

Cimco Marine AB initiates written procedure to amend certain terms in its up to MSEK 200 bonds in preparation for a MSEK 150 rights issue of units

Cimco Marine AB (publ) ("**Cimco**") has today initiated a written procedure to amend certain terms in its up to MSEK 200 (or its equivalent in NOK and EUR) Senior Secured Callable Fixed Rate Bonds with ISIN SE0010831545, SE0010831594 and NO0010815442 (the "**Bonds**"). The written procedure is initiated in preparation for an approx. MSEK 150 rights issue of units (the "**Rights Issue**").

Amended Bond terms

The proposed amendments means that (i) Cimco will be allowed to take up and provide security for a non-subordinated bridge loan in an amount of up to MSEK 55 until disbursement of issue proceeds from the Rights Issue, (ii) the final redemption date for the Bonds will be postponed to 15 February 2023, (iii) the interest on the Bonds will, following acceptance of the amended terms, be quarterly compounded and added to the nominal amount of the Bonds (PIK interest), (iv) the interest rate will be adjusted from 10.75 to 7 percent *per annum*, and (v) Cimco will be allowed to finance its operations by taking up credits and providing security under credit guarantees for trade receivables issued by public authorities or other organizations promoting exports and by taking up and providing security for certain subordinated loans. If accepted, the amendments will include a condition that the Rights Issue must be completed no later than 31 May 2019.

The notice of written procedure will be sent to the bondholders by the agent Intertrust (Sweden) AB and is available on Cimco's website (www.oxe-diesel.com) and on the website of the agent (www.intertrustgroup.com).

Rights Issue of units

The written procedure is initiated in preparation of a contemplated new issue of shares and warrants ("**Units**") with preferential rights for existing shareholders. The Rights Issue will amount to approx. MSEK 150, of which at least MSEK 100 in new shares and at least MSEK 50 by the exercise of warrants issued in the Rights Issue. The Rights Issue will be carried out in order to resolve Cimco's funding need on a short- and long term-basis, as described in the notice of written procedure. Indicatively, each Unit will include three shares and one warrant at a total subscription price of SEK 3.00 per Unit (SEK 1.00 per new share). The warrants will be issued without consideration and will entitle to subscribe for one share in Cimco for the subscription price of SEK 1.50 during a period of 14 days starting approx. 6 months after allotment of Units in the Rights Issue.

As per the date of this press release, Cimco has entered into subscription and guarantee undertakings in a total amount corresponding to 99 percent of the Rights Issue. The subscription and guarantee undertakings are conditional on the bondholders accepting the amended Bond terms in the written procedure.

Further details on the Rights Issue, including information on record date and subscription period, will be communicated in connection with the notice for an extraordinary general meeting to resolve on the Rights Issue.

"After discussing with the major stakeholders of Cimco, we are happy to now be in agreement about the necessary steps to secure the short and long-term funding of the company", says Anders Berg, Chairman of the Board.

Certified Adviser

CIMCO

Endurance by Engineering

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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 28 January 2019 at 12.20 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.