



OXEMARINE

ENGINEERING THE FUTURE

INTERIM REPORT
1 OCTOBER TO 31 DECEMBER 2019

www.oxemarine.com

OXE Marine AB (publ)

INTERIM REPORT

Fourth quarter of 2019

- Net turnover of SEK 40.1 m (SEK 9.0 m)
- Operating Loss/EBIT of SEK -22.8 m (SEK -27.4 m)
- Result for the period of SEK -25.5 m (SEK -30.5 m)
- Cashflow for the period SEK 12.9 m (SEK -43.5 m)
- Earnings per share amounted to SEK -0.16 (SEK -1.04)
- Diluted earnings per share amounted to SEK -0.14 (SEK -1.04)
- OXE units sold: 142 (27)

January – December 2019

- Net Turnover of SEK 91.1 m (SEK 40.6 m)
- Operating Loss/EBIT of SEK -88.1 m (SEK -87.2 m)
- Result for the period of SEK -101.9m (SEK -108.2 m)
- Cashflow for the period SEK 46.3 m (SEK -9.2 m)
- Earnings per share amounted to SEK -0.80 (SEK -4.04)
- Diluted earnings per share amounted to SEK -0.68 (SEK -4.04)
- OXE units sold: 309 (157)

Significant events in the Fourth quarter

- Received subscription and guarantee commitments for exercise of warrants series 2019:1.
- Received approximately SEK 33.6 m through the exercise of warrants and planed for a directed share issue of approximately SEK 17.2 m.
- The board of directors resolved on a directed share issue of SEK 17.2 m.
- Received a significant order for the OXE300 with a value of approx. EUR 3 m from one of its distributors in the Americas.
- Formalised agreement with EIB that second tranche drawdown condition will include a directed issue.

Significant events after the reporting period

- Shareholders agreed to change the company name from Cimco Marine AB (publ) to OXE Marine AB (publ).
- OXE Marine AB (publ) announced name change, vision, mission and core values.

Key Figures	2019	2018	2019	2018	2017	2016
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Net turnover, KSEK	40 107	9 041	91 100	40 578	14 602	6 878
Gross Margin %	10%	-73%	-4%	-41%	-78%	-20%
EBITDA, KSEK	- 18 856	- 24 058	- 73 676	- 74 367	- 37 892	- 18 487
Net loss for the period, KSEK	-25 537	-30 545	-101 938	-108 213	-50 979	-27 088
OXE units produced	98	89	214	314	55	25
OXE units sold	142	27	309	157	55	25
Order Book Value, KSEK	43 230	n/a	n/a	n/a	n/a	n/a
Earnings per share basic, SEK	-0.16	-1.04	-0.80	-4.04	-2.70	-2.40
Earnings per share diluted, SEK	-0.14	-1.04	-0.68	-4.04	-2.70	-2.40

COMMENTS BY THE CEO



In the final quarter of 2019, OXE Marine achieved record sales of 142 units with net revenues of SEK 40 m, whilst achieving a 10% gross margin translating to a gross profit of SEK 4 m. Effectively, all completed units from production and inventory were sold out. Furthermore, I am confident that following the introduction of the OXE300, our gross margin will begin to move significantly higher. Our key financial objective to become gross margin positive by Q4 2019 has been met. Equally satisfying is the year on year increase in net revenues since we started production in September 2016.

I am also pleased with our order book, for unit deliveries in 2020, already now representing approximately half of our net revenue sales of 2019. I am therefore confident in meeting our 2020 financial target of net organic sales growth of more than 50% year on year. From 2020 onwards our reporting will focus on net revenues rather than unit sales as our product mix will become more sophisticated, which will include a higher percentage of revenues from spare parts, accessories and service kits – a natural increase especially as our OXE125-200 product range matures. OXE Marine has now delivered production units for government services in the US, Australia and Bangladesh – we are also working on various governmental projects which we hope will unlock further long-term sales contracts. The demand from the commercial sector continues to progress as expected, particularly for the OXE200.

Our expected start date of the OXE300 production in May 2020 remains unchanged and we are

increasing our planning and execution resources. We will carefully ramp up production during Q2 and Q3, whilst closely monitoring product quality.

With regards to funding, we successfully completed the share warrant exercise as well as a directed share issue totalling SEK 50.8 m in October. Additionally, we have satisfied all conditions to enable us to draw down tranche B of the European Investment Bank (“EIB”) Loan facility of €4 m. Draw down is expected to be completed in March 2020.

OXE Marine is aware of the coronavirus epidemic and continues to monitor its potential impact on supply chain and sales in the affected regions.

Lastly, you will have noted that the company changed its name in January. One of the main reasons was to create consistency with our product brand. Our strap line “Engineering the Future” also gives an indication of the potential of our technology that will enable us to develop environmentally friendly products such as hybrids and fully electric variants. Additionally, it was an opportunity to develop what our vision, mission and core values are and communicating with all our stakeholders about who we are and what we do, how we intend to execute our mission and what we stand for. We are still a young company but with the collective support from our employees, consultants, customers, suppliers and investors, we will realise the full potential of our disruptive and innovative belt propulsor design.

A handwritten signature in blue ink that reads "Myron Mahendra". The signature is fluid and cursive, written in a professional style.

Myron Mahendra
CEO - OXE Marine AB

Production

OXE Marine produced 98 units during the quarter. It was a measured and controlled process to ensure all quality standards were met whilst improving the efficiency of the assembly of its product. The steady production run also enabled OXE Marine to run down its current inventory of completed units (mainly 150hp variant). OXE Marine will be adding further resources in its supply chain sourcing, quality processes and production management.

For Q1 2020, OXE Marine will continue producing at a steady, controlled manner, whilst focusing preparation of its supply chain for the start of production of the OXE300 during Q2 2020.

OXE Marine is aware of the coronavirus epidemic and is continually monitoring its supply chain with regards to potential disruptions from the affected countries.

Sales and after sales

OXE Marine sold 142 units during Q4 2019, bringing a total of 309 engines sold for the year 2019 - nearly doubling from the previous years' sales of 157 units. The demand for the OXE200 is picking up following the re-introduction of this power unit (tropical variant) in late May 2019. By the end of 2019, OXE Marine effectively sold all units from production and inventory. As production continues at a steady controlled pace, sales for Q1 2020 will be slightly more subdued.

The order book for unit deliveries in 2020 currently stands at approximately €4.1 m and represents about half of OXE Marine's net revenue sales of 2019. With reference to the LOI signed with an African government in September 2019, the sea trial validation was delayed due to the boat builder

being unable to supply the relevant boat. The trial validation is now expected to take place at the end of this month. OXE Marine has now delivered production units for government services in the US, Australia and Bangladesh – we are also working on various governmental projects which we hope will unlock further long-term sales contracts. The demand from the commercial sector continues to progress as expected, particularly for the OXE200.

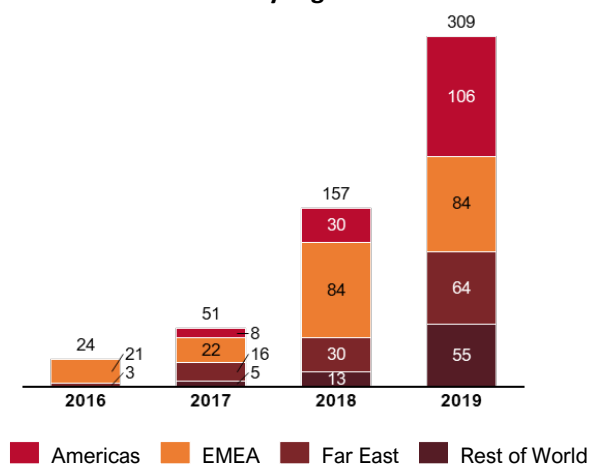
As for the introduction of the OXE300 later in Q2 2020, the demand is primarily driven from North America, Western Europe and the Middle East. OXE Marine continues to develop its order book for the Far East and the rest of the world.

The coronavirus epidemic may have a short-term impact on potential sales in the Far East but this will not affect OXE Marine's overall financial objectives for sales growth in 2020.

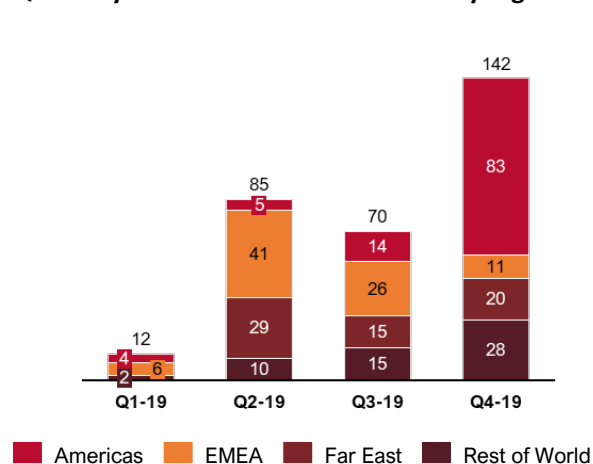
OXE Marine continues to recruit further sales representatives as well as marketing personnel to ensure it meets its sales targets for 2020 and beyond.

After Sales has developed a training centre in Ängelholm for OXE Marine's distributors and their key customers. The training will ensure that our product is properly used and maintained whilst developing strong relations with our end customers. This is essential to develop quality service and loyalty amongst our customers. With quality training, any warranty claims will be limited which in turn will develop confidence in OXE Marine's product. OXE Marine continues to recruit more qualified staff in this area as sales continue to ramp up.

Annual net turnover by region:



Quarterly breakdown of net turnover by region:



Fairs where OXE Diesel has been displayed in Q4, 2019

During the fourth quarter 2019 the OXE Diesel was displayed at the following 15 international shows. The OXE Diesel has received more attention than before.

Country:	Trade Show:	Month during Q4:
USA	International Boatbuilders' Exhibition & Conference	Oct
Paraguay	Navegistic	Oct
India	INMEX	Oct
Australia	Pacific 2019	Oct
South Africa	Cape Town International Boat Show	Oct
South Korea	KORMARINE	Oct
USA	Commercial Marine Expo	Oct
Germany	Hamburg Boat Show	Oct
USA	Fort Lauderdale International Boat Show	Oct/Nov
UK	Skipper Expo Int.	Nov
Abu Dhabi, UAE	ADIPEC	Nov
USA	Pacific Marine Expo	Nov
Netherlands	METS	Nov
Greece	Athens Boat Show	Nov/Dec
USA	International Workboat Show	Dec



Pictures (upper left) ADIPEC (Abu Dhabi) presented by Exalto Emirates, (Lower left) Cape Town International Boat Show presented by Southern Powers, both pictures to the right from International Boatbuilder Exhibition & Conference (USA) where Laborde Products Inc displayed the OXE Diesel.

Product development

OXE Marine is in the final stages of completing its validation and is currently implementing a design freeze for the OXE300 – start of production is expected in May 2020 with a gentle ramp up to monitor parts and design quality.

There are also continuous improvements to the current production of the OXE200 – focussing on parts quality, assembly efficiency and cost reduction.

OXE Marine also continues to explore new opportunities, especially with new powerheads as well as hybrid and electric variants.

Corporate Matters

The company has rebranded its corporate name to OXE Marine AB so as to develop a consistent branding to our product portfolio. The corporate name and product portfolio (current and future) are shown below.

It has also developed its Vision, Mission and Core Values as follows:

Vision:

- Global adoption of the OXE belt propulsion design.

Mission:

- To design and supply high quality marine propulsion solutions.
- To dramatically reduce exhaust emissions in the marine outboard segment.
- To provide a superior return to our customers.
- To build loyal customer base as well as alliances to further support global adoption of our products.

Core Values:

- A commitment to innovation and excellence.
- A commitment to supplying safe, durable and reliable products and services.
- A commitment to recruit and retain high quality personnel.
- A commitment to develop a highly collaborative work culture.
- A commitment to openness and fairness with all our stakeholders.

OXE Marine has 34 employees at present. It continues to recruit high quality staff to meet its corporate objectives. OXE Marine is also seeking new premises as it continues to expand its operations.

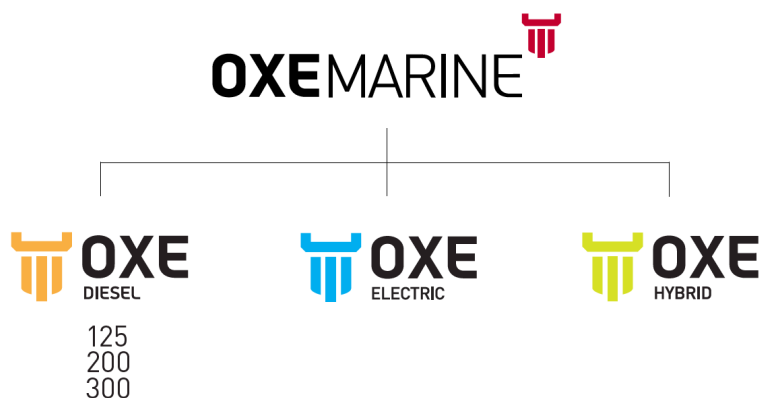
Future funding requirements

OXE Marine successfully concluded the redemption of share warrants as well as a directed share issue in October, raising SEK 50.8 m.

OXE Marine entered into a finance contract with the European Investment Bank (EIB) in July 2019 for a loan facility of up to €14 m. This is available in three tranches. Tranche A of €4 m was drawn in September. Tranche B, also for €4 m, will be available if OXE Marine meets the following conditions:

- Raises new equity of SEK 50 m in October 2019;
- Achieve net revenues of at least €7.5 m over the last 12 months; and
- Achieve gross margin positive in the last 3 months of that reporting period.

OXE Marine has satisfied all of the above conditions and will be eligible to drawdown Tranche B of €4 m – this is expected to be completed during March 2020.



SHAREHOLDERS

OXE Marine's top ten shareholders and movement in shares as at 31st January 2020 are as follows:

Name	Holding	%	Change
Per Lindberg	32 234 608	19.6	↑
Arne Andersson	13 359 900	8.1	↑
Jonas Wikström	8 073 054	4.9	-
Tamt AB	8 000 000	4.9	-
Magnus Linderöth	6 265 000	3.8	↓
Prioritet Capital AB	4 668 457	2.8	↓
Sven Sandberg	4 210 000	2.6	↑
CBLDN-Saxo Bank A/S	4 040 660	2.5	-
Theodor Jeansson	3 969 356	2.4	↑
Euroclear Bank S.A./N.V, W8	3 940 150	2.4	-

Source: Euroclear.

Information presented is as per Euroclear records. Change in holding based on number of shares disclosed in the Q3 report (as at 31st October 2019). Avanza Pension försäkringsaktiebolaget is excluded from the above table with an approximate holding of 7.8%, as it consists of various shareholders grouped. No further analysis has been done.

FINANCIALS

Operational and financial review

Fourth quarter 2019 compared to the Fourth quarter 2018

OXE Marine's income statement for the fourth quarter 2019 shows a net loss of SEK 25.5 m, against a net loss of SEK 30.5 m in the corresponding period of the previous year. OXE Marine sold 142 OXE units compared to the corresponding period of 27 units. Net turnover was significantly higher at SEK 40.1 m compared to SEK 9.0 m for the corresponding period of the previous year and is the best quarter in the history of the company.

OXE Marine achieved a gross margin of SEK 3.9 m in the fourth quarter of 2019 against a gross margin of SEK -6.6 m in the corresponding period of the previous year. The higher gross margin amounted to 10% (-73%). The gross margin decreased by 2% relative to the third quarter in 2019 (12%) due to no direct end-user sales (sold at retail price) during the quarter at a higher margin and a lower product mix of sales of spare parts and accessories relative to total turnover.

Operationally, OXE Marine has been increasing its marketing activities in order to promote the product and brand at trade fairs. R&D activities around the development of the OXE300 is expected to tail off as we finalise the verification and validation process.

Full year 2019 compared to full year 2018

OXE Marine's income statement for the full year 2019 shows a net loss of SEK 101.9 m, against a net loss of SEK 108.2 m in the corresponding period the year before. OXE Marine sold almost twice the number of OXE units, 309 compared to the corresponding period (157 units). Net turnover more than doubled and was SEK 91.1 m compared to SEK 40.6 m in the previous year. The growth in sales was mainly due to sales of the OXE200 variants, the most profitable of the current product range being produced as well as good growth in the aftersales market which includes sales of spare parts, servicing kits and accessories.

OXE Marine produced a gross margin of SEK -3.6 m for the full year against a gross margin of SEK -16.7 m in the previous year, representing a gross margin of -4% (-41%). The first quarter of 2019 had a negative gross margin with a positive gross margin from the second to the fourth quarter.

After capitalisation, Other External Costs decreased and amounted to SEK 37.5 m (SEK 49.0 m) whilst personnel costs increased to SEK 30.3 m (SEK 9.3 m). This was mainly due to employing senior employees from previous consultant positions within the company as well as the capitalisation of SEK 10 m of personnel costs in the corresponding period to Intangible fixed assets (no capitalisation of personnel costs in 2019). Overall OXE Marine capitalised SEK 34.2 m of costs for the full year 2019 to intangible assets relating to development work of the OXE200 and OXE300 and patent costs, compared to SEK 18 m capitalised in the previous year, excluding capitalised personnel costs. Interest expense and other finance costs was down to SEK 13.9 m (SEK 21.1 m) and this is due to initial financing cost of raising the corporate bond in February and September 2018 as well as a lower interest rate (from 10.75% pa down to 7% pa) on the corporate bond effective from February 2019.

Assets

Fourth quarter 2019 compared to the fourth quarter 2018

As at 31 December 2019, total assets amounted to SEK 314.8 m (SEK 248.5 m). OXE Marine's non-current assets at the closing date were SEK 149.4 m (SEK 126.4 m), out of which R&D and patents amounted to SEK 143.1 m (SEK 120.5 m). The increase relates mainly to product development (in particular the 300hp 'Bison' project).

Inventory amounted to SEK 56.8 m relative to SEK 96.8 m in the previous year. Approximately SEK 17 m or 30% of stock relates to Opel engine powerheads with a further SEK 9 m in advanced payments to suppliers, amounting to approximately 726 powerheads in total. The increase in powerheads was made in order to meet our supply agreement obligations as well as future demand for the OXE 200 series. Completed units amounted to approximately 7% of the stock balance relating to units used for demo, exhibitions and training as we effectively 'sold out' of available units at the end of the quarter.

Accounts Receivables amounted to SEK 39.3 m as at 31 December 2019, in comparison to SEK 13.6 m in the comparative period. The increase is mainly as a result of the significant increase in turnover during the fourth quarter, where the payment is not yet due. OXE Marine works with the Swedish Export Agency 'Exportkreditnämnden' ("EKN") to partially guarantee the sales to all export markets covered by EKN. OXE Marine had cash and cash equivalents of SEK 51.2 m (SEK 5.0 m) at the closing date 31 December 2019.

Equity and liabilities

Fourth quarter 2019 compared to the fourth quarter 2018

Total equity increased to SEK 118.8 m (SEK 83.8 m) mainly due to the rights issue and directed share issue that took place in the fourth quarter. Even though OXE Marine continues to incur losses, it continues to maintain its equity base through equity funding from its shareholders. The non-current liabilities increased to SEK 155.7 m (SEK 106.2 m). This is mainly due to the drawdown of the first tranche of €4 m from the EIB in September 2019 and accumulated interest on the corporate bond loan since February 2019.

Current liabilities reduced to SEK 36.9 m (SEK 57.4 m). This is mainly due to reduction in advance payments from customers as sales have further reduced this liability as well as a reduction in accounts payable.

Cash flow

Fourth quarter 2019 compared to the fourth quarter 2018

Cash flow from operating activities

Cash flow from operating activities for the period was SEK -18.4 m (SEK -32.6 m). The improvement in cash flow from operating activities is mainly related to a decrease in inventories which had a favourable effect on working capital and amounted to SEK 7.3 m (SEK -13.1m). This was partially offset by an increase in accounts receivables, amounting to SEK -12.9 m (SEK -3.1 m), associated with the higher turnover.

Cash flow from investing activities

Cash flow from investing activities amounted to SEK -10.5 m (SEK -9.5 m). This is primarily due to an increase in investments in fixed assets of SEK -1.1 m (SEK -0.2 m).

Cash flow from financing activities

Cash flow from financing for the period was SEK 41.8 m (SEK -1.4 m). This relates to funding from the rights issue and directed share issue that took place in October 2019.

Full year 2019 compared to full year 2018

Cash flow from operating activities

Cash flow from operating activities for the full year was SEK -95.6 m (SEK -125.3 m). The improvement in cash flow from operating activities is mainly related to a decrease in inventories which had a favourable effect on working capital and amounted to SEK 28.4 m (SEK -36.2m). This was partially offset by an increase in accounts receivables, amounting to SEK -25.7 m (SEK -10.7 m), associated with the higher turnover.

Cash flow from investing activities

Cash flow from investing in the full year was SEK -37.4 m (SEK -41.3 m). This is primarily due to decreased investing activities relating to intangible fixed assets of SEK -35.0 m (SEK -39.3 m), relating to R&D and patents.

Cash flow from financing activities

Cash flow from financing for the full year was SEK 179.3 m (SEK 157.4 m). This relates to funding from the rights issue, EIB loan drawdown and rights issue and directed share issue in 2019, whilst the comparative period relates to directed and rights share issue and corporate bond issuances.

Financial objectives

As stated in the last quarterly report, Q3 2019, OXE Marine has the following long-term objectives for the years 2020-2024 is on the following basis:

- EBITDA margin of >25% by the end of 2024;
- Average Organic Sales growth >50% per year; and
- Operational cashflow positive no later than 2021.

Going forward, for the 2020 financial year, OXE Marine will focus on total turnover as a measure of growth as opposed to units sold. This is because there is a growing contribution to total turnover from the After Sales market, including sales from accessories, kits and spare parts.

Outlook

The Board remains highly optimistic of the future of OXE Marine and in meeting its revised longer-term targets and value the step-by-step developments being made, fully supporting the organisation and management of the company.

Risks and uncertainties

The Risk and uncertainties of OXE Marine's business is explained in detail within the risk section of the Company Description relating to the Corporate Bond in February 2018 – the document is available on OXE Marine's website. The main risks facing OXE Marine are production risk, technical development risk and financial risk.

Financial calendar

- Q4 2019 Interim report due on 21st February 2020 (15h00);
- 2019 Annual report due on 26th March 2020 (07h30);
- Annual General meeting on 16th April 2020 (14h00);
- Q1 2020 interim report due on 22nd May 2020 (11h00);
- Q2 2020 interim report due on 25th August 2020 (07h30);
- Q3 2020 interim report due on 24th November 2020 (07h30).

All times indicated above are CET

FINANCIAL STATEMENTS FOR THE PERIOD TO 31 DECEMBER 2019

INCOME STATEMENT

<i>(amounts in KSEK)</i>	2019	2018	2019	2018
	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
Net Turnover	40 107	9 041	91 100	40 578
Goods for resale	-36 152	-15 678	-94 723	-57 308
Other external costs	-14 325	-17 051	-37 461	-49 001
Personnel costs	-9 259	-1 547	-30 325	-9 308
Depreciation/amortisation and impairment	-3 910	-3 302	-14 410	-12 792
Other operating income (expenses)	765	1 177	-2 266	673
Total operating costs	-62 882	-36 401	-179 185	-127 736
Operating Profit/Loss	-22 775	-27 361	-88 086	-87 158
Other interest income and similar profit/loss items:				
Interest expenses and similar profit/loss items	-2 762	-3 185	-13 852	-21 054
Profit/Loss after financial items	-25 537	-30 545	-101 938	-108 213
Pre-tax loss for the period				
Net loss for the period	-25 537	-30 545	-101 938	-108 213

STATEMENT OF FINANCIAL POSITION

<i>(amounts in KSEK)</i>	31 Dec 2019	31 Dec 2018
ASSETS		
Non-Current Assets		
Capitalised R&D expenses	139 830	117 207
Patents	3 297	3 317
Equipment, tools and installations	6 312	5 912
Total non-current assets	149 440	126 436
Currents assets		
Inventory	56 798	96 759
Advance payments to suppliers	13 630	2 053
Accounts receivables	39 330	13 599
Other receivables	3 165	3 258
Deferred expenses and accrued income	1 210	1 456
Cash on hand and in bank	51 232	4 972
Total current assets	165 364	122 097
TOTAL ASSETS	314 803	248 533
SHAREHOLDERS' EQUITY AND LIABILITIES		
Restricted equity		
Share capital	4 943	885
Reserve for development expenditure	89 918	62 921
Total restricted equity	94 861	63 805
Non-restricted equity		
Share Premium	355 919	222 975
Retained earnings or losses	-229 996	-94 786
Profit/loss for the year	-101 938	-108 213
Total non-restricted equity	23 985	19 976
TOTAL SHAREHOLDERS' EQUITY	118 846	83 781
Non-current liabilities		
Other provisions	3 382	1 146
Liabilities to finance institutions	155 702	106 206
Total non-current liabilities	155 702	106 206
Current liabilities		
Liabilities to finance institutions	-	1 431
Advance payments from customers	4 629	15 147
Accounts payable	23 554	30 950
Current tax liabilities	413	795
Other liabilities	2 309	5 524
Accrued expenses and other deferred income	5 969	3 552
Total current liabilities	36 874	57 399
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	314 803	248 533

STATEMENT OF CASH FLOWS

<i>(amounts in KSEK)</i>	2019	2018	2019	2018
	Oct - Dec	Oct - Dec	Jan - Dec	Jan - Dec
Operating Activities				
Results before financial items	-22 776	-27 361	-88 086	-87 159
Adjustments for items not included in cash flow	2 024	131	9 916	-8 455
Cash flow from operating activities before changes in working capital	-20 752	-27 230	-78 170	-95 614
Cash flow from changes in working capital				
Change in Inventories	7 327	-13 138	28 385	-36 165
Change in accounts receivable	-12 868	-3 061	-25 730	-10 664
Change in other current receivables	-603	21	338	-350
Change in Trade payables	8 387	8 586	-7 396	15 510
Change in other current liabilities	61	2 220	-13 075	1 944
Cash flow from operating activities	-18 448	-32 603	-95 648	-125 339
Investing Activities				
Investments in property, plant and equipment	-1 107	-249	-2 474	-1 999
Investments in intangible fixed assets	-9 390	-9 258	-34 938	-31 782
Divestments in intangible fixed assets	0	0	0	-7 509
Cash flow from investing activities	-10 497	-9 507	-37 412	-41 290
Financing activities				
New share issue	46 291	0	136 851	54 093
Option premium	151	0	151	0
Change of loan	-4 640	-1 367	42 320	103 337
Cash flow from financing activities	41 802	-1 367	179 322	157 430
Cash flow for the period	12 857	-43 477	46 262	-9 199
Cash and bank balances at the beginning of the period	38 376	48 448	4 972	14 170
Cash and bank balances at the end of the period	51 232	4 972	51 232	4 972

STATEMENT OF CHANGES IN EQUITY

<i>(amount in KSEK)</i>	31 Dec 2019	31 Dec 2018
Opening balance equity (1 Jan 2019)	83 781	137 901
Loss for the period	-101 938	-108 213
Issuance of shares	148 466	55 575
Less cost of issuance	-11 614	-1 482
Option premium	150	-
Closing balance equity	118 845	83 781

NOTES

The interim report is unaudited and is drawn up in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 Annual Reports and consolidated financial statements (K3).

KEY PERFORMANCE INDICATORS

<i>(amounts in KSEK)</i>	2019				2018			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net turnover	40 107	23 265	24 153	3 575	9 041	3 745	19 483	8 309
Gross Margin	3 954	2 772	262	-10 611	-6 638	119	-5 520	-4 692
Gross Margin %	10%	12%	1%	-297%	-73%	3.2%	-28%	-56%
EBITDA	- 18 856	- 14 771	- 16 051	- 23 988	- 24 058	- 13 625	- 19 808	- 16 876
Net loss for the period	-25 537	-20 847	-22 491	-33 063	-30 545	-22 876	-25 299	-29 493
OXE units produced	98	36	45	35	89	85	90	50
OXE units sold	142	70	85	12	27	4	86	40
Cash on hand	51 232	38 376	15 243	14 220	4 972	48 449	41 348	90 062
Intangible fixed assets	143 127	137 098	136 018	128 097	120 525	114 148	105 159	101 290
Total Equity	118 846	97 941	118 786	50 718	83 781	114 327	113 151	138 345
Total Assets	314 803	289 211	264 787	259 274	248 533	269 628	237 736	265 837
Equity Asset ratio	38%	34%	45%	20%	34%	42%	48%	52%
Total shares outstanding	164 839 521	131 006 184	131 006 184	29 506 173	29 506 173	29 506 173	26 101 617	26 101 617
Average number of shares	156 288 238	131 006 184	91 533 958	29 506 173	29 506 173	26 176 237	26 101 617	24 320 795
Earnings per share, basic	-0.16	-0.16	-0.25	-1.12	-1.04	-0.87	-0.97	-1.13
Diluted earnings per share	-0.14	-0.11	-0.18	-1.12	-1.04	-0.87	-0.97	-1.13
Number of employees	34	31	30	30	27	23	23	34

<i>(amounts in KSEK)</i>	2019	2018	2017	2016
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Net turnover	91 100	40 578	14 602	6 878
Gross Margin	-3 624	-16 730	-11 380	-1 385
Gross Margin %	-4%	-41%	-78%	-20%
EBITDA	- 73 676	- 74 367	- 37 892	- 18 487
Net profit/loss for the period	-101 938	-108 213	-50 979	-27 088
OXE units produced	214	314	55	25
OXE units sold	309	157	55	25
Cash on hand	51 232	4 972	14 170	9 041
Intangible fixed assets	143 127	120 525	92 299	76 948
Total Equity	118 846	83 781	137 901	19 148
Total Assets	314 803	248 533	182 053	118 240
Equity Asset ratio	38%	34%	76%	16%
Total shares outstanding	164 839 521	29 506 173	24 101 617	13 311 920
Average number of shares	126 944 607	26 760 399	18 905 175	11 294 410
Earnings per share basic	-0.80	-4.04	-2.70	-2.40
Earnings per share diluted	-0.68	-4.04	-2.70	-2.40
Number of employees	34	27	31	14

Definition of Key Business Ratios

Net turnover

Main operating revenues, invoiced expenses, side income and revenue adjustments.

Gross Margin / Gross Margin %

Total turnover less goods for resale. Gross margin (%) is the calculated gross margin expressed as a percentage of total turnover.

EBITDA

Earnings before interest tax, depreciation and amortisation and after the capitalisation of research and development and patent costs.

Profit/loss after financial items

Profits after financial items and costs, but before taxes.

Equity total

Company's Equity.

Equity/assets ratio (%)

Adjusted equity (equity and untaxed reserves with deductions for deferred tax) as a percent of the balance sheet total. This is to show the company's long-term solvency.

Number of employees

Number of employees at the end of the financial period.

Earnings Per Share, Basic

Net Profit/Loss for the period to average number of shares outstanding.

Diluted Earnings Per Share

Net Profit/Loss for the period to average number of shares and total share warrants outstanding.

Order Book

Confirmed customer orders as at 31 December 2019 to be delivered during 2020.

Estimates and judgments

Preparation of financial statements and application of accounting policies, are often based on assessments, estimates and assumptions that is reasonable at the time when the assessment is made. Estimates are based on historical experience and various other factors that are considered to be reasonable under the circumstances. The results of these are used to assess the carrying values of assets and liabilities, which are not otherwise apparent from other sources. The actual outcome may differ from these estimates. Estimates and assumptions are reviewed regularly.

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OXE 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 February 21st, 2019, 15:00 CET.

OXE 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. OXE's OXE diesel has a horizontally mounted engine as opposed to a traditional outboard with a vertically mounted engine.



All products developed by OXE Marine AB is built on the core value Engineering the Future. The OXE Diesel product line is no exception. Utilizing modern Diesel powerheads from the automotive industry, heavy duty gearbox design and patented belt transmission system provides for robust outboards with inboard features and high torque capacity.

OXEMARINE 
ENGINEERING THE FUTURE

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