

Q4

Year End Report Oct-Dec 2023

Gapwaves AB Year End Report 2023, Q4

Fourth quarter October-December 2023

- Net sales decreased to MSEK 6.7 (11.0).
- EBITDA decreased to MSEK -17.7 (-9.0), whereas EBITDA adjusted for associated company amounted to MSEK -13.2 (-9.0).
- The operating result/EBIT decreased to MSEK -19.7 (-11.5).
- The result for the period amounted to MSEK -19.8 (-12.0).
- Earnings per share before and after dilution amounted to neg. (neg.).
- Cash flow for the period amounted to MSEK -13.5 (8.0).
- The Group's cash and cash equivalents amounted to MSEK 89.3 (185.4).

Significant events during the period

- Gapwaves announces pilot-line production facility to serve as a production and industrialization hub adjacent to its headquarter in Gothenburg.
- An order was received from Hella for the development of several antenna variants, for a total value of approx. MEUR 1.5, excluding prototype sales.
- Gapwaves appointed Sensrad Shanghai for local representation in China.

Significant events after the end of the period

- New strengthened partnership agreement with Frencken Group positions Gapwaves as a full-service supplier of waveguide antennas.
- An order order for production equipment was received from Frencken Group, with a total value of approx. MEUR 2.0.

- An order was received from a European Tier 1 supplier, with a total value of approx. MSEK 1,8.

Full year January-December 2023

- Net sales decreased to MSEK 27.5 (64.0).
- EBITDA decreased to MSEK -62.8 (-11.3), whereas EBITDA adjusted for associated company amounted to MSEK -48.3 (-14.8).
- The operating result/EBIT decreased to MSEK -71.3 (-19.3).
- The result for the period amounted to MSEK -69.2 (-18.0).
- Earnings per share before and after dilution amounted to neg. (neg.).
- Cash flow for the period amounted to MSEK -96.1 (-27.0).
- The Group's cash and cash equivalents amounted to MSEK 89.3 (185.4).

Key performance indicators – Group

TSEK	Period			
	Oct-Dec 2023	Oct-Dec 2022	Full year 2023	Full year 2022
Net sales	6 678	11 027	27 510	64 023
EBITDA	-17 698	-9 044	-62 806	-11 286
EBIT	-19 684	-11 494	-71 304	-19 265
Result for the period	-19 768	-12 049	-69 235	-18 013
Cash flow for the period	-13 538	8 005	-96 087	-26 960
Equity/assets ratio, %	89,4	88,2	89,4	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	42	31	42	31

A positive end to the year

Continued technology development, strengthened supply chain - both by means of a decision to move forward with our own pilot production facility and an agreement with an external producer, as well as a significant order from Hella, demonstrate that Gapwaves is developing in the right direction.

The fourth quarter was weak in terms of turnover, as with the entire financial year. Turnover amounted to MSEK 6.7, or 39 percent lower than the corresponding quarter last year. During the fourth quarter the slowdown in mobility segment and delayed orders and revenues related to production equipment, explain most of the decreased turnover compared to last year. However, we continue to develop strongly in line with signed agreements and our defined strategy. Furthermore, the order intake was strong. In the latter part of the year, we have observed that investment decisions seem to be delayed and postponed, which we attribute to challenges and delays among the car manufacturers. However, the projects are progressing well in the already signed agreements. Our strategy means

that we are moving from being a technology provider to becoming a comprehensive supplier of antennas for our global customers based on our antenna technology. We made progress during the quarter through the development of our technology, our supply chain, and our customer and partner collaborations.

MLW creates customer value

Launched in September 2023, the Multi-Layer Waveguide (MLW) has been developed in collaboration with customers. It enables the production of all-metal antennas, with advantages including lower production costs, very thin profiles, and good thermal properties, all of which are relevant features in several current and future customer projects.

Supply chain development

During the quarter, we announced the establishment of a production facility adjacent to the Head Office. It will become a hub for industrialization and production, and is a vital aspect in becoming a certified supplier of waveguide antennas in the Automotive and neighboring segments. Pilot production will consist of the assembly and testing of injection molded waveguides (IMW) and MLW antennas. The facility is a prerequisite for us to be able to deliver according to the contracts we already have



"Our strategy means that we are moving from being a technology company to becoming a comprehensive supplier of antennas for our global customers based on our antenna technology."

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in place, and is crucial for achieving a stronger position in the value chain. Our customers expect us to provide a degree of production capacity and the ability to verify large-scale production processes. The partnership with Frencken Group, as announced in January 2024, strengthens us as a supplier of waveguide antennas, with the support of Frencken Group as production partner and Gapwaves as the interface to customers – where we develop, design and industrialize antennas – while Frencken Group is our partner for high volume production.

Frencken also placed a large order for production equipment after the end of the quarter, for the assembly and testing of waveguide antennas for the company's facility in Chuzhou, China. They have production lines for high-volume production of antennas intended for vehicle radars at this location. The order value is approximately MEUR 2, and delivery is expected to begin in 2024 and continue up to the first half of 2025.

Expansion of the Hella collaboration

Hella continues to expand its collaboration with us. During the quarter, we received an order valued at MEUR 1.5 for 2024, which is a significant increase compared to previous years. The order, which encompasses the development of several antenna variants, also entails additional sales such as prototype deliveries. Hella's increased commitment is clear and shows the value Gapwaves brings.

Representation on the Chinese market

During the fourth quarter, we established ourselves on the Chinese market. The market in China is growing rapidly, albeit with a complex and diffi-

cult-to-navigate ecosystem.

We have therefore entered into a strategic partnership with Sensrad Shanghai, a subsidiary of Sensrad AB, who will represent us in China. This is an attractive arrangement with a local and experienced Chinese team, which also provides synergies with Sensrad, who uses our antenna technology in its products.

Development within Mobility

We have previously reported on the work being carried out since the second quarter of 2023 to develop an antenna for Sensrad's upcoming commercial product. That product is ready for commercialization, and the launch is planned for the first quarter of 2024.

Well positioned for the future

Overall, we find ourselves in a period of a positive long-term development, following our strategy and we are well positioned to be able to deliver and create value together with our customers. We are on our way to becoming a leading supplier of antennas and radar sensors. 2024 has started positively with several significant orders, including from the European Tier 1 that initiated a collaboration in 2023. Additionally, our associated company Sensrad, in which we invested in during 2023, has begun the year positively with orders in several exciting market segments. Finally, I would like to thank all employees at Gapwaves for their great work during the year.

Gothenburg, February 9, 2024

Jonas Ehinger
CEO Gapwaves AB (publ)

About Gapwaves

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

Gapwaves AB originates from research conducted at Chalmers University of Technology and was founded in 2011 to commercialize innovations for products with mm-wave technology. 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. By leveraging the disruptive Gapwaves technology, we help pioneers in automotive and telecom to create highly efficient mm-wave antenna systems that contributes to re-defining everyday life.

Regulations and testing drive radar volumes and waveguide antennas

As of 2022, 76-81 GHz frequency band is the only approved frequency band for automotive radars. The broadband part of the spectrum for the frequency band that was previously allocated at 24 GHz has been completely removed. The shift in the global standard for vehicle radars has resulted in the automotive industry placing higher demands on radar performance, and radars needing 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. All new car models from 2022 must have an Autonomous Emergency Braking (AEB) system, which can be accomplished with a radar sensor and the trend is moving toward leading Tier 1 suppliers and automotive manufacturers planning to use waveguide antennas in their future radar sensors. Gapwaves is well positioned to capture a large market share of the high-volume production in vehicle radar, as our patented technology enables the manufacturing of antennas in high volumes, with a high performance and cost-efficiently. These are advantages that will significantly increase the demand for Gapwaves' antennas when radar sensors and advanced vehicle safety become standard in most car models.

*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.

Focus areas 2024

Our focus is to establish ourselves as a full-service service partner for waveguide antennas for the Automotive segment, delivering end-to-end solutions that cater to the entire spectrum of customer needs, ranging from design to production and deliveries. This implies that, during the year, we will keep on scaling up our production capabilities, setting the stage for the start of high-volume production in collaboration with Hella in 2024. Being a full-service provider will allow us to expand our customer base, aiming at partnering with additional customers during the year.

Alongside growth in Automotive, we are taking a position on the radar sensors market and Mobility in parallel, through our strategic investment in Sensrad, which not only expands our position in the value chain, but also drives growth in new markets, such as infrastructure and transportation.

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. With a Gapwaves antenna, Sensrad will launch a complete 4D imaging radar during the first quarter of 2024 based on sophisticated software and hardware technology, including the leading radar chip from Arbe and Gapwaves' high-performance antenna technology.

This is a product that we have seen considerable interest in our dialogues with numerous customers. The investment provides Gapwaves with increased access to new, highly expansive market and product segments such as infrastructure, surveillance, excavators and more in the Mobility segment.

Sensrad AB

Sensrad AB is a recent spin-off from Qamcom Group'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. Sensrad is based in Gothenburg and currently has approximately 20 employees with highly relevant radar and signal processing experience. Sensrad has an established business and has already delivered prototype volumes of their 4D imaging radar to their customers in infrastructure, surveillance and mobility radar business. 4D imaging radar technology is providing a leap forward in the capability of radar sensors including the fourth dimension which enables objects to be separated in elevation; a significant advantage compared to today's, in-service radar sensors. Sensrad currently offers two proprietary products: Hugin – Dynamic 4D Imaging Radar, aiming at radar solutions within transportation, robotized vehicles and aerial vehicles and Munin – Static 4D Imaging Radar, aiming at radar solutions within infrastructure and surveillance. Qamcom Group is a leading research and technology company with deep competence within hardware, software and system development. Qamcom is based in Gothenburg and currently has around 150 employees with research education and long industry experience combined with flexible, innovative approaches to technology development. In the infrastructure segment, which includes smart cities and traffic management among others, Sensrad's 4D imaging radars offer the ability to detect hundreds of static and moving objects simultaneously, in real-time. This enables constant monitoring of complex infrastructure-related objects and areas. A wide field-of-view and long detection range at high resolution provides a solution for full-site monitoring and presence detection – even in the harshest weather conditions.



Financial overview

Quarter: October-December 2023

Revenue

The Group's net sales during the fourth quarter amounted to TSEK 6 678 (11 027), which corresponds to a decrease of 39 percent compared to previous year. Net sales were primarily attributable to project and prototype related revenue from Hella and Sensrad. The decrease in sales is mainly related to that the Group had revenue from the sale of production equipment of TSEK 2 754 in the fourth quarter 2022, which did not occur during the third quarter of this year, as well as a general slow-down in the mobility segment, which had revenues of 4,045 thousand SEK during the fourth quarter of 2022. The decline is also a result of the company's business varying widely during the year and the fact that it currently primarily targets major long-term development projects. In addition to sales revenues, research grants totaling TSEK 656 were recognized, along with currency exchange gains of TSEK 285 thousand SEK and invoiced costs to Sensrad totaling TSEK 829, which are reported under other operating revenues. The corresponding item is also found under operating costs.

EBITDA and operating result

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to TSEK -17 698 (-9 044) in the fourth quarter. Operating expenses excluding depreciation and results from shares in

associated companies amounted to TSEK 21 612 (23 460). The lower EBITDA for the quarter is mainly due to lower sales, as the total cost base is lower than the previous year. Personnel costs include costs for LTI 2022 totaling TSEK 448, which are not affecting cash flow. EBITDA includes results from shares in associated companies of TSEK -4 533, which is related to amortization of Goodwill TSEK -1 075 and the Group's share of the associated company's profit TSEK -3 458. Adjusted for this, EBITDA amounted to TSEK -13 165 during the quarter. The operating result during the quarter amounted to TSEK 19 872 (-11 494) and TSEK -15 151 when adjusting for results from shares in associated companies.

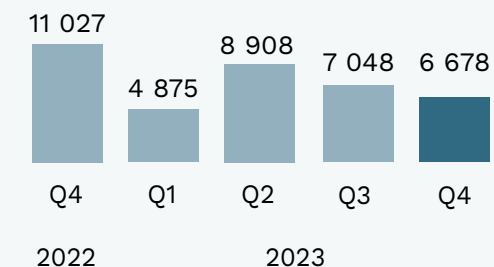
Result for the period

Net financial items amounted to TSEK -84 (-564), which is mainly related to interest income for bank deposits of 536 TSEK and exchange rate differences of -619 TSEK. The result for the period during the quarter amounted to TSEK -19 768 (-12 049).

Financial position and liquidity

Total assets as per December 31, 2023 amounted to TSEK 171 579 (251 511). Equity as per December 31 was TSEK 153 309 (221 880). Cash and cash equivalents as per December 31, 2023 was TSEK 89 332 (185 428). Gapwaves does not have any financial debt.

Net sales



Cash flow and investments

Cash flow from operating activities amounted to TSEK -8 949 (8 968). Cash flow from investing activities amounted to TSEK -4 589 (-963), of which TSEK -4 000 are related to shareholders contribution to Sensrad. Cash flow for the period amounted to TSEK -13 538 (-8 005).

Period: January–December 2023

Revenue

The Group's net sales during the period amounted to TSEK 27 510 (64 023), which corresponds to a decrease of 57 percent. Net sales are mainly attributable to project and prototype related revenue from Bosch, Hella, and Sensrad, as well as to a new for Gapwaves leading European Tier 1 supplier. The reduction in sales is primarily attributable to license income totaling TSEK 15 645 from Bosch related to the agreement entered into during Q3 2022, as well as to the fact the Group during 2022 had revenue from the sale of production equipment totaling approximately TSEK 12 143, while it amounted to TSEK 800 under 2023. Adjusted for the above, net sales decreased by approximately 26 percent. The remaining decrease is primarily attributable to the mobility segment. In addition to sales revenue, contributions from three research projects amounting to TSEK 3 346, exchange rate gains of TSEK 670, and consultant costs further invoiced to Sensrad AB totaling TSEK 2 217 were recognized as income, which were reported under other operating income.

EBITDA and operating result

Earnings before interest, taxes, depreciation and amortization (EBITDA) for the period amounted to TSEK –62 806 (–11 286). Operating expenses excluding depreciation and results from shares in associated companies amounted to TSEK 82 080 (85 737).

The lower EBITDA for the period is mainly due to lower sales and increased personnel costs attributable to an increased number of employees. Personnel costs include costs for LTI 2022 totaling TSEK 877, which are not affecting cash flow. EBITDA includes results from shares in associated companies of TSEK –14 469, which is related to amortization of Goodwill TSEK –2 867 and the Group's share of the associated company's profit TSEK –11 601. Adjusted for this, EBITDA amounted to TSEK –48 337 during the period. Adjusted for this, EBITDA for the period amounted to TSEK –48 338. The operating result during the period amounted to TSEK –71 304 (–19 265) and TSEK –56 836 when adjusting for results from shares in associated companies.

Result for the period

Net financial items amounted to 2 066 (1 246), which is mainly related to interest income for bank deposits of TSEK 2 067. The result for the period amounted to TSEK –69 235 (–18 013).

Cash flow and investments

Cash flow from operating activities amounted to TSEK –47 515 (–24 623). Cash flow from investing activities amounted to TSEK –48 572 (–2 108), of which TSEK –4 000 are related to shareholders contribution to Sensrad. Cash flow from financing activities amounted to TSEK 0 (–229). Cash flow for the period amounted to TSEK –96 087 (–27 004), of which TSEK –42 945 are related to the investment in Sensrad AB.



Other disclosures

Accounting policies

The company applies the Swedish Annual Accounts Act and 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

Operational risks

In the daily operating activities, there are risk factors that may affect the company's business and financial position. The risks are associated with the development operations running according to plan, that the company can recruit qualified personnel and that the technology can be industrialized to the extent that scalability is achieved. In order to develop a component that is part of a larger system, the company is dependent on cooperation with other component manufacturers and customers with the risk that Gapwaves experiences shortages of components and deferred or canceled projects.

Market risks

Gapwaves' technology is mainly being used as a component in a larger system, for example, in vehicle radar or mobile telecommunications networks. As such, there are risks linked to potential customers' preferences for the technology, to the integration of the technology as well as the demand for the final product. As a developer of products that are not currently on the market, there are risks and uncertainties linked to schedules, customer needs

and competitors. A delay or failure to introduce the next generation of vehicle radar in the automotive industry or the introduction of 5G in the telecom industry may entail a risk of lower growth rates in the area than expected. High interest rates, energy prices and inflation that affected the world during the past two years have not adversely affected Gapwaves to date. However, for Gapwaves, like for other companies, the situation may change since the future is difficult to assess.

Financing risk

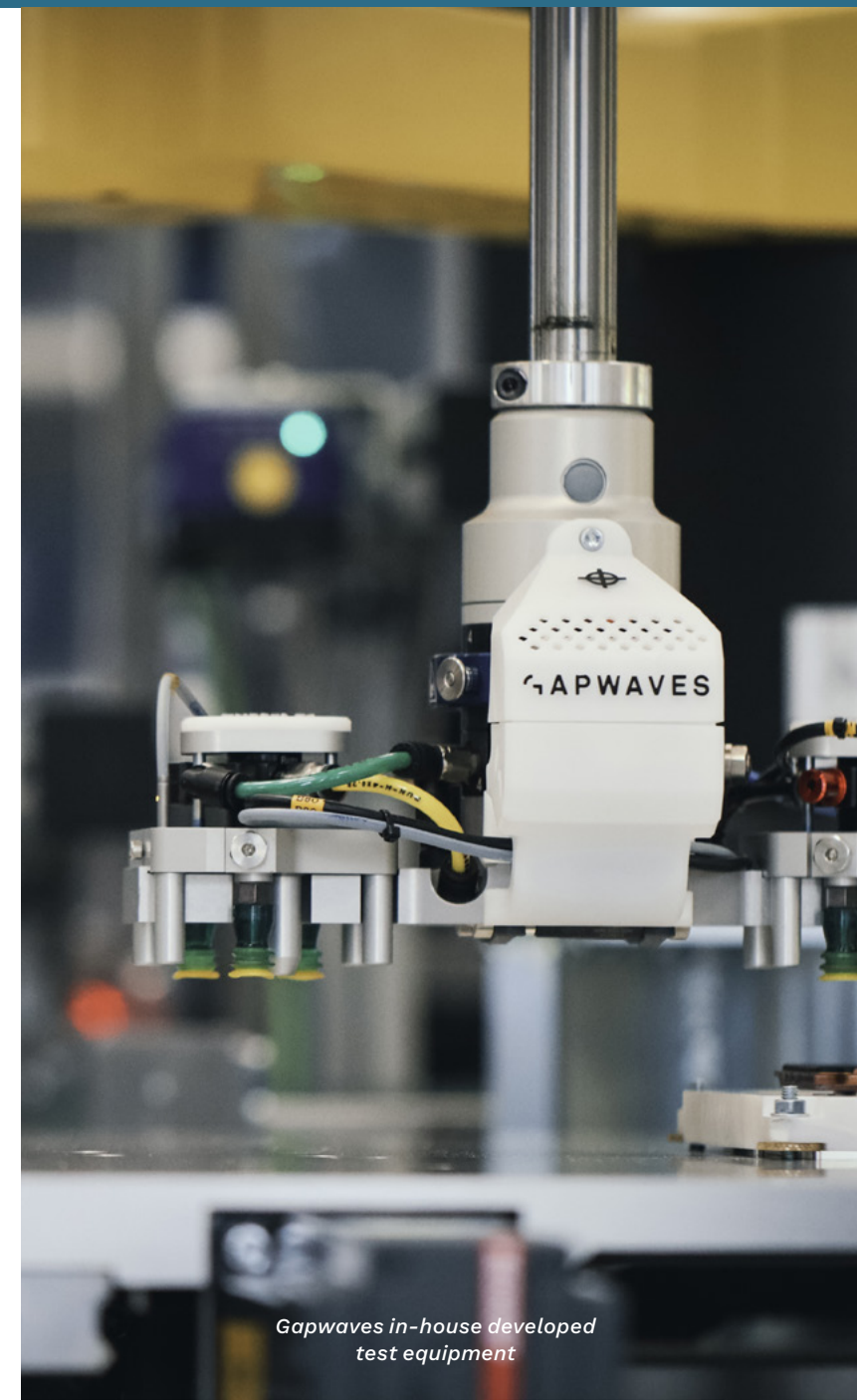
The company is financed through equity. Even if the company generates revenue, capital needs may arise as the company grows. In this case, the company will also be exposed to financing risks. Following the share issue that was carried out in connection with Hella joining as owner in June 2021, the Board assesses that the company is well capitalized and that the financing risk has decreased in the short term.

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, 2023 was 42 (31).



Gapwaves in-house developed
test equipment

Financial calendar

- Q1 2024 Interim report: May 3rd, 2024
- Annual General Meeting 2024: May 7th, 2024
- Q2 2024 Interim report: August 22nd, 2024
- Q3 2024 Interim report: October 31st, 2024
- Year-end Report 2024: February 7th, 2025

ESG activities

During the quarter, Gapwaves reworked its vision and strategy and confirmed alignment with the UN Sustainable Development Goals (SDGs) and Agenda 2030. We took new steps towards integrating sustainability into our strategy and working methods. A key focus was the implementation of measures identified in our sustainability review. These measures included initiatives aimed at addressing both positive and negative aspects of our activities and products. Concrete actions were taken to improve our environmental performance, social responsibility, and governance practices. Examples of this work are the implementation of an updated company Code of Conduct and an ongoing lifecycle analysis for our two technologies.

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 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. The targets for the program were established by the Board at the end of the quarter, at which point five key individuals were invited to participate with the opportunity of earning a maximum of 360,656 performance share rights. Expenses of TSEK 448, including a cost of TSEK 127 in employer contributions, has been accrued during the quarter for LTI 2022. Expenses of TSEK 877, including a cost of TSEK 213 in employer contributions, has been accrued during 2023 for LTI 2022.

Related party transactions

The company did not have any transactions with related parties during the fourth quarter of 2023.

Auditor's review

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



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, 2023, the company had approximately 7,000 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, 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

Redeye – Rasmus Jacobsson
SEB – Erik Lindholm-Röjestål

Ten largest shareholders based on no. of votes (A and B shares)

	A shares	B shares	Votes	Share of equity, %	Share of voting power, %
Kildal Antenn AB, inkl. närstående	5 618 000	390 200	56 570 200	19,29%	56,48%
Lars-Inge Sjöqvist med bolag	848 000	161 048	8 641 048	3,24%	8,63%
Jian Yang	509 500	25 113	5 120 113	1,72%	5,11%
Abbas Vosoogh med bolag	265 000	576 635	3 226 635	2,70%	3,22%
HELLA GmbH & Co. KGaA	-	3 122 400	3 122 400	10,02%	3,12%
Peter Enoksson	185 500	92 750	1 947 750	0,89%	1,94%
Ashraf Uz Zaman	165 000	200 000	1 850 000	1,17%	1,85%
Avanza Pension	-	1 458 846	1 458 846	4,68%	1,46%
Nordnet pensionsförsäkring AB	-	1 200 538	1 200 538	3,85%	1,20%
BNP Paribas Sec Serv Luxemburg	-	626 797	626 797	2,01%	0,63%
Övriga	76 500	15 624 472	16 389 472	50,41%	16,36%
Total	7 667 500	23 478 799	100 153 799	100,00%	100,00%

Source: Euroclear and Modular Finance

Income statement

Consolidated Group

TSEK	Oct-Dec 2023	Oct-Dec 2022	Full year 2023	Full year 2022
OPERATING INCOME				
Net sales	6 678	11 027	27 510	64 023
Capitalized development costs	-	-	-	914
Other operating income	1 770	3 390	6 233	6 011
Total operating income	8 447	14 417	33 743	70 948
OPERATING EXPENSES				
Goods for resale	-2 268	-4 698	-9 833	-21 754
Other external costs	-7 254	-8 754	-31 061	-29 248
Personnel costs	-11 212	-9 738	-40 082	-33 714
Depreciation/amortization of property, plant and equipment and intangible assets	-1 986	-2 450	-8 498	-7 979
Other operating expenses	-878	-270	-1 105	-1 021
Total operating expenses	-23 598	-25 910	-90 578	-93 716
Results from shares in associated companies	-4 533	-	-14 469	3 503
EBIT	-19 684	-11 494	-71 304	-19 265
FINANCIAL ITEMS				
Financial income	-75	-	2 075	1 302
Financial expenses	-9	-564	-9	-56
Total financial items	-84	-564	2 066	1 246
Loss after financial items	-19 768	-12 057	-69 238	-18 020
TAX				
Deferred tax	-	8	-	8
Tax on result for the period	-	-	3	-
LOSS FOR THE PERIOD	-19 768	-12 049	-69 235	-18 013
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

Consolidated Group

TSEK	Dec 31, 2023	Dec 31, 2022
ASSETS		
Non-current assets		
Intangible assets		
Capitalized expenditure on research and development and similar works	2 727	5 259
Concessions, patents, licenses, trademarks and similar rights	13 089	16 754
Total intangible assets	15 816	22 013
Property, plant and equipment		
Equipment, tools, fixtures and fittings	6 647	7 239
Construction in progress	429	598
Total property, plant and equipment	7 076	7 837
Financial assets		
Shares in associated companies	32 476	-
Deferred tax	2 680	3 446
Long-term deposits	680	642
Total financial assets	35 836	4 088
Total non-current assets	58 728	33 938
Current assets		
Inventories		
Raw materials and consumables	1 811	1 609
Total inventories	1 811	1 609
Current receivables		
Accounts receivable	7 664	9 161
Other receivables	621	1 916
Current tax assets	-	3
Prepaid expenses and accrued income	13 424	19 456
Total current receivables	21 708	30 536
Cash and bank balances		
Cash and bank balances	89 332	185 428
Total cash and bank balances	89 332	185 428
Total current assets	112 851	217 573
TOTAL ASSETS	171 579	251 511

Balance sheet

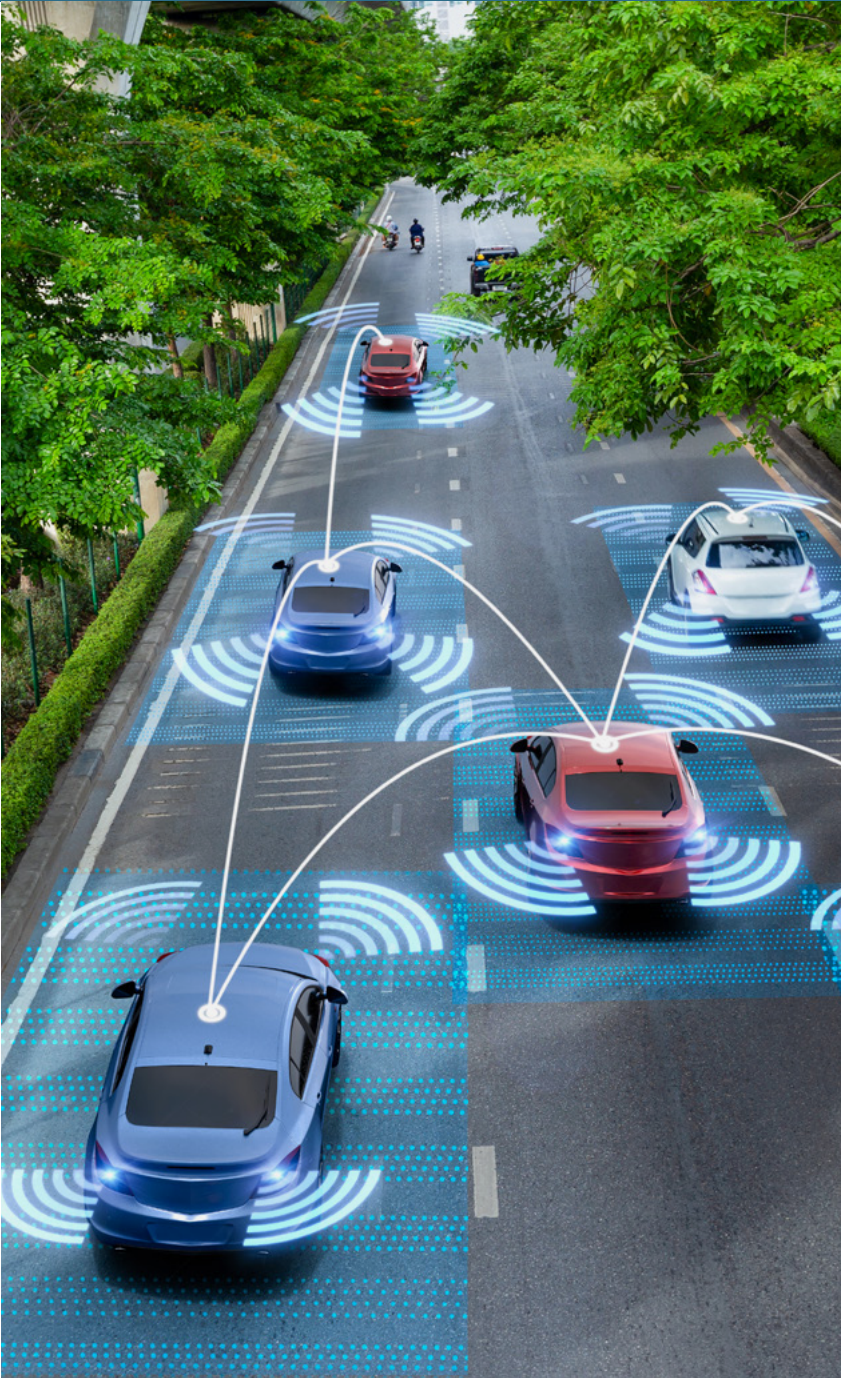
Consolidated Group

TSEK	Dec 31, 2023	Dec 31, 2022
EQUITY AND LIABILITIES		
Equity		
Share capital	1 869	1 869
Other contributed capital	426 146	426 146
Other equity including loss for the period	-274 705	-206 134
Total equity	153 309	221 880
Provisions		
Deferred tax	2 680	3 446
Total provisions	2 680	3 446
Current liabilities		
Accounts payable	4 452	5 789
Current tax liabilities	365	67
Other liabilities	3 728	11 698
Accrued expenses and deferred income	7 045	8 632
Total current liabilities	15 590	26 185
TOTAL EQUITY AND LIABILITIES	171 579	251 511

Statement of changes in equity

Consolidated Group

TSEK	Share capital	Other contributed capital	Other equity including loss for the period	Total equity
			Retained earnings, etc	
Opening balance Jan 1, 2023	1 869	426 146	-206 134	221 880
Share options programme	-	-	663	663
Loss for the period	-	-	-69 235	-69 235
Closing balance Dec 31, 2023	1 869	426 146	-274 706	153 309



Cash flow statement

Consolidated Group

TSEK	Oct-Dec 2023	Oct-Dec 2022	Full year 2023	Full year 2022
Operating activities				
EBIT	-19 684	-11 493	-71 304	-22 768
Adjustments for non-cash items, etc	7 433	2 614	24 116	8 357
Interest received	2 067	67	2 075	67
Interest paid	-	-1	-1	-56
Paid tax	141	-167	301	132
Cash flow from operating activities before changes in working capital	-10 044	-8 979	-44 813	-14 268
Changes in working capital				
Changes in operating receivables	8 598	13 875	9 498	-10 836
Changes in operating liabilities	-7 469	3 382	-11 998	1 421
Changes in inventories	-34	690	-202	-940
Cash flow from operating activities	-8 949	8 968	-47 515	-24 623
Investing activities				
Paid shareholders contribution	-4 000	-	-4 000	-
Acquisition of intangible assets	-	-	-69	-1 591
Acquisition of property, plant and equipment	-589	-963	-1 520	-502
Acquisition of associated companies	-	-	-42 945	-
Long-term deposits	-	-	-38	-15
Cash flow from investing activities	-4 589	-963	-48 572	-2 108
Financing activities				
Share options program	-	-	-	-229
Cash flow from financing activities	-	-	-	-229
Cash flow for the period	-13 538	8 005	-96 087	-26 960
Cash and cash equivalents at beginning of period	103 489	178 054	185 428	211 155
Exchange rate effects	-619	-631	-9	1 233
Cash and cash equivalents at end of period	89 332	185 428	89 332	185 428

Income statement

Parent Company

TSEK	Oct-Dec 2023	Oct-Dec 2022	Full year 2023	Full year 2022
OPERATING INCOME				
Net sales	6 678	11 027	27 510	64 023
Capitalized development costs	-	-	-	914
Other operating income	1 770	3 389	6 233	6 011
Total operating income	8 447	14 417	33 743	70 948
OPERATING EXPENSES				
Goods for resale	-2 268	-4 698	-9 833	-21 754
Other external costs	-7 253	-8 754	-31 054	-29 243
Personnel costs	-11 212	-9 738	-40 082	-33 714
Depreciation/amortization of property, plant and equipment and intangible assets	-1 057	-1 520	-4 781	-6 121
Other operating expenses	-878	-270	-1 105	-1 021
Total operating expenses	-22 669	-24 980	-86 854	-91 853
EBIT	-14 221	-10 563	-53 112	-20 905
FINANCIAL ITEMS				
Financial income	-75	68	2 075	1 302
Financial expenses	-9	-632	-9	-56
Total financial items	-84	-564	2 066	1 245
Loss after financial items	-14 305	-11 127	-51 045	-19 659
TAX				
Tax on loss for the period	-	-	-	-
LOSS FOR THE PERIOD	-14 305	-11 127	-51 045	-19 659
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	Dec 31, 2023	Dec 31, 2022
ASSETS		
Non-current assets		
Intangible assets		
Capitalized expenditure on research and development and similar works	2 727	5 259
Concessions, patents, licenses, trademarks and similar rights	80	28
Total intangible assets	2 807	5 287
Property, plant and equipment		
Equipment, tools, fixtures and fittings	6 647	7 239
Construction in progress	429	598
Total property, plant and equipment	7 076	7 837
Financial assets		
Shares in subsidiaries	15 464	15 464
Shares in associated companies	46 945	-
Long-term deposits	680	642
Total financial assets	63 089	16 106
Total non-current assets	72 971	29 230
Current assets		
Inventories		
Raw materials and consumables	1 811	1 609
Total inventories	1 811	1 609
Current receivables		
Accounts receivable	7 664	9 161
Other receivables	621	1 916
Prepaid expenses and accrued income	13 424	19 456
Total current receivables	21 708	30 534
Cash and bank balances		
Cash and bank balances	89 291	185 384
Total cash and bank balances	89 291	185 384
Total current assets	112 810	217 526
TOTAL ASSETS	185 782	246 756

Balance sheet

Parent Company

TSEK	Dec 31, 2023	Dec 31, 2022
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	1 869	1 869
Development expenditure fund	2 727	5 259
Total restricted equity	4 595	7 128
Non-restricted equity		
Share premium reserve	426 145	428 840
Retained earnings	-209 504	-195 735
Loss for the period	-51 045	-19 659
Total non-restricted equity	165 596	213 445
Total equity	170 191	220 573
Current liabilities		
Accounts payable	4 452	5 789
Current tax liabilities	365	64
Other liabilities	3 728	11 698
Accrued expenses and deferred income	7 045	8 632
Total current liabilities	15 590	26 183
TOTAL EQUITY AND LIABILITIES	185 782	246 756

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, 2023	1 869	5 260	426 146	-193 041	-19 659	220 574
Reallocation profit/loss prev. year	-	-	-	-19 659	19 659	-
Share options programme	-	-	-	663	-	663
Changes in development expenditure fund for the year	-	-2 532	-	2 532	-	-
Loss for the period	-	-	-	-	-51 045	-51 045
Closing balance Dec 31, 2023	1 869	2 727	426 146	-209 504	-51 045	170 191



Cash flow statement

Parent Company

TSEK	Oct-Dec 2023	Oct-Dec 2022	Full year 2023	Full year 2022
Operating activities				
EBIT	-14 221	-10 563	-53 112	-20 905
Adjustments for non-cash items, etc	1 971	1 352	5 929	6 122
Interest received	2 067	67	2 075	67
Interest paid	-0	-1	-1	-56
Paid tax	141	166	301	124
Cash flow from operating activities before changes in working capital	-10 042	-8 978	-44 807	-14 648
Changes in working capital				
Changes in operating receivables	8 596	13 874	9 495	-10 826
Changes in operating liabilities	-7 469	3 382	-11 999	2 072
Changes in inventories	-34	690	-202	-941
Cash flow from operating activities	-8 949	8 968	-47 512	-24 343
Investing activities				
Paid shareholders contribution	-4 000	-	-4 000	-
Acquisition of intangible assets	-	-	-68	-
Acquisition of property, plant and equipment	-589	-963	-1 520	-502
Acquisition of associated companies	-	-	-42 945	-
Acquisition of subsidiaries	-	-	-	-1 591
Earnout Metasum AB	-	-	-	-325
Long-term deposits	-	-	-38	-15
Cash flow from investing activities	-4 589	-963	-48 571	-2 432
Financing activities				
Share options program	-	-	-	-229
Cash flow from financing activities	-	-	-	-229
Cash flow for the period	-13 538	8 005	-96 083	-27 004
Cash and cash equivalents at beginning of period	103 448	178 010	185 384	211 155
Exchange rate effects	-619	-631	-9	1 233
CASH AND CASH EQUIVALENTS AT END OF PERIOD	89 291	185 384	89 292	185 384

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, February 9th, 2024
Gapwaves AB (publ)

Magnus Jonsson
Chairman

Madeleine Schilliger Kildal
Board member

Karl Olof Axelsson
Board member

Torbjörn Gustafsson
Board member

Dietmar Stapel
Board member

Jonas Ehinger
CEO

For more information

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

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This information constitutes information that Gapwaves AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication. through the agency of the contact person set out above on February 9th 2024, at 08:30 AM.



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About Gapwaves AB

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. By leveraging the disruptive Gapwaves technology, we help pioneers in automotive and telecom to create highly efficient mm-wave antenna systems that contributes to re-defining everyday life.

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