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GAPWAVES BOARD OF DIRECTORS HAS RESOLVED ON A FULLY UNDERWRITTEN RIGHTS ISSUE OF APPROX SEK 78 MILLION, CONDITIONAL ON THE APPROVAL OF GENERAL MEETING AND ENTERS INTO A LOAN FACILITY AGREEMENT OF SEK 15 MILLION

The Board of Directors of Gapwaves AB (publ) ("Gapwaves" or the "Company") has today, conditional on the subsequent approval of an extraordinary general meeting, resolved on a rights issue of B-shares of approximately SEK 78 million (the "Rights Issue"). The subscription price has been determined to SEK 15.0 per B-share. Those who on the record date on 5 November 2025 are registered as shareholders in Gapwaves will receive one (1) subscription right for each share held, regardless of share series. Six (6) subscription rights will entitle to subscription for one (1) newly issued B-share. The Company has received subscription undertakings from existing shareholders, directors and senior management, which in total amount to approximately SEK 3.7 million, corresponding to approximately 5 percent of the Rights Issue. The Company has also received a guarantee commitment from Buntel AB ("Buntel") which amounts to approximately SEK 74.1 million, corresponding to approximately 95 percent of the Rights Issue. Consequently, the Rights Issue is fully covered by way of subscription undertakings and guarantee commitment. In addition, certain members of the Company's Board of Directors and senior management have expressed their intention to subscribe for shares in excess of their pro rata share, corresponding to a total amount of approximately SEK 0.7 million. To further strengthen the Company's operational flexibility, the Company has entered into a SEK 15 million loan facility agreement with Buntel on market terms.

Notice to the extraordinary general meeting for resolution on approval of the Rights Issue, which will be held on 31 October 2025, will be announced through a separate press release.

Summary

- The Board of Directors of Gapwaves has today resolved on the Rights Issue, conditional on the subsequent approval of the extraordinary general meeting.

- The extraordinary general meeting will be held on 31 October 2025, and the notice will be published through a separate press release.
- The net proceeds from the Rights Issue are intended to be used for the following purposes listed in order of priority: (i) accelerate commercial expansion, (ii) scale up production and supply chain, (iii) broaden the customer base and industry presence, and (iv) invest in next-generation technologies and profitability-driving initiatives.
- If the Rights Issue is fully subscribed, the Company will receive approximately SEK 78 million before deduction of transaction costs.
- The subscription price is SEK 15.0 per B-share.
- Those who on the record date 5 November 2025 are registered as shareholders in Gapwaves will receive one (1) subscription right for each share held, regardless of share series.
- Six (6) subscription rights entitle to subscription for one (1) newly issued B-share.
- The subscription period in the Rights Issue runs from and including 7 November 2025, up to and including 21 November 2025.
- Shareholders who choose not to participate in the Rights Issue will have their shares diluted by up to approximately 14.3 percent and their votes diluted by approximately 4.9 percent, but will have the opportunity to compensate themselves financially for the dilution effect by selling their subscription rights.
- The subscription undertakings from existing shareholders, directors and members of senior management amount to approximately SEK 3.7 million, corresponding to approximately 5 percent of the Rights Issue. In addition, the Company has received a guarantee commitment amounting to approximately SEK 74.1 million, which corresponds to approximately 95 percent of the Rights Issue. Consequently, the Rights Issue is fully covered by way of subscription undertakings and guarantee commitment. Furthermore, certain members of the Company's Board of Directors and senior management have expressed their intention to subscribe for shares in excess of their pro rata share, corresponding to a total amount of approximately SEK 0.7 million.
- To further strengthen the Company's operational flexibility and thereby increase the Company's financial capacity for future business opportunities, the Company has entered into an agreement for a SEK 15 million loan facility that may be utilized within twelve (12) months (the "**Loan Facility**"). The terms of the Loan Facility are considered at market terms.

Background and reasons

In 2024, Gapwaves took a vital step in its development by initiating its first high-volume production. The production launch with Valeo SE ("**Valeo**"), a world-leading supplier of automotive components and specifically advanced driver assistance systems (ADAS), in early June marks a milestone in the Company's journey — from a research and development company to a fully commercial and industrially established player.

The collaboration with Valeo clearly demonstrates that Gapwaves' waveguide technology has now reached a level of maturity and quality that enables volume production for leading global automotive suppliers. Market interest continues to grow, and both the Company's technology and business model have during the year proven their competitiveness in a rapidly expanding sector.

Gapwaves is now entering an expansion phase focused on accelerating growth, scaling up production, and consolidating its position as a leading supplier of waveguide technology for radar and sensor applications. The increased commercialization brings a need for enhanced delivery capacity and financial flexibility to meet the growing demand. In parallel, the Company continues to broaden its customer base and strengthen its presence in new segments such as industrial applications, telecommunications, and transport solutions.

Use of proceeds

To fully implement this growth strategy and capitalize on emerging commercial opportunities, the Company intends to carry out the Rights Issue, which, if fully subscribed, will provide the Company with approximately SEK 78 million before issue costs.

The capital is intended to strengthen the Company's ability to meet rapidly growing demand and create long-term value through focused investments in operations. Based on the current business plan and against this background, the expected net proceeds will be allocated as follows:

- **Accelerate commercial expansion** by executing near-term identified business opportunities, increasing presence with existing customers, and establishing new strategic partnerships in selected geographic markets – approximately 40 percent.
- **Scale up production and supply chain** to meet rapidly increasing demand and ensure capacity for existing and new customer projects – approximately 20 percent.
- **Broaden the customer base and industry presence** by expanding beyond the automotive sector to areas such as smart cities, telecommunications, transport, and other industrial applications, while supporting the continued scaling of Sensrad AB – approximately 20 percent.
- **Invest in next-generation technologies and profitability-driving initiatives** to further strengthen competitiveness and secure a long-term market position – approximately 20 percent.

Extraordinary general meeting

Through a separate press release, the Company will convene an extraordinary general meeting to be held on 31 October 2025 to approve the Rights Issue (the “**Extraordinary General Meeting**”).

The Rights Issue

Shareholders who are registered in the share register in Gapwaves on the record date on 5 November 2025 will receive one (1) subscription right for each share held in the Company, regardless of share series. Six (6) subscription rights entitle the holder to subscribe for one (1) newly issued B-share. The subscription price is SEK 15.0 per B-share, which means that Gapwaves will receive gross proceeds of approximately SEK 78 million before deduction of transaction costs, provided that the Rights Issue is fully subscribed. In addition, investors are offered the opportunity to sign up for subscription of shares without the support of subscription rights.

Provided that the Rights Issue is fully subscribed, and provided that the Extraordinary General Meeting resolves to approve the Rights Issue, the number of B-shares in Gapwaves will increase by 5,191,049, from 23,528,799 to 28,719,848 and the share capital will increase by a maximum of SEK 311,462.94, from SEK 1,868,777.94 to SEK 2,180,240.88. The total number of shares in Gapwaves will amount to 36,337,348, of which the number of A-shares will remain 7,617,500.

Shareholders who choose not to participate in the Rights Issue will through the Rights Issue have their shares diluted by up to approximately 14.3 percent and their votes diluted by up to approximately 4.9 percent (calculated on the total number of outstanding shares respectively votes in the Company after completion of the Rights Issue). These shareholders have the opportunity to compensate themselves financially for this dilution effect by selling their received subscription rights.

The last day of trading in Gapwaves's shares including the right to receive subscription rights in the Rights Issue is 3 November 2025. The shares are traded excluding the right to receive subscription rights in the Rights Issue as of 4 November 2025. The subscription period, with or without the support of subscription rights, runs from and including 7 November 2025 up to and including 21 November 2025. Trading in subscription rights will take place on Nasdaq First North Growth Market during the period from 7 November 2025 up to and including 18 November 2025 and trading in BTAs (paid subscribed share) will take place on Nasdaq First North Growth Market during the period from and including 7 November 2025 until the Rights Issue has been registered with the Swedish Companies Registration Office.

No prospectus will be prepared in connection with the Rights Issue. The Company will prepare and publish an information document (the "**Information Document**") in accordance with Article 1.4 (d b) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market, repealing Directive 2003/71/EC (the "**Prospectus Regulation**"). Full terms and conditions for the Rights Issue will be included in the Information Document, expected to be published around 6 November 2025.

Subscription undertakings and guarantee commitment

Gapwaves has received subscription undertakings from existing shareholders, directors and senior management of the Company, including Lars-Inge Sjöqvist (directly and through legal entity), chairman of the Board of Directors Magnus Jonsson, and CEO Jonas Ehinger (through legal entity), amounting to a total of approximately SEK 3.7 million, corresponding to approximately 5 percent of the Rights Issue. Furthermore, the Company has entered into a guarantee commitment with Buntel on customary terms. The guarantee commitment amount to approximately SEK 74.1 million, corresponding to approximately 95 percent of the Rights Issue. Consequently, the Rights Issue is fully covered by way of subscription undertakings and guarantee commitment. In addition, certain members of the Company's Board of Directors and senior management have expressed their intention to subscribe for shares in excess of their pro rata share, corresponding to a total amount of approximately SEK 0.7 million. Neither the subscription undertakings nor the guarantee

commitment are secured by bank guarantees, escrow funds, pledges or similar arrangements. The Company may enter into additional subscription undertakings prior to the publication of the Information Document, in which case the guarantee commitment will decrease accordingly, but the Rights Issue will remain fully underwritten by way of subscription undertakings and guarantee commitment.

The guarantee commitment is subject to an underwriting commission, adapted to the prevailing market condition, of a minimum of 2,319,405 and a maximum of 2,946,271 warrants of series 2025/2028, depending on the proportion of subscription undertakings received by the Company from the Company's larger shareholders at the time of publication of the Information Document. No cash compensation will be paid for the guarantee commitment. Each (1) warrant of series 2025/2028 entitles the holder to subscribe for one (1) new B-share during the term of up to three (3) years from issuance at an exercise price corresponding to 125 percent of the Rights Issue subscription price for the first two (2) years, and 150 percent of the Rights Issue subscription price in the third (3) year. No compensation is paid for the subscription undertakings. The Board of Directors intend, based on the authorization that will be proposed for the Extraordinary General Meeting to grant the Board of Directors, to resolve on a directed issue of warrants of series 2025/2028 to Buntel. These warrants will be issued free of charge.

The full terms and conditions of the Rights Issue and further information about the parties that have entered into subscription undertakings and guarantee commitment will be included in the Information Document that is expected to be published around 6 November 2025.

Indicative time plan

The following time plan for the Rights Issue is preliminary and subject to change.

Extraordinary General Meeting to resolve on the Rights Issue	31 October 2025
Last day of trading in shares including right to receive subscription rights	3 November 2025
First day of trading in shares excluding right to receive subscription rights	4 November 2025
Record date for the Rights Issue	5 November 2025
Planned publishing date of the Information Document	6 November 2025
Trading in subscription rights	7 – 18 November 2025
Subscription period	7 – 21 November 2025
Trading in paid subscribed shares (BTA)	7 November 2025 – until the Rights Issue has been registered with the Swedish Companies Registration Office
Expected announcement of the preliminary outcome in the Rights Issue	24 November 2025

Loan Facility

To further strengthen operational flexibility and thereby increase the Company's financial capacity for future business opportunities, Gapwaves has entered into a SEK 15 million loan facility agreement with Buntel. The loan of SEK 15 million under the Loan Facility (the

“Loan”) may be drawn once within a twelve (12) month period, provided the Rights Issue is completed and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) and certain additional financial conditions are met. If drawn, the Loan must be repaid within twelve (12) months from the drawdown date, however no later than 15 December 2027. The agreement is conditional on the Rights Issue being completed and registered.

The Loan Facility is subject to an arrangement fee and, upon drawdown of the Loan, a monthly interest will also be payable. As part of the compensation to Buntel for the Loan Facility, Buntel shall also receive 931,727 warrants of series 2025/2028, the same series issued to Buntel as underwriting commission in connection with the Rights Issue. The Board of Directors intends, as with the warrants to Buntel issued as underwriting commission and based on the authorization that will be proposed for the Extraordinary General Meeting to grant the Board of Directors, to resolve on a directed issue of warrants of series 2025/2028 to Buntel.

The Company’s Board of Directors considers the terms of the Loan Facility to be at market terms and considers it to be in the best interests of both the Company and its shareholders to create increased flexibility in connection with the Company’s continued expansion and production scale-up, as well as to ensure complementary working capital. The Loan Facility is intended to be used when needed and constitutes a strategic buffer that enables efficient management of short-term working capital fluctuations and investments related to the Company’s growth plan.

Advisers

Redeye AB and Corpura Fondkommission AB are financial advisors and MAQS Advokatbyrå is legal adviser to the Company in connection with the Rights Issue. Nordic Issuing acts as issuer agent in connection with the Rights issue.

For additional information please contact

Jonas Ehinger, CEO Gapwaves AB (publ)

Phone number: +46 733 44 01 52

E-mail: jonas.ehinger@gapwaves.com

Gapwaves Certified Adviser is G&W Fondkommission AB, www.gwkapital.se.

About Gapwaves

Gapwaves AB (publ) originates from research conducted at Chalmers University of Technology and was founded in 2011. Gapwaves’ vision is to be the most innovative provider of mm-wave antenna systems and the preferred partner to those pioneering next generation wireless technology for a safer and more sustainable society. By leveraging the disruptive Gapwaves technology, we help pioneers in automotive and telecom to create highly efficient mm-wave antenna systems that contributes to re-defining everyday life. Gapwaves’ share (GAPW B) is traded on the Nasdaq First North Growth Market Stockholm. Financial information in English, including reports, prospectuses, and company descriptions, is available at www.gapwaves.com/investors.

Important information

Publication, release, or distribution of this press release may in certain jurisdictions be subject to legal restrictions and persons in the jurisdictions where this press release has been made public or distributed should inform themselves of and follow such legal restrictions. The recipient of this press release is responsible for using this press release and the information herein in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of an offer, to acquire or subscribe for any securities in Gapwaves in any jurisdiction, neither from Gapwaves nor from anyone else.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) and has not been approved by any regulatory authority in any jurisdiction. No prospectus has been or will be prepared in connection with the Rights Issue. The Company will prepare and publish an information document in the form provided for in Annex IX of the Prospectus Regulation prior to the commencement of the subscription period in the Rights Issue. Within the European Economic Area (“**EEA**”), no public offering of shares is made in a member state other than Sweden. In any other EEA member state, this announcement is only addressed to and is only directed at “qualified investors” in that member state within the meaning of the Prospectus Regulation.

This press release does not identify, or purport to identify, risks (direct or indirect) that may be associated with an investment in the Company. The information contained in this announcement is for background purposes for the Rights Issue only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Redeye AB acts for Gapwaves and not on behalf of anyone else. Redeye AB is not liable to anyone else for providing the protection provided to their clients or for providing advice in connection with the Rights Issue or with respect to anything else mentioned herein.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland, or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) high net worth entities falling within Article 49 (2)(a) to (d) of the Order (all such persons together being referred to as “**relevant persons**”). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or Nasdaq First North Growth Market rule book for issuers.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or

otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in the Company may decline and investors could lose all or part of their investment; the shares in the Company offer no guaranteed income and no capital protection; and an investment in the shares in the Company is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in the Company.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the shares in the Company and determining appropriate distribution channels.

This information is information that Gapwaves is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-10-14 18:42 CEST.

Attachments

[GAPWAVES BOARD OF DIRECTORS HAS RESOLVED ON A FULLY UNDERWRITTEN RIGHTS ISSUE OF APPROX SEK 78 MILLION, CONDITIONAL ON THE APPROVAL OF GENERAL MEETING AND ENTERS INTO A LOAN FACILITY AGREEMENT OF SEK 15 MILLION](#)