

Cimco Marine enters into supply and development agreement with BMW

Cimco Marine AB (publ) has today entered into a supply and development agreement with Bayerische Motoren Werke Aktiengesellschaft, BMW, regarding BMW's supply of the BMW TwinPower Turbo Inline-6-Cylinder Diesel Engine and selected parts and components. The engine is a 3 litre twin turbo diesel motor.

According to the supply and development agreement, Cimco Marine is entitled to use the BMW engine in both outboard and inboard applications.

Cimco Marine intends to make an initial order of about 900 BMW engines for 2020 followed by volume purchase of 2,000 engines in 2021 and 3080 engines in 2022. The planned start for production of the OXE Diesel outboards based on the BMW engine is in April 2020.

The agreement is in force until 31 December 2025. BMW is entitled to terminate the agreement upon 18 months' notice if an automobile manufacturer acquires 20 percent or more of the voting rights or share capital of Cimco Marine. It is Cimco Marine's view that the notice period corresponds to the time it would take for the company to marinize a new engine.



BMW TwinPower Turbo Inline-6-Cylinder Diesel Engine will be used for Cimco Marine to sell in four variants: The OXE 225hp, OXE 250hp, OXE 275hp and its new flagship variant, the OXE 300hp.

I am delighted to announce this cooperation with one of the leading automobile engine manufacturers in the world. With BMW as a partner, we secure Cimco's future needs for a clean, efficient and reliable high-performance engine for our extended portfolio of OXE Diesel outboards, says Andreas Blomdahl, CEO of Cimco Marine.

Certified Adviser

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

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Cimco Marine AB (publ) is obligated to make this information public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 9 November 2018 at 4.45 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. Cimco Marine's unique patented engine-to-propulsion power transmission solutions have led to high demand for the company's engines worldwide.