

Bawat Water Technologies AB: BAWAT Announces H1 Report 2025

Hørsholm, Denmark, August 27, 2025 – Bawat Water Technologies AB (BAWAT) today announces its H1 Report for 2025. The report is available on Bawat's website (investor.bawat.com)

BAWAT is a leading supplier of sustainable ballast water treatment technology and services. BAWAT was listed on Nasdaq First North Premier Growth Market in Stockholm in March 2022.

Bawat in positive EBITDA figures from June onwards. Backlog volume supports positive EBITDA for second half year of 2025. BaaS (Ballast-as-a-Service) is driving profitability.

- Gross Profit % was 43,0 %, compared with 13,2% in H1 2024 and higher than earlier guidance.
- EBITDA for H1 was SEK - 9,9m.
- For the month of June, EBITDA was positive.
- EBITDA is expected to be positive for H2 2025. A major step for Bawat.
- EBITDA and Gross Profit is driven by a significant increase in Baas (Ballast-as-a-Service) delivered in Holland, Belgium, Germany, Spain and Denmark for a variety of clients and project types.
- The positive development in business activities came later than expected as Bawat only started executing on the backlog BaaS volume signed already in late 2024 with a ship recycling client due to external factors.
- Additional new BaaS capacity will deliver in Q3 supporting growth.
- With the Hong Kong convention on ship re-cycling coming into force in late June, ballast water on ships for re-cycling has become a hazardous material that needs disposal, and thus Bawat is expecting a further uptake from this business segment in H2 2025 and onwards.

Post closing, Bawat has in addition to other orders received a large BaaS contract in Germany for execution in September signed for *delivery* of D2 compliant ballast water. This *delivery* to vessels is to Bawat knowledge a first of its kind and only possible due to the unique one-pass technology Bawat BaaS is based upon.

Bawat has had initial dialogue regarding supply of water on land for various purposes treated by Bawat for invasive species. This market could potentially be significant utilizing Bawats existing technology unchanged.

Bawat is post closure in dialogue with our lenders to prolong the repayment profile of the long-term debt.

A Concentrated Inspection Campaign (CIC) will be conducted across the world by port state controls starting September 2025. Expectations are that it will gradually increase awareness of non-functional BWMS and the need to use Port Reception Facilities including Bawats BaaS' solution.

FINANCIAL KEY FIGURES H1 2025

SEK '1.000	H1 2025	H1 2024	12M 2024
Sales	8.328	8.786	14.584
Gross Profit	3.581	1.155	2.324
Gross Profit %	43,0%	13,2%	15,9%
EBITDA	-9.913	-12.381	-23.595
Result for the period	-14.863	-21.562	-41.314
Earnings per share	-0,17	-0,39	-0,66
Cash flow from operations*	-14.049	-11.871	-25.275
Net working capital	-13	-3.978	-1.772
Equity ratio %	-52,1%	-47,9%	-41,3%

*In addition to this, Capital raise and other related non-recurrent items SEK 1.6m in H1 '24 (SEK 0.4m in H1 '24 & 3.1 in FY 2024)

Marcus P. Hummer, CEO. "2025 is a pivotal year for Bawat. We are now moving into black EBITDA figures for the second half of the year and our BaaS activity is driving this. We are however also experiencing an increase in demand for both our mobile systems and ship board systems as customers with non-compliant ballast water acknowledge the value of having a BWMS that works in all conditions".

"We have a unique product offering to support the spread of invasive species in the marine environment. Port State Control and local environmental authorities have all options open to enforce the legislation. We expect the Concentrated Inspection Campaign starting September across the world will highlight the massive need for Port Reception Facilities in order for ballast water discharge to stay compliant – in ports, at yards and at sea".

Guidance 2025

The Company has gradually changed its emphasis to more focus on sales of our mobile solutions and in particular BaaS solutions but still offering our unique pasteurization solutions to vessels. So in essence Bawat has three legs to stand on based on same unique and patented technology, pasteurization.

Following the final adoption of the ballast water convention on 8th September 2024 Bawat has seen a gradual ramp-up in activities, especially on BaaS. This also means the existing guiding principles being sales forecast are no longer ideal to measure performance as the new activities contribute with a far higher margin than pure sale of systems.

Bawat has previously changed guiding principles from sales to EBITDA. On a comparable sales volume to H1 2024, the GP margin has increased from 13% to 43% which is higher than previously guided.

July 2025 was the second consecutive month with a positive EBITDA. Consequently, Bawat is guiding for positive EBITDA for H2 2025 based on combination of current BaaS track record and backlog. The full year EBITDA for 2025 is expected to be in the range of SEK -9 to -6m, below earlier guidance indicating a positive EBITDA for the year.

At the time of our listing in March 2022 our prospectus guided our investors towards EBITDA-breakeven Q4 2024. The company is two quarters late relative to our original guidance. However, business potential is broader and with significantly higher profitability than originally forecasted.

Find the full 1H 2025 report here: <https://investor.bawat.com/company-reports/>

FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements. Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'outlook', 'guidance', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Statements regarding the future are subject to risks and uncertainties that may result in considerable deviations from the outlook set forth. Furthermore, some of these expectations are based on assumptions regarding future events which may prove incorrect.

FOR MORE INFORMATION, PLEASE CONTACT:

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This press release constitutes inside information that Bawat *Water Technologies AB* is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was sent for publication, through the agency of the contact persons set out above, at the time stated by the Company's news distributor, Cision, at the publication of this press release *on August 27th, 2025*.

For further information about *Bawat Water Technologies AB*, please contact above.

About Bawat

The development of an entirely new approach to ballast water treatment utilizing onboard waste heat to treat ballast water led to the founding of Bawat in 2011. A ballast water treatment system avoids disposal of untreated water in seas and harbors.

Bawat's BWMS is a system that is simple, cost-effective, and sustainable, build on a zero environmental impact, using standard marine components. No filters, no chemicals no

UV. Bawat is the first to market a USCG/IMO Type Approval BWMS that uses pasteurization to treat ballast water in a one-pass process.

Bawat has built upon its innovative breakthrough and offers ballast water solutions to the maritime industry in three categories:

- [Ship BWMS](#) for Retrofit and New Builds
- [Mobile containerized solution](#) for multiple vessel usage in a port, on a ship or offshore units
- [Bawat BaaS - Ballast as a Service](#) for contingency or planned ballast treatment in ports, sea and yards

Bawat is an engineer-driven company that is rooted in the tradition of Danish maritime innovation and with a deep maritime insight: www.bawat.com.