

Gothenburg, 2017-10-04

## SeaTwirl year-end report

### Important events during the period (2017-06-01 – 2017-08-31)

- Andreas Blom was appointed CFO

### Important events after the period (2017-09-01 –)

- SeaTwirl starts a Norwegian subsidiary

### Financial development during the period (2017-06-01 – 2017-08-31)

- Turnover was 0 SEK (0) and the operating result was -953 822 SEK (-420 987). The negative result is attributable to development costs, including personnel cost.
- Balanced development cost amounted to 11 252 015 SEK at the end of the period (9 498 898), in addition to patent costs of 698 369 SEK (528 223).
- Cashflow for the period amounted to -1 527 661 SEK (-1 185 705). Cash amounted to 18 047 101 SEK (1 022 241) at the end of the period.
- Shareholder's equity amounted to 28 721 103 SEK (9 977 309) at the end of the period, of which the result for the fiscal year (2016-09-01 – 2017-08-31) amounted to -5 256 206 SEK (-1 840 910). No changes other than the result for the period and transfer to Fund for development costs has affected the shareholder's equity during the fourth quarter.

### Comment from the CEO

"The founder of Bloomberg New Energy Finance, Michael Liebreich, held a presentation in London in September that got the most attention in the media for what Liebreich said about coal. No one is going to make coal "great again" he said with reference to the American president.

The larger point of the presentation though, was that we are now at or near a point where the costs for renewable energy production are lower than for other forms of energy production. That is why Liebreich and his team at BNEF believes that 86% of the 10.2 trillion dollars they think is going to be invested in new energy production globally by 2040 will go to renewables.

Behind the gradually lower costs for wind power lies the increasing size of the turbines. By 2025 the biggest installed turbines will have an effect of 13-15 MW and height at tip of the wings of over 300 metres. We at SeaTwirl find this encouraging. Not the least because vertical axis windmills theoretically can be built larger than horizontal axis windmills.

Closer to home the CEO of Vattenfall, Magnus Hall, has taken notice of falling wind power costs. Nuclear energy is being phased out and in an interview with the daily Svenska Dagbladet Hall said that offshore wind power can be that which replaces it. To that speaks, according to Hall, the base load like qualities of offshore wind power which are due to the fact the wind never really stops blowing at sea. This is also encouraging for us since the winds are stronger and more even further offshore where our mills can be placed.

Our plan is to have the next version of our windmill, the SeaTwirl S2 which has turbine effect of 1 MW, installed by 2020 and to be in commercial wind farms by 2025. 13 years after SeaTwirl was founded and 16 years after the inventor Daniel Ehrnberg tested the first prototype outside Halmstad.

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The project is going according to plan. We are now at a stage where we are starting to choose technology and partners for different parts of the project.

With both the increasing interest in renewable energy and us being at a stage where our external contacts become both more frequent and concrete as a backdrop, we felt we needed to give our graphical profile a face lift. The results of that can be seen in this report and on our website.

After the end of the period we started a Norwegian subsidiary. It is interesting in many ways for us to be present in Norway. There is a large interest in floating wind power in the country and they have ready test sites that we want to have a closer look at. The choice of test site is strategically important to us. There is also a lot of know-how about offshore structures from the oil & gas industry and the possibility that Norway becomes our first market.

The outlook for floating wind power worldwide gets brighter by the day and it cements us in our conviction that SeaTwirl is the windmill of the future.”

*For more information, please contact:*

**Gabriel Strängberg, CEO**

Phone: +46 70 480 55 29

E-mail: gabriel.strangberg@seatwirl.com

**Roger Cederberg, Chairman**

Phone: +46 73 363 10 75

E-mail: roger.cederberg@ventures.gu.se

**About SeaTwirl**

SeaTwirl AB is a Swedish development stage wind power company with the vision to become a leading player in the new and fast-growing market for floating offshore wind power. SeaTwirl's unique floating wind turbine is simple and robust in its design with few moving parts. That suits the conditions at sea and minimizes the need for maintenance, which leads to less downtime and more uptime. The company's first prototype was installed at sea in 2015. Development is now ongoing of the next full-size unit with a 1MW installed turbine effect. Read more at: [www.SeaTwirl.com](http://www.SeaTwirl.com)

The company's Certified Adviser is Mangold Fondkommission AB that can be reached at: +46 8 5030 1550.