AB (publ), representing MSEK 35 and MEUR 1 of the Adjusted Nominal Amount, has stated that it intends to vote in favour of the Proposal.

### **3. Limitation of liability**

Please note that the Proposal is presented by the Issuer solely and that neither the Trustee nor any of its advisors have evaluated the possibilities and factors affecting the situation, the Issuer, the Bondholders or the Issuer's assets/liabilities in relation to the Proposal. Consequently, no assessment has been made by the Trustee or any of its advisors of the relative merits of accepting the Proposal or the rejection of it. The choice between an approval of the Proposal and a rejection thereof shall be made by each Bondholder by itself and the Trustee is not giving any recommendations on such choice.

### **4. Proposed resolutions**

If the Bondholders approve of the Proposal, the Bondholders will need to resolve (the "**Resolution**") to grant the Waiver, thus allowing the Issuer to (i) incur Financial Indebtedness (including interest) under the EIB Agreement; and (ii) prepaying and repaying such Financial Indebtedness (including interest).

The Waiver will become effective on the date a requisite majority of consents of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure have been received by the Trustee.

### **Important information from the Trustee**

BEFORE MAKING A DECISION, EACH BONDHOLDER IS ADVISED TO CAREFULLY REVIEW THE CONTENT OF THIS DOCUMENT AND THE PROPOSED RESOLUTIONS SET OUT IN SECTION 4 ABOVE INCLUDING THE LIMITATION OF LIABILITY SET OUT IN SECTION 3 ABOVE. IF A BONDHOLDER IS UNCERTAIN AS TO THE CONTENT AND SIGNIFICANCE OF THIS DOCUMENT AND THE MEASURES A BONDHOLDER SHOULD TAKE, THE BONDHOLDER IS ADVISED TO CONSULT ITS OWN LEGAL, TAX OR FINANCIAL ADVISER FOR THIS PURPOSE. THE TRUSTEE WILL NOT, AND IS UNDER NO OBLIGATION TO, UPDATE THIS DOCUMENT.

## **B. Decision procedure**

The Trustee will determine whether replies received are eligible to participate in the Written Procedure, continuously calculate the replies provided in respect of the Resolutions and determine the result of the Written Procedure as soon as possible based thereon.

Once a requisite majority of consents of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure have been received by the Trustee, the relevant decision shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision taken in the Written Procedure will be sent by notice to the Bondholders, published on the websites of the Issuer and the Trustee and published by way of press release by either the Trustee or the Issuer.

Minutes from the Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Trustee, as applicable.

A request that is approved by the Written Procedure it will be binding on all Bondholders whether they participated in the Written Procedure or voted against the Resolution or not, in accordance with the Terms and Conditions.

### ***Voting rights***

Anyone who wishes to participate in the Written Procedure must on **5 July 2019** (the "**Record Date**"):

- i. be registered on the Securities Account as a direct registered owner (*direktregistrerad ägare*); or
- ii. be registered on the Securities Account as authorised nominee (*förvaltare*), with respect to one or several Bonds.

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee (*Sw. förvaltare*) or another intermediary, you may have two different options to influence the voting for the Bonds.

- (a) You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
- (b) You can obtain a power of attorney or other authorisation from the authorised nominee or other intermediary and send in your own voting form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Trustee recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in this procedure in writing and do not know how your Bonds are registered or need authorisation or other assistance to participate.

Bonds owned by the Issuer, any other Group Company or an Affiliate do not entitle the holders to any voting rights and are not included in the Adjusted Nominal Amount.

**Quorum**

Pursuant to Clause 17(i) of the Terms and Conditions, a quorum in respect of the Written Procedure will only exist if a Bondholder (or Bondholders) representing **at least twenty (20) per cent** of the Adjusted Nominal Amount reply to the request.

If a quorum does not exist, the Trustee shall initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure. At the option of each Bondholder, a voting form provided at or before 12.00 (CET) on **25 July 2019** in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

**Majority**

Pursuant to Clause 17(h) of the Terms and Conditions, **more than fifty (50) percent** of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure must consent to the request in order for it to be approved.

**Final date to vote in the Written Procedure**

The Trustee must have received the votes by mail, courier or e-mail to the address indicated below no later than by **12.00 (CET) on 25 July 2019**. Votes received thereafter will be disregarded.

**Address for sending replies**

*By regular mail:*

Intertrust (Sweden) AB  
Attn: Beatrice Gustafsson, P.O. Box 16285, 103 25 Stockholm

*By courier:*

Intertrust (Sweden) AB  
Attn: Beatrice Gustafsson, Sveavägen 9, 10th floor 111 57 Stockholm

*By e-mail:*

trustee@intertrustgroup.com

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For further questions please see below:

To the Trustee: Intertrust (Sweden) AB, Beatrice Gustafsson,  
trustee@intertrustgroup.com, +46 70 141 10 82

To the Issuer: Cimco Marine AB (publ), Myron Mahendra, CEO  
myron.mahendra@oxe-diesel.com, +46 (0)76 347 59 82

**Stockholm on 5 July 2019**

**Intertrust (Sweden) AB**

**as Trustee**

**VOTING FORM**

**for the Written Procedure initiated on 5 July 2019 for the up to SEK 200,000,000 (or its equivalent in NOK and EUR) Senior Secured Callable Fixed Rate Bonds with ISIN SE0010831545 and SE0010831594 (the "Bonds") issued by Cimco Marine AB (publ) (the "Issuer") on 12 February 2018.**

**The Bondholders are requested to approve or reject the Resolutions set out in the notice for the Written Procedure. The Trustee is hereby empowered to enter into all necessary documentation required to implement the Resolutions, in the event the Resolutions are approved.**

**Reply**

Name of person/entity voting: \_\_\_\_\_

Nominal Amount voted for: \_\_\_\_\_

The undersigned hereby (put a cross in the appropriate box) votes for alternative:

**A) Approve**       **B) Reject**       **C) Refrain from voting**

with respect to the **Resolutions**.

The undersigned hereby confirms (put a cross in the appropriate box) that this voting form shall constitute a vote also for a second Written Procedure (if any) pursuant to clause 17(j) of the Terms and Conditions with respect to the **Resolutions**:

**Confirmed**       **Not confirmed**

Signature

\_\_\_\_\_  
 Name in print:

Contact information

Email:

Tel:

**NOTE: Please attach a power of attorney/authorization if the person/entity voting is not registered on the Securities Account as a direct registered owner or authorized nominee. The voting form shall be signed by an authorized signatory. A certified copy of a registration certificate or a corresponding authorization document for the legal entity shall be appended to the voting form for any legal entity voting. The registration certificate, where applicable, may not be older than one year.**

**POWER OF ATTORNEY/AUTHORISATION<sup>1</sup>**

**Written Procedure initiated on 5 July 2019 for the up to SEK 200,000,000 (or its equivalent in NOK and EUR) Senior Secured Callable Fixed Rate Bonds with ISIN SE0010831545 and SE0010831594 (the "Bonds") issued by Cimco Marine AB (publ) (the "Issuer") on 12 February 2018.**

Authorized Person<sup>2</sup>: \_\_\_\_\_

Nominal Amount<sup>3</sup>: \_\_\_\_\_

Grantor of authority<sup>4</sup>: \_\_\_\_\_

We hereby confirm that the Authorized Person specified above has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of<sup>5</sup>: \_\_\_\_\_

We are (put a cross in the appropriate box):

- |  |  |
|--|--|
|  | Registered as authorized nominee on a Securities Account         |
|  | Registered as direct registered owner on a Securities Account    |
|  | Other intermediary and hold the Bonds through <sup>6</sup> _____ |

Date:

Signature

\_\_\_\_\_

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<sup>1</sup> Use this form to confirm a person's/entity's authority to vote if the person/entity is not registered as a direct registered owner or authorized nominee.

<sup>2</sup> Insert the name of the person/entity that should be authorized to vote.

<sup>3</sup> Insert the aggregate nominal amount the Authorized Person should be able to vote for.

<sup>4</sup> Insert the name of entity/person confirming the authority.

<sup>5</sup> The total Nominal Amount the undersigned represents

<sup>6</sup> Mark this option if the undersigned is not registered as authorized nominee or direct registered owner in the Securities Account kept by Euroclear Sweden. Please insert the name of the firm the undersigned holds the Bonds through.