



EnWave Reports 2025 First Quarter Consolidated Interim Financial Results

Vancouver, B.C., February 24th, 2025

EnWave Corporation (TSX-V:ENW | FSE:E4U) ("EnWave", or the "Company") today reported the Company's consolidated interim financial results for the first quarter ended December 31, 2024.

All values in thousands and denoted in CAD unless otherwise stated.

- Reported royalty revenues of \$559, representing an increase of \$79 relative to the comparable period in the prior year. Royalties grew due to increased royalty partners, product sales, partner production, and exclusivity payments for the quarter.
- Reported revenue for Q1 2025 of \$1,177, representing a decrease of \$85 relative to the comparable period in the prior year. The decrease was primarily related to fewer machine sales offset by an increase in royalties and tolling.
- Gross margin for the three months ending Q1 2025 was 29% compared to 18% for the three months ended Q1 2024. The increase in margin was a result of higher royalties and tolling fees for the quarter.
- Reported an increase in Selling, General & Administrative ("SG&A") costs (including Research & Development ("R&D")) of \$5 for Q1 2025 relative to the comparable period in the prior year, with the increase primarily related to tradeshow attendance offset by reduced legal costs associated with the capitalization of the Term Loan and Credit facility issuance costs.
- Reported an Adjusted EBITDA⁽¹⁾ loss of \$624 for Q1 2025, an improvement of \$132 from the comparable period in the prior year.

Consolidated Financial Performance:

(\$ '000s)	Three months ended December 31,		
	2024	2023	Change %
Revenues	1,177	1,262	(7%)
Direct costs	(837)	(1,029)	(19%)
Gross margin	340	233	46%
Operating expenses			
General and administration	424	511	(17%)
Sales and marketing	486	351	38%
Research and development	358	401	(11%)
	1,268	1,263	0%
Net loss - continuous operations	(938)	(1,144)	(18%)
Net loss - discontinued operations	(8)	(151)	(95%)
Adjusted EBITDA ⁽¹⁾ loss	(624)	(756)	(17%)



Loss per share:

Continuous operations – basic and diluted	\$ 0.00	\$ (0.01)
Discontinued operations – basic and diluted	\$ 0.00	\$0.00
Basic and diluted	\$ 0.00	\$ (0.01)

(1) Adjusted EBITDA is a non-IFRS financial measure. Refer to the Non-IFRS Financial Measures disclosure below for a reconciliation to the nearest IFRS equivalent.

EnWave's consolidated interim financial statements and MD&A are available on SEDAR+ at www.sedarplus.ca and on the Company's website www.enwave.net

Significant Corporate Accomplishments in Q1 2025 and Subsequently:

- Signed an equipment purchase agreement and a license amendment with Sprouted Proteins SAC ("Sprouted Proteins") of Peru. Sprouted Proteins purchased a 10kW REV™ machine and is leasing a second 10kW REV™ machine to ramp up commercial production. The license amendment grants Sprouted Proteins the exclusive right to produce certain starch-based snack products and instant soup mixes in Peru and sets annual minimum exclusivity royalty amounts.
- Signed an amendment to the royalty-bearing license agreement with Patatas Fritas Torres S.L. ("PFT") of Spain. The amendment expands the product portfolio for PFT, who is focused on commercializing healthy, protein-rich snack products. Under the terms of the amendment, PFT will pay EnWave additional minimum annual royalties in exchange for the expanded product definition.
- Signed an amendment to the royalty-bearing license agreement with BranchOut Food Inc. to grant the company the exclusive rights to produce dried blueberry products using EnWave's REV™ technology in Peru.
- Signed a Research, Development and License Agreement, Equipment Purchase Agreement, and Referral Agreement with CNTA of Spain. The Equipment Purchase Agreement was for a 10kW REV™ machine that will showcase their state-of-the-art facility with the value proposition of REV™ technology.
- Signed a Research, Development and License Agreement and Lease Agreement with ELEA Technology GmbH to lease a 10kW REV™ machine.
- Signed a Technology Evaluation License Option Agreement with Solve Solutions LTDA of Brazil to rent a 10kW REV™ machine for use at their facility in the state of Santa Catarina, Brazil.

Non-IFRS Financial Measures:

This news release refers to Adjusted EBITDA which is a non-IFRS financial measure. We define Adjusted EBITDA as earnings before deducting amortization and depreciation, stock-based compensation, foreign exchange gain or loss, finance expense or income, income tax expense or recovery, non-recurring income and expenses, restructuring and severance charges, and discontinued operations. This measure is not necessarily comparable to similarly titled measures used by other companies and should not be construed as an alternative to net income or cash flow from operating activities as determined in accordance with IFRS. Please refer to the reconciliation



between Adjusted EBITDA and the most comparable IFRS financial measure reported in the Company's consolidated interim financial statements.

(\$ '000s)	Three months ended December 31,	
	2024	2023
Net loss after income tax	(946)	(1,295)
Amortization and depreciation	293	275
Stock-based compensation	143	115
Foreign exchange (gain) loss	(147)	24
Finance income	(47)	(52)
Finance expense	72	26
Discontinued operations	8	151
Adjusted EBITDA	(624)	(756)

Non-IFRS financial measures should be considered together with other data prepared in accordance with IFRS to enable investors to evaluate the Company's operating results, underlying performance and prospects in a manner similar to EnWave's management. Accordingly, these non-IFRS financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. For more information, please refer to the *Non-IFRS Financial Measures* section in the Company's MD&A available on SEDAR+ www.sedarplus.ca.

About EnWave

EnWave is a global leader in the innovation and application of vacuum microwave dehydration. From its headquarters in Delta, BC, EnWave has developed a robust intellectual property portfolio, perfected its Radiant Energy Vacuum (REV™) technology, and transformed an innovative idea into a proven, consistent, and scalable drying solution for the food, pharmaceutical and cannabis industries that vastly outperforms traditional drying methods in efficiency, capacity, product quality, and cost.

With more than fifty royalty-generating partners spanning twenty-three countries and five continents, EnWave's licensed partners are creating profitable, never-before-seen snacks and ingredients, improving the quality and consistency of their existing offerings, running leaner and getting to market faster with the company's patented technology, licensed machinery, and expert guidance.

EnWave's strategy is to sign royalty-bearing commercial licenses with food producers who want to dry better, faster and more economical than freeze drying, rack drying and air drying, and enjoy the following benefits of producing exciting new products, reaching optimal moisture levels up to seven times faster, and improve product taste, texture, color and nutritional value.

Learn more at EnWave.net.

EnWave Corporation

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Safe Harbour for Forward-Looking Information Statements: This press release may contain forward-looking information based on management's expectations, estimates and projections. All statements that address expectations or projections about the future, including statements about the Company's strategy for growth, product development, market position, expected expenditures, and the expected synergies following the closing are forward-looking statements. All third-party claims referred to in this release are not guaranteed to be accurate. All third-party references to market information in this release are not guaranteed to be accurate as the Company did not conduct the original primary research. These statements are not a guarantee of future performance and involve a number of risks, uncertainties and assumptions. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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