

Q4

Year End Report
October-December 2024



Table of content

The period in brief	3
CEO statement	4
About Gapwaves	5
Financial overview	6–7
Other disclosures	8
Share and shareholders	9
Financial statements	10–19
Signatures and assurances	20–21
Contact	22



Q4

Year End Report October–December 2024

Fourth quarter October–December 2024

- Net sales amounted to MSEK 17.6 (6.7), an increase of 164 % compared to the fourth quarter of 2023. Of this, approximately MSEK 4 was related to sale of production equipment.
- EBITDA improved and amounted to MSEK -11.4 (-17.7), while EBITDA adjusted for results from shares in associated companies amounted to MSEK -7.8 (-13.2).
- The operating result/EBIT amounted to MSEK -13.2 (-19.7), whereas operating result adjusted for results from shares in associated companies amounted to MSEK -9.6 (-15.2).
- The result for the period amounted to MSEK -12.1 (-19.8).
- Earnings per share before and after dilution was neg. (neg.).
- Cash flow for the period improved and amounted to MSEK -14.4 (-13,5). Cash flow has been affected by changes in working capital, mainly due to increased accounts receivable.
- The Group’s cash and cash equivalents amounted to MSEK 40.8 (89.3).

Full year January–December 2024

- Net sales amounted to MSEK 66.1 (27.5), an increase by 140 %, compared to the same period in 2023.

- EBITDA amounted to MSEK -47.1 (-62.8), while EBITDA adjusted for results from shares in associated companies improved and amounted to MSEK -32.0 (-48.3).
- The operating result/EBIT amounted to MSEK -54.4 (-71.3), whereas operating result adjusted for results from shares in associated companies amounted to MSEK -39.4 (-56.8).
- The result for the period amounted to MSEK -52.1 (-69.2).
- Earnings per share before and after dilution was neg. (neg.).
- Cash flow for the period amounted to MSEK -49.3 MSEK (-96.1).

Significant events during the period

- Gapwaves and Valeo entered into a joint development and supply agreement for radar antennas.
- Gapwaves was awarded funding by Vinnova for a new 6G research project.
- Gapwaves inaugurated the production facility in Gothenburg.
- Bosch and Gapwaves discontinued the joint development agreement for high-resolution radar antennas, based on their perception of weak market demand for a particularly advanced radar product for automated driving.

- An order was received from a new North American automotive Tier 1 customer.
- A development and prototype order was received from Hella.
- Gapwaves and Smartmicro entered into a new product sales agreement for volume deliveries of waveguide antennas.

Significant event after the end of the period

- Gapwaves appointed Frencken Group as a production partner for high-volume manufacturing of waveguide antennas for Valeo.
- Gapwaves entered into an agreement for the sale of high-volume production equipment to Frencken Group.
- Gapwaves received a follow-up order from the North American Tier1.

Key performance indicators – Group

TSEK	Period			
	Oct–Dec 2024	Oct–Dec 2023	Full year 2024	Full year 2023
Net sales	17 605	6 678	66 079	27 510
EBITDA	-11 391	-17 698	-47 057	-62 806
EBIT	-13 170	-19 684	-54 398	-71 304
Result for the period	-12 142	-19 768	-52 070	-69 235
Cash flow for the period	-14 440	-13 538	-49 344	-96 087
Equity/assets ratio, %	78,3	89,4	78,3	89,4
Average no. of shares	31 146 299	31 146 299	31 146 299	31 146 299
Earnings per share before and after dilution (SEK)	neg	neg	neg	neg
No. of FTEs	44	42	44	42

"We have had strong growth and are experiencing increased interest from customers in several segments, with new strategic agreements and a new production facility in Gothenburg enabling future expansion and innovation. Focus 2025 is to continue strengthening both our production capacity and our customer pipeline, and to drive long-term growth"

Jonas Ehinger, CEO Gapwaves

A positive end to a strong year

The fourth quarter showed continued strong growth, with revenue increasing by 164 per cent to MSEK 17.6, compared to the same period last year. On an annual basis, the revenue increase amounts to 140 percent, with a total revenue for the full year 2024 of MSEK 66.1– Gapwaves' strongest year to date in relation to revenue!

We secured new strategic customers during the quarter: a long-term production and supply agreement with Valeo, a new North American Tier 1 customer, and a new agreement with Smartmicro.

During the year, Gapwaves produced and delivered significantly more antennas than ever before and is witnessing continued growing interest from customers in a number of segments. Our new, and strategically important, production facility in Gothenburg became operational during the quarter.

Growth in the face of challenges in Automotive

The automotive industry, in Europe in particular, is experiencing a challenging period, with reduced sales and downsizing as a consequence. Gapwaves has however seen positive development and growth in the segment. This is because the demand for the company's solutions is driven by fundamental trends, including increased demand for safety from consumers, stricter regulatory requirements and new technical regulations relating to radar sensors in cars. Despite temporary issues for some manufacturers (but not all) in the automotive industry, these trends are strong and driving demand for our products.

New strategic customers

Bosch's decision to discontinue the development of

one of its future radar sensor products and thereby terminate the agreement with Gapwaves is obviously negative, but it is based on their perception of weak market demand for a particularly advanced radar product for automated driving. However, we have gained new strategic customers during the quarter. We signed a long-term agreement with the French market leader Valeo, during the quarter, with production starting as early as 2025. We have made significant progress in the North American market, where we have undertaken a new collaboration with a leading Tier 1 customer. At the end of the quarter, we signed an agreement with Smartmicro for the sale and delivery of waveguide antennas for high-resolution radar sensors to a North American car manufacturer. The antenna is already fully developed, and is currently being put into production. With this, we have expanded our customer base within Automotive, and the majority of leading Tier 1 companies are collaborating or have a dialogue with us.

We see a positive trend in the Mobility segment, with strong players rolling out self-driving vehicles to an increasing extent on roads, for example. The segment has had its challenges in recent years, but we now see a positive trend in the form of quicker development and rollout. Here, there is a clear need for higher performance radar sensors, requiring better and more advanced antennas – and Gapwaves is well positioned to meet these needs.

Production capacity in Gothenburg

The inauguration and commissioning of our pilot line in Gothenburg during the quarter was a positive milestone, which is further confirmation of Gapwaves' transition from a research and development company to a commercial and industrial technology company with significant delivery capacity.

The facility has the capacity to produce approximately 300 000 antennas of various types per year. This allows us to meet the growing demand from

our existing and future partners. With current contracts, we foresee a total volume of more than 100 million antennas in the coming years, which will be produced both at our facility and together with our production partners, such as Frencken Group. We expect more contracts with additional volumes to follow. The pilot line plays a crucial role in scaling up production in order to deliver these volumes and ensure quality. It also allows us to produce products with higher performance, at a lower cost, quicker, making us even more competitive. It is also central in being able to implement the automotive industry's quality management system IATF in 2025, which is a requirement to be a certified supplier.

The future looks bright

We have an active pipeline of new potential customers and significant growth opportunities. Increasing this area further and driving long-term growth is one focus for 2025. It will be an exciting year, and I am particularly looking forward to:

- The start of production for Valeo and Smartmicro, among others, on our new pilot line in Gothenburg.
- Continued product innovation, and the introduction of even more competitive solutions.
- Follow and be part of the rapid development within Mobility and other segments.
- New customer and delivery contracts within a number of segments.

Finally, I would like to thank all employees, customers, and partners for an excellent collaboration. Thanks to everyone's considerable commitment and knowledge, we can continue to develop, produce, and implement Gapwaves' technology, which contributes to a safer society and a better quality of life.

Gothenburg, 7 February, 2025

Jonas Ehinger, CEO Gapwaves AB (publ)



Jonas Ehinger, CEO Gapwaves

About Gapwaves

Gapwaves AB (publ), Corp. Reg. No.556840-2829, is a Parent Company registered in Sweden with its headquarters in Gothenburg.

Gapwaves originates from research conducted at Chalmers University of Technology and was founded in 2011 to commercialize innovations for products with mm-wave technology. The company’s vision is to be the most innovative provider of mm-wave antenna systems and the preferred partner to those pioneering next generation wireless technology for a safer and more sustainable society. By leveraging the disruptive Gapwaves technology, we help pioneers in automotive and telecom industries to create highly efficient mm-wave antenna systems that contributes to redefining everyday life.

Regulations and testing drive radar volumes and waveguide antennas

The shift from the previous frequency band at 24 GHz to 76-81 GHz for automotive radar has led to the automotive industry demanding higher performance from the radar and often requiring the radar to cover the entire frequency band of 76-81 GHz, requirements that traditional circuit-

board-based (PCB) antenna technology cannot fully meet. Furthermore, the EU has introduced new legal requirements and Euro NCAP* has introduced new test protocols, which have become strong driving forces for increasing radar volumes and growing demand for high-performance and cost-efficient waveguide antennas. Most new car models from 2022 and forward will have between 1–7 radars in their sensor setup, and the trend is towards the leading Tier 1 suppliers and car manufacturers to use waveguide antennas in their upcoming radar sensors.

Gapwaves is well positioned to capture a large market share in vehicle radar, as our patented technology enables the manufacturing of antennas in high volumes, with high quality and cost-efficiency. These are advantages that will significantly increase the demand for Gapwaves’ antennas as radar sensors and active vehicle safety become standard in most car models.

Focus areas 2025

Currently it is within the markets for radar sensors for advanced driver assistance systems (ADAS) and autonomous vehicles that the greatest benefits of Gapwaves' technology can be applied. It is also within these areas that we see the greatest interest from the

market. Through agreements and partnerships with companies such as Veoneer, Hella, and Bosch, Gapwaves has established a strong position as a globally leading provider of waveguide antennas in the market for advanced driver assistance and various types of automated vehicles. Gapwaves has a solid foundation for continued growth, which also includes volume production starting in 2026. This position creates synergies in the effort to win more business where Gapwaves can offer a complete solution including antennadevelopment and design, as well as managing high-volume production for our customers. This aligns with the long-term plan and moves the company closer to its goal of making Gapwaves' antenna technology a global standard for vehicle radar sensors.

Strategic investment in the market for complete radar sensors

With the investment in Sensrad AB, Gapwaves is moving towards a new strategic position in the radar market for Mobility, surveillance and smart cities. Sensrad AB is a recent spin-off from Qamcom's radar division and offers a unique 4D imaging radar sensor based on the latest software and hardware technology, including the leader radar chipset from Arbe and Gapwaves antenna technology. Sensrad is based in Gothenburg and currently has approximately 20 employees.

*Euro NCAP, The European New Car Assessment Program. An organization that designs and performs vehicle testing using a five-star safety rating system. These tests simplify real accident scenarios that could result in passengers or other road users being injured or dying.

Financial overview

Quarter: October-December 2024

Revenue

The Group's net sales during the fourth quarter amounted to TSEK 17 605 (6 678), which corresponds to an increase of 164% compared to the same quarter previous year. Net sales were primarily attributable to project and prototype related revenue from Hella, Valeo, the Asian Tier-1 customer, and the North American customer. The fourth quarter also includes revenue related to the sale of production equipment to Frencken Group for approx. TSEK 3 960. In addition to sales revenues, research grants totaling TSEK 586 (656) were recognized, along with currency exchange gains of TSEK 62 (285) and invoiced costs to Sensrad AB and Qamcom Research and Technology AB totaling TSEK 609 (829), which are reported under other operating revenues. The corresponding item is also found under operating costs.

EBITDA and operating result

The Group's Earnings before interest, taxes, depreciation and amortization (EBITDA) was strengthened during the quarter compared to last year and amounted to TSEK -11 391 (-17 698). Operating expenses excluding depreciation and results from shares in associated companies amounted to TSEK 26 652 (21 612). The improved EBITDA for the quarter is mainly due to higher sales, as operating costs were higher during the quarter compared to previous year, driven by a higher number of employees. Personnel costs include costs for LTI 2022 totaling TSEK 156 (448), which are not affecting

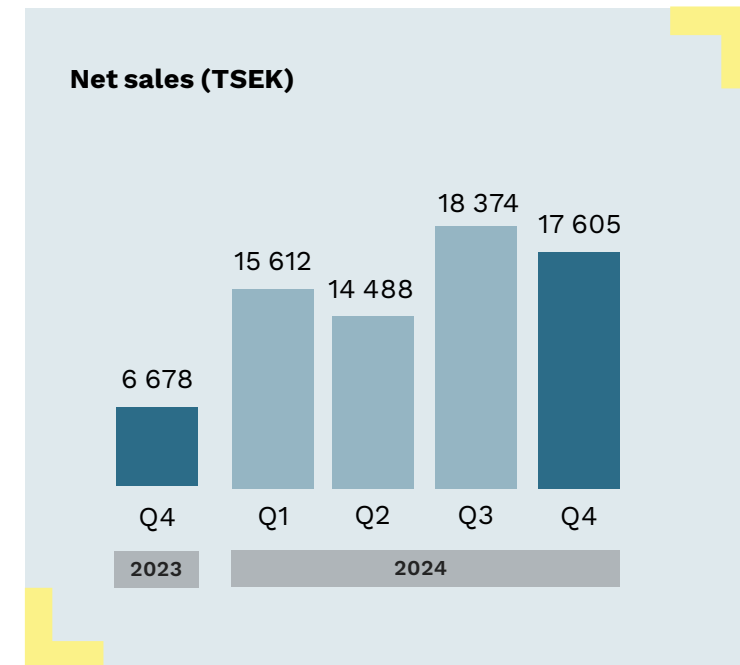
cash flow. EBITDA includes results from shares in associated companies of TSEK -3 602 (4 533), which is related to amortization of Goodwill TSEK -1 075 (-1 075) and the Group's share of the associated company's profit TSEK -2 302 (-3 458). Adjusted for this, EBITDA amounted to TSEK -7 789 (-13 165) during the quarter. The operating result during the quarter amounted to TSEK -13 170 (-19 684) and TSEK -9 568 (-15 151) when adjusting for results from shares in associated companies.

Result for the period

Net financial items amounted to TSEK 1028 (-84), which is mainly related to interest income for bank deposits of TSEK 569 (536), interest expenses of TSEK 82 (0.5) and exchange rate differences of TSEK 540 (-619). The result for the period during the quarter amounted to TSEK -12 142 (-19 768).

Financial position and liquidity

Total assets as per December 31, 2024 amounted to TSEK 130 987 (171 579). Equity was TSEK 102 568 (153 309). Cash and cash equivalents was TSEK 40 752 (89 332). Gapwaves does not have any financial debt except for lease liabilities. The management and the board assess that the company's liquidity and capital situation remain stable and create conditions for growth according to the established strategy. At the same time, the company is evaluating alternative financing solutions to further strengthen the long-term development of the business and to ensure financial resilience and opportunities for continued expansion



Cash flow and investments

Cash flow from operating activities amounted to TSEK -11 812 (-8 949) and is affected by changes in working capital and an increase in accounts receivable. Cash flow from investing activities amounted to TSEK -2 628 (-4 589) and are mainly related to deposit to Sensrad AB. Cash flow for the period amounted to TSEK -14 440 (-13 538).

Period: January–December 2024

Revenue

The Group's net sales during the period amounted to TSEK 66 079 (27 510), which corresponds to an increase of 140 percent compared to the same period previous year. Net sales are mainly attributable to project and prototype related revenue from Hella, Valeo, Sensrad as well as to the Asian Tier 1 customer. The period also includes revenue related to the sale of production equipment to Frencken Group amounting to ca TSEK 19 870. In addition to sales revenues, research grants totaling TSEK 1 357 (3 346) were recognized, along with currency exchange gains of TSEK 482 (670) and invoiced costs to Sensrad AB and Qamcom Research and Technology AB totaling TSEK 556 (2 217), which are reported under other operating revenues. The corresponding item is also found under operating costs.

EBITDA and operating result

The Group's Earnings before interest, taxes, depreciation and amortization (EBITDA) for the period amounted to TSEK -47 057 (-62 806). Operating expenses excluding depreciation and results from shares in associated companies amounted to TSEK 102 517 (82 080). The improved EBITDA for the period is mainly due to higher revenue but is partially offset by increased operating costs, mainly driven by

higher personnel costs during the period TSEK -50 400 (-40 082) compared to the previous year. Personnel costs include costs for LTI 2022 totaling TSEK 1 521 (877), which are not affecting cash flow. EBITDA includes results from shares in associated companies of TSEK -15 015 (-14 469), which is related to amortization of Goodwill TSEK -4 301 (-2 687) and the Group's share of the associated company's profit TSEK -10 622 (-11 601). Adjusted for this, EBITDA amounted to TSEK -32 042 (-48 338) during the period. The operating result during the period amounted to TSEK -54 398 (-71 304) and TSEK -39 383 (-56 836) when adjusting for results from shares in associated companies.

Result for the period

Net financial items amounted to TSEK 2 327 (2 066), which is mainly related to interest income for bank deposits of TSEK 1 721 (2 075), interest expenses of TSEK 156 (-0,5) and exchange rate differences of TSEK 763 (-9). The result for the period amounted to TSEK -52 070 (-69 235).

Cash flow and investments

Cash flow from operating activities amounted to TSEK -28 063 (-47 515). Cash flow from investing activities amounted to TSEK -21 281 (-48 572) and are mainly related to deposit to Sensrad AB. Cash flow for the period amounted to TSEK -49 344 (-96 087).





Other disclosures

Accounting policies

The company applies the Swedish Annual Accounts Act and the Swedish Accounting Standards Board’s general advice BFNAR 2012:1 Annual reports and consolidated financial statements (K3). All balance sheet items are also measured at historical cost in accordance with Chapter 11 of K3.

Risks and uncertainties

Gapwaves is exposed to risks and uncertainties through its operations. For more detailed information on the main operational and financial risks, please refer to page 27 of the 2023 annual report.

Seasonal variations

Over the next few years, the company’s sales are expected to largely comprise development projects that reflect customer needs and product development cycles. This is expected to create a certain level of volatility in sales between quarters.

Organization

The number of permanent employees in the Group as per December 31, 2024 was 44 (42).

ESG activities

We established our sustainability initiative in 2023, where we defined frameworks and strategies. We have continued our work by implementing additional measures during the quarter. We continue to validate and update our efforts as needed to ensure that we continue to make progress towards our sustainability goals.

Related party transactions

The company did not have any transactions with related parties during the fourth quarter of 2024.

Dividend

The board proposes that no dividend is to be paid for 2024.

Share and shareholders

Share

Gapwaves' B share has been listed on Nasdaq First North Growth Market Stockholm since November 18, 2016, and trading takes place under the ticker GAPWB. As of December 31, 2024, the company had approximately 6,200 shareholders. The company has a total of 31,146,299 shares, of which 7,667,500 are A shares and 23,478,799 are B shares. Each A share entitles the holder to ten votes and each B share entitles the holder to one vote. As of December 31, 2024, the share capital was SEK 1,868,778 which represents a quotient value of SEK 0.06 per share.

Certified adviser

G&W Fondkommission is the company's certified adviser. www.gwkapital.se

Analysts following Gapwaves

Carnegie - Jakob Söderblom
Redeye - Rasmus Jacobsson
SEB - Erik Lindholm-Röjstål

Warrants: Series 2022/2025

At the Extraordinary General Meeting on June 10, 2022, the shareholders decided to issue a warrant program (Series 2022/2025) for all permanent employees (540,000 warrants) and the Board of Directors (100,000 warrants), a total of 640,000 warrants. The warrants may be exercised for subscription of B shares in the company during the period between June 9, 2025 and August 29, 2025. A

Ten largest shareholders based on no. of votes per Sep 30, 2024

(A and B shares)

	A shares	B shares	Votes	Share of equity, %	Share of voting power, %
Kildal Antenn AB, incl. related parties	5 618 000	390 200	56 570 200	19,29%	56,48%
Lars-Inge Sjöqvist incl. company	748 000	76 744	7 556 744	2,65%	7,55%
HELLA GmbH & Co. KGaA	300 000	2 844 000	5 844 000	10,09%	5,84%
Jian Yang	409 500	142 551	4 237 551	1,77%	4,23%
Abbas Vosoogh incl. company	265 000	536 829	3 186 829	2,57%	3,18%
Peter Enoksson	185 500	92 750	1 947 750	0,89%	1,94%
Nordnet pensionsförsäkring AB	-	1 399 374	1 399 374	4,49%	1,40%
Avanza Pension	-	1 389 138	1 389 138	4,46%	1,39%
Ashraf Uz Zaman	65 000	200 000	850 000	0,85%	0,85%
Bright Peter Leo Ebenezer	-	500 000	500 000	1,61%	0,50%
Others	76 500	15 907 213	16 672 213	51,32%	16,65%
Total	7 667 500	23 478 799	100 153 799	100,00%	100,00%

Source: Modular Finance & Euroclear

total of 502,541 warrants were subscribed for at a subscription price of SEK 38.20. The price per warrant was set at SEK 7.18 through an external valuation. The total dilutive effect on full exercise is expected to be approximately 2.3% of the outstanding capital and 0.65% of the outstanding votes.

LTI 2022

At the Extraordinary General Meeting on August 19, 2022, the shareholders resolved to approve the Board's proposal to issue a long-term incentive program for senior executives and other key individuals in the Group. The aim of the program is to strengthen the Group's ability to recruit and retain key individuals. LTI 2022 comprises a maximum of 13 key individuals in the Group. The maximum number of performance share rights that can be allocated in accordance with LTI 2022 is to be limited to 642,595.

Per 31 december 2024, the program has six participants with the possibility to earn a maximum of 402 224 performance stock rights. During the fourth quarter, an expense of TSEK 156 (448), including a reversed cost of TSEK 63 (127) in employer contributions, has been accrued for LTI 2022. For 2024, an expense of TSEK 1 521 (877), including a cost of TSEK 193 (213) in employee contributions, has been accrued for LTI 2022.

Calendar

2025-04-11	Annual report
2025-04-30	Interim report January–March 2025
2025-05-06	Annual general meeting
2025-07-25	Interim report April–June 2025
2025-10-24	Interim report July–September 2025
2026-02-06	Year end report October–December 2025

Income statement

Consolidated Group

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
OPERATING INCOME				
Net sales	17 605	6 678	66 079	27 510
Other operating income	1 258	1 770	4 396	6 233
Total operating income	18 864	8 447	70 475	33 743
OPERATING EXPENSES				
Goods for resale	-5 090	-2 268	-23 384	-9 833
Other external costs	-7 358	-7 254	-28 137	-31 061
Personnel costs	-14 144	-11 212	-50 400	-40 082
Depreciation/amortization of property, plant and equipment and intangible assets	-1 780	-1 986	-7 340	-8 498
Other operating expenses	-61	-878	-596	-1 105
Total operating expenses	-28 432	-23 598	-109 857	-90 578
Results from shares in associated companies	-3 602	-4 533	-15 015	-14 469
EBIT	-13 170	-19 684	-54 398	-71 304
FINANCIAL ITEMS				
Financial income	1 419	-75	4 637	2 075
Financial expenses	-391	-9	-2 310	-9
Total financial items	1 028	-84	2 327	2 066
Loss after financial items	-12 142	-19 768	-52 070	-69 238
TAX				
Tax on result for the period	-	-	-	3
LOSS FOR THE PERIOD	-12 142	-19 768	-52 070	-69 235
No. of shares at the end of the period	31 146 299	31 146 299	31 146 299	31 146 299
Average no. of shares during the period before dilution	31 146 299	31 146 299	31 146 299	31 146 299
No. of shares at the end of the period after full dilution*	31 648 840	31 648 840	31 648 840	31 648 840
Average no. of shares during the period after full dilution*	31 648 840	31 648 840	31 648 840	31 648 840
Earnings per share before and after dilution (SEK)	Neg.	Neg.	Neg.	Neg.

*Including potential shares attributable to outstanding warrants as of the balance sheet date.

Balance sheet

Consolidated Group

TSEK	2024-12-31	2023-12-31
ASSETS		
Non-current assets		
Intangible assets		
Capitalized expenditure on research and development and similar works	1 229	2 727
Concessions, patents, licenses, trademarks and similar rights	9 345	13 089
Total intangible assets	10 574	15 816
Property, plant and equipment		
Equipment, tools, fixtures and fittings	4 594	6 647
Construction in progress	2 221	429
Total property, plant and equipment	6 815	7 076
Financial assets		
Shares in associated companies	17 461	32 476
Long-term receivables in associated companies	19 457	-
Deferred tax	1 914	2 680
Long-term deposits	665	680
Total financial assets	39 498	35 836
Total non-current assets	56 887	58 728
Current assets		
<i>Inventories</i>		
Raw materials and consumables	2 091	1 811
Total inventories	2 091	1 811
Current receivables		
Accounts receivable	14 099	5 084
Short-term receivables in associated companies	2 646	2 580
Other receivables	1 504	621
Accrued but unbilled revenue	4 293	-
Prepaid expenses and accrued income	8 714	13 424
Total current receivables	31 257	21 708
Cash and bank balances		
Cash and bank balances	40 752	89 332
Total cash and bank balances	40 752	89 332
Total current assets	74 100	112 851
TOTAL ASSETS	130 987	171 579

Balance sheet

Consolidated Group

TSEK	2024-12-31	2023-12-31
EQUITY AND LIABILITIES		
Equity		
Share capital	1 869	1 869
Other contributed capital	426 146	426 146
Other equity including loss for the period	-325 447	-274 705
Total equity	102 567	153 309
Provisions		
Deferred tax	1 914	2 680
Total provisions	1 914	2 680
Current liabilities		
Accounts payable	6 024	4 452
Current tax liabilities	780	365
Other liabilities	6 715	3 728
Billings in excess of costs	1 177	-
Accrued expenses and deferred income	11 809	7 045
Total current liabilities	26 505	15 590
TOTAL EQUITY AND LIABILITIES	130 987	171 579

Statement of changes in equity

Consolidated Group

TSEK	Share capital	Other contributed capital	Other equity including loss for the period Retained earnings, etc	Total equity
Opening balance Jan 1, 2024	1 869	426 146	-274 705	153 309
Share options programme	-		1 328	1 328
Loss for the period	-	-	-52 070	-52 070
Closing balance Dec 31, 2024	1 869	426 146	-325 447	102 567

Cash flow statement

Consolidated Group

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Operating activities				
EBIT	-13 170	-19 684	-54 398	-71 304
Adjustments for non-cash items, etc*	5 599	7 433	23 797	24 116
Interest received	-	2 067	-	2 075
Interest paid	-82	-	-156	-1
Paid tax	127	141	415	301
Cash flow from operating activities before changes in working capital	-7 526	-10 044	-30 342	-44 813
Changes in working capital				
Changes in operating receivables	-8 738	8 598	-7 345	9 498
Changes in operating liabilities	4 643	-7 469	9 904	-11 998
Changes in inventories	-191	-34	-280	-202
Cash flow from operating activities	-11 812	-8 949	-28 063	-47 515
Investing activities				
Paid shareholders contribution	-	-4 000	-	-4 000
Acquisition of intangible assets	-	-	-	-69
Acquisition of property, plant and equipment	-471	-589	-1 824	-1 520
Acquisition of associated companies	-	-	-	-42 945
Long-term deposits	-	-	-	-38
Loans provided	-2 157	-	-19 457	
Cash flow from investing activities	-2 628	-4 589	-21 281	-48 572
Cash flow for the period	-14 440	-13 538	-49 344	-96 087
Cash and cash equivalents at beginning of period	54 652	103 489	89 332	185 428
Exchange rate effects	540	-619	763	-9
Cash and cash equivalents at end of period	40 752	89 332	40 752	89 332

*Non-cash flow items during the quarter mainly comprise of results from shares in associated companies, amounting to TSEK 3 602 (4 059). Adjustments for non-cash items for the period January to December primarily consist of results from shares in associated companies amounting to TSEK 15 015 KSEK (13 395). Depreciation of tangible and intangible assets, amounting to TSEK 1 780 (1 986) during the quarter and TSEK 7 340 (8 498) for the period January to December.

Income statement

Parent Company

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
OPERATING INCOME				
Net sales	17 605	6 678	66 079	27 510
Other operating income	1 258	1 770	4 396	6 233
Total operating income	18 864	8 447	70 475	33 743
OPERATING EXPENSES				
Goods for resale	-5 090	-2 268	-23 384	-9 833
Other external costs	-7 357	-7 253	-28 129	-31 054
Personnel costs	-14 144	-11 212	-50 400	-40 082
Depreciation/amortization of property, plant and equipment and intangible assets	-850	-1 057	-3 624	-4 781
Other operating expenses	-61	-878	-596	-1 105
Total operating expenses	-27 502	-22 669	-106 132	-86 854
EBIT	-8 639	-14 221	-35 658	-53 112
FINANCIAL ITEMS				
Financial income	1 419	-75	4 637	2 075
Financial expenses	-391	-9	-2 310	-9
Total financial items	1 028	-84	2 327	2 066
Loss after financial items	-7 611	-14 305	-33 330	-51 045
TAX				
Tax on loss for the period	-	-	-	-
LOSS FOR THE PERIOD	-7 611	-14 305	-33 330	-51 045
Earnings per share before and after dilution (SEK)	Neg.	Neg.	Neg.	Neg.
Average no. of shares for the period	31 146 299	31 146 299	31 146 299	31 146 299

Balance sheet

Parent Company

TSEK	2024-12-31	2023-12-31
ASSETS		
Non-current assets		
Intangible assets		
Capitalized expenditure on research and development and similar works	1 229	2 727
Concessions, patents, licenses, trademarks and similar rights	53	80
Total intangible assets	1 282	2 807
Property, plant and equipment		
Equipment, tools, fixtures and fittings	4 594	6 647
Construction in progress	2 221	429
Total property, plant and equipment	6 815	7 076
Financial assets		
Shares in subsidiaries	15 464	15 464
Shares in associated companies	46 945	46 945
Long-term receivables in associated companies	19 457	-
Long-term deposits	665	680
Total financial assets	82 531	63 089
Total non-current assets	90 628	72 971
Current assets		
<i>Inventories</i>		
Raw materials and consumables	2 091	1 811
Total inventories	2 091	1 811
Current receivables		
Accounts receivable	14 099	5 084
Short-term receivables in associated companies	2 646	2 580
Other receivables	1 047	623
Accrued but unbilled revenue	4 750	-
Prepaid expenses and accrued income	8 714	13 422
Total current receivables	31 256	21 708
Cash and bank balances		
Cash and bank balances	40 719	89 291
Total cash and bank balances	40 719	89 291
Total current assets	74 066	112 810
TOTAL ASSETS	164 694	185 782

Balance sheet

Parent Company

TSEK	2024-12-31	2023-12-31
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	1 869	1 869
Development expenditure fund	1 229	2 727
Total restricted equity	3 098	4 595
Non-restricted equity		
Share premium reserve	426 146	426 146
Retained earnings	-257 724	-209 505
Loss for the period	-33 330	-51 045
Total non-restricted equity	135 091	165 596
Total equity	138 189	170 191
Current liabilities		
Accounts payable	6 024	4 452
Current tax liabilities	780	365
Other liabilities	6 715	3 728
Billings in excess of costs	1 177	-
Accrued expenses and deferred income	11 809	7 045
Total current liabilities	26 505	15 590
TOTAL EQUITY AND LIABILITIES	164 694	185 782

Statement of changes in equity

Parent Company

TSEK	Restricted equity		Non-restricted equity			Total equity
	Share capital	Development expenditure fund	Share premium reserve	Retained earnings	Loss for the year	
Opening balance Jan 1, 2024	1 869	2 727	426 146	-209 505	-51 045	170 191
Reallocation profit/loss prev. year	-	-	-	-51 045	51 045	-
Share options programme	-	-	-	1 328	-	1 328
Changes in development expenditure fund for the year	-	-1 498	-	1 498	-	-
Loss for the period	-	-	-	-	-33 330	-33 330
Closing balance Dec 31, 2024	1 869	1 229	426 146	-257 725	-33 330	138 189

Cash flow statement

Parent Company

TSEK	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Operating activities				
EBIT	-8 639	-14 221	-35 658	-53 112
Adjustments for non-cash items, etc*	1 068	1 971	5 065	5 929
Interest received	-	2 067	-	2 075
Interest paid	-82	-	-156	-1
Paid tax	128	141	415	301
Cash flow from operating activities before changes in working capital	-7 525	-10 042	-30 334	-44 807
Changes in working capital				
Changes in operating receivables	-8 739	8 596	-7 344	9 495
Changes in operating liabilities	4 642	-7 469	9 904	-11 999
Changes in inventories	-191	-34	-280	-202
Cash flow from operating activities	-11 813	-8 949	-28 054	-47 512
Investing activities				
Paid shareholders contribution	-	-4 000	-	-4 000
Acquisition of intangible assets	-	-	-	-68
Acquisition of property, plant and equipment	-471	-589	-1 824	-1 520
Acquisition of associated companies	-	-	-	-42 945
Long-term deposits	-	-	-	-38
Loans provided	-2 157	-	-19 457	-
Cash flow from investing activities	-2 628	-4 589	-21 281	-48 571
Cash flow for the period	-14 441	-13 538	-49 335	-96 083
Cash and cash equivalents at beginning of period	54 619	103 448	89 291	185 384
Exchange rate effects	540	-619	763	-9
CASH AND CASH EQUIVALENTS AT END OF PERIOD	40 719	89 291	40 719	89 291

*Non-cash flow items during the quarter mainly consist of depreciation on tangible and intangible assets amounting to TSEK 850 (1 057) and costs related to LTI 2022 of TSEK 219 (320). Non-cash flow items for the period January to December mainly consist of depreciation on tangible and intangible assets amounting to TSEK 3 624 (4 781) and costs related to LTI 2022 of TSEK 1 328 (663).

Assurance from the board of directors

The Board and CEO hereby assure that this interim report provides a true and fair view of the Group's and the Parent Company's operations, financial position and earnings of the company, and describes the significant risks and uncertainties faced by the Group and Parent Company.

Gothenburg, 7 February, 2025
Gapwaves AB (publ)

Magnus Jonsson
Chairman

Torbjörn Gustafsson
Board member

Madeleine Schilliger Kildal
Board member

Dietmar Stapel
Board member

Ulrika Molander
Board member

Jonas Ehinger
CEO

For more information

More information about Gapwaves is available on the company's website: www.gapwaves.com

Contact information

Jonas Ehinger, CEO
Tel: +46 733 44 01 52
E-mail: jonas.ehinger@gapwaves.com

Robert Berhof, CFO
Tel: +46 706 00 59 07
E-mail: robert.berhof@gapwaves.com

This report has not been reviewed by the company's auditor.

Every care has been taken in the translation of this interim report. In the event of discrepancies, the Swedish original will supersede the English translation. The addition of the totals presented may result in minor rounding differences.

GAPWAVES

Contact

Gapwaves AB (publ)
Corp. Reg. No. 556840-2829

Headquarters:
Nellickevägen 22,
SE-412 63 Gothenburg,
Sweden

Tel: +46 31 762 60 40

E-mail: info@gapwaves.com

www.gapwaves.com

About Gapwaves AB (publ)

Gapwaves AB (publ) originates from research conducted at Chalmers University of Technology and was founded in 2011. Gapwaves' vision is to be the most innovative provider of mm-wave antenna systems and the preferred partner to those pioneering next generation wireless technology for a safer and more sustainable society. By leveraging the disruptive Gapwaves technology, we help pioneers in automotive and telecom to create highly efficient mm-wave antenna systems that contribute to redefining everyday life.

Gapwaves' share (GAPW B) is traded on the Nasdaq First North Growth Market Stockholm with G&W Fondkommission as certified adviser.

