



 **CorPower
Ocean**

Letter from the CEO

2025 has been a year of tangible progress for CorPower Ocean, a year in which more than a decade of research, perseverance, and engineering discipline has translated into real, measurable results in our quest of unlocking one of the largest untapped sources of clean energy on earth – ocean waves. We continue to refine our first commercial-scale wave energy converter, CorPower C4, through its operation at the Aguçadoura site in northern Portugal. In parallel we have designed and started manufacturing of the next-generation industrialized machines, CorPower C5. The C5 program is progressing well, and I am proud of the commitment, precision, and technical excellence demonstrated by our team. Successfully completing Stage 5 of our structured verification program with commercialization targeted for 2027, is a clear validation of the long-term strategy we have pursued consistently since 2012.

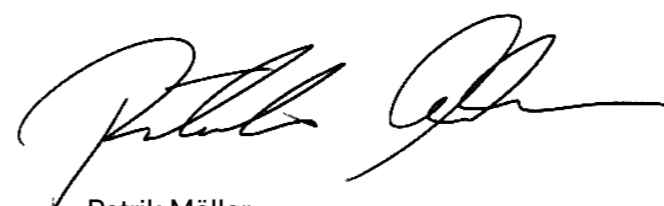
During the year, we reached a defining milestone for the VianaWave project, our pre-commercial wave energy park off the coast of Viana do Castelo in Portugal, with the award of 40 MEUR funding from the EU Innovation Fund. This is a strong signal that ocean energy is being introduced as a critical component of Europe's future energy system. Power Farm EU, a project consortium led by CorPower Ocean was also awarded 30 MEUR Horizon Europe-funding, aimed at validating wave energy technology under conditions required for large-scale deployment.

We also secured further financing for the OEM business, including 17.5 MEUR from the European Innovation Council, and welcomed new strategic investors Acario Innovation, the investment arm of Tokyo Gas, and GTT Strategic Ventures. Our B-round equity raise closed at 53 MEUR, with an investor base bringing a powerful combination of capital, industrial know-how, and global market access. We have been excited to welcome new members to our management team including Catharina Belfrage Sahlstrand as Chief Commercial Officer (CCO), Andrew Litchfield as Chief Technical Officer (CTO), and power sector veteran Manuel da Rocha who joined as Country Manager for Iberia. Several key people in Engineering and Operations were hired, bringing the CorPower team to 110 FTEs by the time of announcing the annual report.

In 2025 we were mentioned as 'Global Cleantech 100' for the 2nd year in a row by Cleantech Group, and got invited into the 'Scaleup Coalition' by Cleantech For Europe. Ocean energy offers a huge potential to support Europe's efforts in becoming energy independent, with a consistent power profile that can unlock 24/7 clean power at low cost. A new industrial sector with locally produced equipment and European supply chains is being developed. European countries along the Atlantic coast could have 20% of their energy needs supplied by ocean waves in the future.

I would like to extend my sincere thanks to our employees, partners, and investors for your continued dedication, trust, and belief in what we are building together. The journey has been demanding, but also deeply rewarding, and the progress made in 2025 gives us strong confidence in the path ahead.

Together, we are building something that truly matters.



Patrik Möller
Co-founder and CEO
CorPower Ocean

The annual accounts are prepared in SEK.

CorPower Ocean offers high-efficiency wave energy technology with the goal of providing our customers with solutions for reliable extraction of electricity from ocean waves at low cost. Our innovations are inspired by the pumping function of the human heart and are built on decades of research and development. Wave energy is one of the largest untapped energy sources on Earth and could play a key role in Europe's efforts to achieve energy independence and establish a new export industry with local supply chains. Ocean energy can contribute stability to the renewable energy mix, helping to accelerate the transition to fully carbon-free energy systems.

Product development and verification are carried out together with European partners, following a structured five-stage process. The purpose of this step-by-step process, which has been ongoing since 2012, is to develop a competitive product with third-party certification that can be sold at scale to customers after the completion of verification in Stage 5. The company is currently in Stage 5 and expects to complete this stage in 2027.

Operations are conducted through the parent company, CorPower Ocean AB in Stockholm, and subsidiaries in Portugal, Scotland, and the United States, as well as a branch in Norway, (reg. no: 915 669 018). Activities in the Norwegian branch mainly consist of salary costs for three employees engaged in development work. In 2025, the parent company had an average of 69 employees, while the group as a whole had 85 employees.

The company's seat is Stockholm

"Our annual reporting cycle provides valuable opportunities for reflection and insight. It drives us to objectively assess our milestones, identify operational improvements, and strengthen our path toward future success."





Important Events During the Financial Year

During 2025, the company has continued its work of testing and continuously upgrading our first commercial-scale wave energy converter, the CorPower C4. At the same time, we have also been working intensively on designing the next-generation buoy, called C5. Development of the C5 is progressing according to plan, and the majority of the team has been working with strong focus to meet the defined milestones and performance targets, including halving costs and the number of components while improving performance.

In February 2025, the company entered into an agreement with the European Innovation Council (EIC) under its Accelerator program. Under this agreement, EUR 15 million will be invested in equity, with the majority to be injected through a new share issue in early 2026, while EUR 2.5 million will be provided as a grant. The grant component will be disbursed in stages, with EUR 1 million already paid out during 2025. The purpose of this funding is to scale up the technology, improve manufacturing, and support the company's first commercial wave energy project in Europe.

In addition to the EIC agreement, CorPower has secured two new strategic investors during the year: Acario Innovation (Tokyo Gas) and GTT Strategic Ventures. Acario has been allocated 2,800,000 B1 preference shares for a total amount of EUR 1,035,229.4, while GTT has been allocated 7,573,200 B1 preference shares for a total amount of EUR 2,799,999.64. Acario Innovation LLC is headquartered in Silicon Valley and serves as a strategic investment arm of Tokyo Gas Co. Ltd. GTT is a technology and engineering group specializing in the design and development of cryogenic transport systems. Together, they join a growing consortium of investors that includes NordicNinja VC, SEB Greentech, InnoEnergy, Cisco Investments,

Santander Asset Management, and Iberis Capital, providing a powerful combination of capital, deep-tech expertise, and global market access.

During the year, CorPower Ocean was awarded a grant of EUR 40 million from the EU Innovation Fund for the VianaWave project, a pre-commercial 10 MW wave energy farm located off Viana do Castelo in northern Portugal. VianaWave will consist of a cluster of 30 wave energy converters, known as a CorPack. Each CorPack comprises 30–90 wave energy converters (WECs), along with moorings, a floating collection hub, and cables that consolidate the energy from the converters and transmit it to the hub. A 10 MW CorPack can generate approximately 30 GWh of clean, renewable electricity per year, which is enough to supply around 7,500 Portuguese households with power while significantly reducing dependence on fossil fuels.

CorPower Ocean has also been selected to lead the EUR 30 million "Power Farm EU" project, which is co-funded by Horizon Europe. The project aims to further improve the competitiveness and investability of wave energy farms by validating the technology under the conditions required for large-scale deployment in UK waters. One of the objectives of the project is to demonstrate the role of wave energy as a reliable and established sector within renewable energy. With the potential to deliver up to 20 percent of electricity in many European countries along the Atlantic coast, the project aims to enable volume manufacturing within the EU, thereby strengthening Europe's industrial position and significantly reducing dependence on imported fossil fuels.

In addition to CorPower, the project consortium includes EMEC (European Marine Energy Centre), the University

of Edinburgh, Ocean Energy Europe, Renewable Risk Advisers, and Kristinehamn Teknik & Service. Together, the partners will demonstrate the survivability, reliability, and performance of the wave energy systems at EMEC's test facility in Scotland. Given the UK's—and particularly Scotland's—well-established resources and strong practical potential, Power-Farm further strengthens the UK's position as a key market in CorPower's global rollout plan.

During the 2025 financial year, the company fully settled and repaid its loan to Almi. Furthermore, the group expanded its international presence by establishing a new subsidiary in Portugal to support local operations.

The company also strengthened the equity of its UK subsidiary, CorPower Ocean Ltd, through a shareholder contribution of GBP 250,000. This contribution was carried out through the conversion of an existing receivable, with the aim of optimizing the subsidiary's balance sheet and capital structure.

During the year, the company strengthened its management team through the recruitment of Andrew Litchfield as CTO and Manuel Rocha as the new Country Manager Iberia. The previous CFO has stepped down and has been replaced by an interim CFO. Several key personnel in technology development, operations, and installation have also joined the company.

The company received several international recognitions during the year, including being named on the Global Cleantech 100, a list of the world's 100 most promising cleantech companies selected by Cleantech Group and CorPower was invited, as the first ocean energy company, to join Cleantech for Europe.

Multi-year comparison*, group	2025	2024	2023	2022
Net sales	3 596 593	2 035 399	2 612 436	1 810 219
Profit/loss after financial items	-25 429 620	-78 250 078	-13 844 144	-8 245 841
Balance sheet total	561 441 395	590 849 800	346 741 056	323 209 414
Equity-assets ratio (%)	89,55	82,09	46,86	67,74
Return on equity (%)	-5,14	-24,16	-7,25	-3,76
Return on total assets (%)	-4,40	-15,51	-3,53	-2,50
Quick ratio (%)	167,36	201,96	40,24	79,69

Multi-year comparison*, parent company	2025	2024	2023	2022	2021
Net sales	10 087 392	2 035 399	2 612 436	1 810 219	1 349 184
Profit/loss after financial items	-17 252 670	-76 997 172	-12 354 357	-6 818 631	2 419 662
Balance sheet total	562 422 889	567 614 357	307 553 211	240 133 362	225 129 346
Equity-assets ratio (%)	90,57	84,92	52,53	72,43	80,29
Quick ratio (%)	174,35	235,29	22,15	24,62	169,88

€40m

CorPower Ocean was awarded a grant from the EU Innovation Fund for the VianaWave project, a pre-commercial wave energy park off the coast of Portugal.

15-30 %

The estimated potential of wave power to deliver electricity in key EU countries by 2050, which could strengthen Europe's position in green innovation.

€30m

The budget for the Horizon Europe-funded project "Power Farm EU," in which CorPower Ocean has been selected to lead the work toward large-scale deployment.

30 GWh

The annual amount of clean electricity potentially generated by VianaWave, which is enough to supply 7,500 Portuguese households with renewable power.

30

Wave energy converters are included in the VianaWave project, forming a "CorPack" designed to demonstrate wave power as a reliable renewable energy source.

2

New strategic investors, Acario and GTT Strategic Ventures, who joined the company's growing investor consortium during the year.

* For definitions of key ratios, please see notes

Research and development

The company develops wave energy converters for generating electricity from ocean waves, and a significant portion of its operations relates to development work. At the end of the financial year, capitalized development costs amounted to SEK 456.9 million (SEK 371 million), in addition to patent-related expenses of SEK 3.7 million (SEK 3.5 million). During the year, the company received grants totaling SEK 37.5 million (SEK 29.2 million). These grants have reduced the acquisition cost of the capitalized development expenditures.

Expected future development

The company intends to continue its product and market development at an increased pace. As a natural part of this, efforts to secure financing for the company's operations and product development, as well as for existing and new projects aimed at market establishment, will also continue. Work on capital raising is ongoing and includes both equity financing and applications for development grants to support development resources.

Key Risks and Uncertainties

The Board of Directors and management continuously assess the risks that may affect the valuation of the company's assets, including capitalized development costs and patents, as well as its future profitability. As the company's operations primarily concern the commercialization of new technology, development is associated with technical, financial, and regulatory risks. With an innovative solution, a strong team, presence in a new high potential market, and a leading position in this energy segment, the Board remains optimistic about the future.

Furthermore, the company's products, C4 and C5, are in a phase of development and verification. In addition to the short-term financial risk, there is, as in all businesses, a long-term risk that objectives may not be achieved within the timeframe on which the Group's forecasts are based. If sales do not reach the established targets, meaning that the expected cash flows do not materialize at the pace assumed by the Board of Directors and management, are delayed, or if other assumptions underlying the impairment testing performed by management were to change adversely, this could result in the intangible assets being written down more rapidly than planned.

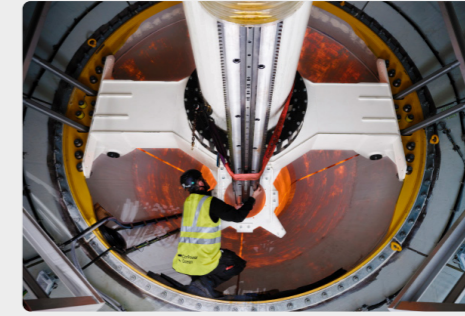
The Board of Directors assesses that, following the financing rounds carried out in 2024 and 2025, the company has sufficient funding for the coming 12-month period. With regard to longer-term financing needs, the company is currently engaged in active discussions with a number of investors regarding additional investments, as well as with customers concerning the delivery and operation of wave energy farms.

Geopolitical Risks and Uncertainty Factors

Russia's ongoing invasion of Ukraine continues to cause significant human suffering and has shaped global conditions in many ways. From a company perspective, the war has had no direct impact on CorPower's operations, as the company has no employees, suppliers, customers, or partners in Ukraine or Russia.

During 2025, inflation has stabilized compared with the previous year, but global economic and political uncertainty remains. Geopolitical tensions, including the war in Ukraine and conflicts in the Middle East, affect the global economy and may have indirect consequences for the company's operations. There is no guarantee that the effects of these and other factors related to the company's multinational operations will not materially and adversely affect its competitiveness, results, financial position, or reputation.

At the same time, the focus on local, renewable, and secure energy supply continues to increase. At the time of publishing this annual report, the company has not observed any decline in political support or investment willingness to address the many challenges associated with global warming.



"From a company perspective, global uncertainty has not had any direct impact on CorPower's operations, while the focus on local, renewable, and secure energy supply continues to grow."



CorPower Ocean has secured two new strategic investors during the year: Acario and GTT Strategic Ventures.



Important events after the end of the financial year

After the end of the financial year, a number of events have occurred that are of material importance to the company's development.

The Power Farm EU project has commenced, and the company has received a disbursement of EUR 7.859 million in grant funding from the EU under the framework of the project. This payment strengthens the company's liquidity and enables the continued execution of its commercial project portfolio.

Following the end of the financial year, the company has received new capital from two investors. Algebris Investments has invested SEK 30 million in the company. In addition, the European Innovation Council (EIC) has invested EUR 14 million. Taken together, this new financing strengthens the company's capital base and its capacity for continued growth.

Catharina Belfrage Sahlstrand was recruited in January to the role of Chief Commercial Officer and as a member of the Group's executive management team. She has extensive experience in sustainability and business development, and has previously served as Head of Sustainability at Handelsbanken as well as being part of the bank's group management. The company's previous Chief Commercial Officer has left their position.

One of CorPower Ocean's subsidiaries, Endeavour Wave Ltd, changed its name to Valiant Wave Ltd in March 2026 to better align with future business activities.

The Board of Directors assesses that the above events, taken together, strengthen the company's financial and operational position ahead of the upcoming financial year.

Shares and Shareholders

Shareholders with holdings exceeding 10% of the share capital include Inovacor AB and InnoEnergy. During the year, GTT and Acario were added as new shareholders.

3,7 Mkr

At the end of the financial year, the total expenditure on patents amounts to this figure, which is in addition to the company's capitalized development costs.

456,9 Mkr

At the end of the financial year, the total capitalized development costs amounted to this figure, reflecting that the majority of the company's operations relate to development activities.

55,3 Mkr

During the year, the company capitalized grants at this level, which reduced the acquisition value of the capitalized development costs.

Appropriation of profit/loss

Proposed treatment of the company's profit.

At the disposal of the general meeting:

loss brought forward	-413 361 900
share premium reserve	634 012 500
loss for the year	-17 252 670
	203 397 930

The board of directors proposes the following: to be carried forward	203 397 930
	203 397 930

For information about the company's earnings and financial position in other respects, please refer to the income statements, balance sheets and accompanying notes set out below.

INCOME STATEMENT	Note	Consolidated		Parent company	
		2025-01-01 2025-12-31	2024-01-01 2024-12-31	2025-01-01 2025-12-31	2024-01-01 2024-12-31
Operating income etc.					
Net turnover	3	3 596 593	2 035 399	10 087 392	2 035 399
Own work capitalised		94 077 704	62 007 500	75 177 620	49 717 876
Other operating income	4	57 589 962	30 708 535	39 842 284	16 399 254
		155 264 259	94 751 434	125 107 296	68 152 529
Operating expenses					
Raw materials and consumables		-50 706 265	-21 465 660	-26 051 169	-5 785 064
Other external expenses	5	-43 697 643	-76 471 228	-42 089 411	-75 597 832
Personnel costs	7	-82 960 423	-69 345 260	-72 805 833	-59 517 035
Depreciation and write-down of tangible and intangible assets		-326 529	-255 943	-211 430	-161 078
Other operating expenses		-2 570 567	-627 085	-2 570 567	-616 619
		-180 261 427	-168 165 176	-143 728 410	-141 677 628
Operating profit/loss		-24 997 168	-73 413 742	-18 621 114	-73 525 099
Profit/loss from financial items					
Profit/loss from other securities and receivables accounted for as fixed assets		-2 838 647	542 715	-2 838 647	542 714
Interest income from group companies		0	0	1 810 568	1 374 494
Other interest income and similar profit/loss items		2 466 627	156 170	2 456 955	144 530
Interest expense and similar profit/loss items	8	-60 432	-5 535 221	-60 432	-5 533 811
		-432 452	-4 836 336	1 368 444	-3 472 073
Profit/loss after financial items		-25 429 620	-78 250 078	-17 252 670	-76 997 172
Profit/loss before tax		-25 429 620	-78 250 078	-17 252 670	-76 997 172
Tax on profit for the year		-8 729	-1 864	0	0
Profit/loss for the year		-25 438 349	-78 251 942	-17 252 670	-76 997 172

BALANCE SHEET	Note	Consolidated		Parent company	
		2025-12-31	2024-12-31	2025-12-31	2024-12-31
Assets					
Fixed assets					
Intangible assets					
Capitalised expenditure for development and similar work	9	456 863 179	371 053 437	305 197 693	230 020 073
Concessions, patents, licenses, trademarks etc.	10	3 673 572	3 462 013	3 673 572	3 462 013
		460 536 751	374 515 450	308 871 265	233 482 086
Tangible assets					
Plant and machinery	11	226 777	78 766	226 777	47 761
Equipment, tools, fixtures and fittings	12	266 660	348 760	69 408	90 748
		493 437	427 526	296 185	138 509
Financial assets					
Participations in group companies	13	0	0	94 204 355	91 089 340
Receivables from group companies	14	0	0	64 543 256	39 488 535
Other long-term receivables		2 030 000	2 119 368	2 030 000	2 030 000
		2 030 000	2 119 368	160 777 611	132 607 875
Total fixed assets		463 060 188	377 062 344	469 945 061	366 228 470
Current assets					
Inventories etc.					
Advance payments to suppliers		202 160	124 144	28 310	13 563
		202 160	124 144	28 310	13 563
Current receivables					
Trade receivables		2 603 075	1 663 014	2 603 075	1 663 014
Other receivables		3 900 509	3 406 382	2 195 932	2 676 200
Prepaid expenses and accrued income		9 022 607	11 982 326	6 773 669	8 648 229
		15 526 191	17 051 722	11 572 676	12 987 443
Cash and bank		82 652 856	196 611 590	80 876 842	188 384 881
Cash and bank		82 652 856	196 611 590	80 876 842	188 384 881
Total current assets		98 381 207	213 787 456	92 477 828	201 385 887
TOTAL ASSETS		561 441 395	590 849 800	562 422 889	567 614 357

EQUITY AND LIABILITIES	Note	Group		Parent company	
		2025-12-31	2024-12-31		
Equity, group					
Share capital		1 030 325	974 391		
Other contributed capital		634 012 500	592 264 438		
Other capital incl profit/loss for the year		-132 262 346	-108 180 804		
Total equity, group		502 780 479	485 058 025		
Equity, parent company					
Restricted equity					
Share capital				1 030 325	974 391
Unregistered share capital				0	19 628
Fund development expenses	15			304 969 557	229 791 937
				305 999 882	230 785 956
Non-restricted equity					
Share premium reserve				634 012 500	592 244 811
Profit or loss carried forward				-413 361 900	-264 001 772
Profit/loss for the year				-17 252 670	-76 997 172
				203 397 930	251 245 867
Total equity, parent company				509 397 812	482 031 823
Current liabilities					
Trade payables		18 418 435	22 722 306	8 785 619	18 142 426
Liabilities to group companies		0	0	5 566 245	4 366 438
Current tax liability		1 019 748	617 281	600 161	373 420
Other liabilities	16	2 227 856	10 995 246	2 181 912	10 937 073
Accrued expenses and deferred income	17	36 994 877	71 456 942	35 891 140	51 763 177
Total current liabilities		58 660 916	105 791 775	53 025 077	85 582 534
TOTAL EQUITY AND LIABILITIES		561 441 395	590 849 800	562 422 889	567 614 357

CHANGES IN EQUITY

Changes in equity, group	Restricted equity		Non-restricted equity		Total equity
	Share capital	Capitalised own work	Retained earnings	Profit/loss for the year	
Amount at the beginning of the year	994 019	236 148 952	323 352 260	-78 251 942	482 243 289
Disposition of the previous year's result			-78 251 942	78 251 942	0
Result of the year				-25 438 349	-25 438 349
Capitalization of development expenses		75 177 620	-75 177 620		0
Warrants			2 814 663		2 814 663
New share issue	36 306				36 306
Share premium reserve			41 767 689		41 767 689
Translation difference			1 356 881		1 356 881
Closing amount	1 030 325	311 326 572	215 861 931	-25 438 349	502 780 479
Changes in equity, parent company					
	Restricted equity		Non-restricted equity		
	Share capital	Capitalised own work	Retained earnings	Profit/loss for the year	Total equity
Amount at the beginning of the year	994 019	229 791 937	328 243 040	-76 997 172	482 031 823
Disposition of the previous year's result			-76 997 172	76 997 172	0
Result of the year				-17 252 669	-17 252 669
Capitalization of development expenses		75 177 620	-75 177 620		0
Warrants			2 814 663		2 814 663
New share issue	36 306				36 306
Share premium reserve			41 767 689		41 767 689
Closing amount	1 030 325	304 969 557	220 650 600	-17 252 669	509 397 812

The share capital consists of 294,378,539 shares with a quota value of SEK 0.0035 per share.

CASH FLOW ANALYSIS	Note	Consolidated		Parent company	
		2025-12-31	2024-12-31	2025-12-31	2024-12-31
Operating activities					
Operating profit/loss		-24 997 168	-73 413 741	-18 621 114	-73 525 099
Adjustments for non-cash items, etc.	18	326 045	37 328 891	210 946	37 222 453
Interest received etc		2 464 520	156 422	2 456 955	144 530
Interest paid		-61 968	-5 533 360	-60 432	-5 533 813
Cash flow from operating activities before changes in working capital		-22 268 571	-41 461 788	-16 013 645	-41 691 929
Cash flow from changes in working capital					
Decrease(+)/increase(-) in inventories/work in progress		-78 016	1 184 792	-14 747	-13 563
Decrease(+)/increase(-) in accounts receivable		-940 061	-1 663 014	-940 061	-1 663 014
Decrease(+)/increase(-) in other current receivables		-3 812 493	976 976	-4 718 895	-5 250 983
Decrease(-)/increase(+) in accounts payable		-3 951 018	7 763 791	-9 356 808	12 218 668
Decrease(-)/increase(+) in other current liabilities		-30 055 680	-9 445 237	-19 803 064	636 827
Cash flow from operating activities		-61 105 839	-42 644 480	-50 847 220	-35 763 994
Investing activities					
Acquisition of capitalised expenditure for research etc.	9	-93 698 946	-62 058 912	-75 177 620	-49 717 876
Acquisition of concessions, patents, licences etc.	10	-211 559	-476 623	-211 559	-476 623
Acquisition of plant and machinery	11	-291 012	0	-291 012	0
Acquisition of equipment, tools, fixtures and fittings	12	-116 708	-204 070	-78 093	0
Acquisition of group companies	13	0	0	-10 818	0
Loans granted during the year to group companies		0	0	-22 695 713	-22 669 448
Cash flow from investing activities		-94 318 225	-62 739 605	-98 464 815	-72 863 947
Financing activities					
New issue for the year		41 803 996	195 312 209	41 803 996	195 312 209
Long-term loans raised		0	91 068 724	0	91 068 724
Cash flow from financing activities		41 803 996	286 380 933	41 803 996	286 380 933
Change in cash and cash equivalents		-113 620 068	180 996 848	-107 508 039	177 752 992
Cash and cash equivalents at beginning of year		196 611 590	15 276 423	188 384 881	10 631 889
Exchange rate differences in cash and cash equivalents		-338 666	338 319	0	0
Cash and cash equivalents at year-end		82 652 856	196 611 590	80 876 842	188 384 881

Notes

[Note 1](#)
[Appropriation of profit/loss](#)

Proposed treatment of the company's profit

At the disposal of the general meeting:

loss brought forward	-413 361 900
share premium reserve	634 012 500
loss for the year	-17 252 670
	203 397 930

The board of directors proposes the following: to be carried forward	203 397 930
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For information about the company's earnings and financial position in other respects, please refer to the income statements, balance sheets and accompanying notes set out below.

[Note 2](#)
[Accounting and valuation policies](#)

The annual report has been prepared in accordance with the Annual Accounts Act and general advice from the Swedish Accounting Standards Board BFNAR 2012:1 Annual accounts and consolidated accounts.

The principles are unchanged compared to the previous year.

Cash flow analysis

The cash flow analysis shows the changes in the company's liquid assets during the financial year. The cash flow analysis has been prepared using the indirect method. The reported cash flow includes only transactions that have resulted in cash inflows and outflows.

Warrants

Since 2016, the company has had annual long-term share-related incentive programs in the form of warrants offered to senior executives and other staff. The warrants have been acquired by the holder through a premium calculated based on the market value at the time of the offer and have not impacted personnel costs or social

security contributions during the term of the options or redemption. The company has the right to repurchase the warrants that have not been vested if the employee's employment ends.

Receivables

Receivables are recorded in the amounts at which they are expected to be received.

Other assets, provisions and liabilities

Other assets, provisions and liabilities are recorded at cost of acquisition unless otherwise stated below.

Revenue recognition

Revenue is recorded at fair value of what has been received or will be received. Consequently the company records revenue at nominal value (invoice amount) if the payment is received in cash or cash equivalents directly on delivery. Deduction is made for discounts given.

Tangible fixed assets

Tangible fixed assets are recorded at cost of acquisition less accumulated depreciation and any write-downs. The assets are depreciated on a straight-line basis over the estimated useful life. The useful life is reviewed as at every balance sheet date. The following useful lives are applied:

	Number of years
Plant and machinery	3
Equipment, tools, fixtures and fittings	5

Intangible fixed assets

Intangible fixed assets are recorded at cost of acquisition less accumulated depreciation and any write-downs. The assets are depreciated on a straight-line basis over the estimated useful life. The useful life is reviewed as at every balance sheet date. Ongoing projects are not depreciated but are tested for impairment annually. The following useful lives are applied:

	Number of years
Capitalised expenditure for research and development and similar work	5
Concessions, patents, licences, trademarks and similar rights	5

Capitalisation of Internally Generated Intangible Fixed Assets

Cost recognition model
All costs for producing an internally generated intangible fixed asset are recognised as they are incurred. When recording expenses for development, the capitalization model is applied. This method entails that all expenses meeting the criteria below are capitalized as intangible fixed assets and amortized over the asset's estimated useful life.

- It is technically feasible to complete the intangible asset so that it can be used or sold.
- The intention is to complete the intangible asset and to use or sell it.
- Conditions exist for the use or sale of the intangible asset.
- It is probable that the intangible asset will generate future economic benefits.
- There are necessary and adequate technical, economic, and other resources to complete the development and to use or sell the intangible asset.
- The acquisition cost of an internally generated intangible asset consists of all directly attributable expenses (e.g., materials and salaries).

Impairment testing of intangible and tangible fixed assets

All costs arising during the research phase are recognised as they are incurred. All costs incurred during the development phase are capitalised when the following criteria are met; the company intends to complete the intangible asset and to use it or sell it and the company is able to use or sell the asset, it is technically feasible for the company to complete the intangible asset so that it can be used or sold and there are adequate technical, financial and other resources to complete the development and to use or sell the asset, it is probable that the intangible asset will generate future economic benefits and the company can reliably measure the expenditure attributable to the asset during its development. The cost of acquisition includes personnel costs incurred in the development work together with an appropriate share of relevant overheads and borrowing costs. At each balance sheet date, an assessment is made to determine if there is any indication that an asset's value may be lower than its carrying amount. If such an indication exists, the recoverable amount of the asset is estimated. If the recoverable amount is less than the carrying amount, an impairment loss is recognized as an expense. An internally generated intangible asset that is not yet ready for use or sale at the balance sheet date is always subject to impairment testing.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. Fair value less costs to sell is the price that the group/parent company estimates could be obtained from the sale between knowledgeable, willing parties who are independent of each other and who have an interest in the transaction. Deductions are made for costs directly attributable to the sale. Value in use is determined by the future cash flows expected to be generated by the asset or cash-generating unit. When assessing for impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Income tax

Current tax is income tax for the current financial year that refers to the year's taxable earnings and the as yet unreported part of previous financial years' income tax. Current tax is stated at the probable amount according to the tax rates and tax rules applicable on the balance sheet date.

Employee benefits

Defined benefit pension plans are recognised in accordance with information from PRI (Pensions Registration Institute). The pension obligations safeguarded by taking out endowment insurance are measured at the carrying amount of the insurance contract. Defined benefit pension plans are reported according to information received from PRI. The pension obligation, secured through the purchase of a life insurance policy, is valued at the reported value of the life insurance policy. Employee benefits encompass all types of compensation provided by the group to its employees. These include salaries, paid vacation, paid absences, bonuses, and post-employment benefits (pensions). Recognition occurs as the benefits are earned.

Government grants

Government grants are measured at fair value of the asset the company has received or will receive.

Government grants without future performance conditions, called unconditional grants, are recognised as revenue when the conditions for receiving the grant are met, which is usually at the time the grant is received. Government grants with future performance conditions, called conditional grants, are recognised as expense when the grant is received and thereafter recognised as revenue when the performance conditions are met.

Government grants that refer to acquisition of a fixed asset reduce the asset's cost of acquisition.

Government grants that refer to acquisition of a current asset reduce the asset's cost of acquisition.

Consolidated accounts**Foundations of Consolidated Financial Statements**

In the consolidated financial statements, the Parent Company and all subsidiary companies' operations are consolidated up to December 31, 2025. Subsidiaries are companies in which the Parent Company directly or indirectly holds more than 50% of the voting rights or otherwise has control. Control means the right to shape the financial and operational strategies of a company to obtain economic benefits. Business combinations are accounted for using the acquisition method, which consolidates the acquirer and the acquired entity from the date control is obtained. The application of this method includes all assets (including goodwill), liabilities, revenues, and expenses of the consolidated subsidiaries.

The acquisition cost of subsidiaries is calculated as the sum of the fair value of assets acquired at the acquisition date, liabilities assumed, and equity instruments issued, plus expenses directly attributable to the business combination and any additional purchase consideration. In the acquisition analysis, the fair value of identifiable assets acquired and liabilities assumed is determined at the acquisition date, with few exceptions. All subsidiaries have a balance sheet date of December 31 and apply the Parent Company's accounting policies. From the acquisition date onwards, the consolidated financial statements include the acquired company's revenues, expenses, identifiable assets and liabilities, and any resulting goodwill or negative goodwill.

The consolidated financial statements are presented in SEK, which is also the Parent Company's reporting currency. Amounts reported in the financial statements of subsidiaries are adjusted where necessary to ensure compliance with the Group's accounting policies.

Convertible Debt Instruments

Upon issuance of convertible debt instruments (or similar compound financial instruments consisting of both a debt and equity component), proceeds are allocated between the debt and equity components. The debt component is measured at the fair value of a similar debt instrument without conversion rights or a similar equity component. Direct expenses incurred in connection with the issuance are allocated between the debt and equity components based on their relative fair values. Subsequent to initial recognition, the difference between the debt component and the amount payable at maturity is recognized as additional interest expense using the effective interest method.

Foreign Operations

In consolidation, assets and liabilities, including goodwill and other consolidation adjustments, of foreign operations are translated into SEK at the balance sheet date exchange rates. Revenues and expenses are translated into SEK at the average exchange rates during the reporting period, which approximates transaction rates. Exchange differences arising from the translation of foreign operations are reported in equity.

Elimination of Transactions between Group Companies and Associates

Intercompany receivables and payables, revenues and expenses, and unrealized gains or losses arising from transactions between group companies are fully eliminated. Unrealized gains from transactions with associates are eliminated to the extent of the Group's ownership interest in the associate. Unrealized losses are similarly eliminated, but only to the extent there is no indication of an impairment loss.

Notes to the Financial Statements**Note 3 – Net sales**

	Group		Parent company	
	2025	2024	2025	2024
Net sales by operating segment				
Sales of services to non-EU countries	879 433	57 237	879 433	57 237
Sales of services to other EU countries	2 716 554	1 975 079	2 716 554	1 975 079
Sales of services to subsidiaries	0	0	6 490 800	3 108
Other	606	3 083	605	-25
	3 596 593	2 035 399	10 087 392	2 035 399

Note 4 – Other operating income

	Group		Parent company	
	2025	2024	2025	2024
Other operating income by category of revenue				
Other compensation and income	16 727	44 280	16 727	44 281
Spent EU grants	53 153 237	27 716 485	35 405 589	13 407 203
Spent government grants	2 097 646	1 510 986	2 097 646	1 510 986
Insurance benefits	0	1 143 931	0	1 143 931
Exchange gains	2 322 352	292 853	2 322 322	292 853
	57 589 962	30 708 535	39 842 284	16 399 254

Note 5 – Intercompany transactions

	Group		Parent company	
	2025	2024	2025	2024
Purchases by the parent company	5 574 679	4 365 053	5 574 679	4 365 053
Sales by the parent company	6 490 800	0	6 490 800	0
	12 065 479	4 365 053	12 065 479	4 365 053

Note 6 – Other external expenses

	Group		Parent company	
	2025	2024	2025	2024
Consulting costs	16 762 863	19 143 905	16 617 076	19 143 905
Software costs	7 118 903	4 243 239	7 072 360	4 243 239
Cost of early royalty obligation settlement	0	37 260 411	0	37 260 411
Tax advisory costs	96 445	15 823 673	96 445	0
Audit fees	634 625	0	634 625	0
Other costs	19 084 807	14 950 277	17 668 905	14 950 277
	43 697 643	91 421 505	42 089 411	75 597 832

Note 7 – Average number of employees

	Group		Parent company	
	2025	2024	2025	2024
Average number of employees				
The average number of employees is based on hours worked related to normal working hours				
The average number of employees was	85	78	69	63

NOTES

Note 8 – Interest expense and similar profit/loss items	Group		Parent company	
	2025	2024	2025	2024
Other Interest expense	5 354	8 696	5 354	7 286
Interest on loan	55 078	5 526 525	55 078	5 526 525
	60 432	5 535 221	60 432	5 533 811

Note 9 – Capitalised expenditure for development and similar work	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Opening cost of acquisition	371 053 437	295 333 382	230 020 073	180 302 197
Purchases	93 698 946	62 058 912	75 177 620	49 717 876
Change in assessment	0	9 897 950	0	0
Translation difference	-7 889 204	3 763 193	0	0
Closing accumulated cost of acquisition	456 863 179	371 053 437	305 197 693	230 020 073
Closing carrying amount	456 863 179	371 053 437	305 197 693	230 020 073

Additional acquisition value due to new assessment of grants

Note 10 – Concessions, patents, licenses, trademarks etc..	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Opening cost of acquisition	3 462 013	2 985 390	3 462 013	2 985 390
Purchases	211 559	476 623	211 559	476 623
Closing accumulated cost of acquisition	3 673 572	3 462 013	3 673 572	3 462 013
Closing carrying amount	3 673 572	3 462 013	3 673 572	3 462 013

Note 11 – Plant and machinery	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Opening cost of acquisition	496 091	485 276	336 886	336 886
Purchases	291 012	0	291 012	0
Sales/retirements	-107 111	-1 731	-107 111	0
Translation difference	-16 454	12 546	0	0
Closing accumulated cost of acquisition	663 538	496 091	520 788	336 886
Opening depreciation	-417 325	-324 176	-289 125	-220 486
Sales/retirements	107 111	1 731	107 111	0
Depreciation for the year	-140 922	-86 115	-111 997	-68 639
Translation difference	14 375	-8 765	0	0
Closing accumulated depreciation	-436 761	-417 325	-294 011	-289 125
Closing carrying amount	226 777	78 766	226 777	47 761

NOTES

Note 12 – Equipment, tools, fixtures and fittings	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Opening cost of acquisition	1 005 500	831 707	577 698	577 698
Purchases	116 708	204 070	78 093	0
Sales/retirements	-115 500	-41 986	-115 500	0
Translation difference	-5 753	11 709	0	0
Closing accumulated cost of acquisition	1 000 955	1 005 500	540 291	577 698
Opening depreciation	-656 740	-512 473	-486 950	-394 510
Sales/retirements	115 500	41 986	115 500	0
Depreciation for the year	-185 607	-170 261	-99 433	-92 440
Translation difference	-7 448	-15 992	0	0
Closing accumulated depreciation	-734 295	-656 740	-470 883	-486 950
Closing carrying amount	266 660	348 760	69 408	90 748

Note 13 – Participations in group companies

Company, Corporate identity number	Registered Office	Nr./Share of equity, %	Book value 2025-12-31	Book value 24-12-31
CorPower Ocean Portugal, Unipessoal LDA, 514849045	Portugal	100%	91 075 847	91 075 847
CorPower Ocean LTD, SC555644	Scotland	100%	3 105 582	1 385
CorPower Ocean Inc, 35-2872136	USA	100%	10 723	10 723
Endeavour Wave Ltd, SC831761	Scotland	100%	1 385	1 385
VianaWave Lda, 518764427	Portugal	100%	10 818	0
			94 204 355	91 089 340

Note 14 – Receivables from group companies	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Opening cost of acquisition	0	0	39 488 535	14 912 710
Additional	0	0	25 054 721	24 575 825
Closing accumulated cost of acquisition	0	0	64 543 256	39 488 535
Closing carrying amount	0	0	64 543 256	39 488 535

Note 15 – Development expenditure fund	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Opening amount	229 791 937	180 074 061	229 791 937	180 074 061
Development expenditure capitalized	75 177 620	49 717 876	75 177 620	49 717 876
Closing amount	304 969 557	229 791 937	304 969 557	229 791 937

Note 16 – Other current liabilities

	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Other liabilities	2 227 856	3 595 936	2 181 912	3 537 763
Other loans	0	7 399 310	0	7 399 310
	2 227 856	10 995 246	2 181 912	10 937 073

Note 17 – Accrued expenses and deferred income

	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Deferred income	28 541 437	64 529 914	27 437 700	46 733 724
Accrued expenses	8 453 440	6 927 028	8 453 440	5 029 453
	36 994 877	71 456 942	35 891 140	51 763 177

Deferred income is connected to the grants received.

Note 18 – Adjustment for non-cash items

	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Depreciation	326 529	255 943	211 430	161 078
Unrealised exchange gains/losses	-484	11 573	-484	0
Cost of early royalty obligation settlement	0	37 061 375	0	37 061 375
	326 045	37 328 891	210 946	37 222 453

Note 19 – Pledged assets and contingent liabilities

	Group		Parent company	
	2025-12-31	2024-12-31	2025-12-31	2024-12-31
Pledged assets	2 030 000	2 030 000	2 030 000	2 030 000
	2 030 000	2 030 000	2 030 000	2 030 000

The following contingent liabilities have been identified for both the group and the parent company:

– Boostway Business Service Agreement: Corpower Ocean has an obligation to the contracting party (InnoEnergy) regarding a low single-digit percentage royalty on global sales. This commitment is far in the future (EBITA > 0) and is limited to a specific amount.

– HiWave Fee Agreement: CorPower Ocean has an obligation to the contracting party (Wavec) regarding a low single-digit percentage royalty on global sales. This commitment is far in the future (EBITA>0) and is limited to a specific amount.

All projects are proceeding according to plan, and there are no indications that repayment obligations or other commitments will be triggered. The same assessment was made in 2024.

Note 20
Important events after the end of the financial year

The Power-Farm EU project has commenced, and the company has received a payment of EUR 7.859 million under the project. This payment strengthens the company's liquidity and enables the continued execution of the company's commercial project portfolio.

Following the end of the financial year, the company has received new capital from two investors. Algebris Investments has invested SEK 30 million in the company. In addition, the European Innovation Council (EIC) has invested EUR 14 million. Overall, the new financing strengthens the company's capital base and its capacity for continued growth.

The company's former Chief Commercial Officer has left his position. Catharina Belfrage Sahlstrand has been appointed as his successor in the role of Chief Commercial Officer. She has extensive experience in sustainability and business development and has, among other roles, served as Head of Sustainability at Handelsbanken as well as a member of the bank's Group Management.

One of CorPower Ocean's subsidiaries, Endeavour Wave Ltd, changed its name to Valiant Wave Ltd in March 2026 to better align with future business activities.

Note 21
Definitions of business and financial ratios

Equity-assets ratio
Adjusted equity as a percentage of the balance sheet total

Profit/loss after financial items as a percentage of the average adjusted equity

Operating profit/loss with the addition of financial income, as a percentage of the average balance sheet total

Quick ratio
Current assets excluding inventories as a percentage of current liabilities

The contents of the annual report were finalised 2026-05-08

Signed on the day indicated by our electronic signature.

Andreas Gunnarsson
Styrelseordförande

Erika Butterworth
Styrelseledamot

Christina Lundbäck
Styrelseledamot

José Jonet
Styrelseledamot

Magnus Lundin
Styrelseledamot

Markus Hökfelt
Styrelseledamot

Patrik Möller
Verkställande direktör

Tomosaku Sohara
Styrelseledamot

Our auditor's report has been submitted on the date indicated by the electronic signature.

Grant Thornton Sweden AB

Mia Rutenius
Auktoriserad revisor

Board of Directors



Andreas Gunnarsson



Christina Lundbäck



Erika Butterworth



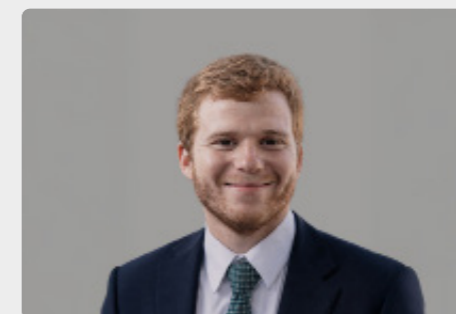
Markus Hökfelt



Magnus Lundin



Tomosaku Sohara



José Jonet

“The journey has been demanding, but also deeply rewarding, and the progress made in 2025 gives us strong confidence in the path ahead.

Together, we are building something that truly matters.”



 CorPower
Ocean