
acconeer
2022
ANNUAL REPORT

CONTENTS

THE YEAR IN BRIEF

THE FINANCIAL YEAR 2022

- During the year Acconeer received large orders from Glyn Ltd, CODICO, Mouser Electronics, Nexty, Asteelflash, Digi-Key and BEYD.
- It was agreed that Acconeer will become direct customer to GlobalFoundries.
- Acconeer's A1 radar sensor is being used in robot from large global Japanese consumer electronics company.
- Acconeer announced new module variants designed to solve component shortage for modules.
- Management team members of Acconeer purchased shares through the exercise of the companys warrant program 2019/2022.
- Acconeer launched Evaluation Kit for A121 - new pulsed coherent radar sensor in A1 product family.
- The first car using Acconeers A1 radar sensor was launched.
- Acconeer develops module based on the new A121 pulsed coherent radar sensor.
- Acconeer and three major WiGig stakeholders submitted a joint regulation proposal to FCC.

SIGNIFICANT EVENTS AFTER THE PERIOD

- Acconeer received an order from Digi-Key worth USD 100k.
- Acconeer's pulsed coherent radar sensor A121 ready for mass production.

KEY INDICATORS

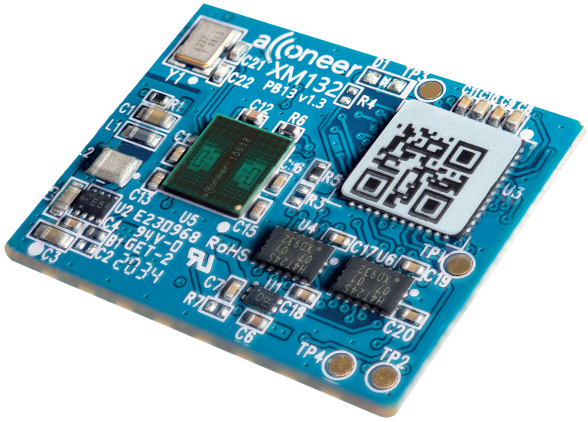
KSEK UNLESS OTHERWISE SPECIFIED	2022	2021
Net sales	46,825	31,157
Gross margin, referring to sales*	59%	71%
Operating result	-47,248	-51,101
Profit or loss after tax	-47,154	-51,138
Cash flow, operating activities	-36,220	-39,986
Cash and cash equivalents, short-term deposits	89,883	156,858
Equity	171,511	199,698
Balance sheet total	190,675	223,223
Basic earnings per share, SEK*	-1.81	-2.19
Diluted earnings per share, SEK*	-1.81	-2.19
Cash flow per share, SEK*	-1.39	-1.71
Number of shares	26,331,798	23,382,500
Average number of shares during the period	26,021,962	23,344,023
Average number of shares during the period after dilution	27,011,962	26,907,164
Equity/Ratio, %*	90	89
Equity per share, SEK*	6.51	8.54
Average number of full-time equivalent employees	49	41

*DEFINITIONS OF INDICATORS

Gross margin: Gross profit as a percentage of net sales. Regarding the cost of goods sold, only the material cost is included. Costs for the operations and product management function are reported with regard to this in Sales costs and amortization of Intangible assets are included in Research and development costs. More information can be found in the notes 3 and 4.
Earnings per share = Net income after taxes divided by the average number of shares during the period.
Cash flow per share = Cash flow from operating activities during the period, divided by the average number of shares during the period.
Solidity = Total equity on the balance sheet date, divided by the balance sheet total on the balance sheet date.
Equity per share = Equity on the balance sheet date divided by the number of shares on the balance sheet date.

COMMENTS FROM OUR CEO

In 2022, Acconeer's product revenues continued to grow very strongly while we managed to launch more than 40 customer products. The first car that uses Acconeer radar, Cadillac Lyriq, started mass production. We also saw announcements from both Volvo and Polestar of models using our sensors. We took the first steps to start commercializing Acconeer's second radar sensor A121 with the commencement of sales of evaluation kits.



2022 was a year heavily influenced by Covid-19, now we believe that the influence of Covid-19 and the component shortage that followed in the wake of Covid-19 is over.

In retrospect we can state that research and development has continued as expected. Since we have always had a strategy of having plenty of material in stock for production, we have been able to manufacture and ship sensors at the rate customers have ordered. At the end of 2022 we had no orders we could not ship due to component shortages. The greatest impact of Covid-19 has been seen on the sales and marketing side. Since our customers' engineers have been focused on redesigning existing products due to the lack of components, they have delayed launches and not started new projects to the extent we had expected. During 2022 travel restrictions have eased and we have been able to travel and meet customers and partners.

In June 2022, we had progressed sufficiently with the development of A121 to start selling evaluation kits on Digi-Key and in March 2023 we could announce that A121 is ready for mass production which means that it has passed Jedec and AECQ-100 grade 2 certification. Jedec is a consumer electronic standard and AECQ-100 grade 2 is a standard specific to the automotive industry and guarantees a wider temperature range. A121 which is physically very similar to A111 also reduces the system cost for car manufacturers and improve detection distances and power consumption. With the "ready for production" announcement we have also started delivering A121 sensors and the first A121 based module XM125. We have priced the A121 sensor slightly higher than A111 and when sales become significant, we expect improving gross margins.

With the A121 launched our engineers can focus on the very important development of A2, which will be Acconeers first multi-channel product (multiple transmitters and receivers) and is expected to be launched 2024/2025.

The commercial side also developed very positively

during the year, we sold more evaluation kits than our goal of three kits per day and launched more new customer products than our goal of ten per quarter. We have good progress in the automotive industry and added several new areas of use each representing a significant market opportunity.

Acconeer continues to launch new innovative products. Several new areas of use have been launched:

Our sensor is included in two different products in the automotive industry, "interior detection" and "access control". In "interior detection", our sensor is used to detect living objects inside a car, which seat is occupied and to trigger burglar alarms. In "interior detection", we sell one sensor per seat, five or seven sensors per car, which makes it a big deal. In "access control", our sensor is used to open and close doors or trunks with a foot gesture, usually one sensor per car. In August we could announce the launch of the first car model that uses Acconeer's radar sensor, the Cadillac Lyriq which uses Acconeer's sensor for "access control". During 2022 Volvo announced the EX90 which uses Acconeer sensor for both "internal control" and "access control" in total eight sensors per car and Polestar announced the Polestar 3 which uses a total of seven sensors for "interior detection" and "access control". We expect these cars to go into mass production in the second half of 2023.

In the area of IoT and smart cities we have launched Kyowa who uses the sensor for surveillance of bridges in Japan. Parking sensors is one of the most common areas of uses, during 2022 we launched our first Electrical Vehicle charger, where the sensor is used for determining if someone is parked not using the charger.

In the area of "Industry and agriculture" we have launched a US customer who uses the sensor for measuring the girth of farm animals.

In the area of consumer electronics we have launched products used in fitness machines as well as camera systems used on bikes.

In addition to sales via distributors, Acconeer runs more than 20 customer projects, which is when we work very close to a customer and help them all the way to launch. We create customer projects for cases that can create very large volumes or are new innovative use cases where we see that if we help the first reference customer launch a good product, it will lead to many more customers in the same area. At the turn of the year, we could count to our customers having launched 108 products. The combination of many new customer launches and existing customers that is growing rapidly has meant that Acconeer's product revenues in 2022 grew by more than 90% compared to 2021 with a product margin of 59%. We received confirmation of our strong growth when Deloitte listed Acconeer among the ten fastest growing technology companies in Sweden in 2022.

I feel that the interest in our product is still very large, and we still get the feedback that what we do is unique.

Acconeer's main goal right now is to take advantage of the opportunities to grow quickly, under controlled forms, to maintain a leading position in the field of small, low-power and low-cost radar. Expansion remains a high priority, while we also increase the focus on becoming profitable

Malmö, 23 March 2023

Lars Lindell, CEO Acconeer AB (publ)

SOLD EVALUATION KITS, MODULES AND SENSORS

	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	Accumulated*
EVK	391	398	224	332	346	5,941
Modules	10,224	26,468	21,294	21,116	14,140	114,892
Sensors	159,280	129,113	167,654	185,419	264,783	1,473,379

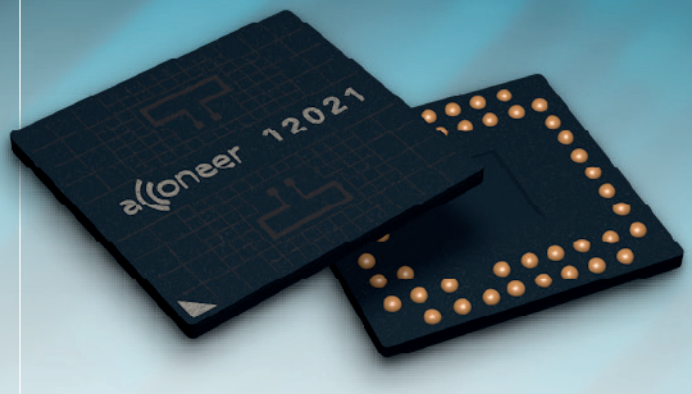
*Accumulated since the products were launched.

CUSTOMER LAUNCHES BY MARKET AND AREA OF USE

	IoT & Smart cities	Industry & Agriculture	Consumer Electronics	Automotive	Total
Europe	27(24)	14(13)	5(3)		46(40)
Japan	2		4		6
South Korea	7(5)				7(5)
Australia & New Zealand	2(1)	3			5(4)
US	1	6	1	1	9
China	22(21)	9	1		32(31)
Taiwan & Singapore	2		1		3
Total	63(56)	32(31)	12(10)	1	108(98)

The table refers to the accumulated number of customer launches since product launch Q2 2018. Figures in parentheses refer to the number in the previous quarter.

THIS IS ACCONEER



Based on research from Lund University, Acconeer has created a radar sensor that combines the best of existing radar technologies and creates new opportunities for human interaction with technology. The radar sensor combines the low power consumption of a pulsed system with the high accuracy of a coherent radar, and also provides the opportunity to identify different materials - all in a 5x5 mm component. The radar sensor can be used for distance measurement, gesture control, materials characterization and other things. The most interesting domains are:

CONSUMER ELECTRONICS

INTERNET OF THINGS

INDUSTRIAL & AGRICULTURE

AUTOMOTIVE

Acconeer's major competitive advantages include the low power consumption, the precision, the compact size and the low cost. These properties are especially important in battery-powered mobile consumer products, making the Acconeer radar sensor the first radar sensor that can be integrated in products on this high-volume market.

During 2022, the launch rate of customer products increased, as a large number of customers released their products to the market, and began mass production of them. In addition the radar sensor is currently under evaluation by a large number of prospective clients - large global companies as well as smaller innovation companies. They explore uses and provide feedback on the product's performance within their own applications. The dynamics vary between different business segments, which means that the process towards product launch requires different time frames. Due to this fact, Acconeers first customer launches are seen in faster-moving industries such as the Internet of Things (parking sensors and various kinds of level measurements among other products) and consumer market robotics. The car industry, which is another focus area, has been estimated to take a little longer, and there the first car with Acconeer's radar sensor was seen rolling out on the roads in 2022.

Acconeer was founded in 2011 by (among others) the entrepreneurs Mats Ärlelid, Mikael Egard, Mårten Öbrink and Professor Lars-Erik Wernersson. Mats and Mikael got to know each other at the University, where they both studied nanotechnology. They eventually completed their Ph.D.:s together in a research project at the University of Lund led by Lars-Erik Wernersson. Based on this university research, Acconeer has created an innovative radar sensor that combines the advantages of existing radar technologies.

A LARGE AND GROWING MARKET

Acconeer's radar is addressing an existing and large market for 3D sensors; a market that is expected to continue to grow rapidly considering a number of key

industry trends such as 5G, Artificial Intelligence and the Internet of Things. The market is mostly served by ultrasonic transducers, infrared sensors and different kinds of camera solutions today. This means that Acconeer will not have to create a new market; instead, it can replace existing solutions which all have their specific weaknesses.

ATTRACTIVE GROWTH AND RETURNS

The hardware for the first Acconeer product has been available for approximately since 2018, and has now been shipped to a number of customers who are in different phasees of evaluation, prototyping, market launch and mass production. The use of Acconeer sensors in large-volume consumer products will generate a profitable business operation. At the same time as sales and marketing activities have intensified, the company is focusing on developing the next generation radar sensor.

HEADQUARTERS IN THE ÖRESUND REGION, EXPERIENCED MANAGING BODY

Acconeer is based in and has its headquarters in Malmö. The company has a competent and experienced managing body and board of directors. The company is directed by CEO Lars Lindell, with a mobile industry background encompassing managerial positions within sales and business development in startups as well as large international companies. Co-founders Mats Ärlelid and Mikael Egard are responsible for developing the new radar technology, and are co-inventors of several of the patents.

LISTED ON NASDAQ FIRST NORTH GROWTH MARKET

The Acconeeer share is listed on Nasdaq First North Growth Market, Stockholm, since 11 December 2017.

AWARDS

Acconeer has been given the Innovation of the Year award at the Swedish Mobile Awards, and has been named as one of the 33 most interesting startups in Sweden by the magazines Affärsvärlden and Ny Teknik. In both 2018 and 2019, the international analysis company Gartner named Acconeer as one of three and four "cool vendors" globally. In 2020, Gartner included Acconeer in its “Hype Cycle” report on trends in the sensor market. In 2022, Acconeer was listed among Sweden's ten fastest growing technology companies by Deloitte.

OBJECTIVE

Acconeer will take its opportunities to grow quickly - but in a controlled manner - in order to establish a leading position in the segment of ultra-low-power radar for mobile devices. Expansion is thus the company's priority.

OPERATIVE GOALS

In 2022, Acconeer had:

- Sold more than 3 evaluation kits per day
- total of 42 customer launches globally, more than our target of ten per quarter.
- Increased product revenue by more than 90% with a product margin of 59%
- The first car model with Aconeer's sensor in it was launched by General Motors
- Launched evaluation kit for the new sensor A121 and several modules
- Invested in the development of the next generation radar sensor, A2

The objectives for 2023 are to:

- Continue to sell more than three evaluation kits per day
- Continue to launch more than 10 customer products per quarter
- Assist our customers to launch of additional car models such as the Volvo EX90 and Polestar 3
- Launch the sensor A121 and the module Entry module XM125
- Continue to invest in the development of the next generation radar sensor together with Alps Alpine
- Launch customers into new application areas
- Continue to focus on aggressive revenue growth to good margins while continuing to improve the company's resultsContinue to focus on aggressive revenue growth with good margins while continuing to improve the company's result

SENSORS ARE CHANGING OUR DAILY LIVES

A sensor is a device that – similar to our own five senses – can detect its surroundings and provide feedback in the form of data. Signals are processed with different methods, such as light, ultrasound or camera solutions. Different sensors, more or less sophisticated, make it possible to measure position, depth, distance, thickness and surfaces, so that a three-dimensional image of an object can be generated.

Imaging sensors are commonplace for example in the entertainment industry, and position sensors, pressure sensors and temperature sensors are often found in consumer electronics, and in medical and military applications. Sensors are used for everything from controlling a robot vacuum at home to measuring the amount of fuel in the tank of a car, or to control tools and robots in the manufacturing industry.

AN ESTABLISHED MARKET, READY FOR INNOVATION

Through the technological development, the world has become more connected and interconnected. Not only does this enhance the acceptance of sensors, but it also increases the demand for products with convenient user experience – not least within consumer electronics, where Acconeer believes the potential for growth will be strong in the years to come. This implies a demand from the market for cost-efficient technology, with high precision, low power consumption, simpler integration and design and enhanced functionality – and that is also reliable and robust enough to work in difficult environments.

Many conventional sensors on the market are limited by their sensitivity to light and/or sound, or by a bulky size that makes it difficult to mount them optimally where they are needed the most. Gesture control, for example, often translates to high power consumption, while camera-aided measuring may find itself limited by daylight and distance. Some sensors are obstructed by dust, and many sensors are unable to tell different materials apart.

There are, thus, several potential markets for sensors, but it is also a market where intense development of new applications that will require more sophisticated software is taking place.

A few early developers are currently breaking new ground, for example in sophisticated gesture control and 3D mapping. This is going to open additional markets and applications, and there appears to be no boundaries to the role technology may take on in our everyday lives in just a few years time.

THE PRODUCT – A COMPACT AND ENERGY-EFFICIENT RADAR SENSOR

Size, energy consumption and high cost have previously prevented the use of radar technology in consumer electronics, which means that Acconeer's energy-efficient and physically compact radar sensor can open up new opportunities for interaction.

PULSED COHERENT RADAR

The radar sensor from Acconeer is a pulsed coherent radar, PCR, based on a patented solution where the low power consumption of a pulsed system is combined with the high accuracy of a coherent radar.

In simple terms, extremely short high-accuracy pulses are transmitted towards an object and reflected back to a receiver with high time resolution to detect multiple objects with millimeter accuracy. Acconeer's radar sensor is specified in the unlicensed 60 GHz frequency band. This brings a number of benefits; for instance, it allows for extreme miniaturization.

LOW POWER CONSUMPTION

The radar sensor is capable of performing more than 1000 measurements per second, and at fewer measurements (less than 10 times per second) power

consumption remains in the microwatt (µW) range. This is the requirement for integration in mobile devices. The low power consumption also enables applications within the Internet of Things, where sensors have to be battery powered and still have long life cycles without charging or battery replacement.

MOTION AND GESTURE CONTROL

Since the radar sensor is able to perform measurements continuously, it is possible to detect the speed of an object as well. It is also possible to detect several different objects with a single measurement. By measuring motion, smart robots and tools could make use of Acconeer's technology to understand their surroundings and keep track of moving objects. Furthermore, continuous measurements enable gesture control, which is an attractive feature in smartphones, smartwatches and many other applications.

MATERIALS CHARACTERIZATION

Acconeer's radar sensor provides the opportunity to categorize materials. This feature could be used in a robot vacuum cleaner to avoid puddles of water, or to adapt the power to different surfaces.

EASILY INTEGRATED

The signal can penetrate materials such as plastic or thin adjacent glass, which means that the radar sensor does not require an "unobstructed view"; it can be put behind a plastic cover or behind the glass of a display. This allows the customers greater freedom in the design of their products, and it also translates to better performance in polluted environments (compared to, for instance, lens-based sensors, where dirt can cause the sensor to "go blind"). In the 60 GHz band, light, temperature and sound do not interfere with the radar sensor's signal. The low power consumption and the compact size of the radar sensor also leaves customers more freedom in how to integrate it into their product.

HIGH ACCURACY

Acconeer's radar sensor can perform absolute distance measurements with millimeter accuracy and relative distance measurements with a micrometer accuracy across the entire operating range, which is up to 10 meters depending on the surface and the material of the measured object.

CUSTOMERS AND APPLICATIONS

The unique properties of Acconeer's radar sensor makes it a good fit with great potential for a large number of applications, such as distance measurement, gesture control, materials characterization, detection of objects and people. In 2022, the number of customer product launches increased significantly, and so far, more than 100 customers worldwide have launched products with Acconeer's radar sensor in them. These customers are found in a wide range of products and business areas such as industry, automotive industry, smart cities and consumer electronics. In all these segments there is a strong and clear need, and potential for larger volumes going forward.

AUTOMOTIVE

As modern cars become more advanced in terms of functionality, convenience and safety, the number of sensors grows as well. It's not uncommon that a car has hundreds of sensors to monitor its operation and its users. Together with our partner Alps Alpine, we provide the automotive industry with radar sensors for a range of use cases. In 2022, the first car model with our radar sensor rolled out onto the roads.

EXISTING USE CASES IN CARS

The car models that have been launched so far, or where we have design wins, are all a result of the collaboration with Alps Alpine. These models implement one or more of the following use cases.

In-cabin presence detection: With the help of Acconeer's radar sensor, several use cases inside the car can be implemented. Radar sensors detect occupants and trigger a seat belt reminder. The same sensors detect and warn the driver if a child or pet has been left in the car. In addition, the sensors are used to detect and alert in the event of a break-in.

Access control: Acconeer's radar sensor is used for easy opening of the trunk by a simple movement of the foot under the car.

ADDITIONAL OPPORTUNITIES IN THE AUTOMOTIVE INDUSTRY

In addition to the above-mentioned applications in the automotive industry, there are many potential use cases. Among other things, level measurement of liquid in tanks, a case where products have been launched in other industries. Another example is the measurement of load weight by measuring the compression of the car's suspension.

IOT AND SMART CITIES

The Internet of Things (IoT) and smart cities segment is the business area with the most customer launches and the largest volumes to date: Here you can find products such as parking sensors, contactless buttons as well as level gauges for dustbins, tanks and sewage systems. What these products have in common is that low-power sensors are central, as they are often battery-powered and require a long battery life. The radar sensor provides accurate, rich and reliable information and satisfies the required power consumption performance.

Parking sensors: Acconeer's sensor is used for registration of vacant and filled parking spaces. This is an application where Acconeer's technology enabling smarter, battery-powered solutions has led to great success and several customer products are already launched in China, Korea and Europe.

Electric vehicle charger: The radar sensor is used to detect if a car is parked at a public charging point without charging.

Presence detection: Connected radar sensors can detect and track human presence to improve security and, for example, to optimize the use of air conditioners.

Gesture control: Touchless buttons, for example for crosswalks.

Level measurement: Several customers have launched products for level measurement in sewage

systems, waste bins and other containers.

INDUSTRY AND AGRICULTURE

The radar sensor enables precise regulation, added safety and cordless installations in industrial and professional electronics tools. When compared to solutions in use today, radar technology provides a much more robust system for operation in contaminated and dusty environments, which opens up new opportunities in that market.

Distance measurement: Radar sensors allow industrial robots and tools to operate with increased precision, thereby reducing the risk of error.

Vibration measurement: Thanks to the high precision in detecting even very small movements, Acconeer's sensor can be used for vibration measurement. This way, for example, changes in a machine's vibrations can be detected and maintenance can be carried out before it fails.

Safety applications: Detection of human presence, hands or fingers near an operating robot or a tool to avoid accidents and injuries.

Measurement of fluids: Radar sensors can accurately measure levels of fluids from the outside of a tank. This is an area where several customer products have been launched. Several customers have also used Acconeer's sensor for measuring the water level in sewage systems to prevent flooding and leakages.

Agricultural use: In agriculture, Acconeer's radar sensor is currently used to measure the level of content in silos and to measure the size of livestock. Great potential is also found in the automation of agricultural machinery such as combine harvesters and seeders.

CONSUMER ELECTRONICS

The segment of consumer electronics contains a wide range of products such as headphones, smartphones and other devices in homes. Here, Acconeer has seen customer launches in products such as robotic lawnmowers that see obstacles and materials, as well as keyboards that use Acconeer's technology for presence detection so that the computer goes into power-saving mode when no one is sitting on it.

ROBOTS

A robot can become safe, efficient and smart through the use of radar sensors that gather information and generate understanding of the surroundings and materials.

Obstacle detection: Helps robots to avoid obstacles. In this area Acconeer has seen customer launches from several Japanese companies, whose robots avoid obstacles thanks to Acconeer's radar sensor.

Materials: A robot vacuum cleaner could for example adapt the power to the surface material and achieve better cleaning effect and reduced energy consumption. It could also detect puddles of fluid on the floor, so that it could maneuver around it instead of going through it and spreading it out further. A robotic lawnmower can similarly detect whether it is moving on grass or other surfaces, an area where Acconeer has now seen its first customer launches.

HEALTHCARE & FITNESS

Acconeer's technology creates new opportunities in healthcare through the combination of detection properties and easy integration.

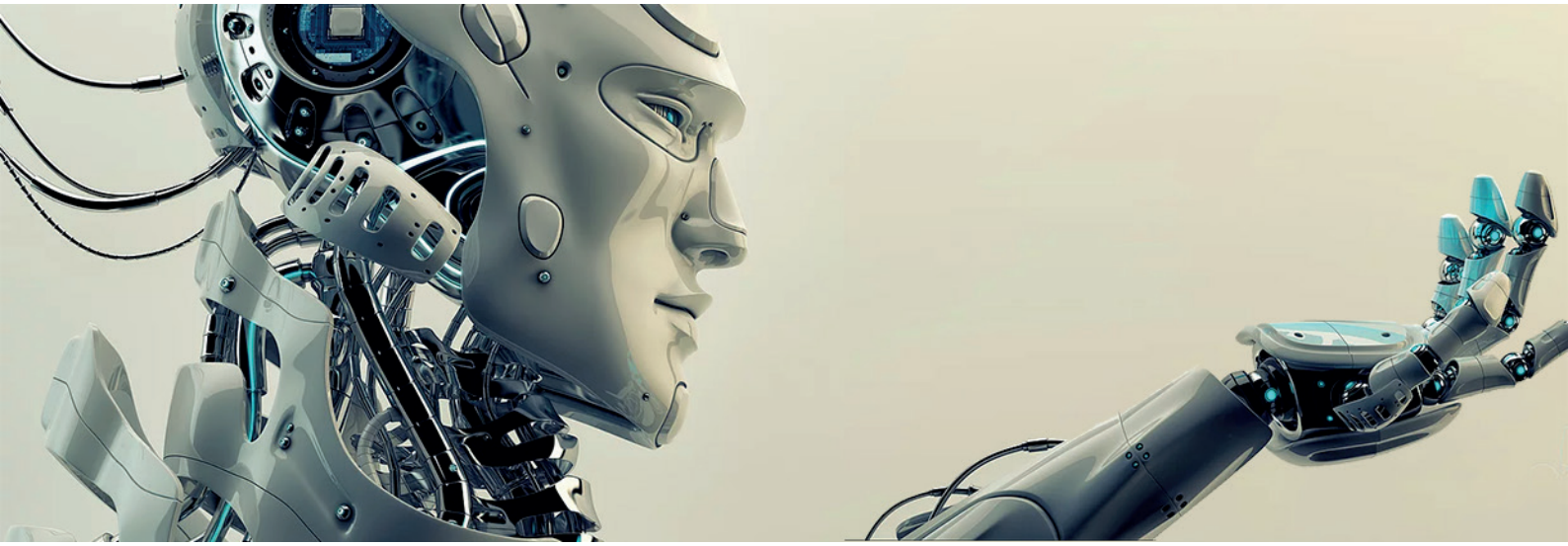
Vital signs: Breathing or pulse rate monitoring. Motion sensor technologies in use today are resource-demanding, while the power consumption of Acconeer's technology is in the microwatt range (µW). Future healthcare products could therefore be developed to monitor babies, pulse rate or breathing. Acconeer conducts research in this area together with Swiss Sleepiz and Gothenburg University.

Presence detection: The radar sensor can detect and track persons without the breach of personal integrity that camera surveillance may be associated with.

Gym/excersice: In 2022, we saw product launches in the area, with a customer who has made a system to measure the number of repetitions, movement patterns and the weight lifted in exercise machines.

Bicycle camera systems: Here again we have seen a customer product launch, a bicycle camera system where the radar is used to turn on a camera when a vehicle approaches from behind.

STRONG GROWTH FOR THE GLOBAL 3D SENSOR MARKET



The market for 3D sensors has experienced tremendous growth in recent years, and the market is expected to grow from USD 3.7 billion in 2021 to USD 10.0 billion by 2025, at a CAGR of 27.3% during the forecast period.* In step with the development of new innovations and products, in particular in the consumer electronics and optics segments, demand is increasing for features such as accuracy and precision as well as for security and surveillance systems.

The most important drivers of the growth of the global 3D sensor market are the continuous development of sensor technology, the increased demand and impact of 3D sensors in consumer electronics products, demand for 3D sensors from the gaming industry and the need for more sophisticated safety and surveillance systems.

WELL ESTABLISHED SENSOR MARKET EVOLVES WITH 3D SENSORS

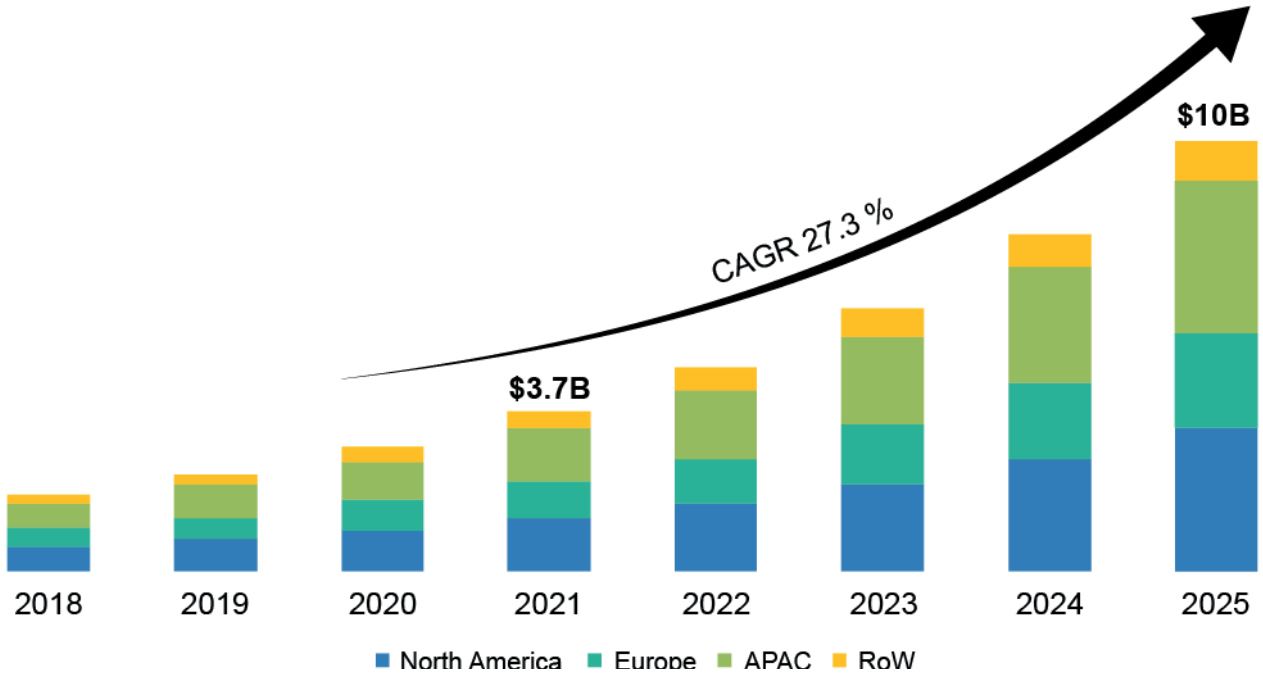
3D sensors usually utilize light (IR) or sound, but sometimes radar as well, to measure depth, a distance or the thickness of an object. They contribute to better understanding and improved procedures in a number of industries and market segments. 3D sensors can be seen as an evolution of the already well-developed sensor market, and are considered very suitable for applications in healthcare, automotive industry, consumer electronics, industrial robotics and safety and surveillance systems.

In recent years, the market has experienced greater acceptance and development of motion detection in consumer electronics. This has led several analysts to believe that the technology has significant potential in this segment. The main arguments for 3D sensors are that the technology is cost-efficient, reliable and effective. Acconeer's radar technology currently employs two leading technologies: pulsed radar and coherent radar. The advantage of a pulsed radar is primarily its low power consumption, while the coherent radar's advantage is its high accuracy. Unlike most of the sensors on the market, Acconeer's radar sensor technology is based on high-frequency pulsed radio signals; our assessment is that it is more energy-efficient and more easily integrated in products than, for example, technologies based on IR or ultrasound.

LARGE DEMAND IN MANY APPLICATION AREAS

Digitalization will be the single biggest driver of societal change in the next ten years. The development is making the world more connected and interconnected. More and more people are demanding faster, reliable and user-friendly technologies that function together. The demand for products with good functionality and convenient user experience is especially strong on the consumer electronics market, which also is the segment where we expect the highest growth in the years to come. This segment includes the development of tablets, smartphones and pulse watches as well as virtual reality (VR) and motion detection, for example in the gaming industry.

* Markets and Markets and Acconeer, 3D sensors market, Global trend & forecast to 2025 (2020).



A SEGMENTED MARKET

The global 3D sensor market is segmented and can be divided into several categories: product type, technology, form of use and region. With respect to product type, a common differentiation is between position sensors, pressure sensors, imaging sensors, temperature sensors and other sensors. Imaging sensors constitute the largest market share and is expected to maintain a high growth rate.

When segmenting on technology, a common differentiation is between structured light projection, ultrasound, stereoscopic imaging and time-of-flight technology. As for form of use, the market is divided by the applications in different market segments. This includes consumer electronics, medical, automotive, industrial, entertainment and defense applications. At the time of writing, the largest market segment is the entertainment industry.

Innovations and new products in several different areas also contribute to increasing demand for products that meet the speed, functionality and accuracy requirements but still are sustainable, environmentally and quality-wise. To meet the market's increasing requirements and demand has a lot to do with being able to offer cost-efficient technology with high precision, low power consumption, enhanced functionality and robustness.

COMPETITION

Acconeer assesses that there mainly will be two types of competition: other radar sensors and alternative technologies.

RADAR COMPETITORS

Examples of radar sensor developers that Acconeer believes to be potential competitors are Infineon, Texas Instruments, and Novelda. Most of the competing radar products are FMCW Radars (Frequency-Modulated Continuous Wave). "Continous" refers to the fact that they are transmitting all the time, hence consuming more energy than Acconeer's pulsed coherent radar.

Acconeer's pulsed coherent radar is optimized to perform close-range detection with high accuracy and low power consumption. This is possible due to the unique systemic solution developed by Acconeer to meet the requirements for battery-powered consumer products.

ALTERNATIVE TECHNOLOGIES

Acconeer's product can be applied to a number of existing markets where technologies such as infrared sensors, ultrasonic transducers or magnetometers already are established. As for alternative technologies, examples of developing companies include Murata (ultrasonic sensors), STMicroelectronics (IR sensors), and Honeywell Microelectronics (magnetometers, radar).

Infrared radiation, IR for short, is electromagnetic radiation with longer wavelengths than those of visible light. In general, IR sensors may suffer from interference from light sources, such as daylight or LED lamps. Furthermore, light reflects differently depending on the color of the reflecting object. Black objects, for example, reflect poorly, which could cause

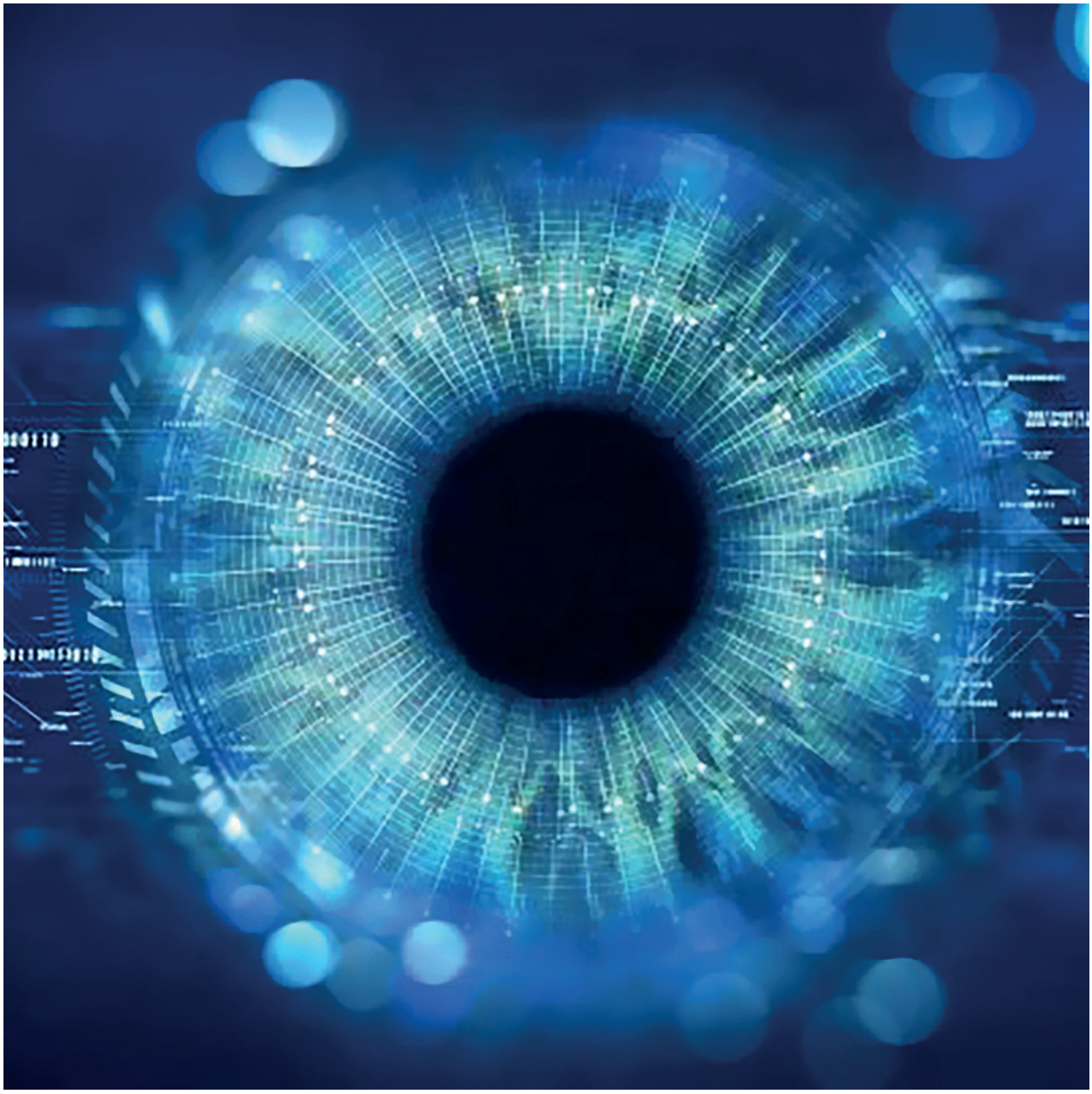
lower accuracy or even failure. A light-based sensor also requires an unobstructed line of sight in order to work, which makes it sensitive to dirt and dust and thus more difficult to integrate in a final product.

Ultrasound is sound waves with frequencies higher than the upper audible limit of human hearing. The speed of sound is temperature dependent, which impacts performance and accuracy. Ultrasonic sensors may also suffer from interference in noisy environments. An ultrasonic sensor also requires an open aperture (without obstruction) to work.

A magnetometer measures the magnetic field in a specific direction. It is sensitive to electromagnetic interference caused by electrical sockets, underground transformers, electric vehicles, electrified light railways and so on.

Acconeer's radar sensor has a competitive robustness compared to other technologies, thanks to its high resilience to natural sources of interference such as light conditions, dust, dirt and temperature conditions. A radar is only disturbed by other radio sources that operate in the same frequency range. The robustness of Acconeer's product is also a result of the physical properties of the radar signal, which allow the sensor to be integrated within a plastic or thin glass casing. For the customer, this translates not only to better robustness but also provides design, integration and maintenance advantages.

The low power consumption, the millimeter accuracy, and the ability to detect materials and motion give Acconeer's radar sensor a significant competitive advantage over other technologies.



SUSTAINABILITY IN ACCONEER

Acconeer's social impact consists of opportunities in the form of innovations, products, and employments, but also of negative imprints in the form of resource consumption or the risk of ethical abuse. In order to make sure our business contribute to a sustainable society and at the same time limit the negative impact, we at Acconeer are now increasing our focus on following up the work with our most important sustainability issues where we have the greatest impact.

Although Acconeer is not obliged to submit a sustainability report, we will begin work on voluntary reporting. Through the follow-up and to continuously report the results of it, we gain better control over our impact and increase the understanding of the outside world's expectations of us. We believe that our reporting and development into an increasingly sustainable company contributes to Acconeer's overall business benefits.

SUSTAINABILITY MANAGEMENT

Sustainability is currently reported internally within Acconeer, but forms part of Acconeer's business strategy and ambitions for 2023 are to identify goals to include in the annual report. Therefore, the management is integrated into the company's ongoing business operations.

ORGANIZATIONAL

The CEO is overall responsible, and ensures that sustainability work is part of the overall business strategy, makes sure that Acconeer manages sustainability risks, implements sustainable working methods in our operations.

The Board has established the overall sustainability strategy (framework) and monitors the work and manages risks.

The CMO monitors the work and compiles it for annual reporting.

The quality manager is responsible for following up key figures, quality certification and ensuring that sustainability work is integrated into the company's quality work.

POLICIES AND CERTIFICATION

The overall guiding document is Acconeers Code of Conduct, which is based on the principles of the UN Global Compact and also implements the Responsible Business Alliance (RBA), which is common in the industry.

In addition to this, there is a quality and environmental policy, a business policy, annually reviewed quality and environment management systems certified according to ISO9001: 2015 and ISO 14001: 2015, and declarations regarding RoHS and REACH.

United Nations Global Compact

THE SUSTAINABILITY WORK IS CENTRED AROUND THE STAKEHOLDERS

To ensure sustainability in the business and operations, Acconeer works with a sustainability strategy since more than a year. As a first step, the company's primary stakeholders and their expectations of Acconeer were identified. The expectations are currently based on Acconeer's own hypotheses, but will be confirmed or adjusted based on dialogues with stakeholders. Based on this stakeholder analysis, Acconeer has identified its most important sustainability issues, and work on these has been organized into four focus areas:

- A sound business
- Responsible business (Responsible business)
- Care for the environment
- Social responsibility (social responsibility)

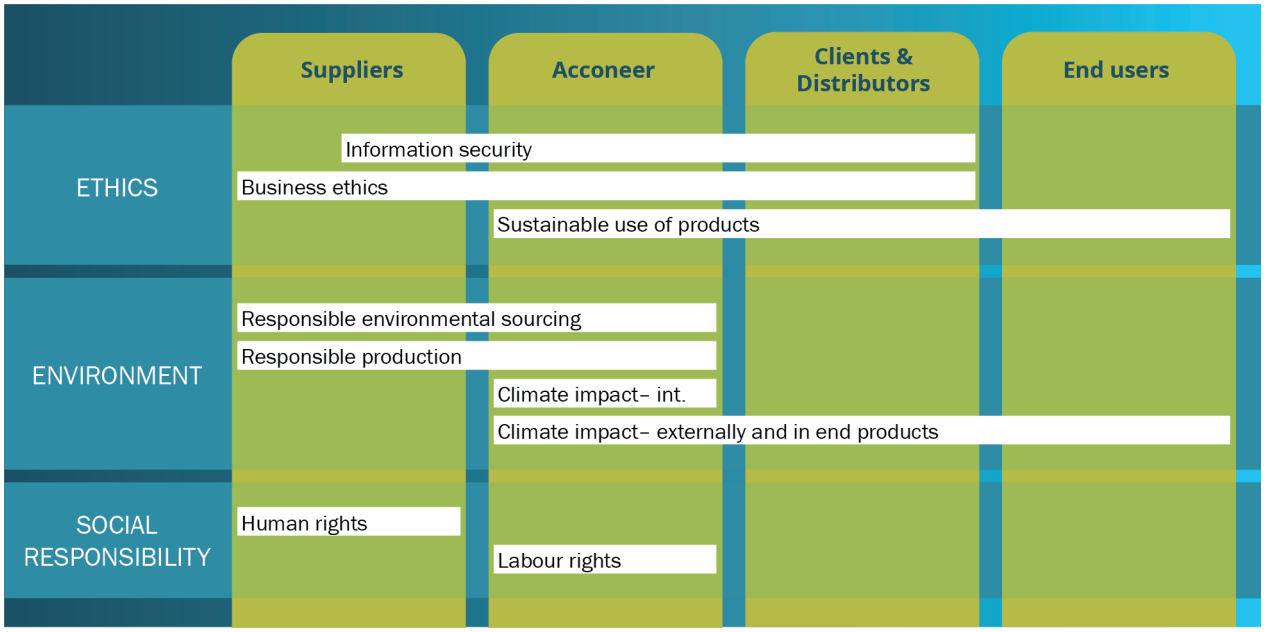
ACCONEERS FRAMEWORK FOR SUSTAINABILITY WORK

The framework ensures that sustainability becomes part of the business by measuring and following up our sustainability work, that the essential areas have clear control via policies and organizational responsibility. It also helps us prioritize activities such as evaluating suppliers based on Acconeer's requirements and encourages our employees to live and work in line with Acconeer's values.

At present, Acconeer has established long-term ambitions for various sustainability issues. Preliminary KPIs for various issues have been listed. In the long term, Acconeer will develop the work and set clear goals and metrics. We believe that work that can be developed together with the company and gradually integrated business operations will create both the best sustainability result and business value.

RESPONSIBILITY THROUGHOUT THE VALUE CHAIN

Acconeer's responsibility for its sustainability issues is not onlhy limited to the company but to the entire value chain. The work in these areas will therefore take place towards suppliers, customers and employees.



A SOUND BUSINESS

Over arching Acconeer's sustainability work and a prerequisite for us to be able to conduct business, is that we deliver high product quality on our sensors and modules and have stable and healthy finances. The description of risks and considerations takes place in the management report on pages 25-27.

ETHICS = RESPONSIBLE BUSINESS

Having an ethical and responsible behaviour in all business is an important matter for Acconeer. In 2021, a Code of Conduct was adopted based on the Responsible Business Alliance (RBA) framework which regulates how employees and consultants are expected to behave when they represent Acconeer. Since 2022, the Code of Conduct is available on Acconeer's website under "Sustainability".

ENVIRONMENT = CARE FOR THE ENVIRONMENT

Reducing our impact on the environment, and to the extent that it is possible to make a positive contribution, is important to Acconeer. Our management system is certified according to ISO 14001 and our products meet the REACH and RoHs standards with regard to production and product content.

Several of our customers have launched products that contribute to a more sustainable use of resources such as energy and water. We also work continuously to reduce our sensor's power consumption in different use cases. Here our long-term ambition is to reduce the footprint.

SOCIAL RESPONSIBILITY

For Acconeer, social responsibility means that we make demands on suppliers and producers to follow global guidelines for social sustainability, and that we want to be a pioneer as a workplace with good conditions and opportunities for our employees. The former is done by our commitment to comply with the Responsible Business Alliance (RBA), which is also included in our Code of Conduct which is available via our website.

Acconeer conducts an annual employee survey that provides an indication of how employees view their employer. The result of this is followed up with measures if necessary. As part of the work to ensure a healthy and attractive workplace culture, a set of Core Values, was adopted in 2022. These are "Innovative", "Open" and "Brave". The next step is to work further on consolidating and letting the values permeate the daily work.

UN GLOBAL DEVELOPMENT GOALS

In 2015, the member states of the UN agreed on 17 common development goals to reach the year 2030 in order to reduce poverty and environmental problems in the world. Companies have, via the Swedish state, undertaken to contribute to these goals.

Based on our most important sustainability issues, Acconeer has selected a number of the UN's global development goals that we have chosen to work with in the first instance. As Acconeer follows up its sustainability work going forward, the company will also report on its contribution to the goals.

HISTORY

1,473,379
sensors delivered

At the end of 2022, the company had sold 5941 developement kits and counted in total 108 launched customer projects

2022 Launch of the first car with the A1 radar sensor

2022 Launch of the A121 radar sensor

2021 Agreement with Alps Alpine for the next generation radar sensor A2 and start of developing it

2019 Commercial break through with in total 1581 sold evaluation kits, 14 launched customer projects and a total order value of 650k USD for the full year

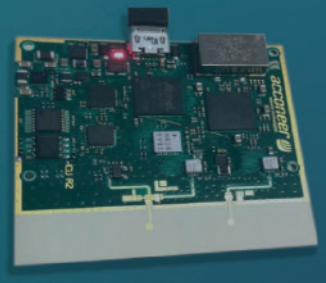
2018 Product ready for mass production. Launched on Digi-Key's global platform at the beginning of the year

2017 IPO, new share issue amounting to MSEK 180, approximately 4,000 new owners

2015
The company receives an MSEK 20 investment. First integrated prototype designed

2012 The company begins operations with support from the University of Lund

2014
System demonstrator delivered

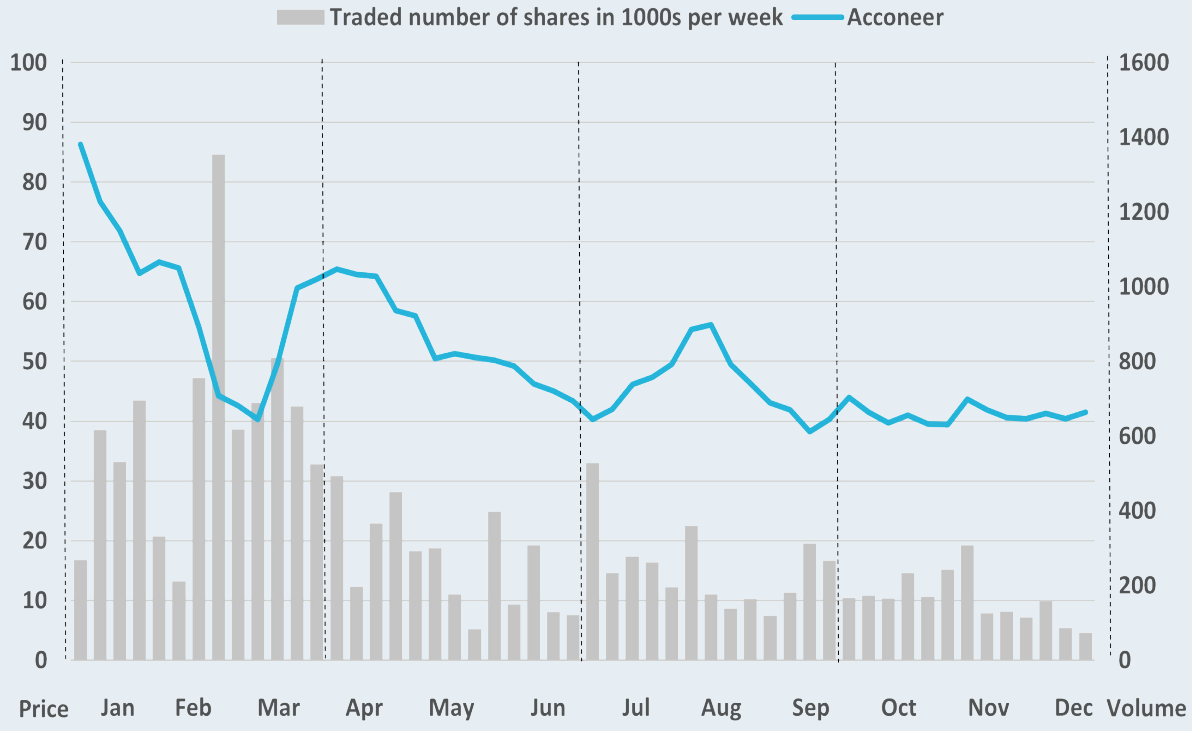


2007 The founders begin research at the nano electronics group at LTH

THE TEN LARGEST OWNERS

2022-12-31 NAME	NUMBER OF SHARES	SHARE %
BGA Invest AB	2,989,250	11.35
Avanza Pension	2,252,010	8.55
Alps Alpine CO LTD	1,854,300	7.04
Lars Ingvarsson	1,178,987	4.48
Swedbank Försäkring	1,007,868	3.83
Nordnet Pensionsförsäkring	990,163	3.76
Lars-Erik Wernersson	556,500	2.11
Ardventor AB/Mikael Egard	554,850	2.11
Mats Ärlelid	544,100	2.07
DTX i Sverige AB	258,000	0.98
	12,186,028	**46.28**
Other shareholders	14,145,770	53.72
Total number of shares	**26,331,798**	**100%**

THE SHARE



FINANCIAL CALENDAR

Annual General Meeting 2023..... 2023-04-27
Q1 Interim report 2023 2023-04-21
Q2 Interim report 2023 2023-07-21
Q3 Interim report 2023 2023-10-27
Year-end report 2023.....2024-02-16
Annual Report 2023.....2024-03-22

The Annual General Meeting will be held on Thursday, 27 April 2023. More information about time and place will be included in the notice convening the AGM.

BOARD OF DIRECTORS

THOMAS REX

Born in 1963. Chairman of the board since 2020, member of the board since 2014.
Education and experience: Master of Science in Electrical Engineering, University of Lund.
Other current assignments: Senior Vice President på Fingerprint Cards, Special Projects.
Previous assignments: Global Sales Manager at Fingerprint Cards. Vice President of Ericsson Mobile Platforms Asia.
Shareholding: Private holding of 180.786 shares.

LARS-ERIK WERNERSSON

Born in 1968. Member of the board since 2011.
Education and experience: Professor in Nano Electronics at the University of Lund since 2005.
Other current assignments: Member of the board of NordAmps AB, member of the board and owner of Lars Erik Wernersson AB.
Previous assignments: Member of the board of the Royal Physiographic Society of Lund,
Shareholding: 556,500 shares (through the company Lars-Erik Wernersson AB).

GIT STURESJÖ ADOLFSSON

Born in 1961. Member of the board since 2015.
Education and experience: Economics, University of Lund.
Other current assignments: CEO and Chairman of the of borad of BGA Invest. Chairman of the boards of SmartRefill i Helsingborg AB and Digimail Sweden AB. Board member Minesto AB.
Previous assignments: Member of the boards of BGA Capital AB and Bacapps Support. Member of the boards and CEO of Facino AB, Facino Produktion AB, Facino Produktion AB, Facino AS. Deputy board member of Watersprint AB.
Shareholding: 2,989,250 shares (through the company BGA INVEST AB).

BENGT ADOLFSSON

Born in 1949. Member of the board since 2015.
Education and experience: Economics, Växjö University.
Other current assignments: Deputy member of the board BGA INVEST AB and BGA Förvaltning. Member of the boards of Minesto AB, Minesto Warrants One AB, Smart Refill i Hbg.
Previous assignments: Chairman of the board and CEO of Hilding Anders. Member of the boards of BGA Capital AB and Bacapps Support. Member of the boards and CEO of Facino AB, Facino Produktion AB, Facino Produktion AB, Facino AS.
Shareholding: 2,989,250 shares (through the company BGA INVEST AB).

JOHAN PAULSSON

Born in 1963. Member of the board since 2019.
Education and experience: MSc Engineering University of Lund
Other current assignments: CTO at Axis Communications AB. Board member GARO AB.
Previous assignments: Board member poLight A/S.
Shareholding: Privat holding of 198,603 shares.

MANAGEMENT

LARS LINDELL

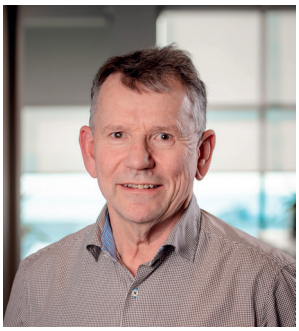
Born in 1963. CEO. Employed since 2015.
Education and experience: Master of Science in Electrical Engineering, University of Lund. Master of Business Administration, University of Cambridge.
Other current assignments: Member of the board of Acconeer Incentive AB.
Previous assignments: Sales Manager of Business Unit Modems of Ericsson Lund (2014 – 2015). Country Manager of ST-Ericsson Japan (2009 – 2014).
Shareholding: Private holding of 118,806 shares and 61,303 warrants.

MATS ÄRLELID

Born in 1979. Chief Technology Officer. Employed since 2012.
Education and experience: PhD in Integrated Circuit Design, University of Lund. Master of Science in Electrical Engineering, University of Lund.
Other current assignments: -
Previous assignments: Member of the board of Acconeer AB until 2014-03-25.
Shareholding: Private holding of 554,100 shares and 24,882 warrants.

MIKAEL EGARD

Born in 1982. Chief Operating Officer. Employed since 2012.
Education and experience: PhD in Physics, University of Lund. Master of Science in Engineering Physics, University of Lund.
Other current assignments: Member of the board and owner of Ardventor AB. Alternate board member of Acconeer Incentive AB.
Previous assignments: CEO and member of the board of Acconeer AB.
Shareholding: Holding of 554,850 shares and 21,011 warrants in total, privately and via Ardventor AB.



LENNART MOBERG

Born in 1964. Deputy Head of Operations. Consultant since 2016.
Education and experience: Master of Science in Physics & Electrical Engineering, University of Linköping.
Other current assignments: -
Previous assignments: -
Shareholding: Private holding of 1,100 shares.

MIKAEL ROSENHED

Born in 1962. Head of Product Management. Employed since 2016.
Education and experience: Master of Science in Electrical Engineering, University of Lund.
Other current assignments: -
Previous assignments: IT Management Consultant (2015 – 2016), R&D Manager Software of Sony Mobile Communications, Lund (2011 – 2015).
Shareholding: -

MANAGEMENT

DAVID HÅKANSSON HAGMAN

Born in 1970. Head of Customer Support. Employed since 2017.
Education and experience: Systems Science, University of Lund, and Media and Communication Studies, University of Lund.
Other current assignments: -
Previous assignments: -
Shareholding: Private holding of 40,564 shares and 31 610 warrants.

BJÖRN BENGTSSON

Born in 1966. CFO. Consultant since 2020.
Education and experience: Studies in economics at Lunds University 1988-1991, Authorised auditor.
Other current assignments: Business leader and consultant at accounting firm FinansBalans.
Previous assignments: -
Shareholding: -

MAGNUS GERWARD

Born in 1974. Business Development Director. Employed since 2016.
Education and experience: Master of Science in Electrical Engineering and Technology Management, University of Lund.
Other current assignments: -
Previous assignments: Head of Market Unit and Sales Director, Tieto (2013 – 2016). Business Development Director, Scalado (2010 – 2013).
Shareholding: Private holding of 33,238 shares and 60,489 warrants.

,

ANNA ALERYD

Born in 1980. Head of Marketing and Communications. Employed since 2019.
Education and experience: Master of Science in Automation and Mechatronics, Chalmers University of Technology.
Other ongoing assignments: -
Previous assignments: Head of Developer Communication, Developer Program, Sony Corporation.
Shareholding: 8,632 shares and 32,608 warrants.

MANAGEMENT REPORT

The Board of Directors and the Chief Executive Officer of Acconeer AB hereby present the annual report for the financial year 2022-01-01 - 2022-12-31
The annual report is prepared in thousand Swedish kronor, TSEK.

INFORMATION ABOUT OPERATIONS

The object of the Company's business is to develop, construct, manufacture, license and sell high-frequency electronics. The company is seated in Malmö, Sweden.

SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL YEAR

In 2022 the first commercially available car using Acconeer's technology was launched.

Evaluation kit for the new highperformance radar sensor, A12, was launched.

An agreement was made with GlobalFoundries for Acconeer to be a direct customer and contract discussions began.

Events in 2022

On February 8 Acconeer received an order from Glyn Ltd worth USD 58,500. The order related to Acconeer's A1 radar sensor intended for customer mass production in the Asia Pacific region. Based in New Zealand, Glyn Ltd is established as a leading distributor in New Zealand and Australia.

On February 17 Acconeer received an order from Codico worth USD 177,600 and another one from Nexty Electronics worth USD 81,600. Both orders related to Acconeer's A1 pulsed coherent radar sensor for customers' mass production.

In late February it was announced that Acconeer will become a direct customer of GlobalFoundries. Contract discussions commenced immediately. GlobalFoundries Inc. is one of the world's leading semiconductor contract manufacturing companies, where Acconeer produces their semiconductor wafers.

Acconeer received an order from Nexty worth USD 245,000 on March 14. The order related to Acconeer's A111 Pulsed Coherent Radar sensor for mass production. NEXTY Electronics is a leading Japanese distributor with especially strong coverage of companies in the automotive sector. Lars Lindell, CEO of Acconeer comments: "This is our third volume order in the automotive industry, and we are happy to see the continued progress in this important business area."

On 6 July Acconeer received an order from BEYD worth USD 300k. The order relates to Acconeer's A111 radar sensor for customers' mass production, the evaluation kit (EVK) XE121 and related products, as well as the coming modules XM124 and XM123 including EVKs for these.

On the fourth of April it was announced that the A1 radar sensor from Acconeer is used for presence and obstacle detection in a recently announced entertainment robot from one of Japan's largest electronics manufacturers providing high-end devices to consumers globally. The initial potential value of the launch is estimated to USD 150,000 annually for Acconeer, based on forecasts from the manufacturer. The product will initially be launched on the Japanese market.

Acconeer received an order from Nexty worth USD 147,000 on April 26. The order related to Acconeer's A111 Pulsed Coherent Radar sensor for mass production.

In May, Acconeer announced new module variants designed to solve component shortage for modules. The modules are variants of the company's popular Entry Modules for which there has been a shortage of ARM Cortex M0 microcontroller units (MCUs). The new modules, called XM124 and XM123, will feature the A111 pulsed coherent radar sensor together with a more powerful ARM Cortex M4 MCU while still being sold at an attractive entry-line price point.

On May 31 it was announced that a group of employees of the Company, among others, four members of the Company's management team, have purchased shares through the exercise of Acconeers warrant program 2019/2022. To partially finance the subscription of shares, a group of participants in the warrant program has sold a total of 183,594 shares in the Company.

In June an order from Digi-Key worth USD 400k was received. The order related to the integrationready modules XM123 and XM124 and related Evaluation Kit (EVK), as well as the EVK for the upcoming A121 pulsed coherent radar sensor.

Acconeer received an order from Asteelflash worth USD 280k. The order relates to Acconeer's XM132 Entry Module for customer mass production.

On June 14 an order was received from Nexty worth USD 335k. The order related to Acconeer's A111 Pulsed Coherent Radar sensor for mass production.

At the end of June evaluation kit for A121 was launched. Acconeer introduced a new highperformance radar sensor, A121, and on June 30 the evaluation kit (EVK) for the product had been

shipped to distributors and would soon be available for customers to buy. The A121 radar sensor is planned to be ready for mass production in the first quarter of 2023.

On 9 August it was announced that the first car using Acconeer's A1 radar sensor had been launched. Acconeer's A1 pulsed coherent radar sensor is used in an electrical car model from one of the top two American high-volume car makers for the use case access control, which allows touchless opening of the trunk of a car. This is the first commercially available car using the company's technology. Based on forecasts from the distributor, the value of the launch of this one model is estimated to USD 600 000 over three years. Sales to this customer is reflected in sales to Acconeer's distributors. Acconeer develops module based on the new A121 pulsed coherent radar sensor

In October it was announced that Acconeer develops a module based on the new A121 pulsed coherent radar sensor. The new module - which will be the first to integrate the new A121 radar sensor - will be called XM125 Entry+ Module. It will have ultra-low power consumption, outstanding system cost and solderable design for optimized integration into mass-produced solutions. The module is planned to be available for customers in Q1 2023.

November 14 it was announced that Acconeer has agreed with three large global tech companies about a joint proposal to the Federal Communications Commission (FCC) for new regulations of the 60GHz frequency band in the US. The proposal makes it possible for Acconeer's and other mmWave radar technologies to co-exist with WiGig in the 60GHz band. The submitted proposal can be read at FCC's website.

Events after the end of the year

February 9 Acconeer received an order from Digi-Key worth USD 100k. The order relates to the new A121 Pulsed Coherent Radar sensor for mass production, as well as the first A121-based module, the integration-ready XM125 and its related evaluation kit (EVK) XE125. The products will be available to purchase online from end of March.

March 22 it was announced that Acconeer's pulsed coherent radar sensor A121 is ready for mass production. Acconeer's latest radar sensor A121 is now compliant with JEDEC and AEC-Q100 grade 2. This means that it is ready for mass production and will be available for customers to buy through distributors by the end of March.

SIGNIFICANT CIRCUMSTANCES

The company had one major owner (more than 10%) on 2022-12-31: BGA Invest (11,35%).

EXPECTED FUTURE DEVELOPMENT, KEY RISKS AND UNCERTAINTY FACTORS

There is a very strong interest in Acconeer's solution, from customers in a wide range of segments and applications. Some of these hold prominent positions in their respective markets.

As with every early-stage company, Acconeer faces significant risks. The company is working continously to make sure that the Board of Directors and the executive management consider every alternative carefully and make informed choices.

Acconeer has neither employees nor consultants in Ukraine or Russia, so we do not see that the war in Ukraine will have more impact on Acconeer than the general risks with the economy.

The Board of directors approve impairment tests carried out.

Financing risks

Acconeer will continue to develop the product in the future, which will incur significant costs. Both the size and the timing of any future capital needs depend on a number of factors, including success with product development, revenue generated and collaboration agreements. There is a risk that the Company will seek opportunities for financing, including loan financing. If additional external capital would need to be acquired through a new share issue, existing shareholders' holdings risk being diluted. There is a risk that new capital cannot be raised when the need arises, that it cannot be procured on terms favorable to the Company or that such capital would not be sufficient to finance the business according to the Company's deferred plan, which could have adverse effects on the Company's development and investment opportunities. Acconeer is thus dependent on the fact that in the future capital can be raised to the extent required. Possible delays in product development may mean that cash flow is generated later than planned. In the event that the Company fails to raise capital when the need arises, there is a risk of temporary development stoppage or that the Company is forced to conduct the business at a lower rate than desired, which may lead to delayed or missing revenues. There is also a risk that Acconeer will have to substantially curtail the Company's planned activities or ultimately discontinue operations.

Delivery and manufacturing risks

Problems with quality in mass production can arise which can affect Acconeer's ability to ensure smooth deliveries and satisfied customers. Furthermore, customers may have problems integrating the product and achieving expected results. This can have a negative impact on the Company's operations, earnings and financial position. Acconeer is a so-called fabless company, which means that all manufacturing

and production testing is outsourced. This means that Acconeer has reduced, or none, control over production and production testing. In the event that problems or other obstacles arise with the Company's production and production testing, this may have a negative impact on the Company's operations, earnings and financial position. Although no problems or other obstacles arise with the manufacture and production testing of Acconeer's products, there is a risk that the Company's products will not achieve commercial success.

Risks regarding purchase of materials for production

Acconeer is dependent on being able to purchase certain materials and components for the production of radar modules. There is a risk that the price of the materials and components that the Company uses for production increases, which will increase the Company's costs and thereby affect the Company's earnings and financial position in a negative way. Furthermore, certain materials that the Company need are produced from a limited number of suppliers. Should such suppliers not deliver products according to the Company's specifications, or at all, and replacement providers are not possible to find to acceptable conditions, this may have a negative impact on The Company's ability to deliver products in desired extent and that can lead to loss of revenue.

Risks with "tape-out" and production return

Acconeer designs pattern drawings that describe in detail how the commercial circuit is to be manufactured. These drawings are delivered to the factory partner through a so-called "tape-out". Factory partners design production equipment and return commercial prototypes that Acconeer validates. In the event that commercial samples would not have the expected quality, there is a risk that the process will have to be repeated one or more times, which could lead to significant delays in launch and large costs. Furthermore, there are no guarantees that the production yield will be high enough to achieve the gross margins Acconeer wants.

For cooperation projects with milestones, these are recognized as revenue in pace with completion and payment is only received when the requirement specification in the respective milestone is achieved. If assumptions made to determine the degree of completion were to be affected by changed circumstances, it could have an impact on the project's degree of completion, which could affect the project accounting and consequently also affect previously reported income.

Intellectual property rights, confidentiality, business secrets and smiliar aspects

Acconeer's future success depends on the Company's ability to maintain intellectual property protection in the form of patents, future trademarks, company names and domain names that are protected by intellectual property law and agreements. There is a risk that the Company will not be able to obtain or retain patents for its products or technology or obtain patents for new ones. In the event that a third party holds a patent covering the same product or technology as Acconeer, the Company may be forced to pursue legal processes, including internationally, to determine whether commercialization of a product or technology is feasible. The company may also be forced to pursue legal proceedings, even internationally, in the event that a third party is deemed to infringe on the Acconeer patent. The cost of such processes can be significant. The Company also risks losing such processes, which could mean that the Company's right to intellectual property is terminated. All of these factors can have a material adverse effect on the Company's operations, earnings and financial operations.

There is no guarantee that confidentiality agreements with employees, consultants and business partners fully protect against disclosure of confidential information, against the right of employees, consultants and business partners to intellectual property rights or that the agreements provide sufficient penalties for breach of contract. In addition, Acconeer's business secrets may otherwise be known or developed independently by competitors. If the Company's internal information and knowledge cannot be protected, operations may be adversely affected.

Market and competition-related risks

Some product application areas within several of the market segments that Acconeer wishes to enter do not yet exist, which may mean that it may take longer than expected for the Company's products to reach the market and generate revenue within these segments. This results in forecasting uncertainty. Even in cases where areas of use already exist, it must be taken into account that the Company sells new technology, which may mean that the customer response may take longer than expected. This, in turn, can lead to longer revenue and cash flow generation. Furthermore, competitors to the Company may have developed, or may develop, directly or indirectly competing products or other alternative solutions that can meet the same underlying customer needs as the Company's products, which could adversely affect Acconeer's sales opportunities.

Regulatory barriers

Acconeer's products operate within the unlicensed 60 GHz band, meaning that all end-user products must be type-approved / certified by relevant regulatory systems. Thus, there is a risk that the Company, or others using Acconeer's products in its end-user products, will not receive or lose type approval /

certifications and / or other approvals necessary to sell end-user products with Acconeer's products per se. Every product placed on the market needs a type approval from the respective country or region's equivalent to the Post and Telecom Agency. Acconeer works with the following certified test houses, Cetecom GmbH and TUV Rheinland Japan Ltd. These test houses verify the product against current regulations and ensure that type approval is obtained. Even if the Company, or others who use Acconeer's products in its end-user products, receive the necessary permits and approvals, there is a risk that the Company's products will not reach commercial success. In the event that the Company, or others using Acconeer's products in its end-user products, in one or more markets fails to obtain new or retain necessary permits for the business, it may have a material adverse effect on the Company's operations, financial position and results.

Intangible assets, capitalized development work expenditure

The recognized balanced expenses for development work are subject to and dependent on the management's ongoing analysis and impairment test. The management continuously assesses whether the development costs meet the criteria required for capitalization according to the regulations and which are described in the accounting principles. In this, management assesses, for example, the probability and possibility of completing the intangible fixed asset so that it can be used or sold. The most critical assumption, which is evaluated by management, concerns whether the intangible asset is expected to generate future economic benefits that at least correspond to the intangible asset's carrying value. The management's assessment is that the expected future cash flows are sufficient to justify capitalization of the development costs as well as the recognized value of the intangible asset, which is why no impairment has been made. However, the valuation is based on and dependent on the conditions for continued operation.

FINANCING NEEDS

The Board continuously evaluates the company's need for financing and with the aim of being able to raise working capital and seize future opportunities to acquire long-term strong owners and to further finance the Company's growth strategy, proposed the Annual General Meeting to approve an authorization for the Board to decide on a new issue. shares up to 25% of the total number of shares.

The Board of Directors and the Chief Executive Officer of Acconeer AB hereby present the annual report for the financial year 2022-01-01 - 2022-12-31.

NET SALES AND RESULT 2022

Net sales amounted to kSEK 46,825 (31,157), i.e. an increase of 50% compared to the previous year. Net sales relate to the sale of goods to customers via the distributors, primarily Digi-Key, Nexty, BEYD and Codico, and other distributors, as well as revenue from development-related services. The gross profit, which only includes direct cost of goods, amounted to kSEK 30,871 (25,329), which corresponds to a gross margin of 66% (81%). Reduced for income from development-related services, the gross profit amounted to kSEK 23,051 (14,472) which corresponds to a gross margin of 59% (71%). The product mix between our sensors, modules and development kits affects the gross margin. Compared to the full year of the previous year, operating costs increased by 7% to kSEK 84,928 (79,012). The operating profit/loss amounted to kSEK -47,248 (-51,101) and the profit/loss after tax amounted to kSEK -47,154 (-51,138). The improved result compared to the previous year is due to the fact that net sales and other operating income have increased slightly more than the increase in sales costs.

MULTIPLE YEAR OVERVIEW

AMOUNTS IN KSEK	2022	2021	2020	2019	2018
Net sales	46,825	31,157	9,505	5,508	953
Operating result	-47,248	-51,101	-62,309	-68,562	-39,044
Balance sheet total	190,675	223,223	128,442	130,202	194,498
Solidity %	90	89	94	92	95

See Accounting and valuation policies for definitions of key indicators.

CHANGES IN EQUITY

AMOUNTS IN KSEK	SHARE CAPITAL	FUND FOR DEVELOPMENT COSTS	SHARE PREMIUM RESERVE	SHARE HOLDER CONTR.	RETAINED EARNINGS	TOTAL
Total equity 2021-12-31	**1,286**	**13,632**	**463,912**	**25**	**-279,157**	**199,698**
Issue of warrants	31		19,327			19,358
Issue expenses			-211			-211
Warrant expenses			-180			-180
Capitalisation development costs		21,387			-21,387	0
Dissolution of depreciation of development costs		-6 524			6,524	0
Net profit/loss for the period					-47,154	-47,154
Total equity 2022-12-31	**1,317**	**28,495**	**482,848**	**25**	**-341,174**	**171,511**

AMOUNTS IN KSEK	SHARE CAPITAL	FUND FOR DEVELOPMENT COSTS	SHARE PREMIUM RESERVE	SHARE HOLDER CONTR.	RETAINED EARNINGS	TOTAL
Total equity 2020-12-31	**1,165**	**17,942**	**333,688**	**25**	**-232,329**	**120,492**
Ongoing rights issue	117		140,178			140,295
Issue of warrants	4		4,931			4,935
Issue expenses			-14,886			-14,886
Capitalisation development costs		2,215			-2,215	0
Dissolution of depreciation of development costs		-6,525			6,525	0
Net profit/loss for the period					-51,138	-51,138
Total equity 2021-12-31	**1,286**	**13,632**	**463,912**	**25**	**-279,157**	**199,698**

PROPOSED APPROPRIATIONS OF PROFIT OR LOSS

The Board of Directors proposes that unrestricted equity (SEK):

	Amount
Retained loss	- 293,994,840
Premium reserve	482,847,400
Loss for the year	- 47,153,703
Total	**141,698,857**

are distributed so that	
Premium reserve	482,847,400
to be carried forward	-341,148,543
	141,698,857

The financial result and position of the Company in general is set out in the income statement, balance sheet, cash flow statement and notes below.

INCOME STATEMENT

AMOUNTS IN KSEK	NOTE 1	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Net sales		46,825	31,157
Cost of goods sold	2	-15,954	-5,828
Gross profit		**30,871**	**25,329**
Operating expenses	3-8,10-13		
Sales expenses		-25,862	-19,562
Administrative expenses		-13,989	-12,347
Research and Development expenses	10	-45,077	-47,103
Other operating income/ expenses	9	6,809	2,582
Operating result		**-47,248**	**-51,101**
Result from financial items			
Result from participation in group companies		-4	-10
Financial income		160	-
Financial expense		-62	-27
Net financial income/expense		**94**	**-37**
Profit or loss before tax		**-47,154**	**-51,138**
Tax		-	-
Net profit or loss for the year		**-47,154**	**-51,138**

BALANCE SHEET

AMOUNTS IN KSEK	NOTE 1	2022-12-31	2021-12-31
ASSETS			
Fixed assets			
Intangible fixed assets			
Capitalised development costs	10	30,487	18,281
Patents	11	2,251	1,983
		32,738	**20,264**
Tangible fixed assets			
Machinery and other technical equipment	12	1,087	1,676
Equipment, tools, fixtures and fittings	13	3,641	2,577
Assets under construction and advance payments referring to tangible fixed assets	14	7,063	7,553
		11 791	**11,806**
Financial fixed assets			
Participations in Group companies	15,16	828	832
		828	**832**
Total fixed assets		**45,357**	**32,902**
Current assets			
Inventories, etc.			
Work in progress		23,075	9,939
Finished goods and merchandise		7,162	3,453
		30,237	**13,392**
Short-term receivables			
Accounts receivable		4,797	3,558
Receivables from Group companies		990	821
Current tax assets		493	469
Other receivables	17	1,398	5,823
Prepayments and accrued income	18	17,520	9,400
		25,198	**20,071**
Cash and bank balances			
Cash and bank balances		89,883	156,858
Total current assets		**145,318**	**190,321**
TOTAL ASSETS		**190,675**	**223,223**

BALANCE SHEET (CONT'D)

AMOUNTS IN KSEK	NOTE 1	2022-12-31	2021-12-31
EQUITY AND LIABILITIES			
Equity	19		
Restricted equity			
Share capital		1,317	1,169
Ongoing rights issue		0	117
Fund for development costs		28,495	13,632
		29,812	**14,918**
Non-restricted equity			
Share premium reserve		482,848	463,912
Retained profit or loss		-293,995	-227,994
Net profit or loss for the year		-47,154	-51,138
		141,699	**184,780**
Total equity		**171,511**	**199,698**
Short-term liabilities			
Advances from customers		143	118
Accounts payable		6,166	6,312
Other liabilities		933	781
Accruals and deferred income	20	11,922	16,314
		19,164	**23,525**
TOTAL EQUITY AND LIABILITIES		**190,675**	**223,223**

CASH FLOW STATEMENT

AMOUNTS IN SEK	NOTE 1	2022-01-01 2022-12-31	2021-01-01 -2021-12-31
Operating activities			
Result after financial items		-47,154	-51,138
Adjustments for items not included in cash flow	21	10,958	11,447
Income tax paid		-24	-308
Cash flow from operating activities before change in working capital		**-36,220**	**-39,999**
Cash flow from change in working capital			
Change in inventories		-16,845	-5,737
Change in receivables		-1,239	-1,590
Change in short-term receivables		-3,864	-10,842
Change in trade payables		-146	5,217
Change in current liabilities		-4,215	10,359
Cash flow from operating activities		**-62,529**	**-42,592**
Investing activities			
Investments in intangible fixed assets		-21,972	-2,645
Investments in tangible fixed assets		-1,441	-10,423
Sales of financial assets		0	4
Cash flow from investing activities		**-23,413**	**-13,064**
Financing activities			
New rights issue		19,358	145,230
Issue expenses		-391	-14 886
Cash flow from financing activities		**18,967**	**130,344**
CASH FLOW FOR THE YEAR		**-66,975**	**74,688**
Cash and cash equivalents at the beginning of the year			
Cash and cash equivalents at the beginning of the year		156,858	82,170
Cash and cash equivalents at the end of the year		**89,883**	**156,858**

NOTES

NOTE 1 ACCOUNTING AND VALUATION POLICIES

General information
The annual report is prepared in accordance with the Swedish Annual Accounts Act as well as the Swedish Accounting Standards Board BFNAR 2012:1 annual report and consolidated (K3).

Receivables are recognized at the amount expected to be received.

Other assets and liabilities are recognized at cost unless otherwise indicated.

Receivables and liabilities in foreign currency are valued at the exhange rate at the balance sheet date. Exchange gains or losses on operating receivables and -payables are recognized in the operating result while exchange gains or losses on financial claims and liabilities are recognized as financial items.

The accounting policies are unchanged compared with the previous year.

Group structure
The Company is a parent company, but according to the exemptions stated in the Swedish Annual Accounts Act 7 ch. 3 s. no consolidated accounts are prepared. The subsidiary Acconeer Incentive AB has no operations of its own but is used only to administer the warrants available in Acconeer AB.

ACCOUNTING PRINCIPLES FOR PARTICULAR BALANCE AND INCOME SHEET ITEMS

Recognition of revenue
Revenue has been recognized at the fair value of the consideration received or receivable to the extent that it is likely that the financial benefits arising from it will be available to the company and can be reliably calculated.

Sale of goods
Sale of goods is recognized as income in its entirety when the risk passes to the buyer in accordance with delivery terms. In cases where sales are made to a distributor, the revenue recognition takes into account any returns and discounts.

Development-related services
The company is developing the new sensor A2 together with external party, ALPS Alpine. The project is divided into various Milestones and the revenues are reported linearly over each Milestone's term, degree of completion taken in to account.

Government grants
Government grants are recognized as a liability until the conditions for receiving the grants are met. Grant which is not recognized as a liabilityis is recognized as income in the income statement. The grants are recognized at actual value.

Operational lease agreements
All lease agreements where the Company is the lessee are recognised as operational lease agreements, regardless of whether the agreements are financial or operational. The lease cost is recognized as an expense linear over the lease period. In the Company's accounts, the operational lease agreements mainly correspond to rented premises. The leasing contract for the Swedish offices is for a period of five years with a possibility to extend it.

Employee benefits
Short-term benefits
Short-term benefits to employees are calculated without discounting and recognized as an expense when the related services are obtained. Short-term benefits consists of, among other things, salaries, paid holidays, paid absence, bonus and compensation after completion employment.

Bonuses
CEO and employees receive bonuses in accordance with a bonus ladder. The objectives of this performance-based compensation is determined in connection with the Company's goals for the coming year.

Defined contribution pension plans
Defined contribution pension are plans where the Company's obligation is limited to the fees the Company is committed to paying. The size of the employee's pension depends on the fees that the Company pays to an insurance company and the return on capital that the fees provide. Consequently, it is the employee who bears the actuarial burden, the risk (that the compensation will be lower than expected) and the investment risk (that the invested assets will be insufficient to provide them the expected compensations). The Company's

obligations regarding fees for defined contribution plans is recognized as an expense in the income statement at the rate they are earned through the employees performing services for the company during a period.

Financial income and expenses
Financial income consists of interest income and others financial income. Financial expenses consist of results from participations in subsidiaries, interest expenses as well as other financial expenses.

Income taxes
Current tax
Current tax refers to income tax for the current financial year and the part of the previous financial yearincome tax that has not yet been recognized. Current tax is calculated based on the tax rate that applies per balance sheet date.

Financial instruments
Financial instruments are valued based on the acquisition value. The instrument is recognized in the balance sheet when the company becomes a party to the contractual terms of the instrument. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or transferred and the Company has transferred all the risks and benefits associated with ownership. Financial liabilities are removed from the balance sheet when the obligations have been settled or otherwise terminated.

Derivative instruments
The Company holds derivatives in the form of employee options/warrants (share appreciation rights programmes).

Subscription warrants
No initial cost has been incurred since a valuation at fair value through an option pricing model corresponds to the premium received by the Company.

The Company has already established warrant programmes for certain present and former executive directors and other key employees, consisting of subscription warrants.

The subscription warrants have been issued in the customary way. All of the subscription warrants outstanding are covered by Acconeer's right of first refusal in the event of transfer. The Company has furthermore reserved the right to buy back the warrants if the employment is terminated. If the subscription warrants are fully exercised, the share capital will increase by SEK 49,098 and the number of shares by 981,959 corresponding to a dilutive effect of approximately 3.7 percent.

The warrant programs are distributed as follows:
2020/2023, paid subscription price per warrant SEK 2.00, subscription price per share SEK 20,78 during 2022, 150,000 options.
2020/2023 paid subscription price per warrant SEK 3.57, subscription price per share SEK 20,78 during 2023,150 000 warrants.
2021/2024 paid subscription price per warrant SEK 5.06, subscription price per share 54.35 SEK during 2024, 217,503 warrants.
2021/2024 paid subscription price per warrant SEK 11.44, subscription price per share SEK 110,62 during 2024, 107,138 warrants.
2022/2026 paid subscription price per warrant SEK 7.90, subscription price per share SEK 59.12 during 2026, 223,515 warrants.
2023/2026 paid subscription price per warrant SEK 7.71, subscription price per share SEK 58.28 during 2026, 133,803 warrants.

Accounts receivable/short-term receivables
Accounts receivable and short-term receivables are recognized as current assets to the amount expected to be paid less individually assessed bad debt.

Accounts payable
Accounts payables are initially recognized at acquisition value after deducting transaction costs.

Impairment tests of financial fixed assets
At each balance sheet date, an assessment is made to see if there are indications on impairment needs of any of the financial fixed assets. Impairment occurs if the decrease in value is considered to be permanent and is tested individually.

Fixed assets
Intangible fixed assets
Intangible assets held by the Company consists of capitalized development costs and patents.
These intangible assets are recognized at acquisition value less accumulated depreciation and any impairment.

Research and development costs
Costs for research, that is, planned and systematic search för new scientific or technological knowledge and insight, is recognized as an expense when incurred. Development costs are recognised according to the capitalization model. This means that costs incurred during development are recognized as assets when all of these conditions are met:

- It is technically possible to complete the intangible fixed asset for use or sale.
- The intention is to complete the intangible fixed asset and to use it or sell it.
- It is feasible to use or sell the intangible asset.

- It is likely that the intangible asset will generate future economic benefits.
- Sufficient and adequate technological, economic and other resources are available to complete the development and use or sell the intangible asset.
- The costs that are attributable to the intangible asset can be calculated reliably.

Externally generated capitalized costs for development are recognized at acquisition value and internally generated intangible assets are recognized at cost less accumulated amortisation.

The cost of an internally generated intangible asset consists of all directly attributable development expenditure (for example raw materials and salaries) less any public grants corresponding to the size of the grant and income from co-development.

Other intangible fixed assets
Other intangible fixed assets acquired by the Company consists of expenses for the Company's patent portfolio as well as construction of prototypes and are recognized at cost less accumulated amortisation and impairment. In case the acquisition has been financed with public funds the value of the asset has been adjusted corresponding to the size of the funds.

Expenditure for new patent applications is capitalized as incurred, while expenditure for protection of existing patents is expensed.

Intangible fixed assets
Depreciation/amortisation is linear over the asset's estimated useful life, taking significant residual values into account. The following depreciation rates are applied:

Balanced costs for development work	5 years
Patents	10 years

Impairment tests of intangible fixed assets
For intangible assets with an indefinite useful life and intangible assets that are not yet subject to depreciation according to plan an impairment of the recovery value is carried out annually. Recovery value is the highest of the net sales value and the value in use. At calculation of value in use future assessed cash flows is discounted with an interest rate that takes into account the market's assessment of risk-free interest and risk associated with the specific asset.

Tangible fixed assets
Tangible fixed assets are recognized to acquisition value after deduction for accumulated depreciation. The acquisition value includes the purchase price as well as expenses directly attributable to the asset in order to bring it into place and in condition to be utilized accordingly with the purpose of the acquisition.

The recognized value of a tangible fixed asset is removed from the balance sheet upon disposal or when no future economic benefits are expected from use or decommissioning/disposal of the asset. Profit or loss arising in case of disposal or scrapping of an asset consists of the difference between the selling price and that of the asset recognized value with deductions for direct sales costs. Profit and loss are recognized as other operating income/cost. Depreciation/amortisation is linear over the asset's estimated useful life, taking significant residual values into account. The following depreciation rates are applied:

Machinery and other technical equipment	5-6 years
Equipment, tools, fixtures and fittings	5 years
Fixtures and fittings on leased property	4-5 years

Public grants
Public grants related to assets are recognized in the balance sheet by the grant reducing the asset's recognized value.

Shares and participations in subsidiaries
Shares and participations in subsidiaries are recognized at cost less impairment. The cost includes the purchase price paid for the shares as well as acquisition costs. Any capital injections and intra-group transfers are added to the cost as they occur. Dividends from subsidiaries are recognized as income.

Inventories
The inventories are valued at the lower of cost and net realizable value at the balance sheet date. Net realizable value refers to the estimated selling price of the goods less the transaction costs. The chosen valuation method takes the effect of technological obsolescence into account.

Cash flow statement
The cash flow statement is drawn up using an indirect method. The reported cash flow covers only operations resulting in cash transactions.

In cash and cash equivalents, the Company includes cash, available balances with banks and other credit insitutions as well as short-term, highly liquid investments listed on a market with maturity less than three months from the date of acquisition. Changes in blocked funds are reported in the investing activities.

Definitions of indicators
Net sales
The undertaking's main income, invoiced costs, additional income and income adjustments.

Result after depreciation/amortisation
Result after depreciation/amortisation and items affecting comparability, but before financial income and expenses.

Balance sheet total
The Company's entire assets, equity capital and liabilities.

Solidity %
Adjusted equity capital (equity and untaxed reserves less deferred tax) in relation to the balance sheet total, expressed in percent.

Estimates and assessments
The Management makes estimates and assessments of the future. These estimates will rarely correspond to the actual outcome. Those estimates and assessments which may lead to risk of having to materially adjust the carrying amounts of assets and liabilities are primarily the valuation of intangible assets.

It is examined every year whether there are any indications that the value of the assets is lower than the recognized value. If such an indication is found, the asset's recoverable amount is determined as the lower of the fair value of the asset less costs to sell and the value in use.

NOTE 2 NET SALES

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Sales of goods	39,005	20,300
Development-related services	7,820	10,857
	46,825	**31,157**

NOTE 3 OPERATING EXPENSES BY COST CATEGORY

	2022 FULL YEAR	2021 FULL YEAR
Other operating income	-7,907	-3,386
Raw materials and consumables	15,955	5,936
Other external costs	45,427	24,477
Personnel costs	49,934	45,206
Depreciation of fixed tangible and intangible assets	10,954	11,437
Other operating costs	1,098	805
	115,461	84,475

The Board's costs are included in Other external costs with SEK 583,200 (571 200) and are also included in the basis for the note Salaries and other remuneration.

NOTE 4 INFORMATION ABOUT THE COMPANY'S OPERATING EXPENSES

For the period, the operation and product management function amounts to kSEK 19,314 (8,478) and depreciation of tangible and intangible fixed assets to kSEK 10,954 (11,437). Given that Acconeer is in a start-up phase and has not yet reached full-scale production, these costs are included in Sales Costs and Research and Development Costs, not in Cost of goods sold.

NOTE 5 SALARIES AND REMUNERATIONS

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Salaries and remunerations		
Directors and Chief Executive Officer*)	1,947	2,050
Other employees	33,984	29,615
	35,931	**31,665**
Social security contributions		
Pension costs for directors and CEO	462	469
Pension costs for other employees	3,546	2,906
Other statutory and contractual social security contributions	7,815	10,179
	11,823	**13,554**
Total salaries, remunerations, social security contributions and pension costs	**47,754**	**45,219**

*) The CEO's employment has a three month period of notice when terminated by either party.

NOTE 6 EMPLOYEES AND PERSONNEL COSTS

AVERAGE NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Sweden	49	41
Of whom men	44	36
Total	**49**	**41**
Gender distribution of the Board and management		
Percentage of women, %		
Board of Directors	20	20
Other executive directors	11	11

NOTE 7 REMUNERATION AND OTHER BENEFITS

2022-01-01 - 2022-12-31	BASE PAY	VARIABLE PAY	OTHER BENEFITS	PENSION EXPENSES	TOTAL
Remuneration and benefits					
Chief Executive Officer	1,282	79	3	462	1,826
Other executive directors*)	6,066	356	18	889	7,330
	7,348	**435**	**21**	**1,351**	**9,156**

2021-01-01 - 2021-12-31	BASE PAY	VARIABLE PAY	OTHER BENEFITS	PENSION EXPENSES	TOTAL
Remuneration and benefits					
Chief Executive Officer	1,227	138	4	469	1,838
Other executive directors*)	5,436	553	6	852	6,875
	6,690	**691**	**10**	**1,321**	**8,713**

*) Included in "Other employees" in the table "Salaries and remunerations".

NOTE 8 TRANSACTIONS BETWEEN GROUP COMPANIES

No intra-group transactions have taken place during the year.

NOTE 9 OTHER OPERATING INCOME

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
License and royalties	39	33
BYDA grant	758	365
WASP grant	480	180
Vinnova grant	3,155	1,191
Insurance compensation	50	0
Exchange rate gains	3,305	1,583
Other operating income	120	34
Exchange rate loss	-1,098	-801
Other operating costs	-	-4
	6,809	**2,581**

NOTE 10 CAPITALISED DEVELOPMENT COSTS

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Cost, opening balance	48,118	45,903
Capitalisation own work for the year	21,387	2,215
Accumulated cost, closing balance	**69,505**	**48,118**
Amortisation, opening balance	-29,837	-20,656
Amortisation for the year	-9,181	-9,181
Accumulated amortisation, closing balance	**-39,018**	**-29,837**
Carrying amount	**30,487**	**18,281**

NOTE 11 PATENTS

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Cost, opening balance	2,995	2,565
Acquisitions	585	430
Accumulated cost, closing balance	**3,580**	**2,995**
Amortisation, opening balance	-1,012	-741
Amortisation for the year	-317	-271
Accumulated amortisation, closing balance	**-1,329**	**-1,012**
Carrying amount	**2,251**	**1,983**

NOTE 12 MACHINERY AND OTHER TECHNICAL EQUIPMENT

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Cost, opening balance	12,385	12,203
Purchases	35	7,245
Reclassification	-	-7,063
Accumulated cost, closing balance	**12,420**	**12,385**
Depreciation, opening balance	-10,709	-8,989
Depreciation for the year	-624	-1,720
Accumulated depreciation, closing balance	**-11,333**	**-10,709**
Carrying amount	**1,087**	**1,676**

NOTE 13 EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Cost, opening balance	2,984	315
Purchases	1,407	2,687
Sale/disposal	-	-18
Reclassification from fixed assets under construction	490	-
Accumulated cost, closing balance	**4,881**	**2,984**
Depreciation, opening balance	-407	-156
Sale/disposal	-	14
Depreciation for the year	-833	-265
Accumulated depreciation, closing balance	**-1,240**	**-407**
Carrying amount	**3,641**	**2,577**

NOTE 14 FIXED ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS REFERRING TO TANGIBLE FIXED ASSETS

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Cost, opening balance	7,553	
Purchases	-	490
Reclassification from Machinery and technical equipment	-	7,063
Reclasssification from Fixtures and fittings leased property	-490	-
Carrying amount	**7 063**	**7 553**

NOTE 15 PARTICIPATIONS IN GROUP COMPANIES

	2022-01-01 2022-12-31	2021-01-01 -2021-12-31
Acquisition value, opening balance	832	842
Impairment	-4	-10
Accumulated cost, closing balance	**828**	**832**
Carrying amount	**828**	**832**

NOTE 16 SPECIFICATION OF PARTICIPATIONS IN GROUP COMPANIES

NAME	REG.NO.	REGISTERED OFFICE	EQUITY CAPITAL	RESULT
Acconeer Incentive AB	559156-2474	Lund, Sweden	829	-5

NAME	CAPITAL SHARE	VOTING RIGHTS	NUMBER OF SHARES	BOOK VALUE	EQUITY CAPITAL
Acconeer Incentive AB	100%	100%	50,000	828	829
				828	**829**

NOTE 17 OTHER RECEIVABLES

	2022-12-31	2021-12-31
Recoverable VAT	1,392	1,318
Accrued income not yet invoiced, reclassified 2022	-	4,118
Other receivables	6	387
	1,398	**5,823**

NOTE 18 PREPAID EXPENSES AND ACCRUED INCOME

	2022-01-01- 2022-12-31	2021-01-01 -2021-12-31
Advance to supplier	-	4,170
Prepaid rent	663	591
Rent deposition	1,302	1,302
Accrued income not yet invoiced, reclassified 2022	11,439	-
Other prepaid expenses	4,116	3,337
	17,520	**9,400**

NOTE 19 NUMBER OF SHARES AND QUOTA VALUE

2022-12-31 NAME	NUMBER OF SHARES	QUOTA VALUE
Number of A shares	26,331,798	0.05
	26,331,798	

2021-12-31 NAME	NUMBER OF SHARES	QUOTA VALUE
Number of A shares	23,382,500	0.05
	23,382,500	

NOTE 20 ACCRUALS AND DEFERRED INCOME

	2022-12-31	2021-12-31
Accrued holiday pay	2,304	1,969
Accrued social security cost	724	619
Special payroll tax	1,040	875
Deferred grant Vinnova	806	956
Deferred income	105	704
Accrued Directors' fees	583	571
Accrued bonus incl. social security cost	3,014	3,504
Employers contributions referring to RnD	0	3,894
Discount rent	560	720
Other accrued expenses	2,786	2,502
	11,922	**16,314**

NOTE 21 NON-CASH ITEMS

	2022-12-31	2021-12-31
Depreciation	10,954	11,437
Impairment, participations in Group Companies	4	10
	10,958	**11,447**

NOTE 22 RELATED PARTY TRANSACTIONS

No related party transactions except for directors' fees.

NOTE 23 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

On Februray 9 Acconeer received an order from Digi-Key worth USD 100k. The order relates to the new A121 Pulsed Coherent Radar sensor for mass production, as well as the first A121-based module, the integration-ready XM125 and its related evaluation kit (EVK) XE125. The products will be available to purchase online from end of March.

March 22 it was announced that Acconeer's pulsed coherent radar sensor A121 is ready for mass production. Acconeer's latest radar sensor A121 is now compliant with JEDEC and AEC-Q100 grade 2. This means that it is ready for mass production and will be available for customers to buy through distributors by the end of March.

SIGNATURES

The income statement and balance sheet will be submitted for adoption
by the Annual General Meeting on 2023-04-27

Malmö, 2023-03-23

Thomas Rex
Chairman of the Board

Lars-Erik Wernersson

Git Sturesjö Adolfsson

Bengt Adolfsson

Johan Paulsson

Lars Lindell
Chief Executive Officer

Our auditor's report was submitted on 2023-03-23
KPMG AB

Jonas Nihlberg
Authorized Public Accountant
Auditor in charge

Tobias Lindberg
Authorized Public Accountant

AUDITOR'S REPORT

To the General Meeting of the Shareholders of Acconeer AB (publ), corporate identity number 556872-7654

REPORT ON THE ANNUAL ACCOUNTS

Opinions

We have audited the annual accounts of Acconeer AB for the year 2022. The annual accounts of the company are included on pages 24-43 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of Acconeer AB as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.
We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Acconeer AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Matter

The audit of the annual accounts for year 2021 was performed by another auditor who submitted an auditor´s report dated 24 March 2022, with unmodified opinions in the Report on the annual accounts.
Other Information than the annual accounts
This document also contains other information than the annual accounts and is found on pages 1-23. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated. If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Acconeer AB for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Acconeer AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:
- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed

appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Malmö 23 March 2023

KPMG AB

Jonas Nihlberg
Authorized Public Accountant
Auditor in charge

KPMG AB

Tobias Lindberg
Authorized Public Accountant

Acconeer AB (publ)
Västra Varvsgatan 19
211 77 Malmö
+4610 218 92 00
www.acconeer.com

The information herein was submitted for publication on 23 March 2023, 13:00 (CET).