



Interim report for the period 1 January – 30 September 2020

Third quarter of 2020

Numbers in parentheses refers to outcomes during the corresponding period of the previous year.

- Revenues of SEK 0 million (0).
- Other operating income of SEK 0.3 million (0.9) mainly pertaining to grants.
- Operating costs decreased to SEK 0.7 million (1.3). Administrative expenses decreased to SEK 3.3 million (7.1). The comparable period last year was affected by IPO related costs.
- Profit (loss) for the period amounted to SEK -3.5 million (-8.2).
- Earnings per share of SEK -0.1 (-0.3).
- As of 30 September 2020, cash and cash equivalents amounted to SEK 93 million (108) and shareholders' equity amounted to SEK 91 million (105). Total number of outstanding shares amounted to 35,194,844 (34,997,194).
- Cash flow from operating activities increased to SEK -5.3 million (-14.6) due to lower costs.
- Average number of employees of 17 (14).

Significant events in the quarter

- **EWP EDF One Project-** In a significant regulatory milestone, Eco Wave Power secured an engineering coordination permit from the Municipality of Tel-Aviv Jaffa (permit number 2020-4345) required for the deployment of the grid-connection works of the EWP-EDF One wave energy project in the Port of Jaffa, Israel.
- **Portugal-** Eco Wave Power established EW Portugal – Wave Energy Solutions, Unipessoal Ida, a wholly owned subsidiary in Porto, Portugal. The strategic decision will enable Eco Wave Power to commence official licensing procedures for its planned wave energy project in Portugal, as part of the company's newly signed 20MW Concession Agreement with the Port Authority of Leixões, APDL.
- **Gibraltar-** Eco Wave Power announced performance improvements and significant cost reductions from its Gibraltar wave energy project. In 2018–2019, power production performance of the array reached 70% of the forecasted output for the site, as compared to 31% in 2017–2018. Furthermore, direct maintenance and repair costs decreased from 18% of project cost in 2017, to 9% in 2018 and 4% in 2019. The results will undergo independent verification by Dr. Guang Li, an expert in ocean energy at the Queen Mary University of London.
- **New Projects in the Pipeline-** Eco Wave Power entered two new letters of Intent; a 2MW LOI with the Port of Shoreham in the UK and an LOI with Diamond Energy for an up to 20MW PPA in Australia. Given these new agreements, the company's projects pipeline, expanded to 254MW, which is a 64MW increase from the projects pipeline communicated in 2019. This reinforces the growing global commitment and interest in the Eco Wave Power Technology.
- **Patents-** Patents number 254987 and 254990 were approved for registration.
- **Awards and Recognitions-** This quarter, Eco Wave Power continues to receive industry accolades. Fast Company, selected Inna Braverman, as one of the world's 74 "**Most Creative People in Business for 2020**", and Eco Wave Power was recognized by Sifted.eu as one of the "**European tech pioneers shaping the post-pandemic world**", in addition to becoming the recipient of the **Green Innovation Award** by the UK Department of International Trade.

Significant events after the reporting date

- In a **EWP EDF One Project-** Eco Wave Power announced the development of a new preventative-predictive and corrective smart Wave Power Verification (WPV) software. The software can speed up efficiency verification of the different sub systems of wave energy generation technologies, as well as detect failures in wave modules instantly. It will achieve its first trial launch in the EWP-EDF One project, which is financed by the Israeli Energy Ministry and EDF Renewables IL.
- **Portugal-** Eco Wave Power announced a strategic collaboration with Painhas Engineering and Construction Company for the technical support for the licensing of 20MW Portugal Project. Painhas will take an integral part in the technical support needed for the official licensing procedures for the planned wave energy project in Portugal, as part of the newly signed 20MW Concession Agreement with the Port Authority of Leixões - APDL. Once licensing is obtained, the parties will work towards a continued

collaboration for the execution of the project.

- **New Projects in the Pipeline-** Eco Wave Power has entered a 20MW Letter of Intent with the Port of Bilbao, in Spain. In addition, Eco Wave Power has entered an MOU Agreement with MSMART Future Technology. The collaboration between the parties shall be executed in milestones. In the first phase, Eco Wave Power will perform an in-depth feasibility study, at the selected site in Vietnam and once studies are completed, the companies will work towards the establishment of a Joint Venture company for the development of a 50MW wave energy array.
- **Awards and Recognitions-** Eco Wave Power has been invited to join 14 other leading entrepreneurs from across the UK & Europe for the first ever virtual iteration of the Unreasonable Impact programme, which aims to accelerate the growth of their companies. Unreasonable Impact is an innovative multi-year multi-geographic partnership between **Barclays and Unreasonable Group** to launch the world's first global network focused on scaling up entrepreneurial solutions that will help employ thousands worldwide in the emerging green economy. In addition, Meaningful Business, a global platform for leaders combining profit and purpose, has recognised Eco Wave Power of as a **Meaningful Business 100 (MB100) leader for 2020** and Eco Wave Power was shortlisted for the **Falling Walls Science Breakthrough of the year** in the Engineering and Technology Category. Falling Walls promotes ground-breaking ideas across borders and disciplines and brings together innovators from around the world.
- Moreover, we were extremely honored to be featured on RE:TV by the Sustainable Markets Initiative, curated by editor-in-chief, His Royal Highness, Prince Charles of Wales. It showcases inspiring innovations and ideas that point towards a sustainable future.

A Word From the CEO

"We now at last have a hugely important opportunity to reimagine our world through the lens of Sustainable Markets, and to put people and planet at the heart of global value creation." - HRH Prince Charles, Prince of Wales.

Prior to the pandemic, more than 800 million people worldwide lacked access to electricity. Billions more have their potential diminished by unreliable or insufficient energy access, predominantly provided by carbon-emitting fuels. The energy accessibility gap has further widened because of the pandemic. This year alone, more than 100 million people have seen their electricity access severed because they couldn't pay their bills during the pandemic, with the toll falling disproportionately on the poor and most vulnerable. The World Bank estimates that the combined impact of climate change and the damage done by Covid-19 will push 132 million people into poverty.

"There's no going back to the past, to before-Covid. We need to reimagine the future we want," **said Dr. Rajiv J. Shah, President of the Rockefeller Foundation.** "To meet this moment, we must leverage all our resources and relationships to build an equitable, sustainable future, where everyone has the opportunity to realize their full potential and climate disaster is avoided. The time to act is right now to make sure vulnerable children and families are included in the pandemic response and recovery."

The Rockefeller Foundation committed to invest 1 Billion USD over the next three years to catalyse a more inclusive, green recovery from the Covid-19 pandemic. Other prominent leaders, governments, and organizations are also rising to the occasion and have committed to advancing significant and ground-breaking green recovery plans. For example, in June 2020, the EU launched a €750bn coronavirus recovery package of which 37% of the funding was to be allocated towards green initiatives that improve energy efficiency, reduce dependence on fossil fuels, and invest in preserving and restoring nature.⁴ Also, The Sustainable Markets Initiative, was launched by HRH Prince Charles of Wales, in response to the increasing threats posed by climate change and biodiversity loss.

In this quarter, Eco Wave Power is proud to be profiled in the Sustainable Market Initiative by HRH Prince of Wales, The World Economic Forum, and the Bank of America. The initiative reinforces the rising commitment of global leaders for the implementation of clean and sustainable energy production solutions, to catalyse green recovery from the Covid-19 pandemic and stresses the fact that now more than ever, wave energy is being acknowledged as a significant part of the green recovery plan.

Here, at Eco Wave Power, we are humbly accepting such acknowledgment with the understanding that we hold great responsibility for the future of our planet. As a result, in Q3, Eco Wave Power's team has performed an admirable and mission-driven work, thus making me identify this quarter with the acronym "PAIRS". I deem the acronym "PAIRS" as suitable, as everyone worked together in great harmony, towards a joint mission.

Personally, I found it the team work remarkable, especially given the unexpected hardships presented by Covid-19. Our efforts this quarter, have resulted in the following:

1. **Projects Progress**
2. **Awareness**
3. **Increasing Pipeline Projects Intake**
4. **Reinforcing Financial Position**
5. **Successfully Expanding the Company's Product Offering**

Projects Progress- In terms of our projects, we have seen important progress in our EWP-EDF One project (Israel) and our planned project in Portugal. During this quarter, our company has secured the engineering coordination permit necessary for the deployment of the grid-connection works and is working towards the finalization of the software for our second grid connected power station.

Whereas in Portugal we have established a local subsidiary and commenced collaboration with Painhas Engineering and Construction company in Portugal to accomplish the licensing for the APDL project in an efficient and timely manner.

Awareness- In terms of awareness and recognition, during this quarter, our company has enjoyed increased visibility in high profile media outlets and organizations; The company was featured and recognized by Fast Company as "Most Creative People in Business", by

Sifted as “European tech pioneers shaping the post-pandemic world”, in addition to becoming the recipient of the Green Innovation Award by the UK Department of International Trade. Moreover, Meaningful Business, has recognised Eco Wave Power as a Meaningful Business 100 (MB100) leader for 2020 and Eco Wave Power was shortlisted for the Falling Falls Science Breakthrough of the year in the Engineering and Technology Category. Furthermore, we were extremely honored to be featured on RE:TV by the Sustainable Markets Initiative, curated by editor-in-chief, His Royal Highness, Prince Charles of Wales. It showcases inspiring innovations and ideas that point towards a sustainable future.

Increasing Pipeline Projects Intake- By working digitally over the past quarter we have been able to effectively respond to the continued heightened interest for our technology that we have been witnessing, due to increase in awareness and recognition for the company’s work. Customers are vastly more accepting of digital meetings, allowing us to conduct multiple meetings with people on different continents in a single day. This resulted in three new letters of Intent; a 2MW LOI with the Port of Shoreham in the UK and an LOI with Diamond Energy for an up to 20MW PPA in Australia, as well as a 20MW LOI with the Port of Bilbao in Spain. This reinforces the growing global commitment and interest in the Eco Wave Power Technology.

Reinforcing Financial Position- During this quarter our business development team has worked towards the submission of several large-scale grants, aimed at supporting Eco Wave Power’s R&D efforts, as well as the company’s commercial roll-out plan. Securing these grants, will have significant value for the Eco Wave Power shareholders and for our commercialization process.

Successfully expanding the company’s products offering- In our annual report, we communicated that our company is planning to expand its product offering by providing increased project development products and services. One of the services presented in the report, was commencing feasibility studies for our potential clients, which will add customer value and provide an additional revenue stream for the company. In this quarter, I am very pleased to present that we have achieved this goal, with the first MOU and Feasibility Study Agreement signed with MSMART Future Technology in Vietnam, and several additional such agreements on the way (to be announced soon). In addition, we are even further expanding our product portfolio through the development of our new preventative-predictive and corrective smart Wave Power Verification (WPV) software. As soon as we will finalize the software’s development, we will add it to our product portfolio and position Eco Wave Power not only as a technology provider, but also as a world-leader in a proprietary software for the growth of the whole industry. We plan to release the software for use by third parties, such as other wave energy developers, as well as relevant research institutions and leading universities, through unique licensing agreements. We strongly believe that the production of clean electricity from the waves is an important segment for the fight against climate change and are looking forward to contributing to the sector’s rapid development and commercialization.

In summary, I feel content with the PAIRS quarter, as we have worked purposefully while continuously ticking off important interim goals along the way of our main objective, which is wave energy commercialization.

Kind Regards
Inna Braverman
CEO

For the full interim report, please click [here](#).

About EWPG Holding AB

EWPG Holding AB (publ) (“Eco Wave Power”) is a leading onshore wave energy technology company that developed a patented, smart and cost-efficient technology for turning ocean and sea waves into green electricity. Eco Wave Power’s mission is to assist in the fight against climate change by enabling commercial power production from sea and ocean waves.

EWP is recognized as a “Pioneering Technology” by the Israel’s Ministry of Energy and was labelled as an “Efficient Solution” by the Solar Impulse Foundation. Furthermore, EWP’s project in Gibraltar has received funding from the European Union Regional Development Fund and from the European Commission’s HORIZON2020 framework program. The company was also recently recognized by the United Nations in receiving the “Climate Action Award”, which was granted to the company during COP25 in Madrid, Spain.

The Eco Wave Power share (ECOWVE) is traded on Nasdaq First North Growth Market. Read more about Eco Wave Power at: www.ecowavepower.com.

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This information is information that the Company is required to disclose under the EU Market Abuse Regulation. The information was provided by the contact persons below for publication on 27 November 2020 at 08.00 CET.

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