



Ocean Power Technologies, Inc. Announces Third Quarter Fiscal 2026 Results

March 17, 2026

Record Backlog and Strategic DHS Win Accelerate Maritime Defense Platform Strategy

MONROE TOWNSHIP, N.J., March 17, 2026 (GLOBE NEWSWIRE) -- Ocean Power Technologies, Inc. ("OPT" or "the Company") (NYSE American: OPTT), today announced financial results, including record backlog, for its fiscal third quarter ("3Q26") ended January 31, 2026. Highlights include:

3Q26 RESULTS and RECENT HIGHLIGHTS

- OPT secured a multi-buoy contract totaling approximately \$6.5 million from the U.S. Department of Homeland Security ("DHS") supporting a U.S. Coast Guard maritime domain awareness mission off San Diego. The award provides multi-quarter revenue visibility, with delivery of four newly built MERROWS®-equipped PowerBuoy® systems beginning in Q4 of fiscal 2026. The contract further advances our shift toward higher-margin, recurring revenue. Strategically, this deployment with Anduril, a U.S. based defense technology company and the prime contractor for this project, positions our PowerBuoy® systems within a scalable, next-generation defense sensing architecture. Operating alongside Anduril's surveillance towers in one of the nation's most critical maritime regions, this program establishes a meaningful relationship with DHS and the U.S. Coast Guard. OPT has already contracted the deployment vessel for this project and OPT believes successful execution creates a clear pathway for additional buoy deployments and geographic expansion, reinforcing OPT's role as a provider of persistent, mission-critical maritime infrastructure for U.S. national security.
- Backlog at January 31, 2026 was approximately \$19.9 million, an increase of \$12.4 million and 165% over the prior year period.
- Pipeline as of January 31, 2026 stands at \$163.9 million, an increase of \$74.7 million and 84% increase over the \$89.2 million pipeline at January 31, 2025.

Operational Update on Global Deployments and Infrastructure Development:

During the quarter, OPT continued expanding its global operational footprint and advancing its strategy to build a reliable maritime autonomy infrastructure regardless of geography. OPT shipped a WAM-V® autonomous surface vehicle to Greece to support ongoing customer operations, further strengthening its presence in international defense and commercial markets. In parallel, OPT transitioned its integrated autonomous docking and charging solution from prototype to full-scale build, advancing toward a targeted calendar 2026 early-access commercial launch designed to enable autonomous systems to dock, recharge, and redeploy for persistent offshore missions.

OPT also progressed system integration and open-water validation activities enhancing autonomous navigation and control capabilities through its collaboration with Mythos AI. Together, these initiatives position OPT to move beyond single-asset deployments toward enabling a scalable maritime recharging network, a foundational layer for persistent, multi-domain offshore autonomy. OPT believes this infrastructure-focused strategy strengthens its competitive position and expands long-term recurring revenue opportunities across defense and commercial maritime markets.

Management Commentary – Dr. Philipp Stratmann, OPT's President and Chief Executive Officer

"This quarter reflects more than contract wins; it demonstrates that OPT is helping define the future architecture of maritime security and autonomy. Our \$6.5 million DHS award and integration with Anduril position our PowerBuoy® systems inside a next-generation defense sensing network, validating our role as a provider of persistent, resident offshore infrastructure for U.S. national security. At the same time, we are laying the groundwork for an entirely new category, a scalable maritime autonomy infrastructure layer that enables autonomous systems to power, recharge, and operate indefinitely at sea. From international WAM-V deployments to advancing autonomous docking and AI-enabled capabilities, we believe we are building the foundation for a global maritime recharging network. We believe this strategy positions OPT not simply as a product company, but as a long-term infrastructure platform powering the future of offshore autonomy."

FY26 Q3 and YEAR to DATE FINANCIAL HIGHLIGHTS

- **Revenues** for the three and the nine months ended January 31, 2026 were \$0.5 million and \$2.1 million, respectively. Revenues for the three and the nine months ended January 31, 2025 were \$0.8 million and \$4.5 million, respectively. The year-over-year decline in revenue was largely driven by timing impacts associated with the U.S. federal government shutdown in October and November 2025. These disruptions shifted a number of OPT deliverables and development activities into subsequent quarters, which reduced our revenue. These timing effects are not indicative of underlying demand, and we expect a portion of the delayed work to convert later in the fiscal year.
- **Gross profit** for the three and the nine months ended January 31, 2026, was a loss of \$0.8 million and \$2.2 million, respectively, as compared to a gross profit of \$0.2 million and \$1.4 million for the corresponding periods in the prior year.

Gross margin for the quarter includes recognition of one-time losses associated with certain strategic contracts in accordance with U.S. GAAP. The expenses associated with these projects are now substantially complete, although they will continue to generate revenue over the next several months. Importantly, our core programs and commercial pipeline continue to demonstrate improving margin quality and operating leverage.

- **Operating expenses** increased primarily due to higher non-cash stock-based compensation, which rose by \$1.8 million for the three-month period and \$6.5 million for the nine-month period compared to the prior year. Increases in headcount necessary to convert pipeline into backlog and strengthen the Company's competitive position also contributed to the year-over-year increases. Including the non-cash amounts, operating expenses were \$8.4 million for the three months ended January 31, 2026, versus \$6.1 million in the same period of 2025, and \$24.2 million for the nine months ended January 31, 2026, compared to \$15.7 million in the prior-year period. Excluding stock-based compensation, operating expenses increased approximately 9% for the three-month period and 14% for the nine-month period, with employee-related expenses being the primary driver for both periods.
- **Net losses** for the three and the nine months ended January 31, 2026 were \$11.4 million and \$29.6 million, respectively. Net losses for the three and the nine months ended January 31, 2025 were \$6.7 million and \$15.1 million, respectively.
- **Backlog** increased \$12.4 million or 165% to \$19.9 million as of January 31, 2026 as compared to \$7.5 million at January 31, 2025. OPT's backlog includes unfilled executed written orders for its products and services from commercial or governmental customers, which are referred to as orders. OPT believes the disclosure of orders is a useful metric for investors, as it helps support future revenue expectations and adds validity to OPT's strategic growth plan. Company management uses orders as a tool to manage expected growth, budget and cash requirements, and to monitor the success of its sales and marketing efforts. If any of its orders were to be terminated, delayed or revised downward, orders and our backlog would be reduced by the expected value of the remaining terms of such contract.

Balance Sheet and Cash Flows:

- Combined cash, unrestricted cash, cash equivalents and short-term investments as of January 31, 2026, was \$7.2 million, which compares to \$6.9 million at the beginning of the fiscal year.
- Net cash used in operating activities for the nine months ended January 31, 2026 was approximately \$19.9 million, compared to \$14.6 million for the same period in the prior year.

Conference Call & Webcast

As previously announced, a conference call to discuss OPT's financial results will be Wednesday March 18, at 9:00 a.m. Eastern time. Philipp Stratmann, CEO, and Bob Powers, CFO, will host the call.

- The dial-in numbers for the conference call are 877-407-8291 or 201-689-8345.
- **Live webcast:** [Webcast | Ocean Power Technologies FY2026 Q3 Earnings Conference Call \(choruscall.com\)](https://choruscall.com)
- **Call Replay:** Call replay will be available by telephone approximately two hours after the call's completion. You may access the replay by dialing 877-660-6853 from the U.S. or 201-612-7415 for international callers and using the Conference ID **13759118**
- **Webcast Replay:** The archived webcast will be on the OPT investor relations section of its website

About Ocean Power Technologies

OPT provides intelligent maritime solutions and services that enable safer, cleaner, and more productive ocean operations for the defense and security, oil and gas, science and research, and offshore wind markets including Merrows™, which provides AI-capable seamless integration of Maritime Domain Awareness Systems across platforms. Our PowerBuoy® platforms provide clean and reliable electric power and real-time data communications for remote maritime and subsea applications. We also provide WAM-V® autonomous surface vessels (ASVs) and marine robotics services. The Company's headquarters is located in Monroe Township, New Jersey and has an additional office in Richmond, California. To learn more, visit www.OceanPowerTechnologies.com.

Non-GAAP Measures: Pipeline

Pipeline is not a term recognized under United States generally accepted accounting principles; however, it is a common measurement used in our industry. Our methodology for determining pipeline may not be comparable to the methodologies used by other companies. Pipeline is a representation of the journey potential customers take from the moment they become aware of our products and service to the moment they become a paying customer. The sales pipeline is divided into a series of phases, each representing a different milestone in the customer journey. It is a tool we use to track sales progress, identify potential roadblocks, and make data-driven decisions to improve our sales performance. Revenue estimates derived from our pipeline can be subject to change due to project accelerations, cancellations or delays due to various factors. These factors can also cause revenue amounts to be realized in periods and at levels different than originally projected.

Forward-Looking Statements

This release may contain forward-looking statements that are within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are identified by certain words or phrases such as "may", "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions

or variations of such expressions. These forward-looking statements reflect the Company's current expectations about its future plans and performance. These forward-looking statements rely on a number of assumptions and estimates that could be inaccurate and subject to risks and uncertainties. Actual results could vary materially from those anticipated or expressed in any forward-looking statement made by the Company. Please refer to the Company's most recent Forms 10-Q and 10-K and subsequent filings with the U.S. Securities and Exchange Commission for further discussion of these risks and uncertainties. Except as may be required by applicable law, the Company undertakes no, and expressly disclaims any, obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, circumstances or otherwise after the date of this press release, and you are cautioned not to rely upon them unduly.

Financial Tables Follow

Additional information may be found in the Company's Annual Report on Form 10-K for the year ended April 30, 2025 filed with the U.S. Securities and Exchange Commission. The Form 10-K is accessible at www.sec.gov or the Investor Relations section of the Company's website (www.OceanPowerTechnologies.com/investor-relations).

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Ocean Power Technologies, Inc. and Subsidiaries Consolidated Balance Sheets (in \$000's, except share data)

	January 31, 2026 (Unaudited)	April 30, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,056	\$ 6,715
Accounts receivable, net	6,132	1,191
Contract assets	725	1,088
Inventory	5,237	4,222
Other current assets	1,957	400
Total current assets	21,107	13,616
Property and equipment, net	5,797	3,444
Intangibles, net	3,390	3,490
Right-of-use assets, net	2,153	1,552
Restricted cash, long-term	154	154
Goodwill	8,537	8,537
Total assets	<u>\$ 41,138</u>	<u>\$ 30,793</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,543	\$ 568
Earnout payable	150	300
Convertible notes payable (Note 13)	6,234	—
Derivative liability (Note 13)	2,180	—
Accrued expenses	3,047	1,271
Right-of-use liabilities, current portion	1,171	1,150
Contract liabilities	5,372	—
Total current liabilities	19,697	3,289
Deferred tax liability	203	203
Right-of-use liabilities, less current portion	1,150	649
Total liabilities	<u>21,050</u>	<u>4,141</u>
Commitments and contingencies (Note 14)	-	-
Shareholders' Equity:		
Preferred stock, \$0.001 par value; authorized 5,000,000 shares, none issued or outstanding; 100,000 designated as Series A	—	—
Common stock, \$0.001 par value; authorized 300,000,000 shares, issued 218,789,721 shares and 172,050,563 shares, respectively; outstanding 216,107,328 shares and 171,263,086 shares, respectively	219	172
Treasury stock, at cost; 2,682,393 and 787,477 shares, respectively	(1,823)	(1,018)
Additional paid-in capital	380,360	356,588
Accumulated deficit	(358,668)	(329,090)
Accumulated other comprehensive loss	—	—
Total shareholders' equity	<u>20,088</u>	<u>26,652</u>
Total liabilities and shareholders' equity	<u>\$ 41,138</u>	<u>\$ 30,793</u>

Ocean Power Technologies, Inc. and Subsidiaries
Consolidated Statements of Operations
(in \$000's, except per share data)
Unaudited

	Three months ended January 31,		Nine months ended January 31,	
	2026	2025	2026	2025
Revenues	\$ 513	\$ 825	\$ 2,119	\$ 4,545
Cost of revenues	<u>1,268</u>	<u>628</u>	<u>4,277</u>	<u>3,106</u>
Gross margin	(755)	197	(2,158)	1,439
Operating expenses	8,363	6,072	24,160	15,702
Operating loss	<u>(9,118)</u>	<u>(5,875)</u>	<u>(26,318)</u>	<u>(14,263)</u>
Interest income/(expense), net	(726)	6	(1,600)	13
Other income/(expense)	96	(13)	(32)	4
Change in fair value of derivative	(1,617)	—	(1,617)	—
Loss on extinguishment of debt	—	(838)	—	(838)
Foreign exchange loss	<u>(1)</u>	<u>—</u>	<u>(11)</u>	<u>(1)</u>
Loss before income taxes	<u>(11,366)</u>	<u>(6,720)</u>	<u>(29,578)</u>	<u>(15,085)</u>
Income tax benefit	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net loss	<u>(11,366)</u>	<u>(6,720)</u>	<u>(29,578)</u>	<u>(15,085)</u>
Basic and diluted net loss per share	\$ (0.06)	\$ (0.04)	\$ (0.16)	\$ (0.13)
Weighted average shares used to compute basic and diluted net loss per common share	<u>195,499,846</u>	<u>147,543,452</u>	<u>184,009,438</u>	<u>112,630,443</u>

OCEAN POWER TECHNOLOGIES, INC. AND SUBSIDIARIES
Ocean Power Technologies, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(in \$000's)
Unaudited

	Nine months ended January 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	\$ (29,578)	\$ (15,085)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation of fixed assets	632	610
Foreign exchange loss	-	(1)
Loss on disposal of property and equipment	-	111
Amortization of intangible assets	99	99
Amortization of right of use asset	675	633
Share-based compensation	7,791	1,331
Change in fair value of derivative	1,617	—
Loss on disposition of assets	—	838
Changes in operating assets and liabilities:		
Accounts receivable	(4,941)	(830)
Contract assets	363	(460)
Inventory	(2,246)	366
Other assets	(1,557)	996
Accounts payable	978	(2,731)
Earnout payable	(150)	(150)
Accrued expenses	1,776	453
Right-of-use liabilities	(755)	(506)
Contract liabilities	<u>5,372</u>	<u>(302)</u>
Net cash used in operating activities	<u>\$ (19,924)</u>	<u>\$ (14,628)</u>

Cash flows from investing activities:

Purchases of property and equipment	(1,754)	(350)
Net cash used in investing activities	<u>\$ (1,754)</u>	<u>\$ (350)</u>

Cash flows from financing activities:

Cash paid for tax withholding related to shares withheld	\$ (806)	(649)
Proceeds from convertible notes	17,645	3,171
Proceeds from issuance of common stock - Capital Raise, net of issuance costs	—	2,451
Proceeds from issuance of common stock - At The Market offering, net of issuance costs	5,180	\$ 16,880
Net cash provided by financing activities	<u>\$ 22,019</u>	<u>\$ 21,853</u>
Net increase in cash, cash equivalents and restricted cash	<u>\$ 341</u>	<u>\$ 6,875</u>
Cash, cash equivalents and restricted cash, beginning of period	<u>\$ 6,869</u>	<u>\$ 3,305</u>
Cash, cash equivalents and restricted cash, end of period	<u><u>\$ 7,210</u></u>	<u><u>\$ 10,180</u></u>

Supplemental disclosure of noncash investing and financing activities:

Common stock issued related to bonus and earnout payments	\$ —	\$ 630
Common stock issued related to conversion of convertible debt	10,248	15
Operating right of use asset obtained in exchange for operating lease liability	1,276	—



Source: Ocean Power Technologies, Inc.