



Mini-Bonds

Minibonds are an increasingly popular way to finance the expansion of successful, growing businesses. **They offer an excellent alternative to traditional bank or equity financing.**

Our Corporate Finance team have been involved in a number of mini-bond raises and have an experienced team ready to guide clients through the complex regulatory environment through to a successful mini-bond raise.

OUR RECENT MINI-BOND RAISES



The "Flower Bond"

£4.8 million raised • October 2020

"We are delighted with the result of the Flower Bond, which will enable us to embark on the next phase of our journey. We'd like to extend our sincerest thanks to the team at Gerald Edelman who were constantly on hand to provide their support and guidance (under some stressful deadlines) throughout the process, which contributed significantly to the Flower Bond's success."

Nick Anderdon

Head of Strategy, Freddie's Flowers



The "Gin Bond"

£2 million raised • September 2019

"The team at Gerald Edelman provided expertise and advice that helped us navigate a complex regulatory environment and ensure we got to market on time with a professional offering, providing potential investors with assurance and confidence that our proposal was sound. I'm pleased to say with GE's help the offering was a total success!"

John Hulme

Managing Director, Craft Gin Club



Surrey County Cricket Club Bond

£7 million raised • June 2019

"The service provided by Gerald Edelman was excellent throughout our fund raise. Carl and his team were proactive, knowledgeable and pragmatic and we are delighted to say the bonds were fully subscribed during the members' priority period of two weeks. Needless to say, for any further fundraising in the future, Gerald Edelman will be our first port of call."

Andrew Lane

Finance Director, Surrey County Cricket Club





WHY MINI-BONDS?

There are a number of benefits to raising finance via a minibond, including:

- ▶ No equity dilution
- ▶ Give customers and other stakeholders the chance to be closer connected to the company as a bond-holder
- ▶ Potential to provide interest in product, which could be cost effective v cash interest

WHO DO MINI-BONDS SUIT?

Mini-bonds are best suited to businesses with the following characteristics:

- ▶ UK incorporated, privately-owned businesses with plans for growth
- ▶ Large customer/subscriber base
- ▶ Annual turnover in excess of £5 million
- ▶ Minimal existing debt
- ▶ Targeted raise of £2 million minimum

SPECULATIVE MINI BONDS? IT'S A NO FROM US!

Some businesses issue mini-bonds to raise money from investors to lend to third parties or invest in other companies or property. These are referred to as 'speculative mini-bonds', the marketing of which to retail investors has been banned by the Financial Conduct Authority. We at Gerald Edelman have always been of the view that marketing speculative mini-bonds to retail investors is inappropriate and have never been involved in such bonds.

However, a successful trading business issuing mini-bonds for the purpose of funding their own expansion plans is a different story. For these businesses, mini-bonds represent an excellent method to raise finance for expansion.

For more information on whether a mini-bond could be right for your business, get in contact with a member of our corporate finance team.



CORPORATE FINANCE TEAM

Key contacts



Carl Lundberg ACA AMAE
PARTNER

☎ 020 7299 1415
☎ 07773 442 671
✉ clundberg@geraldedelman.com



William Abell ACA
MANAGER

☎ 020 7299 1437
☎ 07712 280 589
✉ wabell@geraldedelman.com



City of London Office

73 Cornhill, London, EC3V 3QQ ☎ 020 7299 1400 ✉ hello@geraldedelman.com



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