



Kraken Robotics Reports 2025 Financial Results

ST. JOHN'S, NEWFOUNDLAND, April 16, 2026 /GLOBE NEWSWIRE/ — Kraken Robotics Inc. (“Kraken” or the “Company”) (TSX-V: PNG, OTCQB: KRKNF), announced it has filed its financial results for the fourth quarter and year ended December 31, 2025 (“Q4 2025”). Please refer to the audited consolidated financial statements of the Company for the fiscal years ended December 31, 2025 and 2024, management’s discussion and analysis for the three and twelve months ended December 31, 2025 (“MD&A”) and the annual information form of the Company for the year ended December 31, 2025, each filed on SEDAR+ at www.sedarplus.ca, for more information.

Certain preliminary 2025 year-end results and 2026 guidance were already announced in the news release of the Company dated March 3, 2026 (the “[March 3 News Release](#)”), together with the Company’s execution of a definitive agreement to acquire Covelya Group Limited (“Covelya Group”), a leading international provider of mission-critical underwater technology solutions, for total consideration of \$615 million, subject to adjustment (the “Covelya Acquisition”). The Covelya Acquisition is expected to close during the second quarter of 2026, subject to the satisfaction of customary closing conditions and receipt of required regulatory approvals. For further details on the Covelya Acquisition, please see the March 3 News Release. Unless otherwise specified, all dollar amounts in this release are denominated in Canadian dollars.

KEY HIGHLIGHTS

- Record annual results with 2025 revenue of \$102.2 million and Adjusted EBITDA¹ of \$25.0 million.
- Stronger 2025 demand for battery and Synthetic Aperture Sonar (“SAS”) products, with new customers.
- Expanded into LiDAR services via the tuck-in acquisition of 3D at Depth, Inc. (“3D at Depth”) in 2025.
- Product innovations include a higher energy density battery, LARS for smaller USVs and circular SAS.
- Increased battery manufacturing capacity with recent completion of new Nova Scotia facility.
- Strengthened leadership team and Board with several new executives and independent directors.
- Expect 2026 revenue of \$165 million to \$175 million and Adjusted EBITDA of \$40 million to \$50 million.
- Announced \$87 million of product orders to date in 2026, with demand across all product lines.
- In March 2026, announced the transformational acquisition of UK-headquartered Covelya Group.
- Updated 2026 guidance for the combined company will be issued at closing of the Covelya Acquisition.

MANAGEMENT COMMENTS

“We are pleased to report another year of strong financial results, driven by significant demand for our products and services across a growing base of customers,” said Greg Reid, President and CEO of Kraken. “This momentum reflects the differentiated capabilities of our subsea sensor and power technologies and the growing adoption of autonomous underwater systems in both defence and commercial applications. We are excited about the expected Q2 closing of our strategic acquisition of Covelya Group, which we believe will significantly strengthen Kraken in terms of its product offering, technological capabilities, competitive position and financial outlook.

The current macro environment is characterized by rising global instability that is fueling increased defence spending and a push for national energy security. This is driving significant growth in our (and Covelya’s)

¹ Adjusted EBITDA is a non-IFRS financial measure with no standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. See “Non-IFRS Measures” in this press release.

core growth markets. Recent conflicts in Ukraine and the Middle East have demonstrated that uncrewed systems provide transformative, asymmetric capabilities. Simultaneously, the energy sector is adopting these systems to lower costs and enhance the monitoring of remote assets. This has created a surge in demand for maritime drones, as well as counter-drone technology. As both Kraken and Covelya products enable the essential control and automation for these platforms, both our companies are securing a record number of opportunities and orders and expect this growth trajectory to continue. Looking ahead for the full year 2026, we are excited about the strong new order activity that both Kraken and Covelya have had to start the year and the massive opportunity in front of us.”

2025 FINANCIAL HIGHLIGHTS

- Consolidated revenue in 2025 of \$102.2 million compared to \$91.3 million in 2024. This annual revenue growth was driven by increased demand in Kraken’s SeaPower subsea batteries and SAS products, as well as strong results in the subsea services division, including the acquisition of 3D at Depth. This growth was partially offset by the decline in sonar-related product revenue due to the timing of KATFISH projects and the acquisition component of the Canadian Navy Remote Mine Disposal System (“RMDS”) integration project nearing its completion.
- Product revenue totaled \$61.7 million in 2025 compared to \$66.3 million in the prior year. These results included significant revenue growth in the Company’s subsea battery and SAS products respectively, which were offset by the decline in other sonar-related revenue as mentioned above. Since mid-2025, the Company added multiple new subsea battery customers, highlighting Kraken’s increasing market share, the growing adoption of subsea technology, and the continued adoption of unmanned underwater vehicles (“UUVs”).
- Service revenue of \$40.5 million in 2025 compared to \$25.0 million in 2024. This growth was driven by the contribution from the 3D at Depth acquisition that was completed during the year and higher utilization of services equipment fleet.
- Gross profit² for 2025 increased to \$63.4 million, up from \$44.7 million in 2024. The Company’s gross profit margin² improved to 62.1% in 2025, compared to 49.0% in the prior year, driven by the mix of products sold and the addition of high margin service revenue through the acquisition of 3D at Depth.
- Adjusted EBITDA in 2025 increased to \$25.0 million, up from \$20.7 million in the prior year. The Company’s Adjusted EBITDA margin³ improved to 24.4%, up from 22.7% in 2024.
- Total assets on December 31, 2025, were \$313.7 million, compared to \$162.6 million on December 31, 2024. Cash as at December 31, 2025 totaled \$120.5 million, up from \$58.5 million as of the same date in the prior year, while working capital totaled \$171.6 million as at December 31, 2025, up from \$94.4 million as at the same date in the prior year.
- Capital expenditures/intangible assets purchased were \$30.3 million in 2025, compared to \$5.1 million in 2024. This increase in growth capital reflects additional investment in Kraken’s current and new

² Gross profit is calculated as total revenue minus cost of sales. Gross profit margin is calculated as gross profit divided by total revenue.

³ Adjusted EBITDA margin is a non-IFRS financial ratio based on Adjusted EBITDA, with no standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. See “Non-IFRS Measures” in this press release.

subsea power manufacturing facilities in addition to new marine assets to support revenue growth. The Company expects more moderated capital spending in 2026, as highlighted later in the release.

- Net income for 2025 was \$2.9 million compared to \$20.1 million in the prior year. Annual results in 2024 included a deferred tax recovery benefit of \$9.7 million. The Company's results for 2025 also included \$5.0 million of restructuring and acquisition related expenses. Diluted earnings per share were \$0.01 in 2025 compared to \$0.09 per share in the prior year.

Q4 2025 FINANCIAL HIGHLIGHTS

- Consolidated revenue for the quarter was flat at \$28.4 million, compared to \$28.1 million for the quarter ending December 31, 2024. Growth in SeaPower subsea batteries, SAS, and subsea services were offset by lower revenue associated with the RMDS project.
- Product revenue in the quarter totaled \$17.8 million, down slightly from \$18.6 million in the prior year, while service revenue increased to \$10.6 million, up slightly from \$9.6 million in the prior year. Quarterly revenues and year-over-year comparisons can fluctuate significantly due to the timing of product orders and shipments in addition to seasonality in the offshore services business.
- Gross profit increased to \$20.0 million, up from \$13.5 million in the prior year. Gross profit margins during the quarter equated to 70.4%, up from 48.0% in the prior year, driven by lower-than-expected material costs relating to a certain project.
- Adjusted EBITDA increased to \$9.5 million in the quarter, up from \$7.0 million in the prior year. These results generated an Adjusted EBITDA margin of 33.5% in Q4 2025, up from 25.0% in the prior year.

OTHER COMPANY HIGHLIGHTS

- Kraken expanded its battery manufacturing capacity during the past year with the construction of a new facility in Nova Scotia. This new facility provides over 60,000 square feet of office and production space. Combined with the Company's original facility in Germany, Kraken will be well positioned to meet the growing demand expected for subsea power systems to the rapidly growing unmanned underwater vehicles market.
- The Company continued to innovate and develop next generation products and technologies during 2025. These products include a new higher energy density battery design for large and XL-UUVs with an approximately 30% improvement in energy density compared to its previous design, a new compact battery design that will be introduced in 2026 to target smaller and medium sized vehicles, a new KATFISH Unmanned Surface Vessel ("USV") Launch and Recovery System ("LARS") to target smaller sized vessels, in addition to a dual frequency circular SAS ("C-SAS") that provides a 360 degree azimuth of the seabed, allowing for higher fidelity imagery for detection, classification, and plausible identification of objects from a single payload.
- The Company also strengthened and expanded the composition of its Board with three new directors, including the addition Kim Butler and Kristin Robertson in 2025 as well as Don Robertson in 2026. Combined, these directors bring a breadth of expertise across finance, operations, risk management, capital markets, strategy, maritime defence, and corporate governance.

- Effective April 16, 2026, Peter Hunter will be stepping down as Chairman of the Board due to personal reasons. Peter will remain on the Company's Board as an independent director. Shaun McEwan, a seasoned executive with over 30 years of technology, manufacturing and defence experience, has been appointed by the Board as its next Chairman. Shaun has served as a director on Kraken's Board since 2016. The Company and its Board express its appreciation to Mr. Hunter for his guidance, commitment and leadership during his tenure as Chairman, and congratulates Mr. McEwan in his new role.
- Since year-end 2024, Kraken has made numerous additions to its leadership team as part of the Company's long-term growth strategy. As previously announced, the additions to the Company's executive team include Bernard Mills as Executive Vice President Defence, Terra Penrose as Chief People Officer and John Salama as Chief Information Officer. Kraken is also pleased to announce the recent hiring of Scott Peak as Vice President Business Development. Scott will be based in Australia and will support Kraken's growth initiatives in the Asia Pacific region having previously worked at Ultra Maritime, Thales Australia, and the Royal Australian Navy.
- Due to organizational restructuring effective April 10, 2026, Lynne Adu, Kraken's Chief Commercial Officer ("CCO") is no longer with the organization. The Company determined that the CCO role is no longer required following a review of its commercial operations and strategic priorities. The Company is grateful to Lynne for her valuable contributions and wishes for her success in her future endeavors. Euan Tait, who was previously Chief Operating Officer at 3D at Depth, has been appointed Managing Director of Kraken's Service business.
- During first quarter 2026, Kraken announced the strategic Covelya Acquisition. This accretive acquisition is expected to position the Company as a major supplier of dual-use subsea technology, expand its product offering and total addressable market, allow for deeper relationships with its customers, improve its business diversification, and bolster its technological capabilities. Kraken also completed a \$402.5 million public offering of subscription receipts (the "Offering") at a price of \$8.50 per subscription receipt. The gross proceeds of the Offering, less a portion of the reimbursable expenses and commission payable to the underwriters in connection with the Offering, were deposited in escrow with an escrow agent pending the satisfaction of certain release conditions. The Company intends to use the net proceeds of the Offering to partially fund the Covelya Acquisition. For additional details, see the Company's news releases dated [March 3, 2026](#) and [March 12, 2026](#).

2026 ORDERS – KRAKEN & COVELYA

- Since January 2026, Kraken has announced \$87 million of product orders for its SeaPower subsea batteries, KATFISH towed SAS, and Kraken SAS predominantly to defence customers. These orders include approximately \$28 million of new orders as separately announced on April 16, 2026.
- During first quarter 2026, Covelya has also seen solid order intake with total new orders of approximately \$135 million from various defence and commercial customers. Covelya saw some significant orders for navigation and positioning equipment within Sonardyne International Limited, and for its Sentinel Intruder Detection system and Vigilant Forward Looking Sonar (FLS) within Wavefront Systems Limited.

2026 FINANCIAL GUIDANCE

As previously announced in the March 3 News Release, Kraken expects revenue in 2026 to be between \$165 million and \$175 million and Adjusted EBITDA⁴ to be between \$40 million to \$50 million, excluding any contribution from the Covelya Acquisition. The midpoint of guidance represents over 65% revenue growth and 80% Adjusted EBITDA growth in comparison to the prior year.

The Company's strong outlook for 2026 is driven by both existing and expected purchase orders. It is also supported by expected growth in the commercial services business, including a full year contribution from LiDAR services, formerly 3D at Depth. Consistent with prior years, revenue in 2026 is expected to be weighted toward the second half of the year.

Capital expenditures in 2026 are expected to range from \$15 million to \$18 million, down significantly from the prior year, given the completion of the new battery manufacturing facility.

A summary table of the Company's 2026 guidance range and a comparison to 2025 results is provided below. Kraken plans to release updated 2026 guidance for the combined company upon closing of the Covelya Acquisition.

(\$ 000s)	Actual 2025	2026 Guidance Range		Implied Change	
		Low	High	Low	High
Consolidated Revenue	\$102,210	\$165,000	\$175,000	61%	71%
Adjusted EBITDA ⁴	\$24,963	\$40,000	\$50,000	60%	100%
Adjusted EBITDA Margin ⁴	24%	24%	29%	-	500 bps
Capital Expenditures/Intangible Assets	\$30,294	\$15,000	\$18,000	(50%)	(41%)

CONFERENCE CALL DETAILS

Kraken management will host a conference call today, April 16, 2026, starting at 8:30 a.m. ET to discuss the financial results. Participants can listen to this event at the webcast details below, or by dialing 1-833-752-3301 (North America) or 1-647-846-2734 (International) for operator assistance. A recording will also be made available following the call.

Webcast Details: <https://event.choruscall.com/mediaframe/webcast.html?webcastid=sLXYSQ25>

NON-IFRS MEASURES

The Company has included certain non-IFRS financial measures and non-IFRS ratios in this press release, including adjusted EBITDA, adjusted EBITDA margin, gross profit, gross profit margin, and working capital. Management believes that non-IFRS financial measures and non-IFRS ratios, when supplementing measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-IFRS financial measures and non-IFRS ratios do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

⁴ Adjusted EBITDA guidance is a non-IFRS financial measure, and Adjusted EBITDA margin guidance is a non-IFRS ratio based on Adjusted EBITDA, each of which is forward-looking. See "Non-IFRS Measures" and "Forward-Looking Statements" in this press release.

Adjusted EBITDA and Adjusted EBITDA Margin

The Company believes that, in addition to conventional measures prepared in accordance with IFRS, Adjusted EBITDA is useful to securities analysts, investors and other interested parties in evaluating operating performance by presenting the results of the Company on a basis which excludes the impact of certain non-operational items which enables the primary readers of the press release to evaluate the results of the Company such that it was operating without certain non-cash and non-recurring items. Adjusted EBITDA is calculated as earnings before interest expense, interest income, income taxes, depreciation and amortization, stock-based compensation expense and non-recurring impact transactions, if any.

(\$ 000s)	Q4 2025	Q4 2024	2025	2024
Net income	54	13,674	2,860	20,089
Income tax	1,829	(8,549)	3,266	(8,061)
Financing costs	880	852	3,535	2,435
Interest income	(774)	(688)	(2,202)	(688)
Foreign exchange loss/(gain)	1,049	(369)	1,096	43
Loss / (gain) on disposal of assets	-	-	-	(3)
Share-based compensation	620	447	2,342	948
Depreciation and amortization	2,765	1,498	9,078	5,726
EBITDA – excluding restructuring and acquisition costs	6,414	7,299	19,975	20,923
Restructuring and acquisition costs	3,102	155	4,988	212
Adjusted EBITDA	9,516	7,020	24,963	20,711
Adjusted EBITDA Margin	34%	25%	24%	23%

Gross profit is defined as revenue less cost of total sales. Gross profit margin is defined as gross margin dividend by total sales.

(\$ 000s)	Q4 2025	Q4 2024	2025	2024
Revenue	28,394	28,109	102,210	91,292
Cost of Sales	8,408	14,627	38,765	46,600
Gross profit	19,986	13,482	63,445	44,692
Gross profit margin	70%	48%	62%	49%



Figure 1: Kraken Robotics SeaPower batteries emerging from a pressure test system.

ABOUT KRAKEN ROBOTICS INC.

Kraken Robotics Inc. is transforming subsea intelligence through 3D imaging sensors, power solutions, and robotic systems. Our products and services enable clients to overcome the challenges in our oceans – safely, efficiently, and sustainably.

Kraken's synthetic aperture sonar, sub-bottom imaging, and LiDAR systems offer best-in-class resolution, providing critical insights into ocean safety, infrastructure, and geology. Our revolutionary pressure tolerant batteries deliver high energy density power for UUVs and subsea energy storage.

Kraken Robotics is headquartered in Canada with offices in North America, South America, and Europe, supporting clients in more than 30 countries worldwide.

On March 3, 2026, Kraken announced the acquisition of Covelya Group, a leading international provider of mission-critical underwater technology solutions operating through its subsidiary companies: Sonardyne International Limited, EIVA A/S, Forcys Limited, Wavefront Systems Limited, Voyis Imaging Inc., and Chelsea Technologies Ltd. The Covelya Acquisition is expected to close during the second quarter of 2026, subject to the satisfaction of customary conditions and regulatory approvals.

LINKS:

www.krakenrobotics.com

SOCIAL MEDIA:

LinkedIn www.linkedin.com/company/krakenrobotics

Twitter www.twitter.com/krakenrobotics

Facebook www.facebook.com/krakenroboticsinc

YouTube www.youtube.com/channel/UCEMyaMQnneTelr71HYgrT2A

Instagram www.instagram.com/krakenrobotics

FORWARD LOOKING STATEMENTS

This news release contains statements that constitute “forward-looking information” as defined under applicable Canadian securities laws (collectively, “forward-looking statements”). When used in this news release, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “seek”, “propose”, “estimate”, “expect”, and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things: the closing of the Covelya Acquisition, and timing thereof; impacts of the Covelya Acquisition on the business and financial outlook of the Company; expected growth of the autonomous underwater systems industry; business objectives; expected growth of the Company; expected orders of products and services; maritime security matters and the expanding role of mine countermeasures; new product offerings; expectations regarding results of operations, performance, business projects and opportunities, and financial results; and 2026 guidance (including consolidated revenue, Adjusted EBITDA, Adjusted EBITDA margin, and capital expenditures/intangible assets) and financial estimates. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Company's current views with respect to future events based on certain material factors and assumptions and are subject to certain risks and uncertainties, including without limitation, changes in market, competition, governmental or regulatory developments, general economic conditions, ability to complete the Covelya Acquisition, macroeconomic uncertainties and other factors set out in the Company's continuous disclosure materials filed from time to time with the Canadian Securities Administrators, including the Company's most recent annual information form under the section entitled

“Risk Factors”, quarterly and annual reports, and supplementary information, which are available under the Company’s profile on SEDAR+ at www.sedarplus.ca. Additional risks and uncertainties not presently known to the Company or that Kraken believes to be less significant may also adversely affect the Company. Many factors could cause the Company’s actual results, performance or achievements to vary from those described in this news release, including without limitation those listed above. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this news release and accordingly, forward-looking statements should not be unduly relied upon.

Guidance for 2026 is provided as April 16, 2026 to assist analysts and shareholders in formalizing their respective views on the year ending December 31, 2026. The reader is cautioned that using this information for other purposes may be inappropriate. This information constitutes forward-looking statements, based on multiple estimates and assumptions about future events. Actual results may differ, and such differences may be material. Expectations are also subject to a number of risks and uncertainties as well as material assumptions contained in this press release and in Kraken’s management’s discussion and analysis (“MD&A”) for the three and twelve months ended December 31, 2025 as filed on SEDAR+ at www.sedarplus.ca. Guidance for 2026 is based on management’s current views, strategies, expectations, assumptions and forecasts, and has been calculated using accounting policies that are generally consistent with the Company’s current accounting policies. The Company cautions that the assumptions used to prepare the 2026 outlook could prove to be incorrect or inaccurate. Accordingly, the Company’s actual results could differ materially from the Corporation’s expectations as set out in this press release. The Company’s revenue for 2026 assumes the following: Product revenue guidance range is driven by growth in Kraken’s battery, KATFISH and SAS portfolios, along with organic growth in its service business as well as a full year contribution of its 3D at Depth acquisition. Product revenue is supported by existing orders and expected orders related to identified opportunities. Service revenue growth is based on a stable to growing investment in offshore energy projects, both oil and gas and offshore renewables, and demand for critical underwater infrastructure inspection and repair. Revenue is expected to be weighted towards the second half of the year based on historical customer purchasing patterns. Adjusted EBITDA guidance assumes gross profit margins for its products and services consistent with prior year levels.

Forward-looking statements speak only as of the date of this news release. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Neither the TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQB has neither approved nor disapproved the contents of this press release.

For further information:

Erica Hasenfus, Director of Global Marketing
erica.hasenfus@krakenrobotics.com

Shant Madian, Director of Capital Markets
shant.madian@krakenrobotics.com

Kraken Robotics Inc.
+1 709-757-5757 or investors@krakenrobotics.com