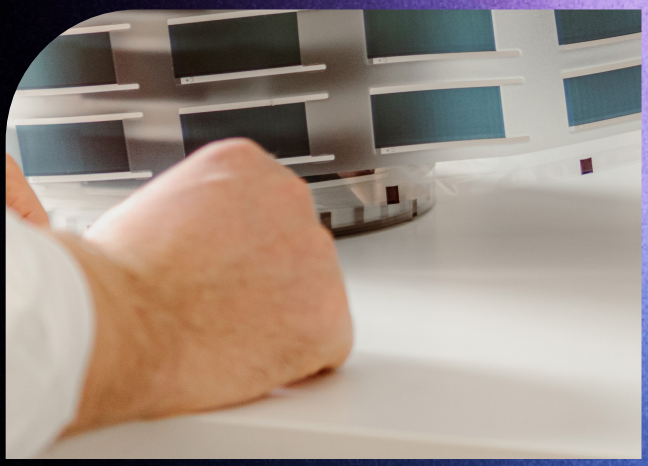
Epishine

Translated version of the official Annual Report (Swedish). Not an official document.

Financial year 2025

Annual Report for Epishine AB



Org.nr 559070-0422
Epishine AB | epishine.com

Epishine

Printing power

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About Epishine

Epishine is a Swedish energy tech company that develops and manufactures printed organic solar cells for power supply of electronics in indoor environments.

By using ambient indoor light, Epishine's technology enables the operation of low-energy electronics on a large scale, including sensors, electronic shelf labels and asset trackers. The solar cells greatly reduce the need for cables and disposable batteries and contribute to lower maintenance costs.

Epishine in numbers

Founded	2016
FTE's	39 (2025)
HQ	Linköping, Sverige
Based on	30 years of research
PhDs	7
Nationalities	18

Epishine's business

Printed Electronics for Sustainable Power Supply

As the world becomes increasingly connected, the need for electronics with efficient and sustainable power supply increases. Where today's solutions, such as batteries and cables, often entail high installation costs, recurring service needs and significant environmental impact, Epishine offers a more long-term alternative. With printed organic solar cells that convert indoor light into energy, electronics can be powered continuously, with lower maintenance requirements and more predictable operation. This enables reliable data delivery throughout the product's lifetime without the risk of interruption. With advanced technology and sustainable manufacturing processes, Epishine meets the demands of today's and tomorrow's electronics.

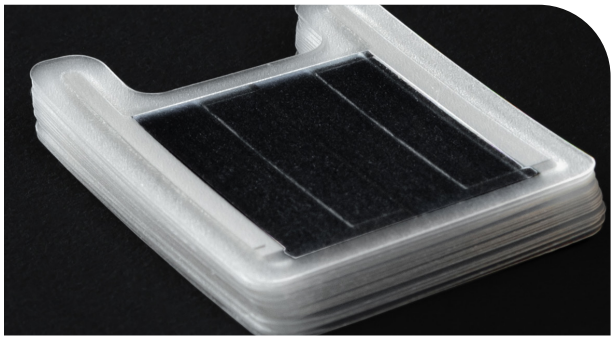
By 2029, the number of connected IoT devices is projected to reach 37 billion[1], resulting in a growing need for reliable energy supply for electronics. At the same time, today's solutions are often limited. Wired power provides stable operation but is costly to install and lacks flexibility. Batteries enable more mobility but instead entail high maintenance costs and negative environmental impact. In order for digitalization to be scaled in a sustainable way, solutions that work even at large volumes are required, where battery replacements, service intervals and downtime quickly become a limiting factor - both financially and operationally.

Epishine offers a smarter solution: printed organic solar cells. The solar cells capture indoor light from artificial and ambient light sources and convert it into energy, an innovation that can replace the need for both batteries and cables. Based on over 30 years of research in organic electronics and photovoltaic technology, Epishine has developed a unique manufacturing process that combines unparalleled scalability with high efficiency.

Products

Epishine's indoor solar cells are available in a selection of sizes and formats, adapted for different applications. To meet different voltage requirements, Epishine offers two product categories: Epishine OneCell and Epishine MultiCell. Both are based on the same basic technology but differ in how the voltage is adapted to the application. Each individual cell provides an output voltage of approximately 0.5 V. Epishine MultiCell uses multiple cells connected in series to achieve a higher voltage, while Epishine OneCell consists of only one coherent cell that provides a more homogeneous surface.

Depending on the application, the solar cell can also be combined with a PMIC (Power Management Integrated Circuit) for better voltage matching and energy management. This enables adaptation based on both the requirements of the electronics and the desired system architecture.



Epishine MultiCell


Epishine Onecell

Applications

Smart Buildings

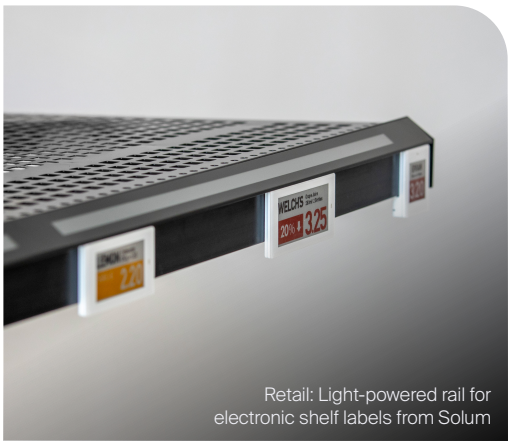
Properties and buildings are currently undergoing a major change, driven by digitalization and increased demands for energy efficiency and sustainability. Buildings currently account for 40 percent of Europe's energy consumption[2] and 27 percent of global carbon dioxide emissions annually[3], making smarter energy solutions essential.

As part of this transition, the use of connected electronics in buildings is increasing. IoT devices such as wireless sensors, smart thermostats, connected smoke alarms, and digital systems play an important role in creating more efficient and sustainable buildings. At the same time, the growing number of units means increased demand for a reliable and long-term sustainable energy supply.

Where there are people, there is light, which makes buildings an optimal environment for light-powered solutions. Epishine's innovative solar cells, optimized for indoor lighting, convert existing light into energy to power these devices. By replacing disposable batteries and cable solutions with light-powered alternatives, building owners can reduce the need for regular maintenance, simplify installations and create more reliable systems. For properties with large-scale installation of sensors, this means both lower life cycle costs and less waste.

Retail

The use of digital solutions to streamline operations is also increasing in retail, with everything from electronic shelf labels to interactive product displays and logistics systems. Large stores with over 50,000 unique products require large quantities of batteries to power the associated systems, resulting in high maintenance costs and frequent battery replacements. For stores with tens of thousands of labels, light-powered solutions mean reduced manual



Retail: Light-powered rail for electronic shelf labels from Solum

Consumer electronics: Google TV light-powered remote control

Smart buildings: Light-powered air quality sensor from MClimate


Logistics: Light-powered asset tracker from Minew

work, fewer operational disruptions, and a significantly reduced cost and environmental impact over the lifetime of the system.

Consumer Electronics

Epishine's indoor solar cells are ideal for portable low-energy electronics, such as remote controls and wireless keyboards. By replacing traditional batteries with light-powered solutions, power-related carbon dioxide emissions can be reduced by up to 85 percent[4]. With a wide range of customizable photovoltaic modules, product manufacturers do not have to compromise between technical features, user-friendliness and design, but can create products that integrate well into the user's everyday environment.

Logistics

Being able to track assets is an essential part of modern logistics and security systems. Traditional solutions such as barcodes and QR codes require manual scanning and do not allow for real-time follow-up. Battery-powered tags are at risk of discharging and instead require regular battery replacements.

By using light-powered tags, businesses can ensure maintenance-free, real-time tracking of asset location, temperature, and security without unexpected downtime. At the same time, it enables simplified management of extensive asset portfolios in warehousing, transport, and logistics that are sold at very high volumes.

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1 IoT Analytics. (2024). State of IoT 2024: Number of connected IoT devices growing 13% to 18.8 billion globally
2 Europeiska kommissionen. (2020). Focus on energy efficiency in buildings
3 Liu, Y., & Wang, H. (2024). Building energy consumption and CO2 emissions: Current status and future prospects. Journal of Building Engineering, 42, 102512.
4 External and third party validated life cycle analysis of Epishine. www.epishine.com/LCA

Technology

As the number of electronic products on the market increases, it becomes crucial to develop smarter manufacturing methods that can handle large volumes efficiently and at competitive costs. Epishine uses a production method similar to a newspaper printer to print its solar cells based on in-house developed production machines that provide full control over the entire manufacturing process. The method is called roll-to-roll and enables repeatable quality at large volumes and is adapted for industrial manufacturing. This is a prerequisite for applications that require stable performance over time and delivery in large series. The method also enables products that are thin, flexible, and easy to integrate.

Epishine's solar cells, so-called organic photovoltaics (OPV), are made from organic materials and are based on over 30 years of research. Through patented technology, the company has addressed common challenges for indoor solar cells, such as internal short-circuits, which previously limited the development of solar cells for indoor use. This allows Epishine to offer stable performance in indoor environments with low light levels.

Comment from CEO

Positioned to Scale: A Defining Year for Epishine

2025 has been a dynamic year for Epishine. We have seen significant changes among competitors, clearly demonstrating that industrializing and scaling advanced energy harvesting technology is challenging. Against this backdrop, Epishine is now well positioned in the market, both in terms of product performance and our ability to reliably deliver high-quality solutions at scale. At the same time, the demand for maintenance-free and battery-free electronic devices continues to grow across multiple industries, reinforcing the relevance of Epishine's indoor light energy harvesting technology.

During 2025, Epishine has had a strong focus on three strategic priorities; design wins in our key market segments, scaling manufacturing capacity, and securing capital to support continued growth. I am pleased to report good progress across all three areas.

Customers and Projects

In the consumer electronics segment, we are steadily building recognition of Epishine's technology and brand. A notable milestone was the official launch of the new Google TV remote control in November, incorporating Epishine technology, with the first production order already received. In addition, a top-tier global PC manufacturer showcased a computer mouse powered by Epishine's light energy harvesting solution at CES in Las Vegas. The product received positive feedback from the market and further validates our value proposition in consumer electronics.

In the retail segment, we have been highly active in manufacturing planning, design, and system integration for several high-potential customer projects. These projects are progressing well, and we look forward to the next steps in product development during the coming year.

The asset tracking and smart label segments continue to be particularly attractive market for Epishine, with a strong product-market fit. We already have customer products on the market using Epishine solutions for asset tracking, and we have also advanced collaborations with partners targeting potentially very high-volume applications across multiple use cases.

Manufacturing and Capacity Scaling

To support the expected volume ramp-up in the next couple of years, we have made targeted investments to increase our manufacturing capacity. This includes machine investments with associated financing solutions with deliveries and installations planned to begin in 2026. To support these investments, we are expanding our manufacturing space at our headquarters in Linköping, allocating resources, and finalizing key supplier agreements to ensure scalability and robustness of our production setup.

During the year, it has become increasingly clear that Epishine's roll-to-roll manufacturing process is a key competitive advantage that truly sets us apart. It not only enables high-volume production but also delivers a level of performance stability that is difficult to match. Combined with our unique materials platform and proprietary lamination process, our production capabilities and quality assurance systems have allowed us to respond quickly and reliably to customer demands.

Capital and Financing

During the year, Epishine successfully issued convertible notes totaling approximately USD 5.5 million. The financing attracted continued support from existing investors and provides additional flexibility as we continue to execute our commercial and operational plans.

The convertible notes form part of a broader financing initiative aimed at supporting Epishine's next phase of growth, including manufacturing scale-up and continued commercial expansion. Work on this broader capital raise is ongoing, and we expect to provide further updates during 2026.

I would like to thank our shareholders, customers, partners, and employees for their continued support throughout 2025. It has been an important and eventful year for Epishine, and the momentum we have built positions us well for what looks to be another exciting and demanding year ahead in 2026.

For a better future

Our Commitment to Sustainability

At Epishine, sustainability permeates everything we do, from manufacturing to end-of-life. By using resource-efficient materials, sustainable manufacturing processes, and low-temperature technology, we strive to minimize our climate impact. Our innovative solar cells consist of over 99 percent organic PET material, making them both high-performance and environmentally friendly. By reducing the need for single-use batteries, Epishine's solutions contribute to lower resource consumption and reduced waste over the lifetime of electronics. Our sustainability strategy is based on measurable impacts in real-world applications where resources are used responsibly, rather than assumptions or laboratory environments.

Learn more about our sustainability efforts at epishine.com/LCA

21g
CO_2-equivalents per solar cell*

200x
thinner than a strand of hair, with 0,5 µm active material

50x
less material compared to batteries

10+ years
increased battery lifetime for product

Up to 85%
Less power-related CO2 emissions compared to if the product was powered with disposable batteries

99%
organic PET-material in the composition

* Results based on an independent LCA report of our LEH3 product, as well as product improvements implemented since then, for a solar cell producing 400 µW at 500 lux

Sustainability has always been our top priority in developing our patented production method. This is reflected in our continuous choices in the development of our production process such as avoiding high temperatures and excluding certain materials. While current results mark a gratifying achievement, we remain committed to further improving our products' environmental performance.

- Jonas Bergqvist, CTO

Financial year 2025

Epishine AB Annual Report

The Board of Directors and CEO of Epishine AB hereby present the accounts for the period January 1 to December 31, 2025.

The report is prepared in Swedish Krona (SEK). Unless otherwise stated, all amounts are presented in whole Kronor (kr). Figures in parentheses refer to the previous year.

Corporate Governance Report

About the business

During the past year, Epishine has continued to strengthen its position as a leading player in light-driven and self-sustaining electronics. Epishine has expanded its international market activities and established valuable partnerships that broaden our market access and enhance our competitiveness. Looking ahead, we plan to continue our expansion both geographically and through new product innovations.

Epishine is deeply committed to sustainability efforts and aims to reduce environmental impact across all aspects of our operations. We look forward to another successful year contributing to a more sustainable world through our innovative technology.

Epishine operates in accordance with ISO 9001, 14001, and 45001 standards.

The company is headquartered in Linköping.

Significant events during the financial year

During the year, it was resolved to issue convertible instruments, resulting in the company receiving a total of SEK 49.5 million in equity capital.

Financing and going concern

The Company is currently in a phase where the cash flows expected from operating activities will not cover planned expenses and investments. The Board of Directors therefore believes that a new share issue will be necessary to finance operations at the intended level over the next twelve months. There is a risk, however, that the Company may be unable to raise additional capital, or that such financing may not be obtained on terms favourable to existing shareholders. Should this occur, the Company could be forced to operate at a slower pace than desired, which may lead to delayed or foregone revenues.

Despite this risk, the Board and executive management consider the prospects of securing the required funds during 2026 to be good, thereby safeguarding the Company's continued operations on a going concern basis.

Multi-Year Overview (SEK Thousand)

	2025	2024	2023	2022
Net Sales	1 957	1 917	2 078	1 853
Result after financial items	-60 260	-55 899	-49 000	-55 064
Equity Ratio (%)	34,3	41,0	45,3	79,3

Changes in Equity

	Share Capital	Share Premium Reserve	Retained Earnings	Year's Result	Total
Balance at December 31, 2024	682 308	252 642 094	-165 918 280	-55 899 435	**31 506 687**
Disposition according to decision of the Annual General Meeting:					
Balanced in new account			-55 899 435	55 899 435	**0**
New share issue	117 944	49 509 056			**49 627 000**
Statutory reserve		-218 235			**-218 235**
Year's result				-60 260 093	**-60 260 093**
Balance at December 31, 2025	**800 252**	**301 932 915**	**-221 817 715**	**-60 260 093**	**20 655 359**

Proposed Disposition of the Company's Result

The Board of Directors proposes that the result at the disposal of the Annual General Meeting (SEK) be disposed of as follows:

Share premium reserve	301 932 915
Accumulated loss	-221 817 715
Loss for the year	-60 260 093
	19 855 107
Proposed disposition	
To be carried forward	19 855 107
	19 855 107

The Company's financial performance and position are otherwise presented in the following income statement, balance sheet, and accompanying notes.

Income Statement

	Note	2025-01-01 -2025-12-31	2024-01-01 -2024-12-31
Operating income and inventory changes			
Net sales		1 957 278	1 917 017
Change in inventories of work in progress and finished goods		102 415	573 463
Other operating income		15 365 019	10 187 916
Total operating income		**17 424 712**	**12 678 396**
Operating expenses			
Goods and materials expenses		-12 502 211	-10 732 062
Other external expenses		-23 548 264	-20 198 711
Personnel expenses	2	-36 861 974	-33 512 343
Depreciation and amortisation of tangible and intangible assets		-3 291 892	-2 720 498
Other operating expenses		-543 057	-346 772
Total operating expenses		**-76 747 398**	**-67 510 386**
Operating loss		**-59 322 686**	**-54 831 990**
Financial items			
Other interest income and similar items		100 205	558 753
Interest expenses and similar items		-1 037 612	-1 626 198
Net financial items		**-937 407**	**-1 067 445**
Loss after financial items		**-60 260 093**	**-55 899 435**
Loss before tax		**-60 260 093**	**-55 899 435**
Loss for the year		**-60 260 093**	**-55 899 435**

Balance Sheet

	Note	2025-12-31	2024-12-31
Assets			
Non current assets			
Intangible assets			
Concessions, patents, licences, trademarks and similar rights	3	138 711	242 754
Total intangible assets		**138 711**	**242 754**
Property, plant and equipment			
Machinery and technical equipment	4	15 039 663	17 130 803
Equipment, tools and fixtures	5	679 439	953 747
Construction in progress and advance payments for PPE	6	0	0
Total property, plant and equipment		**15 719 102**	**18 084 550**
Total non current assets		**15 857 813**	**18 327 304**
Current assets			
Inventories			
Raw materials and consumables		5 688 172	5 869 905
Work in progress		1 821 428	1 571 301
Finished goods and goods for resale		220 024	316 768
Total inventories		**7 729 624**	**7 757 974**
Current receivables			
Trade receivables		379 011	963 631
Other receivables		5 559 922	2 855 269
Prepaid expenses and accrued income		3 113 846	4 007 077
Total current receivables		**9 052 779**	**7 825 977**
Cash and cash equivalents			
Cash and cash equivalents		27 532 037	42 898 508
Total Cash and cash equivalents		**27 532 037**	**42 898 508**
Total current assets		**44 314 440**	**58 482 459**
Total assets		**60 172 253**	**76 809 763**

Balance Sheet cont.

	Note	2025-12-31	2024-12-31
Equity and liabilities			
Equity			
Restricted equity			
Share capital		800 252	682 308
Total restricted equity		**800 252**	**682 308**
Unrestricted equity			
Share premium reserve		301 932 915	252 642 094
Retained earnings		-221 817 715	-165 918 280
Loss for the year		-60 260 093	-55 899 435
Total unrestricted equity		**19 855 107**	**30 824 379**
Total equity		**20 655 359**	**31 506 687**
Non current liabilities			
Borrowings from credit institutions		10 484 607	13 139 467
Total non current liabilities		**10 484 607**	**13 139 467**
Current liabilities			
Borrowings from credit institutions (current portion)		2 654 861	3 340 278
Advances from customers		1 128 185	0
Trade payables		2 777 214	2 380 912
Current tax liabilities		384 068	315 571
Other liabilities		6 686 822	9 963 358
Accrued expenses and deferred income		15 401 137	16 163 490
Total current liabilities		**29 032 287**	**32 163 609**
Total equity and liabilities		**60 172 253**	**76 809 763**

Notes to the financial statments

Note 1 | Accounting Policies

General information

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guideline BFNAR 2016:10 Annual Report in Smaller Entities (K2).

Depreciation

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets.

Intangible assets

Concessions, patents, licences, trademarks and similar rights	5

Property, plant and equipment

Machinery and technical installations	5-10
Equipment, tools and fixtures	5-10

Note 2 | Average Number of Employees

	2025	2024
Average number of employees	39	41

Note 3 | Concessions, Patents, Licences, Trademarks and Similar Rights

	2025-12-31	2024-12-31
Opening balance	520 165	520 165
Additions		
Closing accumulated cost	**520 165**	**520 165**
Opening balance	-277 411	-173 383
Depreciation for the year	-104 043	-104 028
Closing accumulated depreciation	**-381 454**	**-277 411**
Carrying amount at year end	**138 711**	**242 754**

Note 4 | Machinery and Technical Installations

	2025-12-31	2024-12-31
Opening balance	20 809 071	5 919 867
Additions	792 881	1 959 682
Reclassifications*		12 929 522
Closing accumulated cost	**21 601 952**	**20 809 071**
Opening balance	-3 678 268	-1 336 042
Depreciation for the year	-2 884 021	-2 342 226
Closing accumulated depreciation	**-6 562 289**	**-3 678 268**
Carrying amount at year end	**15 039 663**	**17 130 803**

Note 5 | Equipment, Tools and Fixtures

	2025-12-31	2024-12-31
Opening balance	1 689 800	1 466 438
Additions	29 521	223 362
Closing accumulated cost	**1 719 321**	**1 689 800**
Opening balance	-736 053	-461 810
Depreciation for the year	-303 830	-274 243
Closing accumulated depreciation	**-1 039 883**	**-736 053**
Carrying amount at year end	**679 438**	**953 747**

Note 6 | Construction in Progress and Advance Payments for Property, Plant and Equipment

	2025-12-31	2024-12-31
Opening balance	0	12 929 522
Advance payments made during the year		
Reclassifications to completed assets	0	-12 929 522
Closing accumulated cost	**0**	**0**
Carrying amount at year end	**0**	**0**

Note 7 | Pledged Assets

	2025-12-31	2024-12-31
Floating charge (corporate mortgage)	16 700 000	16 700 000
Bank guarantee	990 000	1 040 000
	17 690 000	**17 740 000**

The annual report was decided upon March 30th 2026

Signatures

The date indicated by the respective officer's electronic signature.

Ola Johansson
Chairman

Stefan Lager

Thomas Bonnerud

Mattias Josephson

Oskar Lund

Anders Engström Kottenauer
Cheif Executive Officer

Our audit report has been submitted the date indicated by the respective officer's electronic signature.

Cedra Sverige AB

Andreas Landin
Authorized accountant

A more sustainable way to power electronics

The technologies of the past cannot meet the future demands for power supply. At Epishine, we believe that the future of power is printed. By using thin, flexible solar cells produced at scale, every surface hit by light can capture energy.