GAPWAVES

Progress in the transition to high-volume production

Interim Report Q2 2026

Q2 2025

The period in brief

Second quarter: April-June 2026

- Net sales amounted to 13,1 MSEK (24,1), a decrease of 46% compared with the same quarter of 2025.
- EBITDA amounted to -16,6 MSEK (-7,2), while EBITDA adjusted for results from shares in associated companies amounted to -13,3 MSEK (-3,8).
- EBIT amounted to -18,5 MSEK (-8,8), whereas EBIT adjusted for results from shares in associated companies amounted to -15,2 MSEK (-5,5).
- The result for the period amounted to -17,9 MSEK (-7,9).
- Earnings per share before and after dilution was neg. (neg.).
- Total cash flow for the period amounted to -22,6 MSEK (-0,3).
- The Group’s cash and cash equivalents amounted to 50,9 MSEK (34,2).

January-June 2026

- Net sales amounted to 31,9 MSEK (46,9) a decrease of -32% compared with the same period in 2025.
- EBITDA amounted to -28,9 MSEK (-13,0), while EBITDA adjusted for results from shares in associated companies amounted to -20,6 MSEK (-6,4).
- EBIT amounted to -32,7 MSEK (-16,3), whereas EBIT adjusted for results from shares in associated companies amounted to -24,4 MSEK (-9,7).
- The result for the period amounted to –31,1 MSEK (-16,9).
- Earnings per share before and after dilution was neg. (neg.).
- Total cash flow for the period amounted to -37,3 MSEK (-5,6).

Significant events during the period

- Gapwaves entered into a development agreement with Gotmic for the development of waveguide packages intended for high-power amplifier modules.
- An agreement was entered into with the Austrian supplier AT&S.
- Gapwaves received Vinnova funding to develop waveguide technology for in-cabin radar with Acconeer.
- Volume production for Valeo was launched at Frencken in China.

Significant events after the end of the period

- Per Norén was proposed by Gapwaves' Nomination Committee as a new board member and Chairman of the Board.
- Gapwaves receives an order from Valeo for accelerated production capacity and delivery volume.

KSEK	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Full Year 2025
Net sales	**13 064**	**24 054**	**31 892**	**46 853**	**90 553**
EBITDA	-16 562	-7 152	-28 863	-12 970	-50 341
EBIT	-18 502	-8 778	-32 650	-16 281	-57 082
Result for the period	-17 851	-7 888	-31 111	-16 885	-58 241
Total cash flow for the period	-22 555	-281	-37 265	-5 558	47 649
Equity/assets ratio, %	69,8	73,6	69,8	73,6	70,7
Average no. of shares	36 337 348	31 146 299	36 337 348	31 146 299	31 146 299
Earnings per share before and after dilution (SEK)	neg	neg	neg	neg	neg
No. of FTEs	38	42	40	42	41

”The completion of Valeo’s production start in China is an important building block for future volumes and recurring product revenues. The work now continues to gradually scale up production over the coming years.”

Jonas Ehinger, CEO Gapwaves

Progress in the transition to high-volume production

2026 is a transition year as we continue to evolve Gapwaves from a development-focused company into a complete technology and product supplier with recurring product revenues. The objective is to build a more diversified business with stable, long-term growth. During the quarter, the start of production for Valeo in China was completed as planned. Production and product sales remain at an early stage and will increase gradually as volumes ramp up over the coming years. We also continue to develop our supply chain, broaden our customer base, and expand into new growth areas.

Revenue for the quarter was lower than in the corresponding period last year and amounted to 13,1 MSEK (24,1), while EBITDA adjusted for results from shares in associated companies amounted to -13,3 MSEK (-3,8). The primary reason for the lower revenue is that the comparison quarter in 2025 included significant revenues from production equipment, which typically arise in connection with the signing of new production agreements. Project revenues from ongoing customer development activities were also significantly higher in Q2 2025. The lower level of project revenues this year reflects the continued caution around new investments seen across parts of the automotive industry. Taken together, these factors affect the comparability with the corresponding period last year in terms of revenue mix. As we continue our transition towards becoming a technology and product company with recurring product revenues, project revenues will remain an important part of our business. However, project revenues naturally fluctuate between quarters and years, and it will take time before revenue from increasing product volumes fully offsets variations in project- and equipment-related revenues.

From Start of Production to volume ramp-up

During the quarter, the start of production for Valeo was completed as planned at our manufacturing partner Frencken in China, starting automated volume production. This was a very important goal for 2026 and a fundamental step in our commercialisation journey. Volumes will increase gradually over the next two years as production ramps up. The transition continues to entail launch and ramp-up costs as production scales. These costs are a natural part of establishing high-volume production and an investment in future growth. The

current production volumes are still limited and will be increased gradually over the coming years, resulting in a continued higher cost level before the full benefits of economies of scale are realised.
A very positive piece of news that we can finally share is that Gapwaves' waveguide antenna technology is now implemented in Geely vehicles that have been on the roads in China since 2025, featuring Valeo radar sensors equipped with Gapwaves antennas. Geely is China's second-largest automotive manufacturer and a group that owns car manufacturers such as Volvo Cars, Polestar, Zeekr and others.
We strengthened our supplier base during the quarter through the agreement with AT&S and have now surpassed two million antennas produced based on Gapwaves technology since the company was founded. The majority of this volume relates to licensed production for HELLA, but the milestone clearly demonstrates that our technology performs well at industrial scale and in production.

Continued commercial progress

During the quarter, several of our ongoing discussions with Tier 1 suppliers and OEMs developed positively, strengthening our position for future development projects and production agreements. We also continue to expand into new markets. The projects with Gotmic and Acconeer demonstrate the potential of our technology in areas such as defence, satellite communications, telecommunications, and in-cabin radar. These projects illustrate the broad applicability of Gapwaves' technology and its commercial potential across several growth markets.

Challenging market conditions for Sensrad

The development of our associated company Sensrad AB has been significantly weaker than anticipated and several headwinds that arose during the quarter resulted in significant lower sales and new players entering the market. Following an updated impairment test of our assets based on this new development, an impairment of the shares in Sensrad of 35,2 MSEK was made during the quarter in the Parent Company's financial statements, which does not affect the Group's financial statements. Sensrad is implementing measures to adapt the business to the current market environment.

Finally, 2026 is a transition year in which significant work is being carried out to create the conditions for future growth, both in terms of volumes and recurring product revenues. The successful completion of the Valeo start of production represents an important building block in this effort. The work to expand production capacity and strengthen the supply chain continues and will remain central to the company's growth over the coming years. Together with the other progress made during the quarter, this provides a solid foundation for Gapwaves' continued development. I would also like to extend my sincere thanks to our employees, customers, suppliers and shareholders for your continued trust and commitment.

Gothenburg, 17 July 2026
Jonas Ehinger, CEO Gapwaves AB (publ)

Q2 2026

This is Gapwaves

Who we are
Gapwaves is an innovative Swedish technology company that develops wireless solutions based on patented waveguide technology for millimeter-wave applications. Gapwaves was founded in 2011 by Professor Per-Simon Kildal at Chalmers University of Technology.

What we do
We develop, design, manufacture and deliver products that can be used in, for example, radar systems for driver assistance and autonomous driving within the automotive industry, as well as application areas such as industrial automation, telecom, satcom, smart cities and civil-military applications.

Our vision
Gapwaves' vision is to be the most innovative supplier of millimeter-wave antenna systems and the preferred partner for those paving the way for the next generation of wireless technologies toward a safer and more sustainable society.

2011
Founded

2016
IPO

>40
Patents

>2 000 000
antennas produced since inception

38
Employees

5 reasons to invest in Gapwaves

World-leading, patented technology and unique know-how
Gapwaves' technology, backed by over 40 patents, enables cost-effective, compact, and high-performance antenna solutions. This is crucial for advanced radar systems where performance and cost-efficiency are paramount.

Strong demand driven by tightened regulations and consumer demand for enhanced safety
Stricter safety requirements and new features are increasing demand for radar sensors, where Gapwaves' world-leading antenna technology plays a central role. In the automotive industry, this relates to requirements within advanced driver assistance systems (ADAS), while in smart cities it concerns growing needs for traffic management.

From research to commercial technology company
Hella's volume production under licence started in 2024, and Gapwaves' technology is integrated in the Mercedes-Benz CLA EQ Technology, which began rolling out on Swedish roads during 2025. The technology and business model have proven competitive, as confirmed by customers within the automotive industry such as Valeo, Hella, Veoneer and Desay SV.

Significant future potential across multiple markets
Gapwaves holds a strong position in automotive and smart city sectors with additional growth opportunities in mobility, civil-military, telecom, and satellite communications. The investment with Sensrad further enhances its value chain position, catering to customers seeking comprehensive radar solutions beyond traditional automotive applications.

Attractive business model for both customers and shareholders
Testing and production of customer-funded prototypes and small batch volumes are handled at Gapwaves' own pilot line, while large-scale production is managed by selected partners. This setup offers flexibility and scalability, customized production, and low capital requirements compared to owning manufacturing facilities.

Q2 2026

Market overview

Radar

Trends and drivers
Development in automotive radar is driven by tightened safety requirements, new legislation and increased automation - factors that are raising the number of sensors per vehicle and the demands on performance. Regulations are being tightened in the EU, the US and China, which is raising performance requirements. The focus is on higher resolution, longer range and the transition to higher frequencies (76–81 GHz), where waveguide antennas deliver superior performance compared with traditional antenna solutions. Although still a niche technology, it is expected to capture increasing market share as volume production grows and requirements intensify in advanced ADAS and autonomous driving systems, where seven to eleven radars per vehicle are required for full automation.

Focus segments
Automotive: Gapwaves' largest segment is the passenger car industry, where radar sensors are critical for ADAS. As safety requirements and autonomous features increase, so does the number of radar sensors per vehicle and the need for efficient antenna solutions. The average passenger car is then expected to be equipped with at least three radar sensors. Among Gapwaves' customers are several important and globally leading Tier-1 suppliers in Europe, the US and Asia, including Valeo, Hella, Veoneer and Desay SV.

Smart Cities: Radar is on the way to play an important role in smart cities, where the need for optimized and monitored traffic flows is growing. High-performance radar sensors are used to monitor traffic and distinguish between vehicles, pedestrians, cyclists, and more. Meeting the performance requirements calls for waveguide antennas, which help radar sensors provide a clearer picture of traffic conditions.

Mobility: Radar sensors are used in industrial and passenger transport, from mining to buses, trains, and aircraft, enabling autonomous vehicles like self-driving trucks and robotaxis. Radar's superior performance in poor weather and lighting, compared to lidar and cameras, is vital for safe, efficient future transport systems.

Defense: Radar sensors are critical for autonomous platforms such as vehicles, unmanned aerial vehicles (UAVs) and equipment for individual soldiers, owing to their superior performance in terms of range and robustness in challenging environments involving darkness, smoke and interference. Gapwaves' mm-wave technology enables a compact form factor - a critical consideration where space and weight are constrained - and contributes to the development of next-generation advanced defense systems.

Wireless communication

Trends and drivers
Increased demand for bandwidth is driving developments in wireless communication, requiring technologies capable of handling higher frequencies. In the telecom sector, 5G is central, with demands for low latency and high data speeds to support connected cities, IoT, and autonomous vehicles, placing high demands on antenna technology. In satellite communications (satcom), the need for high-performance waveguide-based antennas is growing in line with the next generation of satellites. In both segments, the combination of high performance and cost efficiency is critical.

Focus segments
Telecom
Smart Cities, IoT, and autonomous vehicles require fast communication and high data throughput, especially in areas with many connected devices, such as airports and office buildings. This increases the need for higher frequencies (24–100 GHz and beyond), where traditional antennas fall short, while Gapwaves' technology delivers superior performance. Gapwaves technology can also be used in Fixed Wireless Access (FWA) systems for wireless broadband that can replace fiber connections.

Satcom
Satellite communication is rapidly expanding with LEO and MEO satellites that offer global coverage and high data transmission. Advanced antenna technology is required to handle high frequencies and ensure reliable communication, driven by the growing need for bandwidth to support IoT, global connectivity, and fast data transfer - particularly in remote areas.

**New low- and medium-earth orbit satellites*

Q2 2026

Business model

Revenue opportunity at each phase

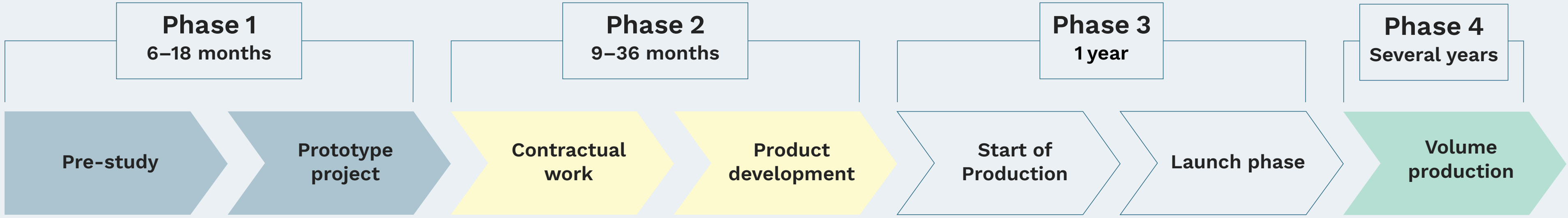
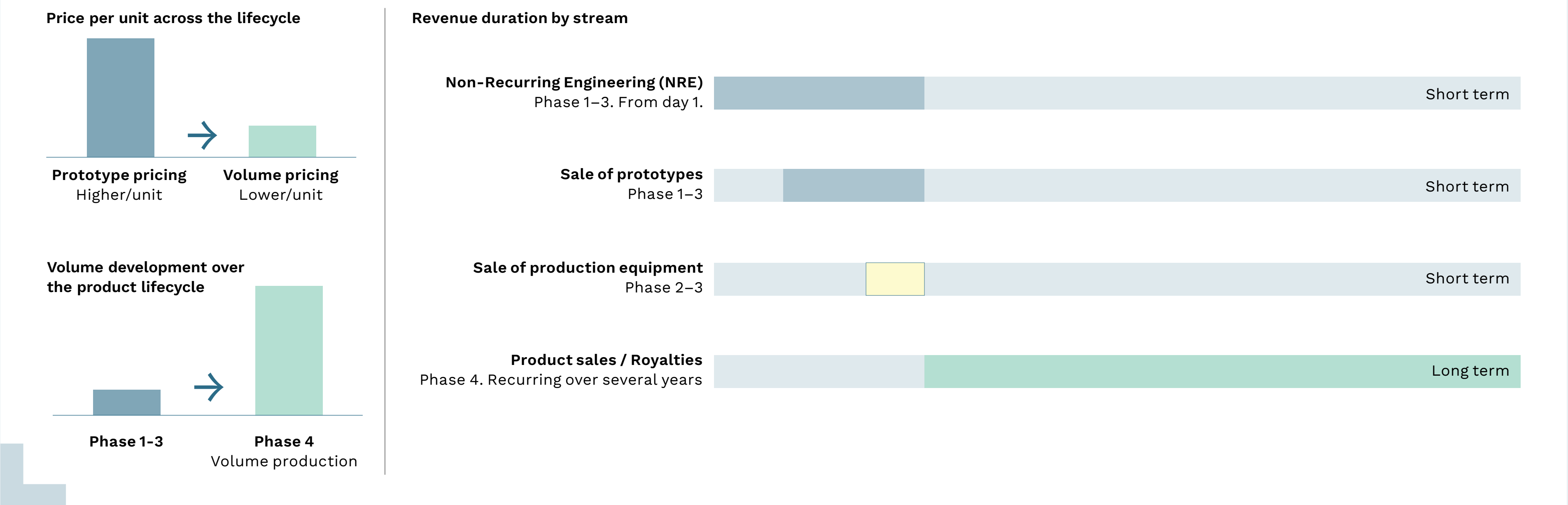


Illustration of how a complete customer engagement may unfold over time

Gapwaves' business model is designed to be able to generate revenue at every phase of a customer engagement, which can encompass four phases in total: from pre-study and prototype development, to contractual work, product development and the sale of production equipment, to the launch phase with Start of Production (SOP), and finally volume production. Non-recurring engineering (NRE) finances early-stage development, while sales of prototypes and industrialisation solutions generate revenue as the product matures. Once a customer reaches volume production - typically within two to three years of first engagement - Gapwaves captures a recurring revenue stream that normally runs for several years. As more customers progressively reach this stage, the revenue base is strengthened and broadened. The pricing structure is deliberately designed: higher margins in the early phases, lower unit prices at volume, over a longer time period and at greater scale. The result is a business model in which a new customer won today can translate into long-term revenue.

Revenue streams

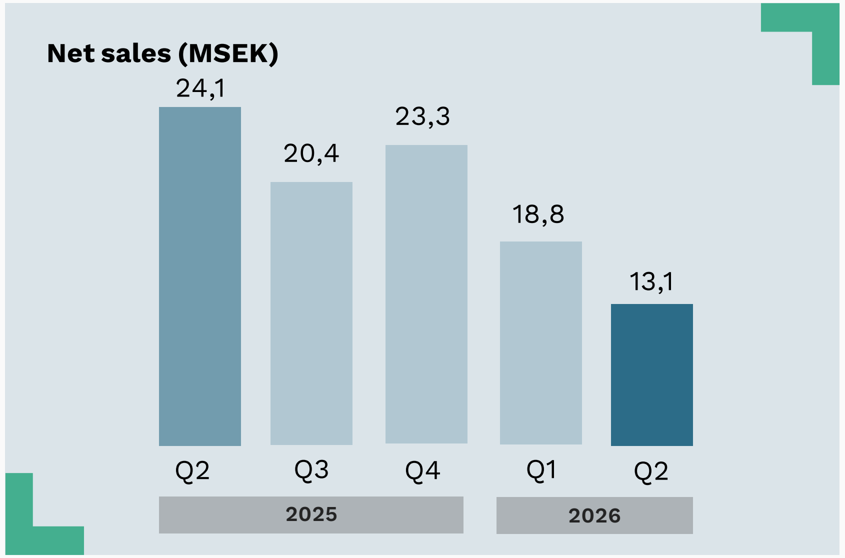


Financial overview

Quarter April-June 2026

Revenue

The Group's net sales for the quarter totalled 13,1 MSEK (24,1), representing a decrease of 46% compared to the same quarter previous year. The comparative quarter in 2025 included sales of production equipment (7,7 MSEK), higher project revenues including a revenue item related to the early termination of a project. Net sales this quarter was primarily driven by antenna sales, which is the biggest revenue stream. Project and prototype revenues from Hella, Valeo and Gotmic contributed to a smaller extent. In addition to sales revenue, the Group recognised research grants of 1,4 MSEK (0,7), invoiced costs to Sensrad AB and Qamcom Research and Technology AB totalling 0,7 MSEK (0,5) and positive FX effects of 0,3 MSEK (0,4). These items are reported under other operating income.



EBITDA and operating result

The Group's Earnings before interest, taxes, depreciation and amortization (EBITDA) decreased during the quarter compared to the previous year, totalling -16,6 MSEK (-7,2). The decrease is primarily linked to the lower revenues and a revenue mix effect moving from project sales to antenna sales.

Operating expenses excluding depreciation and results from shares in associated companies amounted to -28,8 MSEK (-29,6). The slight decrease compared to the same quarter last year is mainly attributable to the costs for products (Cost of goods sold) as no production equipment has been sold during Q2 2026. Personnel costs include non-cash cost for the LTI 2022 and 2026 programs totalling -0,8 MSEK (-0,4).

EBITDA of -16,6 MSEK includes results from shares in associated companies of -3,3 MSEK (-3,3). Adjusted for this, EBITDA for the quarter amounts to -13,3 MSEK (-3,8). The operating result for the quarter amounted to -18,5 MSEK (-8,8), and -15,2 MSEK (-5,5) when adjusted for results from shares in associated companies.

Result for the period

Net financial items totalled 0,7 MSEK (0,9), mainly attributable to interest income of 0,3 MSEK (0,3), interest expenses of -0,1 MSEK (-0,1), and exchange rate differences of 0,4 MSEK (0,7). The result for the period during the quarter amounted to –17,9 MSEK (-7,9).

Financial position and liquidity

Total assets as of 30 June 2026 amounted to 123,5 MSEK (165,8). Equity totalled 86,2 MSEK (117,3), and cash and cash equivalents was 50,9 MSEK (87,2). Part of the trade finance loan has been repaid during the quarter, which is reflected with 7,2 MSEK on short-term liabilities. The investment into production equipment in Gothenburg is reflected under fixed assets and as a long term loan. Management and the Board assess that the company's liquidity and capital position, including loan facilities, remain stable, providing a solid foundation for growth in line with the established strategy.

Cash flow and investments

Cash flow from operating activities was negative during the quarter, amounting to -11,2 MSEK (2,5). The cash flow was positively impacted by working capital movements. Cash flow from investing activities totalled -1,0 MSEK (-2,7), primarily relating to the long-term loans to Sensrad AB. Financing cash flow amounted to -10,5 MSEK, reflecting the partial repayment of the trade finance loan. Total cash flow for the period amounted to -22,6 MSEK (-0,3).

Parent company

The development of our associated company Sensrad AB has been significantly weaker than anticipated and several headwinds that arose during the quarter resulted in significantly lower sales and new players entering the market. Following an updated impairment test of our assets based on this new development, an impairment of the shares in Sensrad was made during the quarter of 35,2 MSEK. The financial effects of these events are reflected in the Parent entity's balance sheet by decreasing the value of shares in the associated company and in the financial net in the income statement. At the Group level, the carrying value of the asset has gradually decreased through the recognised share of results in Sensrad and is reported at 1,7 MSEK under investments in associated companies.

Financial overview

Period: January-June 2026

Revenue

The Group's net sales during the period amounted to 31,9 MSEK (46,9), which corresponds to a decrease of 32% compared to the same period last year. Net sales was primarily attributable to product sales of antennas to Valeo. The comparative period in 2025 included sales of production equipment (12,4 MSEK), higher project revenues, including a revenue item related to the early termination of a project. During the period this year, the Group also had revenue related to the sale of production equipment to Frencken Group of approximately 5,1 MSEK. In addition to sales revenues, research grants for approximately 2,4 MSEK (2,4) were recognized, along with currency exchange gains of 0,8 MSEK (0,9) and invoiced costs to Sensrad AB and Qamcom Research and Technology AB totalling 1,5 MSEK (1,1). These items are reported under other operating income.

EBITDA and operating result

The Group's Earnings before interest, taxes, depreciation and amortization (EBITDA) decreased during the period compared to last year and amounted to -28,9 MSEK (-13,0). The year on year decrease on EBITDA is mainly due to lower revenues and a shift in revenue mix. The start up cost for production is also contributing. Operating expenses excluding depreciation and results from shares in associated companies amounted to -59,0 MSEK (-58,8). Operating expenses are impacted by the start up costs and the higher per unit cost due to the lower launch volumes. Personnel costs include non-cash costs for the LTI 2022 and LTI 2026 programs totalling -0,4 MSEK (-0,7).

EBITDA amounted to -28,9 MSEK (-13,0), including the share of results from associated companies of -8,3 MSEK (-6,6). Adjusted for this, EBITDA for the period came in at -20,6 MSEK (-6,4). The operating result for the period was -32,7 MSEK (-16,3), and -24,4 MSEK (-9,7) when adjusted for the share of results from associated companies. Net financial items amounted to 1,5 MSEK (-0,6), which is mainly related to interest income of 0,7 MSEK (0,5), interest expenses of -0,1 MSEK (-0,2) and exchange rate differences of 1,0 MSEK (-1,0). The result for the period during the period amounted to -31,1 MSEK (-16,9).

Cash flow and investments

Cash flow from operating activities during the period amounted to -22,2 MSEK (-1,7). Cash flow from investing activities amounted to -13,5 MSEK (-3,9) and are mainly related to production equipment capex (-11 MSEK) for the flexline facility in Gothenburg and to a lesser extend to long-term loans to Sensrad AB (-2,1 MSEK). Total cash flow for the period amounted to -37,3 MSEK (-5,6).

Parent company

The development of our associated company Sensrad AB has been significantly weaker than anticipated and several headwinds that arose during the quarter resulted in significantly lower sales and new players entering the market. Following an updated impairment test of our assets based on this new development, an impairment of the shares in Sensrad was made during the quarter of 35,2 MSEK. The financial effects of these events are reflected in the Parent entity's balance sheet by decreasing the value of shares in the associated company and in the financial net in the income statement. At the Group level, the carrying value of the asset has gradually decreased through the recognised share of results in Sensrad and is reported at 1,7 MSEK under investments in associated companies.

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 35 of the 2025 Annual Report.

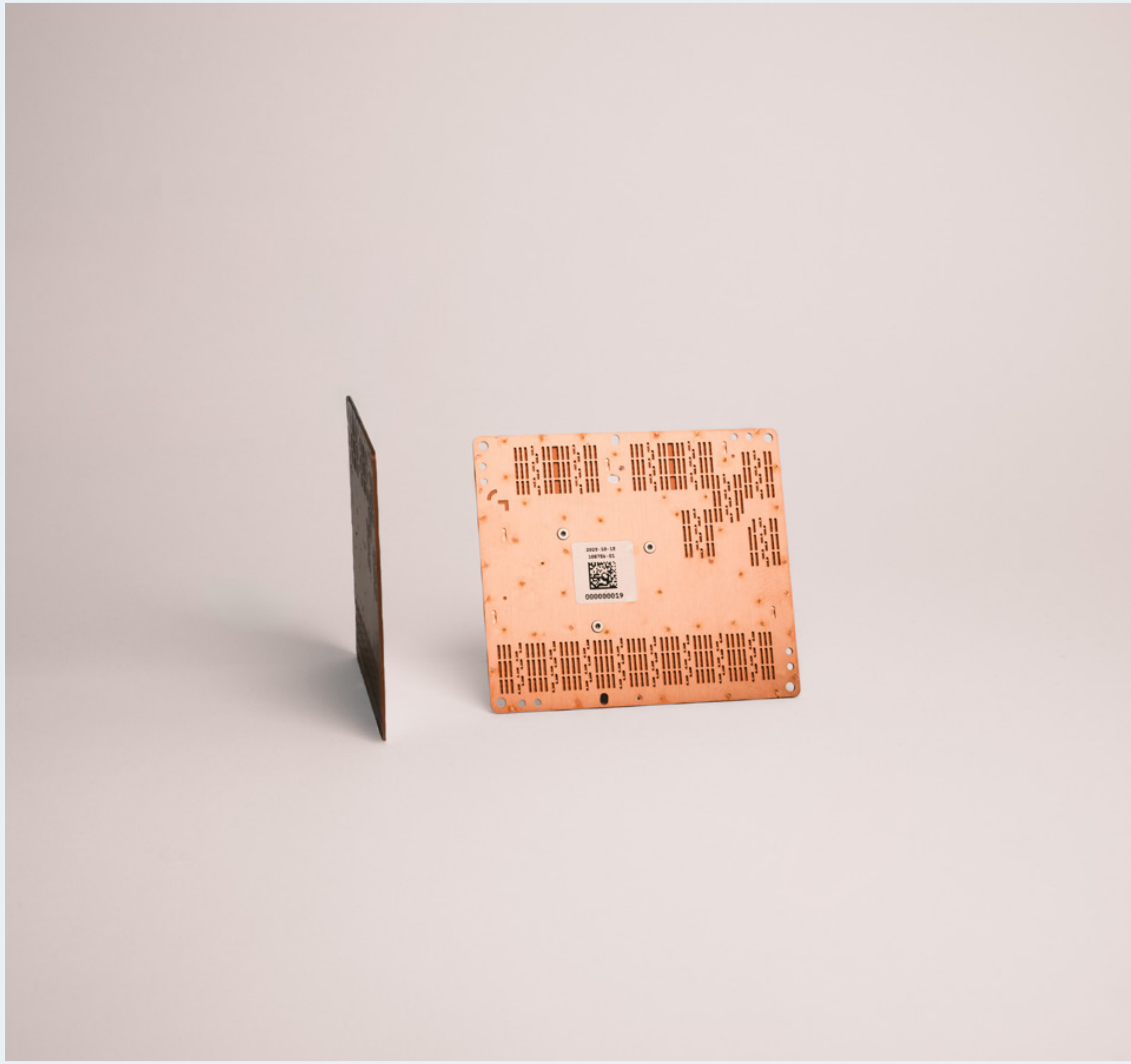
Seasonal variations
The company's revenue mix is evolving: while development projects have historically constituted a significant share of sales, product-related revenues will gradually grow in importance. Project related revenues are in their nature short term and more volatile. As we ramp up production and shift revenue streams, revenues may vary between quarters and should be assessed over time rather than on a single-period basis, and it will take time until the product revenues offset the lower project revenues.

Organization
The number of permanent employees in the Group as per June 30, 2026 was 38 (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 quarter.

Auditors' 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 June 30, 2026, the company had approximately 6 300 shareholders. The company has a total of 36 337 348 shares, of which 7 617 500 are A shares and 28 719 848 are B shares. Each A share entitles the holder to ten votes and each B share entitles the holder to one vote. As of June 30, 2026, the share capital was SEK 2 180 240,88 which represents a nominal 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

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 can comprise 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 June 30, 2026, the program has 4 participants with the opportunity to vest a maximum of 198 680 performance share rights upon the program's conclusion 1 January 2027. During the quarter, an expense of -0,7 MSEK (-0,4) has been accrued for LTI 2022.

LTI 2026
Shareholders resolved at the Annual General Meeting on May 6, 2026 to approve the Board of Directors' proposal to implement a long-term incentive programme for senior executives and other key employees within the Group. The purpose of the programme is to strengthen the Group's ability to recruit and retain key personnel.
LTI 2026 comprises a maximum of seven key employees within the Group. The maximum number of performance share rights that may be granted under the programme is limited to 476 121. As of 30 June, 2026, seven key employees had been invited to participate, with the opportunity to earn up to 476,121 performance share rights over the term of the programme. During the second quarter, an expense of -0,1 MSEK (0,0) was recognised in relation to LTI 2026.

Warrants 2026
At the Annual General Meeting on May 6, 2026, shareholders approved a warrant-based incentive program for employees. The program has not yet been implemented, as the share price has risen materially since approval, bringing the warrants into the money and making participation uneconomical on the approved terms. The Board intends to propose a revised program to a future general meeting.

Calendar

2026-10-22	Interim Report Q3 2026
2027-02-11	Year End Report 2026

10 largest shareholders based on no. of votes per June 30, 2026 (A and B shares)

	A shares	B shares	Votes	Capital share%	Voting share%
Kildal Antenn AB, incl. related parties	5 618 000	365 000	56 545 000	16,47%	53,91%
Lars-Inge Sjöqvist incl. company	748 000	121 526	7 601 526	2,39%	7,25%*
HELLA GmbH & Co. KGaA	300 000	2 804 200	5 804 200	8,54%	5,53%
Jian Yang	409 500	230 757	4 325 757	1,76%	4,12%
Abbas Vosoogh incl. company	265 000	534 450	3 184 450	2,20%	3,04%
Peter Enoksson	185 500	139 125	1 994 125	0,89%	1,90%
Avanza Pension	-	1 606 219	1 606 219	4,42%	1,53%
Nordnet Pensionsförsäkring	-	1 594 267	1 594 267	4,39%	1,52%
Ashraf Uz Zaman	65 000	217 000	867 000	0,78%	0,83%
Nordea Liv & Pension	-	728 028	728 028	2,00%	0,69%
Others	26 500	20 379 276	20 644 276	56,16%	19,68%
Total	**7 617 500**	**28 719 848**	**104 894 848**	**100,00%**	**100,00%**

Source: Modular Finance
** Last verified as of 31 March 2026. Nominee registration with a foreign custodian.*

Income statement Consolidated Group

KSEK	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Full Year 2025
OPERATING INCOME					
Net sales	13 064	24 054	31 892	46 853	90 553
Other operating income	2 467	1 662	4 662	4 200	8 254
Total operating income	**15 530**	**25 716**	**36 554**	**51 053**	**98 807**
OPERATING EXPENSES					
Goods for resale	-6 375	-9 595	-15 387	-16 322	-47 072
Other external costs	-8 100	-7 418	-15 303	-14 482	-32 453
Personnel costs	-14 188	-12 632	-25 892	-25 228	-51 264
Depreciation/amortization of property, plant and equipment and intangible assets	-1 940	-1 626	-3 786	-3 311	-6 741
Other operating expenses	-124	90	-548	-1 399	-1 887
Total operating expenses	**-30 726**	**-31 182**	**-60 916**	**-60 743**	**-139 418**
Results from shares in associated companies	-3 306	-3 312	-8 287	-6 591	-16 471
EBIT	**-18 502**	**-8 778**	**-32 650**	**-16 281**	**-57 082**
FINANCIAL ITEMS					
Financial income	1 417	1 122	2 892	1 413	2 524
Financial expenses	-767	-232	-1 353	-2 016	-3 683
Total financial items	**651**	**890**	**1 539**	**-604**	**-1 159**
Loss after financial items	**-17 851**	**-7 888**	**-31 111**	**-16 885**	**-58 241**
TAX					
Tax on result for the period	-	-	-	-	-
LOSS FOR THE PERIOD	**-17 851**	**-7 888**	**-31 111**	**-16 885**	**-58 241**
No. of shares at the end of the period	36 337 348	31 146 299	36 337 348	31 146 299	31 146 299
Average no. of shares during the period before dilution	36 337 348	31 146 299	36 337 348	31 146 299	31 146 299
No. of shares at the end of the period after full dilution*	36 337 348	31 648 840	36 337 348	31 146 299	31 648 840
Average no. of shares during the period after full dilution*	36 337 348	31 648 840	36 337 348	31 146 299	31 648 840
Earnings per share before and after dilution (SEK)	Neg.	Neg.	Neg.	Neg.	Neg.

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

Balance sheet
Consolidated Group

KSEK	2026-06-30	2025-12-31
Assets		
Non-current assets		
Intangible assets		
Capitalized expenditure on research and development and similar works	233	466
Concessions, patents, licenses, trademarks and similar rights	3 747	5 612
Total intangible assets	**3 980**	**6 079**
Property, plant and equipment		
Equipment, tools, fixtures and fittings	16 220	6 546
Total property, plant and equipment	**16 220**	**6 546**
Financial assets		
Shares in associated companies	1 703	9 990
Long-term receivables from associated companies	17 507	15 407
Deferred tax	766	1 149
Long-term deposits	658	665
Total financial assets	**20 634**	**27 211**
Total non-current assets	**40 834**	**39 836**
Current assets		
Inventories	5 677	3 679
Total inventories	**5 677**	**3 679**
Current receivables		
Accounts receivable	16 897	16 128
Short-term receivables in associated companies	1 708	357
Other receivables	1 990	3 063
Accrued but unbilled revenue	-	10 659
Prepaid expenses and accrued income	5 481	4 918
Total current receivables	**26 075**	**35 124**
Cash and bank balances		
Cash and bank balances	50 878	87 150
Total cash and bank balances	**50 878**	**87 150**
Total current assets	**82 630**	**125 953**
TOTAL ASSETS	**123 463**	**165 789**

Balance sheet
Consolidated Group

KSEK	2026-06-30	2025-12-31
EQUITY AND LIABILITIES		
Equity		
Share capital	2 180	2 180
Other contributed capital	497 370	497 445
Other equity including loss for the period	-413 314	-382 351
Total equity	**86 236**	**117 274**
Provisions		
Deferred tax	766	1 149
Total provisions	**766**	**1 149**
Non-current liabilities		
Long term liabilities to credit institution	4 864	-
Total non-current liabilities	**4 864**	**-**
Current liabilities		
Liabilities to credit institution	7 164	13 522
Accounts payable	7 292	14 594
Current tax liabilities	272	668
Other liabilities	4 063	4 966
Billings in excess of costs	1 682	1 098
Accrued expenses and deferred income	11 125	12 519
Total current liabilities	**31 598**	**47 367**
TOTAL EQUITY AND LIABILITIES	**123 463**	**165 789**

Statement of changes in equity Consolidated Group

			Other equity including loss for the period	
KSEK	Share capital	Other contributed capital	Retained earnings, etc	Total equity
Opening balance 2026-01-01	**2 180**	**497 445**	**-382 351**	**117 274**
Rights issue	-	-75	-	-75
Share options program	-		148	148
Loss for the period	-	-	-31 111	-31 111
Closing balance 2026-06-30	**2 180**	**497 370**	**-413 314**	**86 236**

Cash flow statement
Consolidated Group

KSEK	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Full Year 2025
Operating activities					
EBIT	-18 502	-8 778	-32 650	-16 281	-57 082
Adjustments for non-cash items, etc*	5 397	4 777	11 999	11 239	25 583
Interest paid	-84	-110	-174	-196	-1 173
Paid tax	33	60	-396	-195	-112
Cash flow from operating activities before changes in working capital	**-13 155**	**-4 051**	**-21 221**	**-5 434**	**-32 784**
Changes in working capital					
Changes in operating receivables	1 531	12 187	10 540	2 761	-1 750
Changes in operating liabilities	1 196	-5 241	-9 563	1 796	5 564
Changes in inventories	-725	-445	-1 998	-823	-1 588
Cash flow from operating activities	**-11 153**	**2 450**	**-22 242**	**-1 700**	**-30 557**
Investing activities					
Acquisition of property, plant and equipment	-393	-931	-11 362	-1 158	-1 977
Long-term deposits	7	-	7	-	-
Loans provided	-600	-1 800	-2 100	-2 700	-4 950
Cash flow from investing activities	**-985**	**-2 731**	**-13 454**	**-3 858**	**-6 927**
Financing activities					
Rights issue	-	-	-75	-	71 611
Loans	393	-	9 607	-	13 522
Loan amortization	-10 809	-	-11 101	-	-
Cash flow from financing activities	**-10 416**	**-**	**-1 569**	**-**	**85 133**
Cash flow for the period	**-22 555**	**-281**	**-37 265**	**-5 558**	**47 649**
Cash and cash equivalents at beginning of period	**73 028**	**33 782**	**87 150**	**40 752**	**40 752**
Exchange rate effects	**405**	**698**	**993**	**-997**	**-1 250**
Cash and cash equivalents at end of period	**50 878**	**34 198**	**50 878**	**34 198**	**87 150**

**Non-cash flow items during the quarter mainly comprise of results from shares in associated companies, amounting to 3 306 KSEK (3 312) and depreciation of tangible and intangible assets, amounting to 1 940 KSEK (1 626). Adjustments for non-cash items for the period January to June primarily consist of results from shares in associated companies amounting to 8 287 KSEK (6 591) and depreciation of tangible and intangible assets, amounting to 3 786 KSEK (3 311) for the period January to June.*

Income statement Parent Company

KSEK	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Full Year 2025
OPERATING INCOME					
Net sales	13 064	24 054	31 892	46 853	90 553
Other operating income	2 467	1 662	4 662	4 200	8 254
Total operating income	**15 530**	**25 716**	**36 554**	**51 053**	**98 807**
OPERATING EXPENSES					
Goods for resale	-6 374	-9 595	-15 387	-16 322	-47 072
Other external costs	-8 099	-7 418	-15 303	-14 481	-32 444
Personnel costs	-14 188	-12 632	-25 892	-25 228	-51 264
Depreciation/amortization of property, plant and equipment and intangible assets	-1 011	-697	-1 928	-1 453	-3 024
Other operating expenses	-124	90	-548	-1 399	-1 887
Total operating expenses	**-29 796**	**-30 252**	**-59 057**	**-58 883**	**-135 692**
EBIT	**-14 266**	**-4 536**	**-22 503**	**-7 830**	**-36 885**
FINANCIAL ITEMS					
Financial income	1 426	1 122	2 892	1 413	2 524
Financial expenses	-36 017	-232	-36 595	-2 016	-22 683
Total financial items	**-34 591**	**890**	**-33 703**	**-604**	**-20 159**
Loss after financial items	**-48 857**	**-3 646**	**-56 207**	**-8 434**	**-57 044**
TAX					
Tax on loss for the year	-	-	-	-	-
LOSS FOR THE PERIOD	**-48 857**	**-3 646**	**-56 207**	**-8 434**	**-57 044**
Earnings per share before and after dilution (SEK)	Neg.	Neg.	Neg.	Neg.	Neg.
Average no. of shares for the period	36 337 348	31 146 299	36 337 348	31 146 299	31 146 299

Balance sheet
Parent Company

KSEK	2026-06-30	2025-12-31
ASSETS		
Non-current assets		
Intangible assets		
Capitalized expenditure on research and development and similar works	233	466
Concessions, patents, licenses, trademarks and similar rights	30	37
Total intangible assets	**263**	**503**
Property, plant and equipment		
Equipment, tools, fixtures and fittings	16 220	6 546
Total property, plant and equipment	**16 220**	**6 546**
Financial assets		
Shares in subsidiaries	15 464	15 464
Shares in associated companies	1 703	36 945
Long-term receivables in associated companies	17 507	15 407
Long-term deposits	658	665
Total financial assets	**35 332**	**68 481**
Total non-current assets	**51 815**	**75 531**
Current assets		
Inventories	5 677	3 679
Total inventories	**5 677**	**3 679**
Current receivables		
Accounts receivable	16 897	16 128
Short-term receivables from associated companies	1 708	357
Other receivables	1 990	3 063
Accrued but unbilled revenue	-	10 659
Prepaid expenses and accrued income	5 481	4 918
Total current receivables	**26 075**	**35 124**
Cash and bank balances		
Cash and bank balances	50 854	87 126
Total cash and bank balances	**50 854**	**87 126**
Total current assets	**82 606**	**125 929**
TOTAL ASSETS	**134 421**	**201 460**

Balance sheet
Parent Company

KSEK	2026-06-30	2025-12-31
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	2 180	2 180
Development expenditure fund	233	466
Total restricted equity	**2 413**	**2 647**
Non-restricted equity		
Share premium reserve	497 370	497 445
Retained earnings	-345 617	-288 954
Loss for the period	-56 207	-57 044
Total non-restricted equity	**95 546**	**151 446**
Total equity	**97 959**	**154 093**
Non-current liabilities		
Long term liabilities to credit institutions	4 864	-
Total non-current liabilities	**4 864**	**-**
Current liabilities		
Liabilities to credit institution	7 164	13 522
Accounts payable	7 292	14 594
Current tax liabilities	272	668
Other liabilities	4 063	4 966
Billings in excess of costs	1 682	1 098
Accrued expenses and deferred income	11 125	12 519
Total current liabilities	**31 598**	**47 367**
TOTAL EQUITY AND LIABILITIES	**134 421**	**201 460**

Statement of changes in equity Parent Company

	Restricted equity		Non-restricted equity			
KSEK	Share capital	Development expenditure fund	Share premium reserve	Retained earnings	Loss for the year	Total equity
Opening balance 2026-01-01	**2 180**	**466**	**497 445**	**-288 954**	**-57 044**	**154 093**
Reallocation profit/loss prev. year	-	-	-	-57 044	57 044	-
Rights issue	-	-	-75	-	-	-75
Share options program	-	-	-	148	-	148
Changes in development expenditure fund for the year	-	-233	-	233	-	-
Loss for the period	-	-	-	-	-56 207	-56 207
Closing balance 2026-06-30	**2 180**	**233**	**497 370**	**-345 617**	**-56 207**	**97 959**

Cash flow statement
Parent Company

KSEK	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Full Year 2025
Operating activities					
EBIT	-14 266	-4 536	-22 503	-7 830	-36 885
Adjustments for non-cash items, etc*	1 162	536	1 854	2 789	5 395
Interest paid	-84	-110	-174	-196	-1 173
Paid tax	33	60	-396	-195	-112
Cash flow from operating activities before changes in working capital	**-13 155**	**-4 050**	**-21 220**	**-5 433**	**-32 775**
Changes in working capital					
Changes in operating receivables	1 531	12 186	10 540	2 761	-1 750
Changes in operating liabilities	1 196	-5 241	-9 563	1 796	5 564
Changes in inventories	-725	-445	-1 998	-823	-1 588
Cash flow from operating activities	**-11 153**	**2 449**	**-22 241**	**-1 699**	**-30 549**
Investing activities					
Acquisition of property, plant and equipment	-393	-931	-11 362	-1 158	-1 977
Long-term deposits	7	-	7	-	-
Loans provided	-600	-1 800	-2 100	-2 700	-4 950
Cash flow from investing activities	**-985**	**-2 731**	**-13 454**	**-3 858**	**-6 927**
Financing activities					
Rights issue	-	-	-75	-	71 611
Loans	393	-	9 607	-	13 522
Loan amortization	-10 809	-	-11 101	-	-
Cash flow from financing activities	**-10 416**	**-**	**-1 569**	**-**	**85 133**
Cash flow for the period	**-22 554**	**-281**	**-37 264**	**-5 556**	**47 657**
Cash and cash equivalents at beginning of period	**73 004**	**33 749**	**87 126**	**40 719**	**40 719**
Exchange rate effects	**405**	**698**	**993**	**-997**	**-1 250**
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**50 854**	**34 166**	**50 854**	**34 166**	**87 126**

** Non-cash flow items during the quarter mainly consist of depreciation on tangible and intangible assets amounting to 1 011 KSEK (697), costs related to LTI of 339 KSEK (334), together with unrealized exchange rate difference amounting to -222 KSEK (-495). Non-cash flow items for the period January to June mainly consist of depreciation on tangible and intangible assets amounting to 1 928 KSEK (1 453), costs related to LTI of 148 KSEK (669) and unrealized exchange rate difference amounting to -188 KSEK (667).*

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, 17 July 2026
Gapwaves AB (publ)

Viktor Fritzén
Interim Chairman

Ulrika Molander
Board member

Madeleine Schilliger Kildal
Board member

Jonas Ehinger
CEO

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.

For more information
For more information about Gapwaves, please visit the company's website: **www.gapwaves.com**

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

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

Nils Mösko, CFO
Tel: +46 701 71 47 54
E-mail: nils.mosko@gapwaves.com

GAPWAVES

Tech that sees the human side of things.

About Gapwaves AB (publ)
Gapwaves AB (publ) develops wireless solutions based on unique and patented waveguide technology for millimetre-wave applications. Our products are primarily used in antennas for radar systems enabling autonomous driving and advanced safety solutions within the automotive industry. Through collaborations with leading players in the sector, we contribute to the development of safer and more efficient transport systems. The technology is cost-efficient, combines high performance with a compact design and is also suitable for industrial automation, telecommunications, smart cities, and civil-military applications – areas where precision and reliability are crucial. Gapwaves was founded in 2011 from research at Chalmers University of Technology and is listed on Nasdaq First North Growth Market Stockholm (GAPW B), with G&W Fondkommission as certified adviser.

Contact
Gapwaves AB (publ)
Reg. no.1 556840-2829

Headquarters:
Nellickevägen 22,
412 63 Gothenburg,
Sweden

Phone: +46 31-762 60 40
Email: info@gapwaves.com

www.gapwaves.com