

Press release

Regulatory information

22nd of October 2020

Interim Management Statement 1 January–30 September 2020

Minesto's CEO Dr Martin Edlund: "The installation activities during the summer showed good progress towards the realisation of cost-effective procedures for the installation and maintenance of Minesto's power plants. We are now looking forward to demonstrate the commercial viability of our technology and the customer values that this product creates."

Significant events July–September 2020

- In early July, Minesto announced that the installation of the subsea cable in the Vestmannasund project in the Faroe Islands, which connects Minesto's power plant to the electricity grid, had not been completed as planned due to a technical issue that occurred during the cabling.
- In July, Minesto completed the installation of infrastructure onshore and offshore in the Vestmannasund project, including the fixed subsea cable. Minesto also successfully installed the first DG100 tidal energy converter, but during the initial commissioning phase a mechanical failure occurred in the powerplant's mooring interface which denied further operations.
- In August, the last of the warrant programs in Minesto AB aimed at the European investor EIT InnoEnergy was completed. Through the warrant programs, a total of 8,513,595 shares have been subscribed for in Minesto AB by EIT InnoEnergy.
- In the beginning of September, Minesto announced that the company plans to continue commissioning activities in its tidal energy project in Vestmannasund, Faroe Islands in mid-October. At the same time, Minesto also announced that the company has verified the area for the first proposed array installation of its tidal kite technology in the Faroe Islands.

The Group in summary January–September 2020

- Total operating income amounted to SEK 33,078 thousand (28,503 thousand) and consisted mainly of capitalised work on own account.
- Operating loss amounted to SEK -9,470 thousand (-15,439 thousand). The negative result is largely attributable to business development and administration related to technology development and includes, among other things, personnel costs, rents, and

services. Of the personnel costs, SEK 30,069 thousand (25,862 thousand) has been capitalised as work on own account.

- At the end of the reporting period, capitalised development costs amounted to SEK 204,486 thousand (266,090 thousand), in addition to patent expenses of SEK 13,091 thousand (11,609 thousand).
- Grants of up to SEK 46,512 thousand (SEK 40,204 thousand) were received during the reporting period, of which SEK 43,697 thousand (SEK 37,635 thousand) reduced the acquisition value of the capitalised development costs. During the reporting period, payments of SEK 53,682 thousand (59,203 thousand) were received from public funding schemes, of which SEK 50,097 thousand (59,203 thousand) relates to approved claims and the remaining part relates to advances.
- Cash flow amounted to SEK 65,743 thousand (SEK 27,630 thousand). At the end of the reporting period, cash and cash equivalents amounted to SEK 115,398 thousand (31,092 thousand).
- At the end of the reporting period, equity amounted to SEK 412,231 thousand (348,730 thousand) divided into 128,281,555 shares (114,918,402 shares), of which loss for the period amounted to SEK -9,404 thousand (-10,967 thousand). During the reporting period, SEK 108,750 thousand (55,020 thousand) was added to the company's equity through the exercise of employee stock options and warrants.

The Interim Management Statement is available on Minesto's website:

<https://minesto.com/investor/investor-information>.

For additional information please contact

Martin Edlund, CEO

+46 31 29 00 60

ir@minesto.com

The information in this press release is such that Minesto AB (publ) shall announce publicly according to the EU Regulation No 596/2014 on market abuse (MAR). The information was submitted for publication, through the agency of the contact person set out above, at 07:30 CEST on 22 October 2020.

About Minesto

Minesto is a leading marine energy technology company with the mission to minimise the global carbon footprint of the energy industry by enabling commercial power production from the ocean.

Minesto's award winning and patented product, Deep Green, is the only verified marine power plant that operates cost efficiently in areas with low-flow tidal streams and ocean currents.



With more than €40 million of awarded funding from the European Regional Development Fund through the Welsh European Funding Office, European Innovation Council and InnoEnergy, Minesto is the European Union's largest investment in marine energy to date.

Minesto was founded in 2007 and has operations in Sweden, Wales, Northern Ireland and Taiwan. The major shareholders in Minesto are BGA Invest and Midroc New Technology. The Minesto share (MINEST) is traded on Nasdaq First North Growth Market. Certified Adviser is G&W Fondkommission, email: ca@gwkapital.se, telephone: +46 8 503 000 50.

Read more about Minesto at www.minesto.com

Press images and other media material is available for download via bit.ly/Minesto_media.

Financial information including reports, prospectuses and company descriptions is available in Swedish at www.minesto.com/investor.