

GAPWAVES

# Interim report Q2 2025





Q2 2025

# The period in brief

### Second quarter April-June 2025

- Net sales amounted to MSEK 24.1 (14.5), an increase of 66 % compared to the second quarter of 2024.
- EBITDA improved and amounted to MSEK -7.2 (-12.5), while EBITDA adjusted for results from shares in associated companies amounted to MSEK -3.8 (-8.8).
- The operating result/EBIT amounted to MSEK -8.8 (-14.3), whereas operating result adjusted for results from shares in associated companies amounted to MSEK -5.5 (-10.6).
- The result for the period amounted to MSEK -7.9 (-14.4).
- Earnings per share before and after dilution was neg. (neg.).
- Cash flow for the period amounted to MSEK -0.3 MSEK (-2.2).
- The Group’s cash and cash equivalents amounted to MSEK 34.2 MSEK (66.9).

### January-June 2025

- Net sales amounted to MSEK 46.9 MSEK (30.1), an increase of 56 % compared to the same period in 2024.
- EBITDA improved compared to the first half of 2024 and amounted to MSEK -13.0 (-25.5), while EBITDA adjusted for results from shares in associated companies amounted to MSEK -6.4 (-17.6).
- The operating result/EBIT amounted to MSEK -16.3 (-29.2), whereas operating result adjusted for results from shares in associated companies amounted to MSEK -9.7 (-21.3).
- The result for the period amounted to MSEK -16.9 MSEK (-28.0).
- Earnings per share before and after dilution was neg. (neg.).
- Cash flow for the period amounted to MSEK -5.6 (-22.8).

### Significant events during the period

- Robert Berhof is leaving his role as CFO for another assignment. Nils Mösko was appointed as interim CFO.
- Gapwaves entered into a development agreement with Desay SV, a leading Chinese Automotive Tier-1 supplier.

### Significant events after the end of the period

- Gapwaves initiates production for Valeo at the Gothenburg facility. The first series delivery to Valeo was made on July 1.
- Gapwaves received follow-up orders from Hella.



TSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full Year 2024
Net sales	24 054	14 488	46 853	30 100	66 079
EBITDA	-7 152	-12 454	-12 970	-25 465	-47 057
EBIT	-8 778	-14 309	-16 281	-29 203	-54 398
Result for the period	-7 888	-14 407	-16 885	-28 036	-52 070
Cash flow for the period	-281	-2 232	-5 558	-22 834	-5 558
Equity/assets ratio, %	73,6	83,0	73,6	83,0	73,6
Average no. of shares	31 146 299	31 146 299	31 146 299	31 146 299	31 146 299
Earnings per share before and after dilution (SEK)	neg	neg	neg	neg	neg
No. of FTEs	42	42	42	42	44

”Gapwaves is continuing its scaling up and transition to a full-fledged product supplier in various areas based on the company's unique gapwaveguide technology. The quarter was positive, and focus remains on delivering according to the set strategy in order to drive long-term growth.”

Jonas Ehinger, CEO Gapwaves

# Transformation underway

Growth remained good and revenue during the second quarter increased by 66% to MSEK 24.1 compared to Q2 last year, despite a turbulent environment and challenging market. The underlying market trends remain unchanged, with growth driven by increased demand for security from consumers, stricter regulatory requirements, and technical regulations. Additionally, we have achieved a very important milestone: the start of production for the antennas for Valeo.

## Mixed sentiment in an uncertain environment

The growth we have had earlier in the year continued into the second quarter, even if we are now noticing increased uncertainty among our customers. While some Tier-1 suppliers and OEMs are postponing their investment decisions, others are moving in the opposite direction and are instead bringing projects forward. We expect the overall market climate to remain challenging throughout the remainder of the year, like in most other industrial areas. The underlying trends that drive demand for our gapwaveguide technology have not changed though.

## Deliveries to Valeo have begun

Valeo is one example of a Tier-1 that is accelerating its projects, and who consequently brought forward the start of production. The first series delivery took place on 1 July in our production facility in Gothenburg. Thanks to our new pilot production facility, and not least the team's great commitment and hard work, we were able to deliver this according to plan. The start of production is a very crucial step within Automotive, and I would particularly like to emphasise the importance of yet another Gapwaves'

antenna that we have developed now being in production and volume ramp-up. Valeo is gaining market share in the ADAS and radar area. They have communicated a number of new agreements, for example an agreement with the German Volkswagen Group, a global premium car manufacturer, and another European car manufacturer in the premium segment at the end of June. It is very positive for Gapwaves that Valeo is strengthening its position in ADAS and radar. We already have a strategic and long-term agreement, in which Gapwaves is a supplier. When Valeo secures new business, the conditions are created for our collaboration with Valeo to continue to expand in the coming years.

## Further geographical diversification

We are continuing to expand geographically in our customer base, and have made even more progress in Asia during the quarter with the collaboration with Desay SV, a leading Tier-1 supplier in China. This collaboration positions us well in the Chinese market, which now represents ca 35% of the global automotive market.

## Continued momentum for Sensrad

Sensrad continues to develop well both commercially and technologically, now with two well-defined application areas: industrial and military autonomous vehicles, and surveillance and security. Sensrad's largest customer so far is active in autonomous vehicles for military applications.

In conclusion, I can state that Gapwaves is continuing its scaling up and transition to a full-fledged product supplier in various areas based on the company's unique gapwaveguide technology. The quarter was positive, and focus remains on executing and delivering according to the set strategy in order to drive long-term growth. I would like to thank all our employees, customers, and partners around the world for their contributions.

Gothenburg, 25 July 2025

Jonas Ehinger, CEO Gapwaves AB (publ)



Q2 2025

# This is Gapwaves

## Who we are

Gapwaves is an innovative Swedish technology company that develops, designs, and manufactures advanced antenna products for millimeter wave applications, based on more than 40 proprietary patents. The company was founded in 2011 by Professor Per-Simon Kildal at Chalmers University of Technology.

## What we do

Focusing on cost-effective, compact, and high-performance antenna solutions, we support companies in the automotive industry, smart cities, mobility, telecom, and satellite communications with innovative solutions to today's and tomorrow's challenges. Gapwaves' antenna technology enables, among other things, high-performance radar sensors for the automotive industry, more powerful and cost-effective wireless communication solutions, and safer, more efficient traffic flow in smart cities, and a higher degree of vehicle autonomy in mobility.

## 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

**>400 000**  
are planned to be produced in 2025

**>40**  
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 increased security requirements and new features

Tighter security standards and new functionalities are driving demand for radar sensors, making Gapwaves' antenna technology essential. This includes requirements in advanced driver-assistance systems (ADAS) in vehicles and traffic management in smart cities.

### From research to commercial technology company

Volume production started in 2024. The technology and business model have proven competitive, endorsed by industry giants like Valeo, Hella, Magna, 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, 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 2025

# Market overview

## Radar

### Trends and drivers

The development of automotive radar is driven by stricter safety requirements, new legislation, and increased automation – all factors that raise both the number of sensors per vehicle and performance demands. In both the EU and the US, regulations are tightening. For example, Europe is mandating automatic emergency braking systems (AEB), while the US is introducing new pedestrian protection guidelines through US NCAP and FMVSS 127. These raise performance standards, especially for nighttime and high-speed conditions. The focus is on higher resolution, longer range, and the transition to higher frequencies (76–81 GHz), where waveguide antennas offer superior performance. Although still a niche technology, waveguide antennas are expected to gain market share as volume production scales up and requirements in advanced ADAS and autonomous driving systems increase, with full automation requiring 7–11 radars per vehicle.

### Focus segments

#### Automotive

Gapwaves' primary focus is the passenger vehicle industry, where radar sensors are crucial for ADAS. As safety regulations and levels of driving automation increase, so does the number of radar sensors

per vehicle and the demand for efficient antenna solutions. An average passenger vehicle is expected to be equipped with at least 3 radar sensors. Gapwaves works with several leading global Tier-1 suppliers in Europe, the US, and Asia, including Valeo, Hella, Magna, 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. These sensors need high-performance waveguide antennas.

## 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. It is also 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.



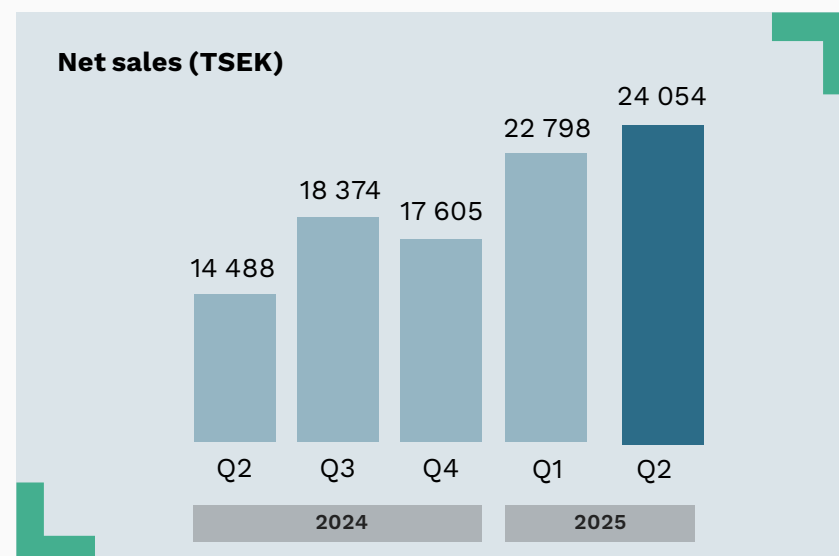
*\*New low- and medium-earth orbit satellites*

# Financial overview

## Quarter: April-June 2025

### Revenue

The Group's net sales during the second quarter amounted to TSEK 24 054 (14 488), which corresponds to an increase of 66% compared to the same quarter previous year. Net sales were primarily attributable to project and prototype related revenue from Hella, Valeo, Desay SV, and the sale of production equipment to Frencken Group for ca TSEK 7 650 (1 390). In addition to sales revenues, research grants totaling TSEK 700 (270) were recognized, along with currency exchange gains of TSEK 405 (118) and invoiced costs to Sensrad AB and Qamcom Research and Technology AB totaling TSEK 531 (707), which are reported under other operating revenues.



### EBITDA and operating result

The Group's Earnings before interest, taxes, depreciation and amortization (EBITDA) was strengthened during the second compared to last year and amounted to TSEK -7 152 (-12 454). The improvement in EBITDA during the quarter is mainly explained by higher revenue. Operating expenses excluding depreciation and results from shares in associated companies amounted to TSEK 29 556 (26 204). Operating expenses have increased compared to the same quarter last year, mainly due to higher costs for goods related to a higher proportion of revenue coming from product sales and sales of production equipment, as well as unfavorable currency effects. Personnel costs include costs for LTI 2022 totaling TSEK 364 (523), which are not affecting cash flow. EBITDA includes results from shares in associated companies of TSEK -3 312 (-3 688), which is related to amortization of Goodwill TSEK -1 075 (-1 075) and the Group's share of the associated company's profit TSEK -2 237 (-2 612). Adjusted for this, EBITDA amounted to TSEK -3 840 (-8 766) during the quarter. The operating result during the quarter amounted to TSEK -8 778 (-14 309) and TSEK -5 466 (-11 618) when adjusting for results from shares in associated companies.

### Result for the period

Net financial items amounted to TSEK 890 (-98), which is mainly related to interest income of TSEK 302 (376), interest expenses of TSEK 99 (0) and exchange rate differences of TSEK 698 (-459). The result for the period during the quarter amounted to TSEK -7 888 (-14 407).

### Financial position and liquidity

Total assets as per June 30, 2025 amounted to TSEK 117 387 (151 749). Equity was TSEK 86 351 (126 010). Cash and cash equivalents was TSEK 34 198 (66 945). 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. 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 was positive during the quarter and amounted to TSEK 2 450 (5 224) and is affected by an increase in accounts receivable, and there is also a timing effect related to payments from the company's customers. Cash flow from investing activities amounted to TSEK -2 731 (-7 456) and are mainly related to deposit to Sensrad AB. Cash flow for the period amounted to TSEK -281 (-2 232).

# Financial overview

**Period: January-June 2025**

## Revenue

The Group's net sales during the period amounted to TSEK 46 853 (30 100), which corresponds to an increase of 56% compared to the same period 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. During the period, the Group also had revenue related to the sale of production equipment to Frencken Group for approx. TSEK 12 400 (6 400). In addition to sales revenues, research grants totaling TSEK 2 329 559) were recognized, along with currency exchange gains of TSEK 732 (258) and invoiced costs to Sensrad AB and Qamcom Research and Technology AB totaling TSEK 1 089 (1 391), which are reported under other operating revenues.

## EBITDA and operating result

The Group's Earnings before interest, taxes, depreciation and amortization (EBITDA) was strengthened during the period compared to last year and amounted to TSEK -12 970 (-25 465). The improvement in EBITDA during the quarter is mainly explained by higher sales. Operating expenses excluding depreciation and results from shares in associated companies amounted to TSEK 57 432 (49 894). Operating expenses have increased compared to the same period last year, mainly due to higher costs for goods related to a higher proportion of revenue coming from product sales and sales of production equipment, as well as unfavorable currency effects. Personnel costs include costs for LTI 2022 totaling TSEK 755 (901), which are not affecting cash flow. EBITDA includes results from shares in associated companies of TSEK -6 591 (-7 879), which is related to amortization of Goodwill TSEK -2 150 (-2 150) and the Group's share of the associated company's profit TSEK -4 016 (-6 120). Adjusted for this, EBITDA amounted to TSEK -6 379 (-17 586) during the period. The operating result during the period amounted to TSEK -16 281 (-29 203) and TSEK -9 690 (-21 324) when adjusting for results from shares in associated companies.

## Result for the period

Net financial items amounted to TSEK -604 (1 167), which is mainly related to interest income of TSEK 589 (736), interest expenses of TSEK 185 (0) and exchange rate differences of TSEK -997 (447). The result for the period during the quarter amounted to TSEK -16 885 (-28 036).

## Cash flow and investments

Cash flow from operating activities improved during the period and amounted to TSEK -1 700 (-7 332) and is affected by changes in working capital, with the greatest impact from the increase in accounts receivable. Cash flow from investing activities amounted to TSEK -3 858 (-15 502) and are mainly related to deposit to Sensrad AB. Cash flow for the period amounted to TSEK -5 558 (-22 834).

# 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 34 of the 2024 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 June 30, 2025 was 42 (42).

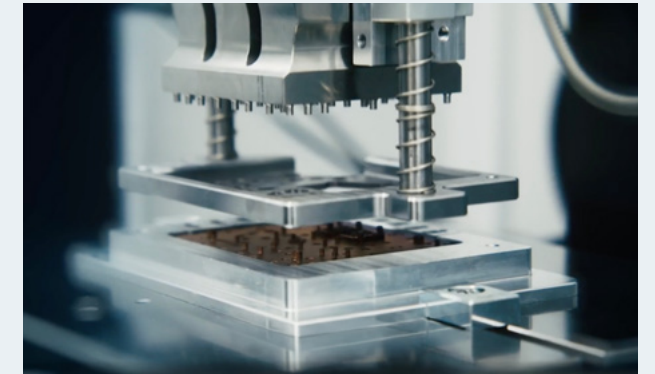
## ESG activities

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 second quarter of 2025.

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





# 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, 2025, the company had approximately 5,900 shareholders. The company has a total of 31,146,299 shares, of which 7,617,500 are A shares and 23,528,799 are B shares. Each A share entitles the holder to ten votes and each B share entitles the holder to one vote. As of June 30, 2025, 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](http://www.gwkapital.se)

Analysts following Gapwaves

Carnegie – Jakob Söderblom  
Redeye – Rasmus Jacobsson  
SEB – Erik Lindholm-Röjestål

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. As of June 30 2025, no warrants are expected to be exercised, and therefore no dilution is expected as a result.

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 30 June 2025, the program has 4 participants with the possibility to earn a maximum of 318,285 performance stock rights. During the second quarter, an expense of TSEK 364 (523), including a cost of TSEK 30 (150) in employer contributions, has been accrued for LTI 2022. For the period January-June, a cost of TSEK 755 (901), including a

cost of TSEK 86 (165) in employer contributions, has been accrued for LTI 2022.

Calendar

2025-10-24	Interim report Q3 2025
2026-02-06	Year end report 2025

10 largest shareholders based on no. of votes per June 30, 2025 (A and B shares)

	A shares	B shares	Votes	Capital share%	Voting share%
Kildal Antenn AB, incl. related parties	5 618 000	440 600	56 620 600	19,45%	56,79%
Lars-Inge Sjöqvist incl. company	748 000	95 694	7 575 694	2,71%	7,60%
HELLA GmbH & Co. KGaA	300 000	2 844 000	5 844 000	10,09%	5,86%
Jian Yang	409 500	140 545	4 235 545	1,77%	4,25%
Abbas Vosoogh incl. company	265 000	531 815	3 181 815	2,56%	3,19%
Peter Enoksson	185 500	92 750	1 947 750	0,89%	1,95%
Nordnet pensionsförsäkring AB	-	1 440 141	1 440 141	4,62%	1,44%
Avanza Pension	-	1 423 112	1 423 112	4,57%	1,43%
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	26 500	15 820 142	16 085 142	50,88%	16,13%
Total	7 617 500	23 528 799	99 703 799	100,00%	100,00%

Source: Modular Finance & Euroclear



# Income statement Consolidated Group

TSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full year 2024
<b>OPERATING INCOME</b>					
Net sales	24 054	14 488	46 853	30 100	66 079
Other operating income	1 662	1 095	4 200	2 209	4 396
<b>Total operating income</b>	<b>25 716</b>	<b>15 584</b>	<b>51 053</b>	<b>32 308</b>	<b>70 475</b>
<b>OPERATING EXPENSES</b>					
Goods for resale	-9 595	-4 005	-16 322	-9 006	-23 384
Other external costs	-7 418	-7 118	-14 482	-14 170	-28 137
Personnel costs	-12 632	-12 841	-25 228	-26 317	-50 400
Depreciation/amortization of property, plant and equipment and intangible assets	-1 626	-1 854	-3 311	-3 739	-7 340
Other operating expenses	90	-385	-1 399	-401	-596
<b>Total operating expenses</b>	<b>-31 182</b>	<b>-26 204</b>	<b>-60 743</b>	<b>-53 632</b>	<b>-109 857</b>
Results from shares in associated companies	-3 312	-3 688	-6 591	-7 879	-15 015
<b>EBIT</b>	<b>-8 778</b>	<b>-14 309</b>	<b>-16 281</b>	<b>-29 203</b>	<b>-54 398</b>
<b>FINANCIAL ITEMS</b>					
Financial income	1 122	1 011	1 413	2 367	4 637
Financial expenses	-232	-1 109	-2 016	-1 200	-2 310
<b>Total financial items</b>	<b>890</b>	<b>-98</b>	<b>-604</b>	<b>1 167</b>	<b>2 327</b>
<b>Loss after financial items</b>	<b>-7 888</b>	<b>-14 407</b>	<b>-16 885</b>	<b>-28 036</b>	<b>-52 070</b>
<b>TAX</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Tax on result for the year	-	-	-	-	-
<b>LOSS FOR THE PERIOD</b>	<b>-7 888</b>	<b>-14 407</b>	<b>-16 885</b>	<b>-28 036</b>	<b>-52 070</b>
No. of shares at the end of the period	31 146 299	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	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	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	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

TSEK	2025-06-30	2024-12-31
<b>Assets</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>		
Capitalized expenditure on research and development and similar works	814	1 229
Concessions, patents, licenses, trademarks and similar rights	7 478	9 345
<b>Total intangible assets</b>	<b>8 291</b>	<b>10 574</b>
<b>Property, plant and equipment</b>		
Equipment, tools, fixtures and fittings	3 565	4 594
Construction in progress	3 379	2 221
<b>Total property, plant and equipment</b>	<b>6 944</b>	<b>6 815</b>
<b>Financial assets</b>		
Shares in associated companies	10 871	17 461
Long-term receivables in associated companies	22 157	19 457
Deferred tax	1 531	1 914
Long-term deposits	665	665
<b>Total financial assets</b>	<b>35 224</b>	<b>39 498</b>
<b>Total non-current assets</b>	<b>50 460</b>	<b>56 887</b>
<b>Current assets</b>		
<b>Inventories</b>		
Raw materials and consumables	2 914	2 091
<b>Total inventories</b>	<b>2 914</b>	<b>2 091</b>
<b>Current receivables</b>		
Accounts receivable	21 867	14 099
Short-term receivables in associated companies	263	2 646
Other receivables	1 463	1 048
Accrued but unbilled revenue	-	4 750
Prepaid expenses and accrued income	6 223	8 714
<b>Total current receivables</b>	<b>29 816</b>	<b>31 257</b>
<b>Cash and bank balances</b>		
Cash and bank balances	34 198	40 752
<b>Total cash and bank balances</b>	<b>34 198</b>	<b>40 752</b>
<b>Total current assets</b>	<b>66 927</b>	<b>74 100</b>
<b>TOTAL ASSETS</b>	<b>117 387</b>	<b>130 987</b>

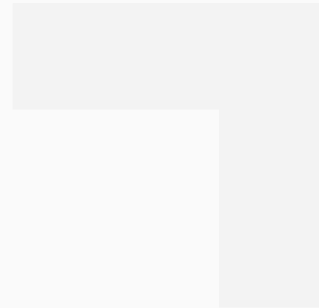
# Balance sheet

## Consolidated Group

TSEK	2025-06-30	2024-12-31
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1 869	1 869
Other contributed capital	426 146	426 146
Other equity including loss for the period	-341 664	-325 447
<b>Total equity</b>	<b>86 351</b>	<b>102 567</b>
<b>Provisions</b>		
Deferred tax	1 531	1 914
<b>Total provisions</b>	<b>1 531</b>	<b>1 914</b>
<b>Current liabilities</b>		
Accounts payable	7 740	6 024
Current tax liabilities	585	780
Other liabilities	4 801	6 715
Billings in excess of costs	7 544	1 177
Accrued expenses and deferred income	8 835	11 809
<b>Total current liabilities</b>	<b>29 505</b>	<b>26 505</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>117 387</b>	<b>130 987</b>



# 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, 2025	1 869	426 146	-325 447	102 567
Share options programme	-	-	669	669
Loss for the period	-	-	-16 885	-16 885
Closing balance June 30, 2025	1 869	426 146	-341 664	86 351

# Cash flow statement

## Consolidated Group

TSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full year 2024
<b>Operating activities</b>					
EBIT	-8 778	-14 309	-16 281	-29 203	-54 398
Adjustments for non-cash items, etc*	4 777	6 182	11 239	12 496	23 797
Interest paid	-110	-15	-196	-15	-156
Paid tax	60	103	-195	202	415
<b>Cash flow from operating activities before changes in working capital</b>	<b>-4 051</b>	<b>-8 039</b>	<b>-5 434</b>	<b>-16 520</b>	<b>-30 342</b>
<b>Changes in working capital</b>					
Changes in operating receivables	12 187	19 880	2 761	3 623	-7 345
Changes in operating liabilities	-5 241	-4 741	1 796	7 250	9 904
Changes in inventories	-445	-1 877	-823	-1 685	-280
<b>Cash flow from operating activities</b>	<b>2 450</b>	<b>5 224</b>	<b>-1 700</b>	<b>-7 332</b>	<b>-28 063</b>
<b>Investing activities</b>					
Acquisition of property, plant and equipment	-931	-706	-1 158	-752	-1 824
Loans provided	-1 800	-6 750	-2 700	-14 750	-19 457
<b>Cash flow from investing activities</b>	<b>-2 731</b>	<b>-7 456</b>	<b>-3 858</b>	<b>-15 502</b>	<b>-21 281</b>
<b>Cash flow for the period</b>	<b>-281</b>	<b>-2 232</b>	<b>-5 558</b>	<b>-22 834</b>	<b>-49 344</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>33 782</b>	<b>69 638</b>	<b>40 752</b>	<b>89 332</b>	<b>89 332</b>
<b>Exchange rate effects</b>	<b>698</b>	<b>-461</b>	<b>-997</b>	<b>447</b>	<b>763</b>
<b>Cash and cash equivalents at end of period</b>	<b>34 198</b>	<b>66 945</b>	<b>34 198</b>	<b>66 945</b>	<b>40 752</b>

\* Non-cash flow items during the quarter mainly comprise of results from shares in associated companies, amounting to TSEK 3 312 (3 688) and depreciation of tangible and intangible assets, amounting to TSEK 1 626 (1 854). Adjustments for non-cash items for the period January to June primarily consist of results from shares in associated companies amounting to TSEK 6 591 (7 879) and depreciation of tangible and intangible assets, amounting to TSEK 3 311 (3 739).



# Income statement

## Parent Company

TSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full year 2024
<b>OPERATING INCOME</b>					
Net sales	24 054	14 488	46 853	30 100	66 079
Other operating income	1 662	1 095	4 200	2 209	4 396
<b>Total operating income</b>	<b>25 716</b>	<b>15 584</b>	<b>51 053</b>	<b>32 308</b>	<b>70 475</b>
<b>OPERATING EXPENSES</b>					
Goods for resale	-9 595	-4 005	-16 322	-9 006	-23 384
Other external costs	-7 418	-7 117	-14 481	-14 169	-28 129
Personnel costs	-12 632	-12 841	-25 228	-26 317	-50 400
Depreciation/amortization of property, plant and equipment and intangible assets	-697	-925	-1 453	-1 880	-3 624
Other operating expenses	90	-385	-1 399	-401	-596
<b>Total operating expenses</b>	<b>-30 252</b>	<b>-25 273</b>	<b>-58 883</b>	<b>-51 773</b>	<b>-106 132</b>
<b>EBIT</b>	<b>-4 536</b>	<b>-9 690</b>	<b>-7 830</b>	<b>-19 464</b>	<b>-35 658</b>
<b>FINANCIAL ITEMS</b>					
Financial income	1 122	1 011	1 413	2 367	4 637
Financial expenses	-232	-1 109	-2 016	-1 200	-2 310
<b>Total financial items</b>	<b>890</b>	<b>-98</b>	<b>-604</b>	<b>1 167</b>	<b>2 327</b>
<b>Loss after financial items</b>	<b>-3 646</b>	<b>-9 788</b>	<b>-8 434</b>	<b>-18 297</b>	<b>-33 330</b>
<b>TAX</b>					
Tax on loss for the year	-	-	-	-	-
<b>LOSS FOR THE PERIOD</b>	<b>-3 646</b>	<b>-9 788</b>	<b>-8 434</b>	<b>-18 297</b>	<b>-33 330</b>
Earnings per share before and after dilution (SEK)	Neg.	Neg.	Neg.	Neg.	Neg.
Average no. of shares for the period	31 146 299	31 146 299	31 146 299	31 146 299	31 146 299

# Balance sheet

## Parent Company

TSEK	2025-06-30	2024-12-31
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Intangible assets</b>		
Capitalized expenditure on research and development and similar works	814	1 229
Concessions, patents, licenses, trademarks and similar rights	44	53
<b>Total intangible assets</b>	<b>858</b>	<b>1 282</b>
<b>Property, plant and equipment</b>		
Equipment, tools, fixtures and fittings	3 565	4 594
Construction in progress	3 379	2 221
<b>Total property, plant and equipment</b>	<b>6 944</b>	<b>6 815</b>
<b>Financial assets</b>		
Shares in subsidiaries	15 464	15 464
Shares in associated companies	46 945	46 945
Long-term receivables in associated companies	22 157	19 457
Long-term deposits	665	665
<b>Total financial assets</b>	<b>85 231</b>	<b>82 531</b>
<b>Total non-current assets</b>	<b>93 033</b>	<b>90 628</b>
<b>Current assets</b>		
Inventories		
Raw materials and consumables	2 914	2 091
<b>Total inventories</b>	<b>2 914</b>	<b>2 091</b>
<b>Current receivables</b>		
Accounts receivable	21 867	14 098
Short-term receivables in associated companies	263	2 646
Other receivables	1 463	1 047
Accrued but unbilled revenue	-	4 750
Prepaid expenses and accrued income	6 223	8 714
<b>Total current receivables</b>	<b>29 816</b>	<b>31 256</b>
<b>Cash and bank balances</b>		
Cash and bank balances	34 166	40 719
<b>Total cash and bank balances</b>	<b>34 166</b>	<b>40 719</b>
<b>Total current assets</b>	<b>66 895</b>	<b>74 066</b>
<b>TOTAL ASSETS</b>	<b>159 928</b>	<b>164 694</b>

# Balance sheet Parent Company

TSEK	2025-06-30	2024-12-31
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	1 869	1 869
Development expenditure fund	814	1 229
<b>Total restricted equity</b>	<b>2 682</b>	<b>3 098</b>
<b>Non-restricted equity</b>		
Share premium reserve	426 146	426 146
Retained earnings	-289 970	-257 725
Loss for the period	-8 434	-33 330
<b>Total non-restricted equity</b>	<b>127 741</b>	<b>135 091</b>
<b>Total equity</b>	<b>130 423</b>	<b>138 189</b>
<b>Current liabilities</b>		
Accounts payable	7 740	6 024
Current tax liabilities	585	780
Other liabilities	4 801	6 715
Billings in excess of costs	7 544	1 177
Accrued expenses and deferred income	8 835	11 809
<b>Total current liabilities</b>	<b>29 505</b>	<b>26 505</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>159 928</b>	<b>164 694</b>



# 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	
<b>Opening balance Jan 1, 2025</b>	<b>1 869</b>	1 229	426 146	-257 725	-33 330	138 189
Reallocation profit/loss prev. year	-	-	-	-33 330	33 330	-
Share options programme	-	-	-	669	-	669
Changes in development expenditure fund for the year	-	-415	-	415	-	-
Loss for the period	-	-	-	-	-8 434	-8 434
<b>Closing balance June 30, 2025</b>	<b>1 869</b>	<b>814</b>	<b>426 146</b>	<b>-289 970</b>	<b>-8 434</b>	<b>130 423</b>

# Cash flow statement Parent Company

TSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Full year 2024
<b>Operating activities</b>					
EBIT	-4 536	-9 690	-7 830	-19 464	-35 658
Adjustments for non-cash items, etc*	536	1 565	2 789	2 759	5 065
Interest paid	-110	-15	-196	-15	-156
Paid tax	60	103	-195	202	415
<b>Cash flow from operating activities before changes in working capital</b>	<b>-4 050</b>	<b>-8 037</b>	<b>-5 433</b>	<b>-16 519</b>	<b>-30 334</b>
<b>Changes in working capital</b>					
Changes in operating receivables	12 186	19 880	2 761	3 624	-7 344
Changes in operating liabilities	-5 241	-4 743	1 796	7 250	9 904
Changes in inventories	-445	-1 877	-823	-1 685	-280
<b>Cash flow from operating activities</b>	<b>2 449</b>	<b>5 223</b>	<b>-1 699</b>	<b>-7 330</b>	<b>-28 054</b>
<b>Investing activities</b>					
Acquisition of property, plant and equipment	-931	-706	-1 158	-752	-1 824
Loans provided	-1 800	-6 750	-2 700	-14 750	-19 457
<b>Cash flow from investing activities</b>	<b>-2 731</b>	<b>-7 456</b>	<b>-3 858</b>	<b>-15 502</b>	<b>-21 281</b>
<b>Cash flow for the period</b>	<b>-281</b>	<b>-2 233</b>	<b>-5 556</b>	<b>-22 832</b>	<b>-49 334</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>33 749</b>	<b>69 598</b>	<b>40 719</b>	<b>89 291</b>	<b>89 291</b>
<b>Exchange rate effects</b>	<b>698</b>	<b>-460</b>	<b>-997</b>	<b>446</b>	<b>763</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>34 166</b>	<b>66 905</b>	<b>34 166</b>	<b>66 905</b>	<b>40 719</b>

\*Non-cash flow items during the quarter mainly consist of depreciation on tangible and intangible assets amounting to TSEK 697 (925), costs related to LTI 2022 of TSEK 334 (373), together with unrealized exchange rate difference amounting to TSEK -495 (267). Non-cash flow items for the period January to June mainly consist of depreciation on tangible and intangible assets amounting to TSEK 1 453 (1 880), costs related to LTI 2022 of TSEK 669 (736) and unrealized exchange rate difference amounting to TSEK 667 (143).

# 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, 25 July 2025*  
*Gapwaves AB (publ)*

Magnus Jonsson  
Chairman

Viktor Fritzén  
Board member

Madeleine Schilliger Kildal  
Board member

Martin Kornacker  
Board member

Ulrika Molander  
Board member

Jonas Ehinger  
CEO

Every care has been taken in the translation of this annual report. In the event of discrepancies, the Swedish original will supersede the English translation.

## For more information

More information about Gapwaves is available on the company's website:  
**[www.gapwaves.com](http://www.gapwaves.com)**

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# Tech that sees the human side of things.

## 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.

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