Ensurge Micropower ASA

First Quarter 2025

Interim Report and Financial Statements

ENSURGE™
MICROPOWER

Contents

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About Ensurge

Ensurge is Energizing Innovation™ with ultrathin, flexible, and safe energy storage solutions for wearable devices, connected sensors, and beyond.

Ensurge's innovative solid-state lithium microbattery (SSLB) technology is uniquely positioned to enable the production of powerful, lightweight, and cost-effective rechargeable microbatteries for diverse applications.

The Company's state-of-the-art flexible electronics manufacturing facility, located in the heart of Silicon Valley, combines patented process technology and materials innovation with the scale of roll-to-roll production methods to bring the advantages of SSLB technology to established and expanding markets.

Ensurge Micropower ASA is a publicly listed company in Norway with corporate headquarters in Oslo and global headquarters in San Jose, California.

Business Review and Outlook

Highlights

- Successfully demonstrated and shipped 11L/10 µm batteries, which performed to expectations at customer site: fast charging/pulse discharging.
- Further progressed negotiations with a Fortune 500 partner about a Joint Development Agreement (JDA) for the next-generation batteries.
- Finalized all critical technology issues and achieved 90% assembly yield.
- Filed critical IP related to technical fixes and manufacturing process innovation.
- 24/7 shift structure implemented to reduce cycle time and increase stack output.
- Strengthened development pace has resulted in an increasing customer pipeline and new technology inquiries.

Technology validated, momentum accelerating

In April, our 11-layer solid-state batteries (SSLB) on 10 µm stainless steel underwent extensive testing and validation at customer premises for Bluetooth Low Energy (BLE) connectivity and other demanding functional parameters requiring high pulse performance capacity. All key performance and quality metrics were successfully met.

The Ensurge microbattery launched April 2, 2025 – stacked, packed and cycling – has sparked interest from several new potential customers, and the pipeline now exceeds more than 120 customers.

At the Med Tech Conference in Los Angeles, our technology attracted significant new interest, particularly from tier-one technology companies exploring energy-dense solutions for novel applications.

Strategic partnerships in progress

Ongoing and material discussions with a Fortune 500 partner around a Joint Development Agreement (JDA) reflect increasing confidence in our roadmap and our patented technology. The next generation platform promises to surpass 750 Wh/L volumetric energy density (VED), enabling new product categories.

In January 2025 our development milestones were externally validated by Accelerate Capital, who noted: "Ensurge Micropower reports significant advancements in its product development process, driven by increased manufacturing volumes and enhanced technical expertise".

Scaling for commercial impact

Having resolved all critical technical barriers, Ensurge is focused on manufacturing scalability and cost optimization. Key initiatives underway:

- Transition of front-end to roll-to-roll (R2R) enabling the company to increase manufacturing output 10x with significant improved quality and yield.
- The improved manufacturing output will enable the company to supply our strategic partners and customers at a faster pace.
- Introduction of a new carrier transition process to further improve yield and simplify back-end processing.
- Automated testing to replace visual inspections, increasing reliability and throughput.

Three out of thirteen evaluation customers have already specified the 28-layer variant. The remainder await the 43-layer version, which is expected to unlock multiple JDAs and revenue generating partnerships.

The company has already started the process of speeding up negotiations of JDAs with potential customers and partners.

In future contemplated JDAs, Ensurge expects to deliver battery configurations tailored to customer-specific requirements. These agreements are anticipated to include upfront payments covering engineering, development, and investment costs. Product development, validation, and design-in processes will be executed in parallel with the transfer of our proprietary technology to designated volume manufacturers under licensing and royalty arrangements.

Outlook and revenue pathways

In the quarters ahead, Ensurge will:

- Expand deposition and laser processing capabilities.
- Execute targeted licensing agreements and pursue new JDAs aligned with our VED and form factor roadmap.
- Leverage our San Jose battery incubation center for co-development with strategic partners.

These initiatives are essential to transforming Ensurge from a high-potential technology platform into a commercial leader in solid-state microbatteries. Our development is not only fast-paced, but increasingly aligned with market demand across medtech, IoT, and advanced wearables.

Ensurge is entering a new phase, defined by scalability, strategic alignment with industry leaders, and technology that answers the call for safer, smaller, and more energy-dense battery solutions. The coming quarters represent a critical inflection point, and we are well positioned to capture value across both licensing and product commercialization channels.

Condensed Consolidated Financial Report as of March 2025

Profit and loss

Ensurge recognized zero revenue and other income in first three months of 2025 and USD 20 thousand revenue and other income for the same period in 2024.

Operating costs amounted to USD 1,441 thousand during the first three months of 2025, including the notional cost of share- based compensation of USD 133 thousand.

The corresponding figures for 2024 were USD 3,278 thousand and USD 221 thousand, respectively. The decrease in operating costs, USD 1,838 thousand, was primarily attributable to capitalization of research and development costs. The expenses by major category are as follows:

1 USD 399 thousand higher payroll cost.

2 USD 88 thousand lower employee share-based remuneration costs. The fair value of granted employee subscription rights are valued based on the Black-Scholes formula and expensed over the vesting period.

3 USD 2,148 thousand lower other expenses, mainly due to the capitalization of research and development costs of USD 2,195 thousand (see Note 9).

The Company focused R&D efforts towards achieving technical success in solid-state lithium battery technology development. The Company increased spending in the operations area in support of R&D samples and production readiness. The Company reported significant progress on important technology milestones relating to the first prototype solid-state lithium microbatteries ranging from 1.2–6.5 mAh in capacity leading to the capitalization of USD 2,195 thousand for the first three months of 2025. Upon finalization of development, the Company anticipates amortizing the cost over ten years, beginning in 2025.

Depreciation and amortization charges for the first three months of 2025 amounted to USD 161 thousand, compared to USD 145 thousand incurred in the same period in 2024.

Due to the change in strategy, the production-related assets were fully impaired in 2019. In the event of a future change in circumstances, e.g., a change in strategy or market prospects, impairments may be reversed in part or in full, if a higher asset value can be defended.

Net financial items for the first three months of 2025 amounted to an expense of USD 305 thousand (first three months of 2024: USD 356 thousand expense).

Net financial items for the first three months of 2025 were primarily interest expense of USD 411 thousand (first three months of 2024: USD 627 thousand) related to debt and financial lease included in the Company's balance sheet (See Note 5).

The Company operates at a loss and there is a tax loss carryforward position in the parent company and in the U.S. subsidiaries. The parent company in Norway has not incurred any tax during 2025 or 2024.

The net loss in the first three months of 2025 was USD 1,907 thousand, corresponding to a basic loss per share of USD 0.005. For the first three months of 2024, the net loss was USD 3,759 thousand, corresponding to a basic loss per share of USD 0.007. The weighted average basic number of shares used to calculate the loss per share has been adjusted to reflect the 5:1 share consolidation completed 5 April 2024.

Cash flow

The group's cash balance decreased by USD 994 thousand in the first three months of 2025, compared to an increase of USD 1,102 thousand in the first three months of 2024. The net decrease in cash is explained by the following principal elements:

1 USD 625 thousand outflow from operating activities,

2 USD 2,469 thousand outflow from investing activities, and

3 USD 2,100 thousand inflow from financing activities.

The USD 625 thousand outflow from operating activities is primarily explained by an operating loss excluding depreciation and amortization expenses of USD 1,441 thousand.

The cash balance on 31 March 2025 amounted to USD 3,087 thousand, while the cash balance on 31 March 2024 equaled USD 4,893 thousand.

The cash balances include restricted cash of USD 1,600 thousand, securing the letter of credit issued in 2017 by Ensurge Micropower ASA to the landlord of the San Jose, California facility. (See Note 11.)

Balance sheet

Non-current assets at 31 March 2025 amounted to USD 8,688 thousand (31 March 2024: USD 2,341 thousand).

Trade and other receivables amounted to USD 721 thousand as of 31 March 2025 (31 March 2024: USD 586 thousand).

Current liabilities as of 31 March 2025 totaled USD 6,209 thousand and relates to trade payables and the current portion of the long term liabilities (31 March 2024: USD 5,524 thousand).

Non-current liabilities as of 31 March 2025 totaled USD 8,690 thousand (31 March 2024: USD 12,427 thousand) and relates to future lease payments for the Junction Avenue, San Jose, California premises and long-term debt relating to an equipment term loan facility with Utica.

The equity ratio was negative 19% as of 31 March 2025, versus negative 130% as of 31 March 2024.

Principal Risks

Ensurge is exposed to various risks of a financial and operational nature.

The Company's predominant risks are financial, technical/developmental, as well as other market and business risks.

Financial risks

Ensurge is exposed to financial risks related to fluctuations in foreign exchange rates, interest rates, and raw material prices which may affect revenues, cost and profitability. Furthermore, the performance of stock market and stocks as investments will influence the share price and ability to attract funding and the terms of such.

As long as Ensurge is progressing towards delivering product samples with no major income stream supporting it, liquidity becomes a strain. Hence, there is a risk of not being able to pay employees and suppliers and thereby ceasing activities. Reference is made to the Going Concern section for more details.

Technical risks

Currently, technology development and engineering sample availability on Ensurge's sheet line, as well as technology transfer and scale-up activities related to Ensurge's roll-to-roll (R2R) line, can be adversely affected by several factors including but not limited to:

- Quality, composition, and consistency of lithium-based materials, chemicals and unanticipated interactions of the various layers and processes that are key to core battery performance, resulting in longer than planned learning cycles and corrective actions. This risk is now significantly reduced, and the focus is now on reducing defects (increase yield) and improved reliability (cycling).
- Issues encountered during handling, processing, and assembly of ultrathin substrates and battery stacks.
- New and unknown modes of yield loss necessitating process, practice, or equipment modifications that can result in a slower than planned yield ramp.
- Product risk — our product may fail during use, which can cause bodily harm or loss of data. This risk is covered by product liability insurance but can lead to increased cost and reduced profit.

To a certain extent, Ensurge is dependent on continued collaboration with technology, materials, and manufacturing partners. There may be process and product development risks that arise related to time-to-development and cost competitiveness of the energy storage products Ensurge is developing.

Operational risks

Shortages of components and materials may delay or reduce our sales and increase our costs, thereby harming our operating results.

- Requisite environmental control of the manufacturing and storage area.
- Equipment reliability, modifications needed, and process optimization may limit uptime, throughput and quality of devices produced.
- Achievement of return-to-manufacturing readiness and qualification of the tool set.
- On-site availability of vendor personnel to assist in re-qualification of the machines with battery materials set.
- Electro-Static Discharge (ESD) or other phenomena requiring process or mechanical handling changes on the manufacturing line.

Our financial projections assume successfully executing these organizational changes, including the motivation and retention of key employees and recruitment of qualified personnel, critical to our business success. Factors that may affect our ability to attract and retain talented leadership, key individual contributors, and enough qualified

employees include our reputation, employee morale, competition for talent and talent pool.

Our success is dependent on identifying, developing, and retaining key employees to provide uninterrupted leadership and direction for our business. This includes developing and retaining organizational capabilities in key technology areas, where the depth of skilled or experienced employees may be limited and competition for these resources is intense.

Climate change risks

Climate change impacts are expected to profoundly impact across the whole battery value chain. The adverse impact can be attributed to the physical risk (our assets in San Jose) and the transition risk (impact of regulations on demand for our products and compliance (cost/exclusion).

Physical risk

Ensurge is located in San Jose, and California has over the last decade seen an increase in extreme weather, be it drought, wildfires or extreme rainfall. A risk assessment for Silicon Valley was carried out in Q1 of 2024. Four climate change risks were analyzed, and the conclusion was as follows.

Riverine flooding (high risk), extreme heat, wildfires and sea level rise (all three negligible risk).

Transition risk

In terms of transition risk, Ensurge complies with all relevant US and international regulations. Ensurge is still a very small player in the battery value chain. Our activities so far have been focused on technology development and small-scale production in the microbattery sector, leaving a limited footprint. When scaling up, we will include relevant KPIs that can be translated into carbon footprint, and all operational and capital investment decisions will include this in addition to financial KPIs.

Geopolitical risks

Uncertain global economic conditions adversely impact demand for our products or cause potential customers and other business partners to suffer financial hardship, causing delays in market traction adversely impacting our business.

Extended lead times on custom equipment for R2R due to the current political/economic situation in Europe as well as overall supply issues could impact our ability to scale production in the future.

Many of the materials used in the production of our products are available only from a limited number of foreign suppliers, particularly suppliers located in Asia. Increased geopolitical tensions may affect our supply chain.

Current conflicts — the Russian invasion of Ukraine; the Israel-Hamas war; and China/US tensions over Taiwan — have not caused any disruption to Ensurge. Any escalation of these conflicts may change that.

New US administration imposing higher tariffs on imported goods from most countries is a new risk, as a big percentage of raw materials, components and manufacturing equipment are sourced internationally. Furthermore, the way in which it is being done and communicated creates a high level of unpredictability. A review has been undertaken to identify exposure and possible corrective actions.

Market risks

We cannot predict the size or growth rate of the markets we operate in, or the market share we will achieve or maintain in the future. Our ability to generate significant revenue from new markets will depend on various factors, including the following:

- The development and growth of these markets,
- Our ability to address customer needs (price, performance and preference); and
- Our ability to provide Original Equipment Manufacturers (OEMs) with solutions that provide advantages in terms of size, reliability, durability, performance, and value-added features compared with alternative solutions.

Many of the markets that Ensurge targets will require time to gain traction, and there is a potential risk of delays in the timing of sales. Risks and delays may include, but are not limited to:

- Our growth targets depend on successful innovation in response to competitors and changing consumer habits.
- Our revenues are dependent on pace of technology evaluation and product qualification activities at our customers (OEMs), and delays in battery or end-product qualification or changes to production schedules may affect the quantity and timing of purchases from Ensurge. Such delays are generally outside of Ensurge's control.

The failure of any of these target markets to develop as we expect, or our failure to serve these markets to a significant extent, will impede our sales growth and could result in reduced earnings.

Going Concern

The board confirms that the financial statements of the group have been prepared under the going concern assumption.

On 20 January 2025 the Company successfully executed a private placement. The private placement raised gross proceeds to the Company of NOK 40 million, through the issuance of 40,000,000 new shares at a subscription price of NOK 1.00 per share. In addition, the Board proposed to grant the investors in the new placement one (1) warrant for every two (2) new shares allocated to them in the private placement to reflect the share price being 19.4% above the closing price on the 20 January 2025. The warrants may be exercised between 26 September and 10 October 2025. The warrants scheme was approved by extraordinary general meeting ("EGM") on 11 February 2025.

On 10 April 2025 Ensurge successfully completed a private placement with gross proceeds of NOK 60 million, through the issuance of 50 million new shares at an offer price of NOK 1.20.

As of the date of this report, the Company has sufficient cash to fund operations into Q3 2025.

Funding is not secured for the next 12 months, so a material uncertainty exists as to whether the Company and group will continue as going concern. The Company and group are dependent on successfully raising funds as planned.

The board of directors monitors the financial position closely and receives frequent reports and forecasts on expenditure and cash flow. To address the funding requirements of the group, the board of directors has undertaken the following initiatives:

- The Company will continue to seek additional funds from partnership funding, external financing of new production equipment and the investor market in a timely manner; and
- Undertaken a program to continue to monitor the group's ongoing working capital requirements and minimum expenditure commitments; and
- Continued its focus on maintaining an appropriate level of corporate overhead that is in line with the group's available cash resources.

Despite the material uncertainty to whether the group will be able to successfully raise funds as planned, the Board has concluded that the Company is not in a situation where there is no realistic alternative to continue as going concern and hence it is found appropriate to prepare the interim financial statements on the going concern basis.

Ensurge Micropower ASA Group
Consolidated Financial Statements

Consolidated statement of comprehensive income

Amounts in USD 1,000	Note	1 January – 31 March 2025	1 January – 31 March 2024	1 January – 31 December 2024
Sales revenue		—	20	61
Other income		—	—	—
Total revenue & other income		**—**	**20**	**61**
Operating costs	3,4	(1,441)	(3,278)	(10,330)
Depreciation and amortization		(161)	(145)	(590)
Operating profit (loss)		**(1,602)**	**(3,403)**	**(10,858)**
Net financial items	5	(305)	(356)	(2,062)
Profit (loss) before income tax		(1,907)	(3,759)	(12,920)
Income tax expense		—	—	(2)
Profit (loss) for the period		**(1,907)**	**(3,759)**	**(12,922)**
Profit (loss) attributable to owners of the parent		**(1,907)**	**(3,759)**	**(12,922)**
Profit (loss) per share basic and diluted	6	(USD 0.005)	(USD 0.007)	(USD 0.02)
Profit (loss) for the period		(1,907)	(3,759)	(12,922)
Currency translation		—	—	—
Total comprehensive income for the period, net of tax		**(1,907)**	**(3,759)**	**(12,922)**

Consolidated statement of financial position

Amounts in USD 1,000	Note	31 March 2025	31 March 2024	31 December 2024
ASSETS	7			
Non-current assets				
Property, plant and equipment	8	1,571	1,767	1,648
Intangible assets	9	6,544	—	4,309
Other financial receivables	10	574	574	574
Total non-current assets		**8,688**	**2,341**	**6,531**
Current assets				
Trade and other receivables	10	721	586	787
Cash and cash equivalents (i)	12	3,087	4,893	4,081
Total current assets		**3,807**	**5,480**	**4,868**
TOTAL ASSETS		**12,496**	**7,821**	**11,399**
EQUITY	11			
Total shareholder's equity		**(2,403)**	**(10,130)**	**(3,471)**
LIABILITIES	7			
Non-current liabilities				
Long-term debt	12	3,125	5,012	3,652
Long-term financial lease liabilities	12,13	5,566	7,415	6,049
Total non-current liabilities		**8,690**	**12,427**	**9,700**
Current liabilities				
Trade and other payables		1,548	1,402	1,507
Warrants liability	14	854	—	—
Short-term financial lease liabilities	12,13	1,849	1,657	1,799
Derivative and short-term convertible debt	12	—	978	—
Current portion of long-term debt	12	1,958	1,487	1,863
Total current liabilities		**6,209**	**5,524**	**5,169**
TOTAL EQUITY AND LIABILITIES		**12,496**	**7,821**	**11,399**

(i) Includes restricted cash of USD 1,600 thousand, securing the letter of credit issued in 2017 by Ensurge Micropower ASA to the landlord of the San Jose, California facility.

Consolidated statement of changes in equity

Amounts in USD 1,000	Share capital	Other paid-in capital	Other reserves	Currency translation	Retained earnings	Total
Balance at 1 January 2025	**36,993**	**11,935**	**—**	**(13,801)**	**(38,598)**	**(3,471)**
Private placement (January 2025)	1,783	838				2,621
Employee stock purchase plan	126	95				221
Share-based compensation		133				133
Comprehensive income					(1,907)	(1,907)
Balance at 31 March 2025	**38,903**	**13,000**	**—**	**(13,801)**	**(40,505)**	**(2,403)**
Balance at 1 January 2024	**27,189**	**374**	**—**	**(13,801)**	**(26,060)**	**(12,297)**
Private placement (February 2024)	2,355	3,055				5,410
Employee stock purchase plan	200	1				201
Stock rights purchase	94					94
Share based compensation		221				221
Comprehensive income					(3,759)	(3,759)
Balance at 31 March 2024	**29,838**	**3,651**	**—**	**(13,801)**	**(29,818)**	**(10,130)**
Balance at 1 January 2024	**27,189**	**374**	**—**	**(13,801)**	**(26,060)**	**(12,297)**
Transfer of vested stock based compensation		(384)			384	—
Private placement (February, April, May, July, September, October and November 2024)	9,405	11,021				20,426
Employee stock purchase plan	304	125				430
Stock rights purchase	95	1				96
Share based compensation		798				798
Comprehensive income					(12,922)	(12,922)
Balance at 31 December 2024	**36,993**	**11,935**	**—**	**(13,801)**	**(38,598)**	**(3,471)**

Consolidated cash flow statement

Amounts in USD 1,000	Note	1 January – 31 March 2025	1 January – 31 March 2024	1 January – 31 December 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before tax		(1,907)	(3,759)	(12,920)
Share-based remuneration		133	221	798
Depreciation and amortization	8,13	161	145	590
Changes in working capital and non-cash items		683	(108)	(20)
Net financial items		305	356	2,062
Net cash from operating activities		**(625)**	**(3,145)**	**(9,490)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	8	(238)	(47)	(276)
Capitalized development expenses	9	(2,234)	—	(4,309)
Interest received		3	22	151
Net cash from investing activities		**(2,469)**	**(25)**	**(4,435)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of shares	11	3,375	5,560	19,380
Interest paid	12,13	(410)	—	(2,154)
Principal loan obligations	12	(431)	(580)	(1,400)
Lease installments	13	(434)	(707)	(1,611)
Net cash from financing activities		**2,100**	**4,273**	**14,215**
Net increase (decrease) in cash and bank deposits		**(994)**	**1,102**	**290**
Cash and bank deposits at the beginning of the period		4,081	3,791	3,791
Cash and bank deposits at the end of the period (i)		**3,087**	**4,893**	**4,081**

(i) Includes restricted cash of USD 1,600 thousand, securing the letter of credit issued in 2017 by Ensurge Micropower ASA to the landlord of the San Jose, California facility.

Notes to the Consolidated Financial Statements

1. Information about the group

Ensurge Micropower ASA ("Ensurge" or "the Company") was founded as Thin Film Electronics AS ("Thinfilm") on 22 December 2005 and was renamed to Ensurge Micropower. Ensurge Micropower ASA Group ("Ensurge") consists of the parent company Ensurge ASA and the subsidiaries Ensurge Micropower Inc. ("Ensurge Inc.") and TFE Holding ("Thinfilm Holding.")

The objectives of the Company shall be the commercialization, research, development and production of technology and products related to solid-state lithium batteries. These objectives may be carried out in full internally, or in whole or in part externally through collaborative efforts with one or more of the Company's ecosystem partners.

The Company is a public limited-liability company incorporated and domiciled in Norway. The address of its registered office is Fridtjof Nansens Plass 4, Oslo, Norway. The Company's shares were admitted to listing at the Oslo Axess on 30 January 2008 and to the Oslo Børs on 27 February 2015. On 24 March 2015 Ensurge's American Depository Receipts (ADRs) commenced trading in the United States on OTCQX International. On 23 June 2020 the Company's US listing transferred to the OTCQB Venture Market. The Company's shares, listed on Oslo Børs in Norway, trade under the symbol ENSU. The Company's ADRs, listed on OTCQB in the United States, trade under the symbol ENMPY.

2. Basis of preparation, accounting policies, and resolutions

This condensed interim financial report for the three months ending 31 March 2025 has been prepared in accordance with IAS 34 interim financial reporting. The condensed consolidated interim financial report should be read in conjunction with the consolidated annual financial statements for 2024. The IFRS accounting policies applied in this condensed consolidated interim financial report are in all materiality consistent with those applied and described in the consolidated annual financial statements for 2024. The interim financial statements have not been subject to audit.

The board confirms that the financial statements of the group, as well as the parent company, have been prepared under the going concern assumption. The board is actively seeking additional funding for its operations from the capital market and from customers and technology partners. Based on the recent achievement of successfully manufacturing our microbatteries on 10-micron stainless-steel substrate, the board is confident that additional funding will be obtained.

The latest round of financing in April 2025 secured funding into Q3 2025. (See Note 11.) However, as funding is not secured for the next 12 months, a material uncertainty exists as to whether the Company and group will continue as going concern. The Company and group are dependent to successfully raise funds as planned. Despite the material uncertainty to whether the group will be able to successfully raise funds as planned, the Board has concluded that the Company is not in a situation where there is no realistic alternative to continue as going concern and hence it is found appropriate to prepare the interim financial statements on the going concern basis.

The board of directors monitors the financial position closely and receives frequent reports and forecasts on expenditure and cash flow. Refer to the Principal Risks and Going Concern sections of this Interim Report.

The report was resolved by the Ensurge Micropower ASA Board of Directors on 14 May 2025.

3. Operating costs

Amounts in USD 1,000	1 January – 31 March 2025	1 January – 31 March 2024	1 January – 31 December 2024
Payroll	1,883	1,484	6,498
Share-based remuneration	133	221	798
Services	459	326	1,799
Premises, supplies	927	953	4,319
Sales and marketing	35	99	272
Other expenses	200	196	893
Capitalized research and development*	(2,195)	—	(4,249)
Total operating costs	**1,441**	**3,278**	**10,330**

*See Note 9.

4. Related party transactions

In the first three months of 2025 and 2024, Ensurge recorded USD 34 thousand and USD 17 thousand, respectively (net of VAT) for advisory services from Acapulco Advisors AS, a consultant and a shareholder of Ensurge, Ståle Bjørnstad.

In the first three months of 2025 and 2024, Ensurge recorded USD 54 thousand and USD 29 thousand respectively (net of VAT) for consulting services from Admaniha AS, in which one of Ensurge's board members, Terje Rogne, is the owner.

In the first three months of 2025 and 2024, Ensurge recorded USD 156 thousand and USD 145 thousand, respectively for executive consulting services provided by Lars Eikeland.

In the first three months of 2025 and 2024, Ensurge recorded USD 40 thousand and USD 62 thousand, respectively (net of VAT) for legal services provided by law firm Ræder Bing advokatfirma AS, in which one of Ensurge's board members, Morton Opstad, is a partner.

As of 31 March 2025, the portion of 'Trade and other payables' is attributable to related parties is USD 12 thousand.

5. Net financial items

	1 January – 31 March 2025	1 January – 31 March 2024	1 January – 31 December 2024
Interest income	3	22	151
Interest expense	(411)	(627)	(2,325)
Net realized and unrealized currency gain/(loss)	112	(21)	(468)
Change in fair value of derivative liability	101	279	657
Other expenses	(111)	(9)	(77)
Net financial items	**(305)**	**(356)**	**(2,062)**

6. Profit (loss) per share

	1 January – 31 March 2025	1 January – 31 March 2024	1 January – 31 December 2024
Profit (loss) attributable to shareholders (USD 1000)	(3,759)	(3,759)	(12,922)
Weighted average basic number of shares in issue	729,433,323	512,491,862	602,608,654
Weighted average diluted number of shares	729,433,323	512,491,862	602,608,654
Profit (loss) per share, basic and diluted	**(USD 0.005)**	**(USD 0.007)**	**(USD 0.02)**

When the period result is a loss, the loss per diluted number of shares shall not be reduced by the higher diluted number of shares, but the diluted result per share equals the result per basic number of shares.

The diluted number of shares has been calculated by the treasury stock method. If the adjusted exercise price of subscription rights exceeds the average share price in the period, the subscription rights are not counted as being dilutive.

The weighted average basic and diluted number of shares have been adjusted to reflect the 5:1 share consolidation completed 5 April 2024.

7. Guarantees

As a part of the relocation of Ensurge's US headquarters in 2017, a USD 1,600 thousand Letter of Credit has been issued by Ensurge Micropower ASA to the landlord. Ensurge Micropower ASA has, in addition, entered into a Tenancy Guarantee with the landlord. The guarantee is given to secure payment of the lease rent. The initial guarantee liability amounted to USD 5,000 thousand and reduces on an annual basis of USD 500 thousand per year commencing with the second lease year until the liability reaches zero dollars. As of 31 March 2025, the guarantee liability amounted to USD 1,500 thousand.

8. Property, plant and equipment

Amounts in USD 1,000	Tangible assets
Period ended 31 March 2025	
Net book value on 1 January 2025	1,649
Additions	83
Depreciation	(161)
Net book value on 31 March 2025	**1,571**
Period ended 31 March 2024	
Net book value on 1 January 2024	1,865
Additions	47
Depreciation	(145)
Net book value on 31 March 2024	**1,767**
Period ended 31 December 2024	
Net book value on 1 January 2024	1,865
Additions	373
Depreciation	(590)
Net book value on 31 December 2024	**1,649**

9. Intangible assets

Amounts in USD 1,000	Purchased intellectual property	Capitalized microbattery development costs	Capitalized NFC SpeedTap™ development costs	Total
Amortization period, years (linear)	13–16	10		
Period ended 31 March 2025				
Accumulated cost on 1 January 2025	1,791	4,309	1,630	7,730
Additions		2,195		2,195
Amortization and impairment	(1,791)		(1,630)	(3,421)
Net book value on 31 March 2025	**—**	**6,504**	**—**	**6,504**
Period ended 31 March 2024				
Accumulated cost on 1 January 2024	1,791	—	1,630	3,421
Additions				—
Amortization and impairment	(1,791)		**(1,630)**	(3,421)
Net book value on 31 March 2024	**—**	**—**	**—**	**—**
Period ended 31 December 2024				
Accumulated cost on 1 January 2024	1,791	—	1,630	3,421
Additions		4,309		4,309
Amortization and impairment	(1,791)		**(1,630)**	(3,421)
Net book value on 31 December 2024	**—**	**4,309**	**—**	**4,309**

In 2024 the Company reported significant progress on important technology milestones relating to of the first prototype solid-state Lithium microbatteries ranging from 1.2–6.5 mAh in capacity. The Company identified and began capitalizing qualified research and development cost in Q3 2024, capitalizing a total of USD 6,504 thousand through 31 March 2025. The Company intends to start amortization of the intangible asset over a ten-year period upon finalization of the microbattery development in 2025.

The purchased intellectual property relates to licensing of certain patents. The portfolio is reviewed for impairment annually by comparing the book value to the fair market value at the patent level. In 2019 the remaining unamortized balance was impaired in full as the Company revised its strategy whereby the future value of these patents is uncertain.

In 2019 it was decided that the capitalized development costs relating to NFC SpeedTap™ would not be further commercialized and the remaining costs of were impaired.

The impaired intangible assets are assessed annually. Due to uncertainty of future use and commercialization, no reversal was identified for 2025 or 2024.

10. Trade and other receivables

Amounts in USD 1,000	31 March 2025	31 March 2024	31 December 2024
Customer receivables	20	134	129
Other receivables, prepayments	701	566	767
Less: provision for impairment of receivables and prepayments	—	(114)	(109)
Total trade and other receivables	**721**	**586**	**787**

Other non-current financial receivables of USD 574 thousand relates to security deposit held by Utica Leaseco, LLC.

11. Share capital and subscription rights

Following completion of the 5:1 share consolidation, the composition of Ensurge's share capital was changed from 2,459,688,858 shares, each having a par value of NOK 0.10, to 491,937,779 shares, each having a par value of NOK 0.50. The record date of the share consolidation was 5 April 2024. The 2024 figures are restated and represent the 5:1 share consolidation.

Number of shares	
Shares at 1 January 2025	700,229,477
Shares at 31 March 2025	**742,963,321**
Shares at 1 January 2024	491,937,779
Shares at 31 December 2024	**700,229,477**

On 20 January 2025, the Company announced the completion of a private placement through an allocation of 40 million offer shares at a subscription price of NOK 1.00 per offer share plus one warrant for every two shares issued for total gross proceeds of NOK 40 million. The warrant will be free of charge and may be exercised from 26 September 2025 to 10 October 2025. See Note 14.

On 3 February 2025, the Company announced the issuance of 80,000 subscription rights to its US employees. The grants were made under the Company's 2024 incentive subscription rights plan.

On 11 February 2025, the EGM approved the issuance of 20 million warrants to the participants of the private placement account on 20 January 2025, each warrant having an exercise price of NOK 1.00.

On 4 March 2025, the Company announced the issuance of 2,733,844 ordinary shares at NOK 0.9138 per share to employees and contractors in the Company who participate in the Company's 2024 Employee Share Purchase Plan ("ESPP"). The ESPP was approved by the AGM on 14 May 2024.

On 10 April 2025, the Company announced the completion of a private placement with gross proceeds of NOK 60 million, through the issuance of 50 million new shares at an offer price of NOK 1.20.

Shares Issued	Date	Number of shares	Price per share
Private placement	20 January 2025	40,000,000	1.00
Employee share purchase	4 March 2025	2,733,844	0.9138
Shares issued in 2025		**42,733,844**	
Subscription rights exercised in 2025		**—**	**—**
Private placement	20 February 2024	46,693,777	1.25
Convertible loan conversion	29 February 2024	2,917,808	0.525
Employee share purchase	6 March 2024	4,206,097	0.50
Convertible loan conversion	6 April 2024	2,932,289	0.525
Private placement	13 May 2024	54,775,545	1.55
Convertible loan conversion	24 May 2024	12,439,921	0.525
Convertible loan conversion	24 July 2024	2,091,063	0.525
Employee share purchase	31 August 2024	2,216,074	1.13
Private placement	27 September 2024	61,790,320	1.00
Private placement	24 October 2024	13,209,680	1.00
Convertible loan conversion	10 November 2024	3,003,131	0.525
Shares issued in 2024		**206,275,705**	
Subscription rights exercised	29 February 2024	2,000,000	0.50
Subscription rights exercised	31 August 2024	16,000	0.95
Subscription rights exercised in 2024		**2,016,000**	

Grants of subscription rights in 2024	Date	Subscription Rights	Price	Vesting	Expiration
Employees	3 February 2025	80,000	0.969	50% per year	14 May 2029
Grants of subscription rights in 2025		**80,000**			
Employees	24 April 2024	202,200	1.264	50% per year	24 May 2028
	20 August 2024	340,000	1.386	50% per year	14 May 2029
	20 August 2024	8,760,000	1.386	10% after 1 year, 20% after 2 years, 70% after 3 years	14 May 2029
	24 September 2024	160,000	1.098	50% per year	14 May 2029
	11 November 2024	210,000	0.940	50% per year	14 May 2029
Consultants	20 August 2024	2,300,000	1.386	10% after 1 year, 20% after 2 years, 70% after 3 years	14 May 2029
Grants of subscription rights in 2024		**12,132,200**			

12. Current and long-term debt

In September 2019, the subsidiary in US, Ensurge Micropower, Inc., closed an equipment term loan facility with Utica for USD 13,200 thousand secured by fixed assets (see Note 8).

On 7 November 2022, the Company consolidated and re-amortized the Master Lease Agreement and three amendments with Utica. In connection with the new arrangement, the company has pledged additional collateral to secure the amended payment terms. In addition to the existing collateral pledge, Ensurge has pledged all remaining unsecured equipment located in the San Jose, California facility. Further, Utica has taken a first security position in certain of Ensurge Micropower ASA's intellectual property. At 31 March 2025, the current portion of the loan principal is USD 1,943 thousand. The long-term portion of the principal of USD 3,047 thousand is recorded as Long-term Debt in the Consolidated Statement of Financial Position. The interest rate for the financing is 24% in 2024 and 20% in 2025.

The Company has pledged its roll-to-roll production line equipment and sheet-line tools as collateral against the Utica loan.

The Company entered into an equipment lease agreement in October 2024 with Gekko Financial LLC. At 31 March 2025, the current portion of the loan is USD 15 thousand. The long-term portion of the loan of USD 77 thousand is recorded as Long-term Debt in the Consolidated Statement for Financial Position. The interest rate is 13.12%.

The Company entered into a lease agreement in November 2016 relating to its US headquarters in San Jose, California. The lease in San Jose expires in September 2028. As a part of the relocation of Ensurge's US headquarters in 2017, a USD 1,600 thousand Letter of Credit was issued by Ensurge Micropower ASA to the landlord. The restricted cash of USD 1,600 thousand securing the Letter of Credit is included in the Company's cash and cash equivalents. In addition, see Note 7.

The San Jose, California lease is reflected under this caption and the table below. In addition, see Note 13. The table below disclosures principal payment obligations for the company.

Amounts in USD 1,000	Short term	Long term	Total
Principal balance as of 1 January 2025	1,863	3,652	5,514
Principal payments	(431)		(431)
Reclass from long term to short term	536	(536)	—
Principal balance as of 31 March 2025	**1,968**	**3,115**	**5,083**

Maturity schedule — liabilities

31 March 2025	Carrying Value	Q2 2025	Q3 2025	Q4 2025	2026	2027	2028	2029
Principal obligations due	5,083	454	478	502	2,276	1,331	21	24
Interest payments		248	225	201	531	86	5	2
Lease payments	7,414	574	574	591	2,378	2,447	1,875	
Total current and long-term debt		**1,276**	**1,277**	**1,294**	**5,184**	**3,864**	**1,901**	**26**

13. Leases

The Company entered into a lease agreement in November 2016 relating to the property building of its US headquarters in San Jose, CA. The lease in San Jose expires in September 2028. The borrowing rate applied in discounting of the nominal lease debt is 7.25%. Right-of-use assets are depreciated linearly over the lifetime of the related lease contract.

Amounts in USD 1,000	Short term	Long term	Total
Lease liability recognized at 1 January 2025	1,799	6,049	7,848
Lease payment (see note below)	(573)		(573)
Interest expense	140		140
Reclass from long term to short term	483	(483)	—
Lease liability as of 31 March 2025	**1,849**	**5,566**	**7,414**

In the statement of cash flow, principal portions of lease payments are included in line "Lease installments" with an amount of USD 434 thousand, and interest portions of the payments are included in line "Interest paid" with an amount of USD 140 thousand. Both amounts are presented as cash flow from financing activities.

For maturity schedule of minimum lease payments, see Note 12.

14. Warrant liability

On 11 February 2025, the EGM approved the issuance of 20 million warrants to the participants of the private placement account on 20 January 2025, each warrant having an exercise price of NOK 1.00. The warrants have an exercise price of NOK 1.00 and are exercisable between 26 September 2025 and 10 October 2025. The warrants are transferable, but will not be listed and tradable on a regulated market. At the time of issue, the value of these warrants was determined to be USD 765 thousand based on the Black-Scholes valuation model.

The exercise price of the warrants is denominated in Norwegian Kroner (NOK); however, the functional currency of the Company is the US Dollar. As a result of this difference in currencies, the proceeds that will be received by the Company are not fixed and will vary based on foreign exchange rates. The warrants are a derivative and are required to be recognized and measured at fair value at each reporting period. Any changes in fair value from period to period are recorded as a non-cash gain or loss in the consolidated statement of net loss/(income) and comprehensive loss/(income), in accordance with IFRS 13. Upon exercise, the holders will pay the Company the respective exercise price for each warrant exercised in exchange for one common share of Ensurge Micropower ASA and the fair value at the date of exercise and the associated non-cash liability will be reclassified to share capital. The non-cash liability associated with any warrants that expire unexercised will be recorded as a gain in the consolidated statement of net loss/(income) and comprehensive loss/(income). There are no circumstances in which the Company would be required to pay any cash upon exercise or expiry of the warrants. A reconciliation of the change in fair values of the derivative is below:

Fair value of warrant liability

Amounts in USD 1,000	31 March 2025	31 December 2024
Opening balance	$—	$—
Warrants issued	765	—
Warrants exercised	—	—
Warrants expired	—	—
Change in fair value of warrant liability	89	—
Ending balance	854	—
Warrants liability	**854**	**—**

The fair value of the warrants was calculated using the Black-Scholes valuation model. The inputs used in the Black-Scholes valuation model are:

Private placement as approved on 11 February 2025	31 March 2025
Share price	NOK 1.23
Exercise price	NOK 1.00
Expected term (in years)	0.57
Expected share price volatility	81.77%
Annual rate of quarterly dividends	0.00%
Risk-free interest rate	4.32%
Warrant expiration date	25 October 2025

See Note 11 for more details.

15. Events occurring after the balance sheet date

On 10 April 2025, the Company announced the completion of a private placement with gross proceeds of NOK 60 million, through the issuance of 50 million new shares at an offer price of NOK 1.20.