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Company announcement
No. 01/2024

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Company registration no.: DK28315694

Preliminary unaudited key financial numbers for 2023 in line with guidance and intention to strengthen capital structure

Copenhagen, Denmark, January 29, 2024 – Aquaporin A/S (ticker: AQP) (“Aquaporin” or the “Company”), an innovative water technology company dedicated to rethinking water filtration with biotechnology, confirms that its preliminary unaudited financial numbers for the financial year ended December 31, 2023 are in accordance with its guidance for the financial year 2023. In addition, Aquaporin today announces its intention to strengthen its capital structure primarily by raising new equity through the issuance of new shares with pre-emptive rights for Aquaporin’s shareholders (“Rights Issue”).

In 2023, Aquaporin continued to see strong momentum in revenue growth compared to 2022, with significant repeat orders in drinking water and a growing number of industrial water customers. The Company also advanced product development with key partners in the juice and dairy industries and continued the development of its core technology. However, the Company will need to strengthen its capital structure to meet its capital needs.

Strengthening the capital structure

As communicated on November 16, 2023, in company announcement 30/2023 in connection with the Q3 2023 Trading Statement, the Company is continuously in dialogue with potential investors and is actively exploring options to raise new capital in the first half of 2024. The capital raise is now contemplated to be conducted through a Rights Issue.

Details of the plan to strengthen the capital structure

Below are the key details regarding the **Company's intention to strengthen the Company's capital structure**:

- The Company targets to raise gross proceeds of approximately DKK 150-200 million through a Rights Issue to support **the Company's longer-term business plan**;
- The Company intends to complete the Rights Issue in the first half of 2024;
- The Company contemplates to primarily raise capital through an issue of new shares with pre-emptive rights for **the Company's existing shareholders** and to a limited extent through short-term debt financing from certain existing shareholders to be used as bridge financing until the Rights Issue is completed;
- The Company will, at the Annual General Meeting planned to be held on April 4, 2024, propose that the **Company's** shareholders adopt an authorization to the **board of directors of the Company** (the "Board of Directors") to increase the share capital; and
- A prospectus will be prepared and published in connection with the Rights Issue and the admission of the new shares for trading and official listing on Nasdaq Copenhagen A/S and such prospectus will be subject to approval by the Danish Financial Supervisory Authority.

Danske Bank A/S is acting as financial adviser to the Company on the contemplated Rights Issue.

Shareholder approval on the share capital increase

As a result of the intention to strengthen the **Company's capital structure**, the Board of Directors will in connection with the **Company's** Annual General Meeting propose that the **Company's** shareholders adopt an authorization for the Board of Directors to carry out a capital increase through issuance of new shares with pre-emptive rights for Aquaporin's shareholders.

Further information on the expected capital increase, including regarding the terms and timing of the Rights Issue, will be provided at a later point in time and at the latest in March 2024 at the time of convening for the annual general meeting to be held on April 4, 2024.

Preliminary unaudited key financial numbers for 2023

The **Company's** preliminary and unaudited key financial numbers are in accordance with the guidance for the financial year 2023 communicated in company announcement dated November 16, 2023. EBIT (before special items) is in the upper end of the range of the communicated guidance, revenue is in the mid-range, while a low CAPEX underlines **the Company's** strong focus on its cost base:

- Revenue of approximately DKK 60 million (*2023 guidance: Revenue of DKK 50-70 million*)
- Gross profit margin of approximately 32% (*2023 guidance: Gross profit of >30%*)
- EBIT (before special items) of loss of approximately DKK 95 million (*2023 guidance: A loss of DKK 105-95 million*)
- CAPEX of approximately DKK 2 million (*2023 guidance: CAPEX of DKK 10-15 million*)

The annual report for the financial year ended December 31, 2023 will be published on March 13, 2024.

Unchanged preliminary guidance for 2024

As also communicated on November 16, 2023, in company announcement 29/2023, the Company's preliminary guidance for the financial year 2024 is as follows:

- In 2024, the Company expects continued strong growth in revenue to approximately DKK 100 million.
- At this point, the Company has visibility of more than DKK 50 million of the revenue guidance for 2024.
- The Company expects to keep operating costs approximately in line with 2023.

For further information, please contact:

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About Aquaporin A/S

Aquaporin is an innovative water technology company with operations in Denmark (HQ), Singapore, Turkey, the United States, and China. We are committed to rethinking water filtration with biotechnology to solve global water challenges. By combining three disciplines from the world of natural sciences: biology, chemistry, and physics, we have created the unique, nature-inspired Aquaporin Inside® technology which we embed into all our membranes and solutions. Our technology is based on Nobel Prize-winning research and is used to clean and reuse water in industries, in our homes, and even by NASA in space. We work with customers and partners around the globe to responsibly treat industrial wastewater, concentrate food and beverage products in a natural way, and enhance drinking water quality and accessibility.

Forward-looking statements

Matters discussed in this company announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and that can be identified by words such as "believe", "expect", "anticipate", "intend", "estimate", "will", "may", "continue", "should", and similar expressions, as well as other statements regarding future events or prospects. Specifically, this company announcement includes information with respect to projections, estimates, and targets that also constitute forward-looking statements. The forward-looking statements in this company announcement are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies, and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, and other important factors include, among others: Limited experience in commercialization of the Company's products, failure to successfully implement strategies, dependence on third parties for manufacturing certain product components and the supply of certain raw materials, manufacturing disruptions, strategic collaboration, protection of the Company's intellectual property rights and other risks disclosed in Aquaporin's annual reports and company announcements. Such risks, uncertainties, contingencies, and other important factors could cause actual events to differ materially from the expectations, projections, estimates, and targets expressed or implied in this company announcement by such forward-looking statements. The information, opinions, and forward-looking statements contained in this company announcement speak only as at its date and are subject to change without notice. Aquaporin expressly disclaims any obligation to update or revise any forward-looking statements, except as required by law.

Danske Bank A/S ("Danske Bank") and its affiliates is acting exclusively for the Company and no-one else in connection with the contemplated capital raise. It will not regard any other person as their respective clients in relation to the offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in relation to the contemplated capital raise, the contents of this announcement or any transaction, arrangement or other matter referred to herein. In connection with a contemplated capital increase, Danske Bank and any of its affiliates, acting as investors for their own accounts, may subscribe for or purchase shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such shares and other securities of the Company or related investments in connection with the offering or otherwise. Accordingly, references in the offering memorandum or prospectus, to the securities being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, Danske Bank and any of its affiliates acting as investors for their own accounts. Danske Bank do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.