

CybAero proposes a resolution for a preferential share issue of approx. SEK 45-50 million

The Board of CybAero AB ("CybAero" or the "Company") has decided subject to an extraordinary general meeting's approval for a share issue with preferential rights for the shareholders of approx. SEK 45-50 million. The share issue is guaranteed up to approx. SEK 34 million through subscription and guarantee undertakings corresponding to approx. 73 per cent of the total amount of the share issue.

Background and motive in brief

The company seeks in this rights offering approximately SEK 45-50 million to focus on closing business in the near future and continuing to develop its comprehensive concept and service operations, Air Services. CybAero has developed its product range and now sells an entire concept, existing service assignments, training and the APID One system. The company has also developed a self-sufficient container solution that is expected to be strongly sought on the market. The outstanding quotes, that was 0 SEK one year ago, is now estimated at approximately 600 MSEK. Between the beginning of 2017 and the end of the year, CybAero is estimated to almost have halved its rolling monthly costs.

Conditions in brief

The planned issue is a preferential share issue of approximately SEK 45-50 million, conditions 2:1 provisionally at SEK 3.75 / unit, which means a pre-money valuation of approximately SEK 23.2 million. The execution will take place in Nov / Dec. 2017. The compensation paid to the guarantee in accordance with this offer is 10% in cash or 12% in the form of offsetting of newly issued units in CybAero AB, on guaranteed and assigned amount (after completion of issue). The share capital can be increased by no more than 86 484 790^[1] SEK and the highest number of shares that may be issued is 24 709 940^[1].

The rights issue is secured to approximately MSEK 34 through guarantee and subscription. Shareholders who choose not to participate in the rights issue will have their shareholding in the Company diluted by about 67 per cent but have the opportunity to economically compensate for this dilution by selling their subscription rights.

The new share issue requires approval of the extraordinary meeting with the shareholders which will be held on 14 November 2017. Notice to the meeting will be subject to a separate press release.

Subscription – and underwriting commitments

CybAero has received commitments to subscribe for shares in the share issue from major shareholders of approx. SEK 2,5 million, corresponding to 5,0 per cent of the share issue. The Company has further entered into agreements for underwriting commitments of approx. 31,5 million, corresponding to 68 per cent of the share issue. Altogether the share issue is guaranteed up to an amount of SEK 34 million, corresponding to 73 per cent of the amount of the share issue

Indicative timetable for the rights issue

<i>14 November 2017:</i>	Extraordinary meeting with the shareholders for approval of the Board's decision of a new share issue.
<i>14 November 2017:</i>	The last trading day for the share with right to participate in the new share issue.
<i>15 November 2017:</i>	The first trading day without right to participate in the new share issue.
<i>16 November 2017:</i>	Record date, i.e. shareholders who are registered in the share register that day will receive subscription rights entitling to participation in the new share issue.
<i>17 November 2017:</i>	Announcement of prospectus.
<i>20 November –</i>	
<i>5 December 2017:</i>	Trade with subscription rights on Nasdaq First North.
<i>20 November –</i>	
<i>7 December 2017:</i>	Subscription period.
<i>About 11</i>	
<i>December 2017:</i>	Announcement of result.

Advisors

Financial advisors to CybAero in connection with the share issue are Göteborg Corporate Finance. Legal advisor to the Company is Advokatfirman Delphi.

Michael Auerbach, CybAero's Chairman comments: "Göteborg Corporate Finance has done an excellent job for CybAero and we look forward to a long positive relationship with the firm. This rights offering will provide CybAero with the needed funds to continue to seek new and exciting opportunities and sign new customers for our Apid One systems and UAS services capabilities."

^[1] If full conversion or subscription respectively is made of the company's convertible debenture loan series KV1 2017/2018 and KV2 2017/2018 and warrants Series TO3 2017/2018 and Series TO4 2017/2020, the resolution shall be deemed to entail a further increase of the company's share capital with not more than SEK 59 622 332 through a new issue of no more than 8 517 476 warrants and no more than 8 517

476 shares.

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This information is information that CybAero AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 23:15 CET on October 16 2017.

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Web: www.cybaero.se **Videos:** www.youtube.com/cybaero

About CybAero

CybAero develops and manufactures Remotely Piloted Aircraft Systems (RPAS) for safer and more effective aerial operations in various environments, including those hazardous in nature. The company has made a great international impact with its APID One helicopter, which can be adapted for both military and civilian applications such as coastal and border surveillance, search and rescue missions, and mapping. CybAero's head office is located in the Mjärdevi Science Park in Linköping, Sweden. The company has around 45 employees and has been listed on the Nasdaq First North since 2007. FNCA Sweden AB is the company's certified adviser.