



Gapwaves makes a strategic investment into the radar sensor market by acquiring a minority stake in Sensrad

Gothenburg, April 27, 2023: Gapwaves AB (publ) (“Gapwaves”) has entered into an agreement through which Gapwaves will become owner of 30 per cent of the share capital of Sensrad AB (“Sensrad”), previously a fully owned subsidiary of Qamcom Group AB (“Qamcom”). The investment is carried out by subscription of newly issued shares in Sensrad and the total investment amounts to SEK 40 million, funded by cash on hand. In addition, Gapwaves has the right to acquire on certain terms an additional 30 per cent share of Sensrad up until June 30, 2024.

Sensrad is a recent spin-out venture from Qamcom’s Radar division since January 1, 2023 and offers a unique 4D imaging radar sensor based on sophisticated software and hardware technology, including the leading radar chipset from Arbe (NASDAQ: ARBE). Through the investment, Gapwaves addresses several new and structurally growing end-user markets in 4D imaging radar utilizing its antenna technology and industrial know-how outside the traditional automotive market.

Jonas Ehinger, CEO Gapwaves, says: “Gapwaves investment in Sensrad is an important step towards a new and stronger value chain position within the radar sensor market for advanced and autonomous urban mobility and smart city applications. This move follows Gapwaves long-term strategic plan and through the investment we will be able to include our products in Sensrads radar sensor offering and we expect to accelerate Gapwaves journey to become a technical powerhouse within antenna- and radar technology.”

Qamcom has established Sensrad as a frontrunner in advanced imaging radar sensors based on the high-performing Arbe chipset. By utilizing the two companies expertise, the result is a very capable 4D imaging radar sensor based on Gapwaves high-performing waveguide antenna technology and Sensrads radar solution.

Johan Lassing, CEO of Qamcom Group, says: “It feels great to have a strong and capable partner like Gapwaves as it enables the realization of the incredible potential of our new generation of radars. Gapwaves brings technical expertise in advanced antennas and front ends, while Sensrad has extensive experience in radar technology and signal processing, making it a perfect match. The timing of this partnership is ideal, given the growing demand for robust, reliable, and high-resolution sensing technology in a multitude of application fields. By working together, we can build on Sensrads strong product positioning and deliver exceptional results.”

“We are thrilled to provide the radar chipset for Sensrad,” says Kobi Marenko, CEO at Arbe. “We believe that the radar systems designed by Sensrad will offer unparalleled performance, enabling true safety and autonomy across a variety of industry verticals. The potential for radars in infrastructure, surveillance and mobility verticals is enormous, and we are excited to join this journey along with our partners Qamcom and Gapwaves.”

Sensrad is based in Gothenburg and currently has an equivalent of 19 FTE’s with significant radar and signal processing experience. Sensrad is an established business and has delivered prototype volumes of its Hugin 4D imaging radar to customers within several industry segments, including infrastructure, heavy machinery, surveillance, and autonomous mobility radar. By investing in Sensrad and strengthening its 4D imaging radar offering, Gapwaves will also gain better access to, and benefit from new market and product segments with high structural market growth. In addition, there are strong synergies with the already established antenna business. Combining Gapwaves antenna technology with Sensrads radar products will allow Sensrad to bring a highly capable imaging radar sensor to the market. Sensrad has a sales subsidiary in China, which can also facilitate the reach for Gapwaves in the Chinese market with its antenna products.

Main terms of the investment

The investment in Sensrad is carried out by a subscription of newly issued shares in Sensrad. The total investment amounts to SEK 40 million and is funded by cash on hand. According to the otherwise

customary shareholders' agreement entered in connection with the investment, Gapwaves has a right to acquire an additional stake of 30 per cent in Sensrad from Qamcom at an indicative price of SEK 40 million up until June 30, 2024, or on other terms to be defined. If such terms cannot be agreed, Qamcom must instead acquire Gapwaves' shares in Sensrad.

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About Gapwaves AB (publ)

Gapwaves originates from research conducted at Chalmers University of Technology and was founded in 2011. Gapwaves vision is to be the most innovative provider of mm-wave antenna systems and the preferred partner to those pioneering next generation wireless technology. By leveraging the disruptive Gapwaves technology we help pioneers in automotive and wireless communication to create highly efficient mm-wave antenna systems that contributes to re-defining everyday life. Gapwaves markets are e.g. mmWave in the automotive and telecom industries.

Gapwaves' share (GAPW B) is traded at Nasdaq First North Stockholm with G&W Fondkommission (www.gwkapital.se) as Certified Adviser.

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