

Cimco Marine AB (publ) has resolved, subject to the approval by an extraordinary general meeting, to carry out a directed share issue of 65 MSEK

As communicated earlier, Cimco is in need for further funding in order to reach its target of producing 25 OXE units per week during 2017 and its financial targets for 2018. The Board of Cimco has resolved, subject to the approval by an extraordinary general meeting, to carry out a share issue of 65 MSEK directed to a number of strategic investors.

Following Cimco's recent announcements, the Board made the assessment that securing debt financing would have slowed down the production ramp-up further. The Board has over the weekend carried out a book building process and identified a number of investors of strategic importance, including external investors and a few existing shareholders, willing to invest in total 65 MSEK in Cimco. The investors have entered into subscription undertakings for the full amount. The funding will enable the company to implement the growth strategy and Cimco now assesses that it will be able to reach its production target of 25 engines per week earlier than other alternatives of financing would have offered. Part of this will also be used to pay back a 20 MSEK bridging loan.

The reason for the deviation from the shareholders' pre-emption rights is to, in a time and cost efficient way, secure the company's need of additional funding and to tie strategically important investors to the company. The shares are to be issued at a price of 15 SEK per share. This represents a discount of 13% to the closing price of Cimco's share as of 1 September 2017, based on which the book building process has been conducted. Considering that the price has been determined in a book building process, that the listing at Nasdaq First North was made at SEK 14.5, and the company's current need of funds, the Board believes this to be a fair price to secure such immediate funding.

The share issue means a dilutive effect of 18 per cent in relation to the number of existing shares in the company. The number of shares in Cimco following the share issue will be 24,101,617.

The 65 MSEK equity raise will be applied as follows:

Finance cost and loan repayment	40%
Net working capital	25%
Operational expenses	18%
R&D and Investment	17%
TOTAL	<u>100%</u>



This funding will enable the company to achieve a production weekly run rate of 25 OXE units during 2017 and to meet its financial targets for 2018.

The share issue is subject to approval by an extraordinary general meeting to be held on 20 September 2017. Notice for the general meeting will be announced today by separate press release.

The largest subscribers for this share issue were Per Lindberg, Prioritet Group AB, Magnus Linderöth and Sonny Johansson.

Comments by the CEO Cecilia Anderberg: We are very pleased to see that the interest for Cimco and its technology has made it possible to secure the required funding in a very limited amount of time. A fast-growing company requires capital and the strengthening of the capital base will enable the Cimco Marine to grow faster than what other means of financing would have provided. I would like to thank our new shareholders and welcome them as owners.

For further information, please contact:

Cecilia Anderberg, CEO Cimco Marine AB, +46 763-10 22 50, cecilia.anderberg@oxe-diesel.com

Andreas Blomdahl, Chairman of the Board of Cimco Marine AB, +46 706-28 01 30, andreas@marinediesel.nu

Myron Mahendra, CFO Cimco Marine AB, +46 763-47 59 82, myron.mahendra@oxe-diesel.com

Lars Sjögrell, Head of Public Relations, Cimco Marine AB, tel. +46 702-69 53 00, lars.sjogrell@perspective.se

www.oxe-diesel.com

Certified Adviser

Västra Hamnen Corporate Finance AB is Certified Adviser for Cimco Marine AB.

Cimco Marine AB (publ), is obligated to make this information public pursuant to the EU Market Abuse Regulation. The information was provided by the contacts above, to be submitted for publication on September 4th, 2017 at 8.00 PM.

Cimco Marine AB (publ) has, after several years of development, constructed the OXE Diesel, the world's first diesel outboard engine in the high power segment. OXE Diesel has a unique belt driven propulsion system that allows a hydraulic multi-friction gearbox to be mounted. This means that the engine can handle significantly higher loads than a traditional outboard engine. Cimco's OXE diesel has a horizontally mounted engine as opposed to a traditional outboard with a vertically mounted engine.