Bawat Water Technologies AB has resolved on directed share issues of approximately SEK 11.1 million

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Hørsholm, Denmark, September 18, 2026 – The board of directors of Bawat Water Technologies AB ("Bawat" or the "Company") has resolved on directed share issues of maximum 13,250,243 shares at a price of SEK 0.84 per share. The first directed share issue is directed to existing shareholders and was resolved by the board of directors of Bawat with the support of an issue authorization (the "First Directed Share Issue"). The second directed share issue is directed to Bawat's chairman Klaus Nyborg and is subject to approval by a general meeting of Bawat in accordance with Ch. 16 of the Swedish Companies Act (the "Second Directed Share Issue", together with the First Directed Share Issue, the "Directed Share Issues"). The Directed Share Issues are fully subscribed. Through the Directed Share Issues Bawat will receive approximately SEK 11.1 million in total before transaction costs, of which approximately SEK 5.7 million pertains to converting loans.

The terms of the Directed Share Issues

The board of directors of Bawat has resolved on the Directed Share Issues of maximum 13,250,243 shares at a subscription price of SEK 0.84 per share. The Directed Share Issues are comprised of two fully subscribed directed issues of new shares, as further described below. Through the Directed Share Issues Bawat will receive approximately SEK 11.1 million in total before transaction costs, of which approximately SEK 5.7 million pertains to converting loans. The Directed Share Issues are carried out mainly in order to strengthen Bawat's presence in its Ballast-as-a-Service (BaaS) service platform.

The First Directed Share Issue has been resolved with the support of an issue authorization granted by the Annual General Meeting held on April 9, 2026, and includes 12,417,407 shares. The shares in the First Directed Share Issue shall be paid for in cash or by setting off claims and have been allotted by the board. The investors participating in the First Directed Share Issue consist of the existing shareholders Norchem Trading AS, Friheden Invest A/S, Cat 2 ApS, Jesper Funding, Christian Sagild and John Haurum. The investors were selected after negotiations with both the investors and potential external investors, and the board considers that strengthening the Company's shareholder base with committed shareholders, as well as further enhancing the liquidity of the Company's share, is in the interest of the Company and its shareholders. The new shares issued in the First Directed Share Issue are expected to be admitted to trading on Nasdaq First North Growth Market around September 29, 2026.

The Second Directed Share Issue includes 832,836 shares and is directed to Bawat's chairman Klaus Nyborg. The shares in the Second Directed Share Issue shall be paid for in cash. The terms of the Second Directed Share Issue are mainly the same as those of the First Directed Share Issue. The Second Directed Share Issue is conditional upon approval by an extraordinary general meeting, which will be convened in a separate notice, in accordance with Ch. 16 of the Swedish Companies Act. A valid resolution at the EGM requires that the proposal is adopted by shareholders representing at least nine-tenths (9/10) of both the votes cast and the shares represented at the EGM. The new shares issued in the Second Directed Share Issue are expected to be admitted to trading on Nasdaq First North Growth Market around October 16, 2026.

Background, Motive and Use of Proceeds

The majority of the capital raised from the Directed Share Issues will be used to strengthen Bawat's presence in its BaaS service platform. Besides the original target for service to support vessel owners discharging non-compliant ballast water in port, the last 12 months have shown a large market opportunity in the dry-dock and yard segment with BaaS that will be pursued with the raised equity.

Deviation from the shareholders' preferential rights and subscription price

The reasons for the deviation from the shareholders' preferential rights in the Directed Share Issues are as follows. The board of directors of the Company has made an overall assessment and carefully considered different alternatives to meet the Company's capital needs. Regarding the possibility of raising capital through a rights issue, the board of directors considers that, for several reasons, it is currently more advantageous for the Company and its shareholders to raise capital through a directed share issue. A rights issue could have a negative impact on the Company, since (i) it would entail higher costs for the Company, (ii) it would take considerably longer to carry out, with increased exposure to potential market volatility, and (iii) it would likely need to be carried out at a significant discount, with a risk of a negative effect on the share price. The issue also entails that some shareholders who have provided loans to the Company are given the opportunity to set off these loans, which strengthens the Company's financial position without affecting its liquidity. Furthermore, the Company wishes to strengthen its shareholder base with committed shareholders and further enhance the liquidity of the Company's share.

The subscription price in the Directed Share Issues is SEK 0.84 per share. The subscription price has been determined by the board of directors of Bawat following arm's-length negotiations with the investors and potential external investors, and reflects the current industry and market conditions and demand. The subscription price is therefore considered by the board of directors to correspond to the shares' market value.

Changes in share capital, number of shares and dilution
Through the Directed Share Issues, the Company's share capital will increase by approximately SEK 218,629.01, from SEK 1,456,390.32 to approximately SEK 1,675,019.33, through the issuance of 13,250,243 shares. The total number of shares in the Company will increase from 88,266,080 to 101,516,323, corresponding to a dilution of approximately 13 percent of outstanding shares and votes after the Directed Share Issues.

Advisors
Translution Capital ApS acts as financial advisor and Advokatfirman Lindahl KB acts as legal advisor to the Company in connection with the Directed Share Issues. Bergs Securities AB acts as issuing agent.

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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 September 18, 2026, at 20:00 CEST.

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: https://bawat.com.