Wavepiston A/S

Kronborg 3B, 2., 3000 Helsingør

Company reg. no. 35 68 08 29

Annual report

1 January - 31 December 2025

The annual report was submitted and approved by the general meeting on the

Kim Carlsen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Wavepiston A/S for the financial year 1 January - 31 December 2025.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2025 and of the results of the Company's operations for the financial year 1 January – 31 December 2025.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Helsingør,

Managing Director

Michael Henriksen

Board of directors

Anders Christian Nordstrøm Chairman	Michael Henriksen	Torben Arnth Nielsen

Jan Otto Ooms

Independent auditor's report

To the Shareholders of Wavepiston A/S

Opinion

We have audited the financial statements of Wavepiston A/S for the financial year 1 January - 31 December 2025, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2025, and of the results of the Company's operations for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes events and conditions that may cast significant doubt on Wavepiston's ability to continue as a going concern. As disclosed in Note 1, in May 2026 Wavepiston entered into an agreement with its bank for a credit facility which, together with existing cash resources, is expected to provide sufficient liquidity to finance operations until around October 2026. Wavepiston is currently in discussions with investors regarding additional funding to secure longer term financing. This includes a potential equity investment from a large institutional investor, the completion of which is conditional upon the participation of an external tech investor. As of the date of approval of the annual report, no investment agreement has been finalised.

These events and conditions, together with the other matters set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt on Wavepiston's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report

In preparing the financial statements, Management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent auditor's report

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen,

Grant Thornton
Certified Public Accountants
Company reg. no. 34 20 99 36

Jan Tønnesen
State Authorised Public Accountant
mne9459

Company information

The company	Wavepiston A/S Kronborg 3B, 2. 3000 Helsingør	
	Company reg. no.	35 68 08 29
	Established:	5 March 2014
	Domicile:	
	Financial year:	1 January - 31 December
Board of directors	Anders Christian Nordstrøm, Chairman Michael Henriksen Torben Arnth Nielsen Jan Otto Ooms	
Managing Director	Michael Henriksen	
Auditors	Grant Thornton, Godkendt Revisionspartnerselskab Lautrupsgade 11 2100 København Ø	
Subsidiary	Wavepiston SL, Gran Canaria, Spain	

Management´s review

Description of key activities of the company

In 2025 Wavepiston continued to develop, produce, and invest in innovative renewable energy solutions, with a dedicated focus on wave energy.

We finalised the testing of our full-scale prototype and now have full focus on development and test of the commercial version of the Wavepiston system for the first commercial pilot farm.

Technology Development

The development of our technology remains the primary focus of Wavepiston.

We finalised the offshore test campaigns of the full-scale prototype in PLOCAN, Gran Canaria, preparing for next offshore test campaigns of the commercial version.

We continue our development in our two strategic projects focusing on the commercial version of the Wavepiston energy collectors:

- COHSI-WEC, supported by EUDP
- SHY, supported by Horizon Europe

The testing of the system components continued both in the lab, in the wave tank and offshore.

We continue our intensive work on refining the numerical models, aka our digital twin. Together with the experimental data we increase our understanding of the system behaviour in various conditions, which is important for both technology development reaching the minimum viable product and project development of the commercial farms.

Intellectual Property

Besides our two granted patent families, we continued the process on getting four other patents granted (two of these were granted in Q1-2026). Based on feedback from our patent attorneys the other two also have a high likelihood of being granted. We continue to follow the strategy of broadening and extending the protection of Wavepiston's intellectual property rights.

Management´s review

Commercial Development

We continued to develop our commercial pilot farms, laying the foundation for commercialisation.

Highest priority has been on Gran Canaria, Barbados and Martinique. And we have continued our discussions with potential partners in other locations.

In Gran Canaria, Wavepiston started a collaboration with Bluenewables to initiate the permitting of the proposed deployment site on the north coast.

The relationship with Export Barbados (BIDC) intensified during 2025, gearing towards a Memorandum of Understanding for a 50 MW commercial wave energy farm, which was signed in 2026.

Wavepiston successfully applied for a grant from ADEME (The French Agency for Ecological Transition) to support Wavepiston’s wave data campaign in Martinique, together with the French partner CreOcean. The wave buoy deployment was installed in April 2026.

Newly targeted markets include but are not limited to: Portugal, Suriname, Japan, Iceland and South Africa.

The project proposal in collaboration with Ørsted was unfortunately rejected as the Danish government closed the Open-Door programme. Wind and wave co-location is still considered as a large potential for utility scale installations, and we continue to explore collaboration opportunities.

The British government maintained its strategic focus on expanding renewable energy capacity with Contracts-for-Difference (CfD) remaining the primary support mechanism, although dedicated large-scale revenue support for wave energy was not introduced yet. In Allocation Round 7 (AR7), Pot 2 was assigned to emerging technologies which included - among others - tidal and wave energy with a total budget of 15 million GBP.

Policy support for wave energy in 2025 therefore continued mainly through innovation, testing and demonstration programmes.

Management´s review

Financials

2025 was another year with focus on providing sufficient financial resources to advance our technological and commercial efforts. In March 2025, we welcomed a key strategic investor, The Blue Line B.V. The Blue Line is a Joint Venture of two investors: Connect the Drops B.V., a Dutch water related investment fund, and the Unknown Group B.V., a Dutch VC. Besides the investment of DKK 6.7 million (EUR 0.9 million), they bring valuable competences and network.

In addition to equity, Wavepiston received DKK 4.7 million in public grants and a further DKK 1.4 million through R&D tax credits. In total, cash inflows of DKK 13.6 million in 2025.

This funding enabled Wavepiston to strengthen its organisation and accelerate technology development and project execution. We hired 4 engineers and added outside support for our commercial and engineering activities in the autumn, increasing our fixed monthly gross burn.

During the second half of the year, management pursued a balanced strategy focused on maintaining a healthy cash burn to preserve sufficient runway, while continuing to advance the technology and project milestones required to support Wavepiston's next funding round.

Operating costs in Denmark amounted to DKK 15.4 million in 2025, representing an 18% increase compared with 2024. Most of the costs occurred in Projects: DKK 11.4 million. This includes salaries, materials, external services (e.g. for engineering, using testing facilities and vessels for offshore operations). Non-project related costs amounted to DKK 4.0 million and included salaries and outsourced support functions, legal and accounting services, funding-related costs, and other administrative expenses.

In addition, Wavepiston incurred costs of DKK 1.4 million related to activities in Gran Canaria, of which approximately 70% consisted of salary expenses. This resulted into a total cost of DKK 16.7 million.

Looking at the important cost-types, salaries and outsourced support in Denmark amounted to DKK 8.9 million representing 57% of the costs in Denmark. Costs for materials, subcontractors and consultants added another DKK 3.8 million, while costs for patents amounted to DKK 0.2 million.

Our cash position stands at DKK 6.3 million as of December 2025, excluding cash reserved for project partners.

Management´s review

Material uncertainty related to going concern

The annual report is prepared on the assumption that Wavepiston will continue as a going concern. As described in Note 1, in May 2026 Wavepiston entered into an agreement with its bank for a credit facility which, together with existing cash resources, is expected to provide sufficient liquidity until around October 2026. We are in ongoing discussions with investors regarding additional longer-term financing, including a potential equity investment from a large institutional investor that is conditional on the participation of an external tech investor. No binding investment agreement has been finalised as of the date of approval of this annual report. As further set out in Note 1, these circumstances indicate the existence of a material uncertainty that may cast significant doubt on Wavepiston's ability to continue as a going concern. However, based on the available bank facility, the status of investor negotiations and Wavepiston's historical ability to raise capital, management considers the going concern assumption to be appropriate.

Organisation

Per 31/12-2025 we were 11 full-time employees, 3 part-time employees and 3 freelancers in Wavepiston Denmark. In addition, we were 2 full-time employees in Wavepiston Gran Canaria.

In 2025, we welcomed 4 new employees. We continue having a stable workforce and low employee turnover.

Jan Otto Ooms was elected, and Torben Arnth Nielsen, Michael Henriksen and Anders Chr. Nordstrøm were re-elected to the board of directors. The board of directors constituted itself with Anders Chr. Nordstrøm as chairman.

Communication and PR

In 2025 we participated in and presented at several conferences and events. The most important were:

- Ocean Energy Europe
- European Desalination Society (EDS) Conference
- Ecoislas International Summit
- Turquois X Summit
- Bølgeenergi Dagen
- Ocean Energy Systems Executive Meeting
- International Desalination and Reuse Association (IDRA) Summit
- EUFORES #IPM25
- EWTEC Conference (via our partners in the SHY project)
- Folkemødet on Bornholm
- German Safety Days

Management´s review

There have been articles and features about Wavepiston in the following media:

International media (podcasts, TV, online magazines)
- https://www.offshore-energy.biz/
- https://siliconcanals.com/
- https://startuprise.co.uk/
- https://www.marinetechnologynews.com/
- https://bebeez.eu/

Danish media (podcasts, newspapers, online magazines)
- https://www.sn.dk/

We continued the significant efforts in presenting and pitching to potential investors and partners, laying the foundation for future strategic investors and partnerships.

We have kept a steady activity level on social media with 45 posts on LinkedIn where we currently have 5,913 followers, an increase of 1,030 followers in one year. Our YouTube account has reached 1,670 subscribers.

We continue to participate in the work to influence politicians and authorities in ordaining more favourable policies for the development of wave energy, both directly and through our memberships in Ocean Energy Europe, Dansk Industri, Danish Partnership for Wave Power, Energy Cluster Denmark, and Cluster Marítimo de Canarias.

In November 2025 we had meetings with Martin Engell-Rossen, Head of cabinet of commissioner Dan Jørgensen (Energy and Housing), and Miguel Garcia Jones, member of cabinet of commissioner Wopke Hoekstra (Climate Action), to highlight the importance of bringing wave energy on the European grids for increased European independence, security of supply and resilience. Physical follow up meetings were arranged for 2026.

Plan for 2026 and onwards

The latest developments with the crisis in the Strait of Hormuz, ongoing wars, hostile signals from overseas etc. have of course increased the market uncertainty but it also highlights the importance of security of supply, resilience, reduction of fossil fuel dependency, and increased investments in renewables. This supports our agenda on promoting wave energy as a strategic renewable energy source in the future energy mix.

Funding wise we have full focus on getting strategic investors on board and we continue to exploit the opportunities on relevant public co-funding calls.

Management´s review

In the technology development track, we continue to focus on the commercial version of the Wavepiston system (aka Minimum Viable Product) in our two publicly funded projects. Onshore testing continues in 2026, and we prepare for the offshore test planned for 2027. This will lay the foundation for the pilot farms to follow

We continue working intensively on ensuring sites and agreements with partners for the pilot farm projects and continue following the developments in ocean energy around the world. In Q1 we signed an MOU with Barbados of up to 50MW, and we are in detailed discussions with the Gran Canaria government on an MOU of up to 20MW.

Our plan for 2026 is to:

- Secure the required equity to ensure the going concern and scale up. This has top priority
- Keep a stable team and scale up the organisation after we have raised equity
- Continue the development and testing of the commercial version of the energy collector and prepare for offshore test
- Continue our project development for the first commercial pilot farms including securing funding and entering an agreement on the first pilot farm
- Continue expanding our network of partners and customers, including communication campaigns

Zooming out on the world, 2025 have again brought challenges, uncertainties and volatility which have continued and even increased in 2026. We need to accept that these conditions is are more the rule than the exception. We need to work with them, be flexible and though the conditions are challenging, they can also be turned into assets, for instance to highlight the importance of investing in renewables, including new renewables like wave energy, for security of supply and resilience, and keep pushing on Bringing Wave Energy to the World!

Accounting policies

The annual report for Wavepiston A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Accounting policies

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

Income statement

Gross profit

Gross profit comprises other operating income, cost of development and research and other external costs.

Other operating income comprises grants related to specific development projects and income from services related to the energy sector. Grants are recognised in the income statement as other operating income on a systematic basis over the periods in which the related costs are incurred and when the conditions for receiving the grants are met. Income from services is recognised in the income statement when the services are rendered.

Direct costs comprises costs concerning purchase of raw materials and consumables less discounts.

Other external expenses comprise expenses incurred for sales, administration and premises, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Accounting policies

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Research and development costs

Research and development costs comprise costs, salaries, and wages and depreciation directly or indirectly attributable to the company's research and development activities.

Research costs are recognised in the income statement in the year incurred.

Results from investment in subsidiarie

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the subsidiary is recognised in the income statement as a proportional share of the entity' post-tax profit or loss.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest expenses, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Tax reimbursed under the Danish tax credit regime on development costs are calculated with 22 % and recognised as income in the income statement.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Accounting policies

Statement of financial position

Intangible assets

Patents and prepayments for intangible assets

Registered patents are measured at cost less accumulated amortisation and any impairment losses. Patents are amortised on a straight-line basis over the remaining legal protection period.

Prepayments for intangible assets comprise costs incurred in relation to pending patent applications that have not yet been brought into use. Prepayments are measured at cost. Prepayments are not amortised, but are reclassified to the relevant category of intangible assets when the patents are granted. Where there is an indication that the carrying amount cannot be recovered, the prepayments are tested for impairment and written down to the recoverable amount through the income statement.

Investments

Investments in subsidiarie

Investments in subsidiarie is recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiarie is recognised in the statement of financial position at the proportionate share of the subsidiarie's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Investments in group enterprise with a negative equity value is measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investment in subsidiarie transferred to the reserve under equity for net revaluation according to the equity method. Dividend from subsidiarie expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiarie.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Impairment loss relating to non-current assets

The carrying amount of intangible assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

Accounting policies

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist.

Receivables
Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments
Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and on hand.

Equity
Share premium
Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Reserve for net revaluation according to the equity method
The reserve for net revaluation according to the equity method comprises net revaluation of equity investments in subsidiaries, associates and equity interests proportional to cost.

The reserve may be eliminated in the event of losses, realisation of equity investments, or changes in the accounting estimates.

The reserve cannot be recognised by a negative amount.

Dividend
Dividend expected to be distributed for the year is recognised as a separate item under equity.

Accounting policies

Income tax and deferred tax

As administration company, Wavepiston A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from subsidiarie" or "Income tax payable to subsidiarie"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Payments received concerning future income are recognised under deferred income.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2025	2024
	Gross profit	**2.957.900**	**-108.538**
2	Staff costs	-8.072.109	-6.227.470
	Amortisation and impairment of intangibleassets	-197.642	-170.331
	Other operating expenses	-1.445.065	0
	Operating profit	**-6.756.916**	**-6.506.339**
	Income from investment in subsidiary	0	-1.307.443
	Other financial income from group enterprises	19.574	0
	Other financial income	137.742	142.799
	Other financial expenses	-5.873	-120.789
	Pre-tax net profit or loss	**-6.605.473**	**-7.791.772**
	Tax on net profit or loss for the year	839.294	1.117.716
	Net profit or loss for the year	**-5.766.179**	**-6.674.056**
	Proposed distribution of net profit:		
	Allocated from retained earnings	-5.766.179	-6.674.056
	Total allocations and transfers	**-5.766.179**	**-6.674.056**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2025	2024
	Non-current assets		
	Patents	1.540.433	1.248.560
3	Prepayments for intangible assets	824.593	715.631
	Total intangible assets	2.365.026	1.964.191
	Investment in group enterprise	0	0
	Deposits	130.024	127.474
	Total investments	130.024	127.474
	Total non-current assets	**2.495.050**	**2.091.665**
	Current assets		
	Trade receivables	89.961	0
	Income tax receivables	839.294	1.385.538
	Other receivables	2.117.618	2.375.709
	Prepayments	182.245	125.303
	Total receivables	3.229.118	3.886.550
	Cash and cash equivalents	7.209.162	14.004.140
	Total current assets	**10.438.280**	**17.890.690**
	Total assets	**12.933.330**	**19.982.355**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2025	2024
	Equity		
4	Contributed capital	1.471.385	1.396.785
	Share premium	51.668.715	45.029.315
	Retained earnings	-44.387.720	-38.621.541
	Total equity	**8.752.380**	**7.804.559**
	Liabilities other than provisions		
	Trade payables	502.434	387.548
	Payables to group enterprises	484.496	0
	Income tax payable to subsidiaries	0	363.278
	Other payables	587.363	435.545
	Deferred income	2.606.657	10.991.425
	Total short term liabilities other than provisions	4.180.950	12.177.796
	Total liabilities other than provisions	**4.180.950**	**12.177.796**
	Total equity and liabilities	**12.933.330**	**19.982.355**

1 Material uncertainty related to going concern

5 Contractual obligations and contingencies, etc.

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Share premium	Retained earnings	Total
Equity 1 January 2025	1.396.785	45.029.315	-38.621.541	7.804.559
Cash capital increase	74.600	6.639.400	0	6.714.000
Profit or loss for the year brought forward	0	0	-5.766.179	-5.766.179
	1.471.385	**51.668.715**	**-44.387.720**	**8.752.380**

Notes

All amounts in DKK.

1. Material uncertainty related to going concern

The annual report has been prepared on the assumption that Wavepiston will continue as a going concern. In May 2026, Wavepiston entered into an agreement with our bank for a credit facility which, together with existing cash resources, is expected to provide sufficient liquidity to finance operations until around October 2026. Wavepiston is currently in discussions with investors regarding additional funding to secure longer term financing. This includes a potential equity investment from a large institutional investor. The completion of this investment is conditional upon the participation of an external tech investor. As of the date of approval of the annual report, no investment agreement has been finalised.

The management has prepared cash flow forecasts and funding plans covering a period of at least 12 months from the date of approval of these financial statements. These forecasts assume that the ongoing investor discussions will result in sufficient additional funding being obtained and that the bank credit facility remains available in accordance with its terms. The management notes that Wavepiston has historically been able to obtain additional funding when needed.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on Wavepiston's ability to continue as a going concern, and therefore that Wavepiston may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, based on the available bank facility, the status of the investor negotiations and Wavepiston's historical ability to raise capital, management believes that it is appropriate to prepare the financial statements on a going concern basis.

2. Staff costs

	2025	2024
Salaries and wages	7.472.608	5.831.811
Pension costs	506.694	321.847
Other costs for social security	92.807	73.812
	8.072.109	**6.227.470**
Average number of employees	10	9

Notes

All amounts in DKK.

	31/12 2025	31/12 2024

3. Prepayments for intangible assets

Disclosure of assumptions related to prepayments for intangible assets

Wavepiston A/S has recognised a prepayment of t.DKK 825 related to costs incurred in connection with pending patent applications. The prepayment will be reclassified to intangible assets when the patents are granted.

Management has not identified indications of impairment relative to the carrying amount.

	31/12 2025	31/12 2024
4. Contributed capital		
Contributed capital 1 January 2025	1.396.785	1.313.897
Cash capital increase	74.600	82.888
	1.471.385	**1.396.785**

The share capital amounts to a nominal DKK 1,471,385, divided into 494,000 A shares and 977,385 B shares of DKK 1 each or multiples thereof.

5. Contractual obligations and contingencies, etc.

Rent obligation:

The company has entered into a lease agreement with a notice period of 6 months, corresponding to t.DKK 86.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.