

The EC Funding Programs

**Creating Value
through
Competence and Capital!**

2016



The EC Team



- EC is an International Corporate Finance Boutique originally started by Mr. L.J Myrtroen in Oslo in 1990. The company has today more than 40 partners in many locations around the world.
- Over the years EC has been involved in sourcing financing for a large number of companies in many different sectors from Technology to Natural Resources and in many different countries.




Our Presence today;

**London - New Delhi - New York - Toronto - Tampa - Riyadh – Warsaw - Paris - Kampala –
Oslo – Saarbrücken – Zürich – Skopje – Singapore – Cape Town
Geneva – Atlanta – Seoul – Dar es Salam – Kuala Lumpur – San Francisco – Fort Myers -
Brisbane – Washington DC - Mexico City – Dubai – Chicago - Madrid**

The EC Team





-  Mr. Myrtroen, Executive Chairman has been active in international business for more than 35 years. He established one of the first credit instrument brokerages in Norway in the early 80s.
-  He was one of the founders of a bank in Norway that was later sold to Svenska Handelsbanken
-  He was one of the founders and financiers of a very successful technology company that was listed on OSE
-  His experience base includes the financing of a large number of
-  companies in many different sectors on all continents

The EC Team

-  Aksel Bratvedt, CEO has 30 years of business experience in Investment Banking, Management Consulting and starting and managing companies including listing/running a company on AIM
-  He has an MSc in Physics Engineering from the Norwegian Institute of Technology and an MBA from UCLA Anderson
-  His experience base includes advising the top management of large companies on strategy to structuring financing for large to small companies in many industries and many markets around the world.
-  Early in his career he was one of the founders of one of the first investment banks in Norway.

The EC TEAM



-  Executive Chairman; Lars Johan Myrtroen, London
-  CEO; Aksel Bratvedt, London
-  More than 40 Associates from different parts of the world assisting you depending on the complexity of the project
-  Legal teams;
Fasken Martineau, Canada, London and Johannesburg or
Kelley Drye & Warren LLP, New York, Washington and Brussels

What We Do



- 🐎 EC main focus is sourcing financing for more complex projects with financing needs of at least \$20m. Many of the projects are in emerging markets
- 🐎 Most of the projects tends to be in Natural Resources, Real Estate, Food processing, Agriculture, Renewables
- 🐎 EC has built up a large contact network of Hedge funds, VC funds and Private Equity funds around the world that are regularly involved in the financing and whom are consulted before an engagement is entered into

Examples of Ongoing and Completed Transactions

- 🐎 A \$14m financing in Botswana engaged in cattle farms processing
- 🐎 A £350m financing of a property developer in the UK
- 🐎 A \$230m real estate financing in Oslo
- 🐎 A 450m cement factory in the Far East

The EC Process



For a potential client that chooses to engage this is the process and timeline:

- 🐎 A Customer Information Sheet (the EC CIS) is completed and filed and forming the basis for the KYC checks as well as an initial brief to potential financiers
- 🐎 Signing the EC Non-Circumvent Agreement (NDA) and the EC Funding & Service Agreement that states the financing objectives, the process, the fees and who are working on the project from EC

The EC Process Cont'd





- An Executive Summary, an integrated Business Plan and a power point presentation, which are adapted to the specific funding institution's preferences are the basis for any discussion
- EC structures the financing based on the knowledge of the chosen funding institutions' preferences
- An electronic data room is established with all relevant documents and Due Diligence is carried out including site visits

The EC Process Cont'd

- 🐎 Terms sheets from the different funders are presented
- 🐎 Meeting with the funding institutions, negotiations and legal agreements
- 🐎 Signing and completion
- 🐎 The whole process takes usually from 2-3 months up to 6 months depending on how ready the client is regarding access and preparation of documents, complexity in the project and the size of the transaction

The Fee Structure

The fee structure consist of the following:

-  Retainer: £30,000 to be paid up front or over three months if the company has stable cash flow. If the process takes more than three months there is a fee of £5,000 per month thereafter
-  Due Diligence fee of around £30,000 plus legal fees
-  Success fee of 1-5% of funds raised depending on size and complexity of the transaction
-  A small equity kicker of minimum 1-5% depending on the complexity and the development stage of the company

EC Funding Sources



We have the following categories of funding sources:

- 🐎 Specialised investment funds that invests in large scale infrastructure, real estate, manufacturing operations, natural resources etc around the world. The investment company covers smaller as well as very large investments upwards to \$5bn.
- 🐎 The client will need to file a business plan, which is the basis for a decision. The funding can be based on preference shares and the equity stake the investor takes in the company is between 25-49% depending on the size of the funding and the financial upside in the company.

EC Funding Sources

- 🐎 The second option is a mix of debt/equity financing. The effect is that you would get the funds in terms of an equity injection and then a debt financing..
- 🐎 This concept can be in three tranches. Of the first tranche of equity some of it goes to create a sufficient equity base and to enable the company to raise debt.

EC Funding Sources

-  The effect is that the company in the end raises more money with less debt and less equity dilution. This type of structure does work if the company needs funding over time that can be structured in tranches.
-  The third alternative is Traditional Debt and Equity solutions from big asset managers in international bank/private equity firm/family office/hedge fund. We work with a large number of these institutions
-  We also have specialised Bond issues in corporation with some major funding house and Loans against Listed shares.

EC Funding Sources

The financing structure varies from institution to institution, but can be straight debt, convertible debt and mezzanine. On the equity side it can be preference shares, equity kickers in various forms, profit split etc and different degrees of passive versus active ownership.

You can find Templates and lot of information on our Home Page, please see contact details on the last page.

Contact Details

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Or contact the EC Partner closest to you!!