Interim report for the period 1 January – 30 June, 2019

EWPG Holding AB (publ) reports significant progress during the first two quarters of 2019

EWPG Holding AB (publ) (the “Company”, “Eco Wave Power” or “EWP”) secures multiple grants; establishes subsidiary in Australia; enters joint venture with EDF Renewables; significantly expands projects pipeline; presents new patents approval for registration; and wins multiple awards for EWP’s work, including inclusion in the SET100 list of energy companies which are revolutionizing the world by DENA and the World Energy Council

Comments to the financials

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

Second quarter of 2019
- Revenues of kSEK 169 (0).
- Net loss of kSEK 3,711 (2,064).
- Earnings per share is negative (negative).
- As of 30 June 2019, cash and cash equivalents amounted to kSEK 6,354 (3,085).

First half of 2019
- Revenues of kSEK 168 (0).
- Net loss of kSEK 5,352 (3,616).
- Earnings per share is negative (negative).

After the reporting date
- Net proceeds from the IPO in July 2019 amounted to MSEK 121.8 before transaction costs. The financial effects from the IPO are not reflected in this interim report as they occurred after the reporting date.

Significant events for the period 1 January – 30 June, 2019
- Received grants from Israeli Energy Ministry, Queensland Government, PortXL and Phase A funding from Horizon 2020 - European Commission.
- Established a fully owned subsidiary in Australia, which is one of the highest energy potential markets for wave energy, and a key market for EWP’s expansion.
- Signed JV agreement with EDF Renewables in Israel for development of a joint project equally co-funded by both parties.
- Expanded the projects pipeline, including LOI from Vandebron for a 20MW PPA and MOU with Hadera Economic Company & OTWOI for a 1MW installed capacity project.
• Participated in the Bluetech competition held in Portugal by the Portuguese Ministry of the Sea and chosen to commence prefeasibility studies for projects in the Port of Sines and the Port of Leixões.

• Received approval for 2 patents and multiple awards; an award by C40 (Women4Climate initiative); SET100 energy companies which are revolutionizing the world (by DENA & the World Energy Council); FAMAE top 100 water innovator.

Significant events after the reporting date

• The Company was publicly listed on Nasdaq First North. EWP raised MSEK 121.8 from investors, making it the second largest listing on Nasdaq First North by that date. EWP welcomed around 5,900 new shareholders, including AP4 and Skandia Fonder.

• Started procurement of parts for the Jaffa Port project expansion and partnered with Siemens for the project. In addition, EWP conducted an environmental survey in connection with the Jaffa Port Project, proving that EWP’s project has no negative impact on the surrounding environment.

• EWP and EDF Renewables have established the JV company, in accordance with the JV agreement signed between the parties in Q2.

• The Port of Leixos in Portugal issued EWP an LOI for a project in the size of up to 5MW.

• Eco Wave Power received patent registration approval for EWP’s proprietary automation system.

• CEO of Eco Wave Power met with the Government of Gibraltar to discuss the next steps for the execution of the 5MW wave farm in Gibraltar.

CEO Comments

Good progress on the path to wave energy commercialization

I would like to begin with expressing our gratitude to approx. 5900 new shareholders, including Skandia Fonder, AP4 and our Board of Directors, which supported us with our public listing on the 18th of July.

We thank you for your belief in wave energy and in our company. We truly believe that NOW is the time to act against climate change.

According to the United Nations, climate crisis disasters are happening at the rate of once a week.

“We are exposing the whole of the world population to changes in climate, and this is clearly very concerning as we are moving to some extent into uncharted territory,” said Haines, professor of environmental change and public health at the London School of Hygiene and Tropical Medicine.

“We are subjecting young people and future generations to these increasing [health] risks for many hundreds of years to come, if not millennia,” he said. “We have to try to minimise the effects and move towards a low-carbon economy.”

The answer to the problem is clear - we MUST move to low-carbon economy and to renewable energy sources for production of clean electricity. Wave energy is a huge clean energy resource, and here at EWP we will invest all possible efforts to reach the phase of commercially viable wave farms.

EWP already found solutions to several key challenges of the wave energy industry:
• We proved that we can build wave energy power station at cost-efficient prices.
• We proved the survivability of our solution during storms.
• We have achieved insurance for our power stations.
• And showed that wave energy does not damage the environment.

Our next significant goal is to execute a commercial wave farm, with the goal of proving that wave energy in commercial-scale magnitude can generate sufficient electricity amounts and can be profitable.

The challenge we took onto ourselves is not small. We are pioneering a new industry. However, the solar and wind industry, which are currently fully commercialized renewable energy sources went through the same path- maybe even harder- and we believe that with our technology we can reach significant results faster.

The very first solar cells, invented in the 1800s, were less than one percent efficient, not nearly enough to make them a useful energy source. In 1955, Hoffman Electronics launched the first silicon commercial solar cell. Each cell had 2% efficiency and produced only a small number of milliwatts, thus the price per watt was set at over $1,785. It was not at all an affordable option for the average consumer. Whereas, nowadays, efficient and cost-efficient solar panels are everywhere, and the industry is booming.

This is where we want to be with our wave energy technology. We want to influence the energy generation of the world and become a significant part of the solution against climate change. It is a big challenge, but we are very passionate and committed to make this happen.

During the last few months we have achieved significant progress, which is getting us closer to our goal:
• We have secured funding from the Israeli Energy Ministry, The European Commission and other programs.
• We established strategic collaborations and partnered with global leaders in the energy industry, such as Siemens and EDF Renewables – which will assist us with our product development and implementation.
• We have finished design & started parts procurement for our project in Jaffa Port and finalized an environmental survey, showing that our technology has no negative impact on the surrounding environment.
• We are in the process of hiring key positions for the company to reinforce EWP’s engineering & execution abilities, as well as our business development and marketing capabilities.
• We have expanded our projects pipeline with focus on the European and Australian markets- where the wave energy potential is significant.
• And we have reinforced our patent portfolio with 3 new approved patents.

We are focused and determined to make wave energy a reality!

Thank you again for being a part of our vision

Kind Regards

Inna Braverman

CEO

For the full interim report, please see attached file

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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 above for publication on 30 August 2019 at 08.00 CET.