

2024

ANNUAL REPORT

The Annual General Meeting resolved to allocate the company's profit in accordance with the board's proposal.

CONTENTS

The year in brief.....	3
Comments from our CEO	4
This is Acconeer	6
Sensors are changing our daily lives	8
Potential customers and applications.....	10
Well established sensor market evolves with 3D sensors.....	12
Sustainability in Acconeer.....	15
History	18
The ten largest owners	19
The share	19
Financial calendar	19
Board of Directors.....	20
Management.....	21
Accounts.....	23
Management report.....	24
Income statement.....	30
Balance sheet	31
Cash flow statement.....	33
Notes.....	34
Signatures	46
Auditor's Report	47

THE YEAR IN BRIEF

THE FINANCIAL YEAR 2024

- Acconeer announced automotive design win to an estimated value of USD 5 million.
- Acconeer carried out a fully guaranteed rights issue of approximately SEK 150 million.
- Acconeer received largest order yet from NEXTY Electronics worth 1,8 million USD.
- During the year, Acconeer received major orders from BEYD, Restar and a European IoT company.
- Additional design wins in the automotive industry were announced with an estimated value of SEK 330 million, including for the first time the next generation radar sensor - A2.
- Acconeer and Sandvik were awarded a research grant of SEK 3.5 million for material classification.
- Acconeer announced 5 design wins in automotive with an estimated value of more than USD 4 million.
- Ted Hansson was appointed as new CEO to drive sales growth.

SIGNIFICANT EVENTS AFTER THE PERIOD

- Acconeer signed a worldwide franchise deal with Future Electronics.
- The Board of Directors of Acconeer AB proposed a directed share issue of approximately SEK 25 million and a fully secured rights issue (compensation issue) of approximately SEK 25 million.
- Extraordinary general meeting resolved on a directed share issue and a share issue with preferential rights for the company's existing shareholders.
- Information memorandum in connection with upcoming rights issue (compensation issue) was published.

KEY INDICATORS

KSEK UNLESS OTHERWISE SPECIFIED	2024	2023
Net sales	51,320	35,522
Gross margin*	64%	72%
Gross margin, referring to sales*	56%	62%
Operating result	-28,677	-46,807
Operating margin*	-56%	-132%
Profit or loss after tax	-31,479	-46,504
Cash flow, operating activities	-28,984	-37,276
Cash and cash equivalents, short-term deposits	53,757	38,653
Equity	227,724	132,286
Balance sheet total	251,184	199,220
Basic earnings per share, SEK*	-0.60	-1.76
Diluted earnings per share, SEK*	-0.60	-1.76
Cash flow per share, SEK*	-0.55	-1.40
Number of shares	62,154,827	26,637,783
Average number of shares during the period	52,779,718	26,486,280
Average number of shares during the period after dilution	54,345,579	27,820,083
Equity/Ratio, %*	91	66
Equity per share, SEK*	3.66	4.97
Average number of full-time equivalent employees	56	52

*DEFINITIONS OF INDICATORS

Gross margin: Gross profit as a percentage of net sales.

Gross margin, referring to 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.

Operating margin: Operating result as a percentage of net sales

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 2024, the focus was on continued development of the next generation radar sensor, A2, for which we won a first design win in the automotive industry. In February, we received our largest order to date, worth USD1,8 million, from Nexty, our automotive distributor. On July 1, I took over as CEO of the company, and during the third quarter, we launched a more focused go-to-market strategy and adapted the organization to it.

In our collaboration with Alps Alpine to develop our upcoming sensor A2, we have passed important milestones during the year. At the beginning of the year, we verified the first prototypes together with the customer with very good results. By the end of the year, we completed the chip design for the production variant. Although a lot of work remains, we expect to complete the development work in 2025.

When I took over as CEO in July, I was impressed by Acconeer's groundbreaking technology and skilled, highly committed staff. Building on this solid foundation, together with management and the board, I developed a new go-to-market strategy in the third quarter, focusing on winning larger customers in product areas where we know we have a strong offering based on past successes. In Q4, we followed up with a reorganization in which the sales department was strengthened and restructured, product management was given increased bandwidth and clearer responsibilities, the R&D organization sharpened its focus on execution with new leadership. In connection with these organizational changes, we lowered our cost base, effective from January 2025.



We have worked hard in the third and fourth quarters to improve our offerings in the product areas we have chosen to focus on, and we are already seeing progress in the form of new opportunities and closer relationships with key customers.

In the **automotive industry**, we saw seven launches in 2024, most in access control but also two in presence detection in cars. An important milestone was reached in the development of the next generation sensor, A2, where we also received our first design win. We have now communicated design wins worth USD 74 million in the period 2024-2032.

Level measurement in tanks is the area outside the automotive industry that has so far accounted for the largest volumes and highest revenues, and here we are continuously seeing increased customer interest in remote monitoring of small and medium-sized tanks, an area where power consumption is crucial. In this area, we have sharpened our offering with regard to power consumption and also launched a new conical horn antenna that minimizes the risk of unwanted reflections from the sides of the tank.



In **presence detection**, we see new opportunities with both A1 & A2, for example through increased customer interest in door access applications. Presence detection is a very large market with a variety of different technologies, and in parallel with continuously improving our offering, we are focused on finding the use cases and industries where we are most competitive and see the greatest potential; access control, baby monitors, smart toilets and smart thermostats.

For **cargo and container monitoring**, we see that our focused activities have led to increased interest from the industry. Many major players want to move from monitoring temperature and GPS position to also wanting to see into containers. Acconeer's world-leading power consumption makes us particularly interesting for customers. In 2024, we initiated the development of a reference application for monitoring container contents to shorten customers' time to market. We have been actively working with some of the industry's largest players and have already seen our first customer products launched.

Industrial automation includes a huge market for distance measurement where there has been a great need for new sensors that work together with new materials such as carbon fiber, which replaces metal in car bodies, for example. In the electric car industry, they are continuously working to improve the range of cars. One way is to reduce the weight of cars, and then they want to move from steel and aluminum to carbon fiber materials. This in turn places new demands on the manufacturing technology in factories. PCR technology provides unique opportunities to measure distances extremely close to the sensor and is therefore an alternative to traditional proximity sensors, which cannot detect materials such as carbon fiber. Furthermore, combining the best distance accuracy in the radar sensor industry with a form factor that is small enough to integrate into existing standard cylinders makes our technology attractive to customers.

At the beginning of 2025, a directed new share issue was decided on, combined with a fully secured compensation issue totaling approximately SEK 50 million. Our partner in the automotive industry, Alps Alpine, is contributing SEK 25 million, once again demonstrating its great confidence in our technology and our future as a company. The remaining SEK 25 million will be raised via a rights issue that is fully guaranteed free of charge by a number of major owners and members of the company's board and management.

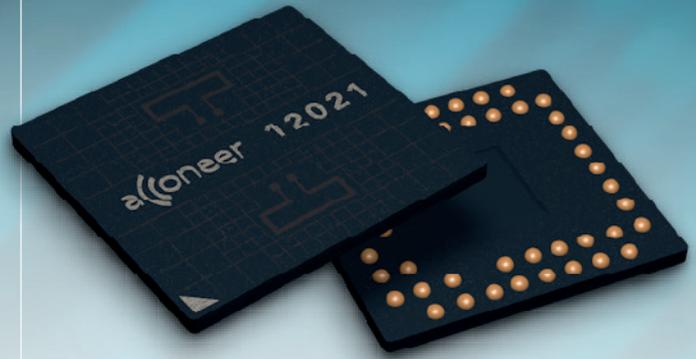
With strengthened cash, an updated go-to-market strategy and a more focused organization, I see that we have all the pieces in place to achieve our financial goals and continue our journey towards profitability.

Malmö 25 March 2025

A handwritten signature in black ink, appearing to read 'Ted Hansson'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Ted Hansson, CEO Acconeer AB (publ)

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.

Acconeer was founded in 2011 by (among others) the entrepreneurs Mats Årlelid, 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 approximately since 2018, and has now been shipped to a number of customers who are in different phases 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 Ted Hansson with a background in the semiconductor business from where he has experience of leading and scaling organizations globally, for many years based in Asia. 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 Acconeer 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 both 2022 and 2023, Acconeer was listed among Sweden's 50 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 2024, Acconeer has:

- Continued to sell more than three evaluation kits per day.
- Launched 44 customer products which is more than the objective to sell more than 10 customer products per quarter.
- Delivered over one million sensors, with the automotive industry and level measurement in tanks accounting for the largest volumes.
- Seen the launch of additional car models such as the Volvo EX90 and Polestar 3.
- Achieved key milestones in the development of the next generation radar sensor together with Alps Alpine, and also won a first design win for the product.
- Launched customers in new application areas, such as baby monitors and smart toilets.
- Adopted a new go-to-market strategy and aligned the organization to it to further focus on aggressive revenue growth at good margins.

Focus for 2025 is to:

- Have strong growth in sales and volume in all regions.
- Win the first design win for A2 outside the automotive industry.
- Finalize A2 development for the first car model.
- Equip the organization to drive sales, customer development and support for multiple sensor products in parallel.

FINANCIAL TARGETS

- First EBIT positive quarter in 2025.
- First cash flow positive quarter during 2026.
- Revenues of more than SEK 300 million in 2027.
- Long-term EBIT margin of at least 25 per cent.



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. During 2024, we updated our go-to-market strategy to focus more on winning larger customers in areas where we know our product is competitive and where we have a proven track record of success. This now permeates the work across the company, and we are working to sharpen our offering, increase sales activities and build deeper relationships with key customers in these areas.

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 2024, a number of new car models were launched with our radar sensor in them, and we received several design wins including our first for the upcoming radar sensor, A2.

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.

LEVEL MEASUREMENT IN TANKS

Acconeer radar sensors are installed in tanks and wastewater systems around the world to provide contactless level or flow velocity measurement for both liquids and solids. The sensors are ideal for these use cases as they can be used in harsh environments without being affected by dirt, temperature or light. In addition, they are easy to install and have a power consumption that is low enough to run on a single set of batteries for several years.

In 2024, we have seen several customer launches in the area where we now have a total of around 80 customer product launches. We have also worked to improve our offering, for example by increasing the distance we can measure so that we can now handle tanks up to 23 meters and by reducing power consumption. A horn antenna was recently launched to make it simpler to handle narrow and very large tanks, which means that we now cover everything from very small containers to really large tanks.

The market for tank level measurement is large and growing, driven by a global trend to connect and track goods and logistics flows. Based on data from Berg Insight, among others, we estimate that the total addressable market is 52 million units in the period 2025-2027.

PRESENCE DETECTION

The multi-million euro presence detection market has a wide range of applications and many different technologies such as ultrasound, IR sensors and various types of radar. In 2024, we have further focused our strategy on areas where our pulsed coherent 60GHz radar has advantages over competitors: access control, baby monitors, smart toilets and urinals, and smart thermostats. Thanks to the accuracy of Acconeer's sensor, we can provide

advanced detection with distance, speed and zones to enable functions such as smart wake-up of devices. We see good opportunities in this area both with our current sensor A1 and in the coming years with the next generation sensor, A2.

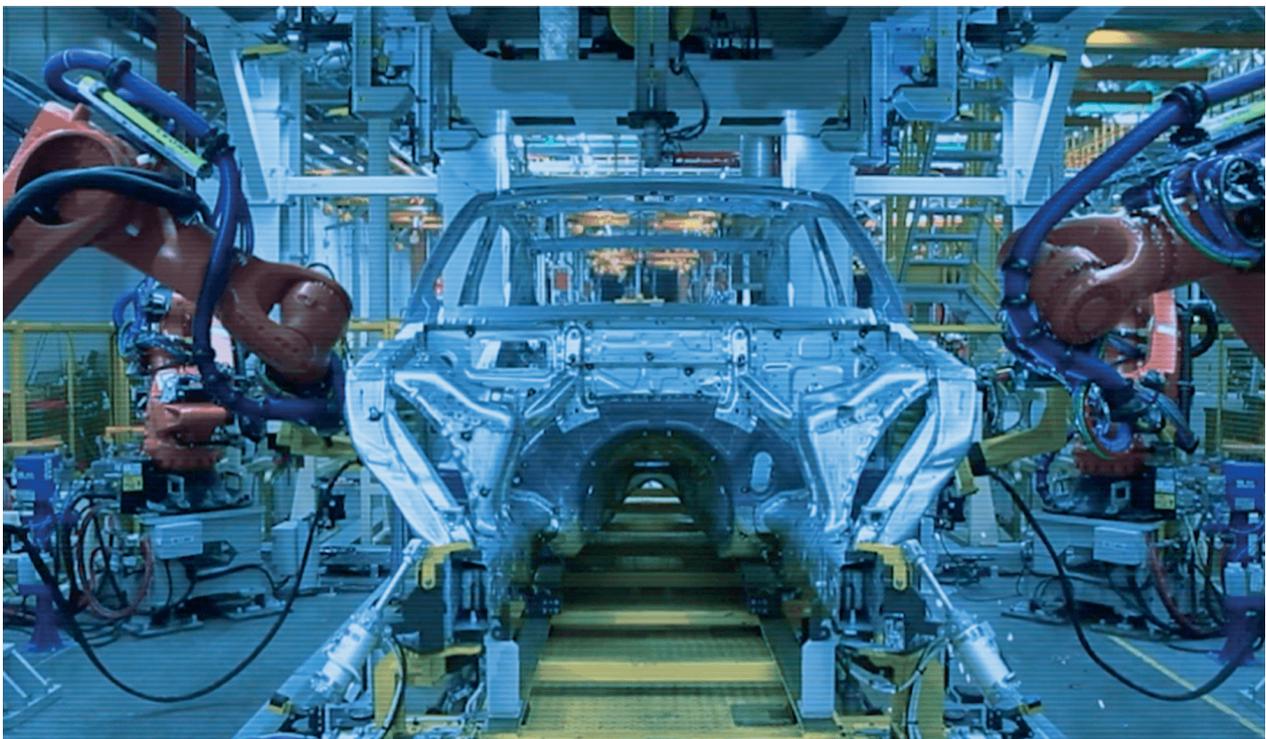
CARGO AND CONTAINER MONITORING

Cargo and container monitoring is an industry where there is a strong trend towards connecting and monitoring assets. Many large players want to move from checking temperature and position to also wanting to see into containers. Functions such as seeing the fill level, that the goods are still in the right place and that there are no live animals or people in containers are in demand. People also want to be able to see if the door is opened by unauthorized people. During the second half of 2024, we have increased our focus on the area, including starting the development of a reference application to simplify integration and shorten customers' time to launch. The world-leading power consumption of Acconeer's radar makes us particularly interesting to customers, and we are now actively working with some of the industry's largest players.

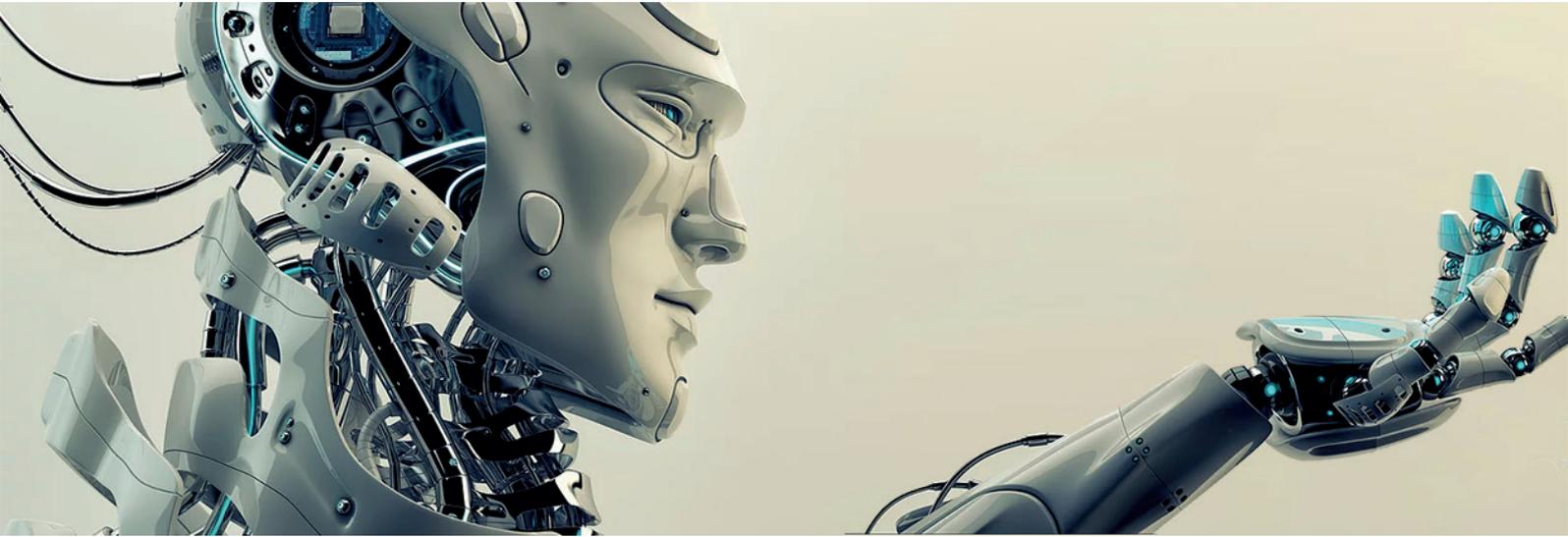
The market for containers and trailers is well-established and constantly evolving to streamline transport and logistics flows. We see a total addressable market of almost 30 million units over the next four years.

INDUSTRY AND AUTOMATION

Within industry and automation, there are several areas where Acconeer's radar fulfills a function, such as measuring vibrations and distances with high accuracy to ensure that machines are working as they should. We primarily see a huge market for distance measurement where there has been a great need for new sensors that work together with new materials such as carbon fiber, which replaces metal in, for example, car bodies. Our technology provides unique opportunities to measure distances close to the sensor and is therefore an alternative to traditional proximity sensors, which can only detect metal. Acconeer is small enough to fit inside the cylinders that are standard in the industry. In addition, it probably has the best distance accuracy in the radar sensor industry, which gives us a competitive position in the market. Industrial automation is not a fast-moving industry, but we are confidently looking forward to an exciting 2025, both on the technology and business side.



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.

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.

THE MARKET FOR ACCONEER'S 60GHZ RADAR TECHNOLOGY

The global market for 60GHz radar can be divided into four main segments:

- Consumer electronics
- IoT & Smart cities
- Industry & Agriculture
- Automotive

Since the market for 60GHz radar is relatively new and at the same time addresses a broad market with different market conditions, it is today difficult to find consistent forecasts for the total market over the

coming years.

However, the available market forecasts point to a market with exponential growth in the coming years. QY Research makes the estimate that the total market for 60GHz radar will grow to 210mUSD by 2029¹. At the same time, Yole research makes the estimate that In-Cabin Automotive Radar alone (that is for the passenger compartment which is then expected to be made up of 60GHz radar) will amount to 600mUSD as early as 2028. They further estimate that the entire Automotive Radar market will reach \$13.5 billion by 2028².

Acconeer estimates that the total addressable market could reach just over USD 1 billion by 2029.

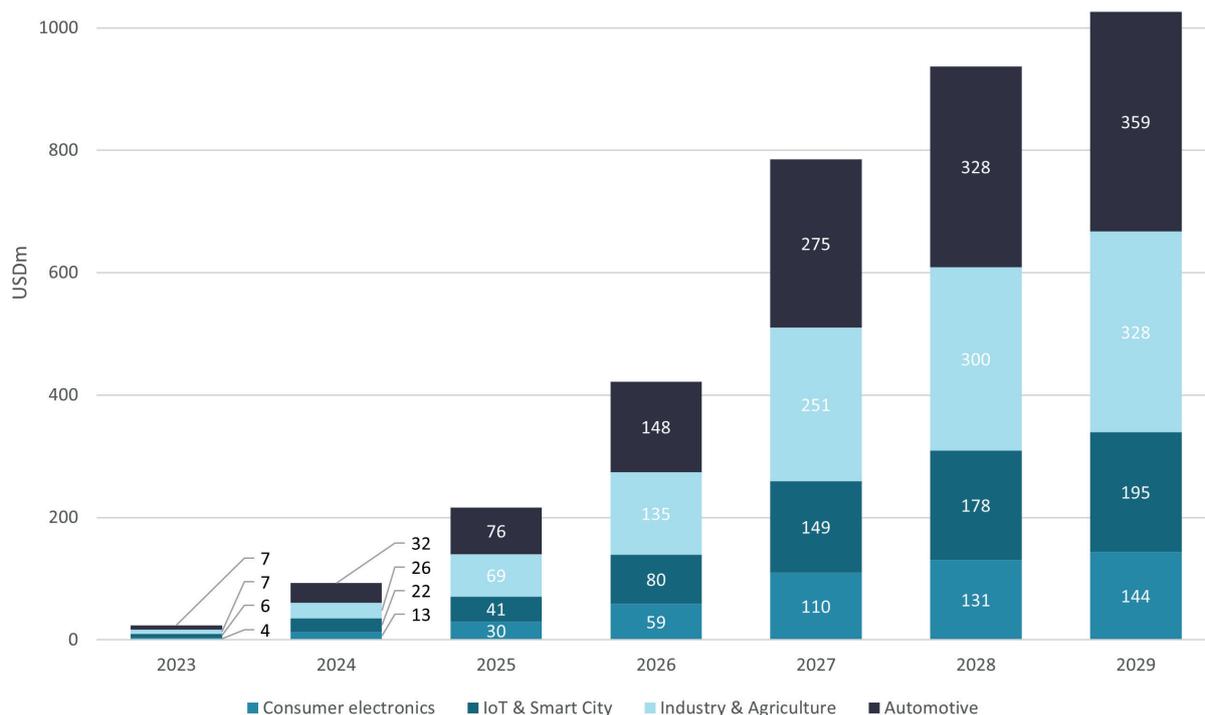
LARGE DEMAND IN MANY APPLICATION AREAS

Digitalization is a mega trend and strong driver of societal change making the world more connected and interconnected. More and more people are demanding faster, reliable and user-friendly technologies that function together. Products with low power consumption (to be able to run on battery), low cost and small size are central to the future smart and sustainable cities.

- Internet of Things - Emerging networks contribute to the development of a new generation of smart sensors that have the ability to collect, process and act on varied data, including in environmental monitoring, urban infrastructure and automation.

¹ Global 60GHz mmwave radar market research report 2023 – by QYResearch - published 2023.

² Radar for Automotive 2023 - by Yole Intelligence – published April 2023.



- Self-driving vehicles – Vehicles such as cars, trucks, drones, robots and agricultural machinery need smart sensors to become autonomous.
- Security – Advanced sensors' ability to detect presence increases security in homes, workplaces, vehicles and public places, driven by an increased focus on regulatory requirements.
- Reduced energy consumption - With growing environmental awareness, more and more measures are being taken in urban spaces, homes and businesses to improve energy efficiency, which in turn is driving the demand for intelligent sensors.
- Artificial Intelligence - Advances in artificial intelligence enable devices to autonomously analyze and interpret data, driving a demand for accurate and frequent measurements of our surroundings while maintaining low power consumption.

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). "Continuous" 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 management is integrated into the company's ongoing business operations and forms part of Acconeer's business strategy. During 2024 we have adopted new sustainability goals which will be reported in the annual report and on the website. These are:

- 100% of new products developed should have energy efficiency as a KPI. Acconeer's product is very power efficient and produced in compliance with environmental regulations and standards. To put extra focus on this important aspect, a goal to have energy efficiency as a KPI for all new products developed is adopted from 2025.
- Reduce transportation of our products by simplified logistic chain. Goal: 75% of sensors shipped 2025 shall have a simplified logistic chain compared to 2024.
- Increase diversity - long term goal to have 30% women and at least one on all company levels. Diverse teams are more productive and efficient. At Acconeer we take great care to not discriminate anyone based on gender, sexual orientation, age, disability, nationality or religion. Being a tech company, we believe it is especially important to increase the number of women in our field of work. In addition to having an even distribution of men and women, we want to see representation at all levels from developers to management and the board.

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)

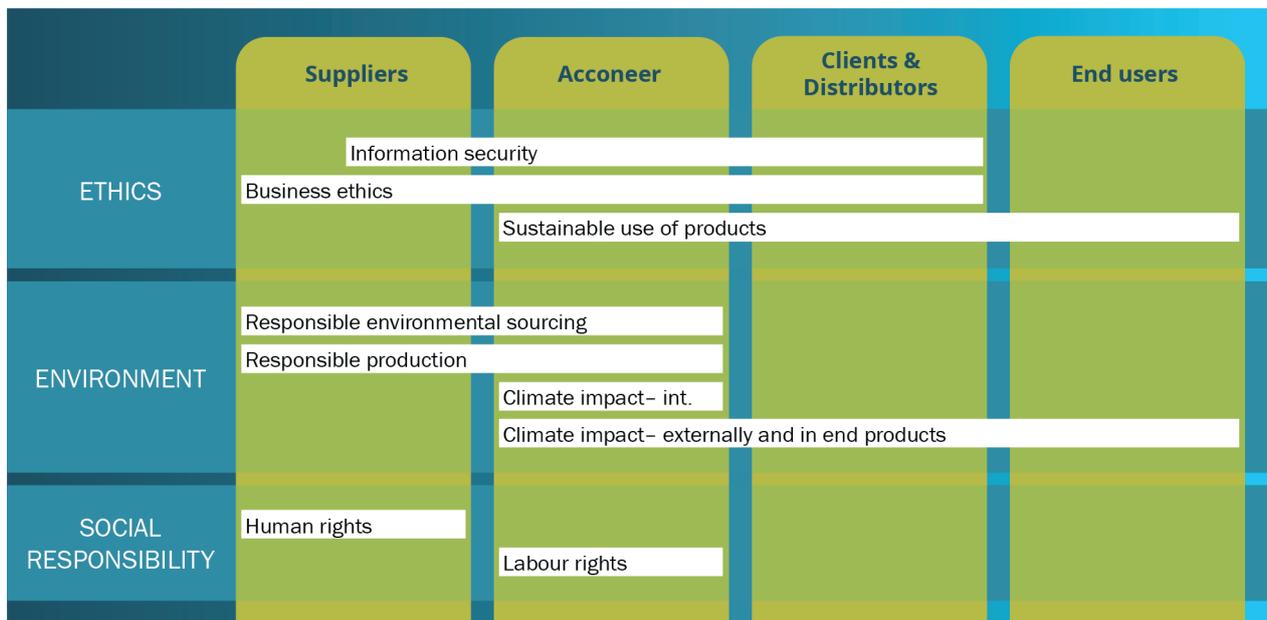
ACCONEERS FRAMEWORK FOR SUSTAINABILITY WORK

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.



RESPONSIBILITY THROUGHOUT THE VALUE CHAIN

Acconeer's responsibility for its sustainability issues is not only 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 24-27.

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, the company has a set of Core Values. These are "Innovative", "Open" and "Brave". During a couple of years, work has been ongoing to create, consolidate and let 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.



THE GLOBAL GOALS

HISTORY



11 car models launched with the A1 radar sensor. Design wins with 3 of the world's 5 largest automakers.

● **2,917,381**
sensors delivered

● At the end of 2024, the company counted in total 189 launched customer products.

● **2024** First design win with the A2.
New CEO and a more focused go-to-market strategy.

● **2023** First A2 prototypes.
New US regulations opening for large new opportunities.

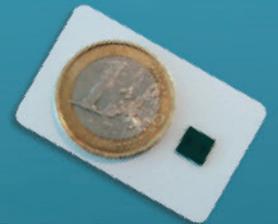
● **2022** Launch of the A121 radar sensor.

● **2021** Agreement with Alps Alpine for the next generation radar sensor A2 and starting point of its development.



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

● **2019** Commercial break through.



● **2017** IPO, with approximately 4,000 new owners.

● **2015** First integrated prototype designed.



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

● **2014** System demonstrator delivered.



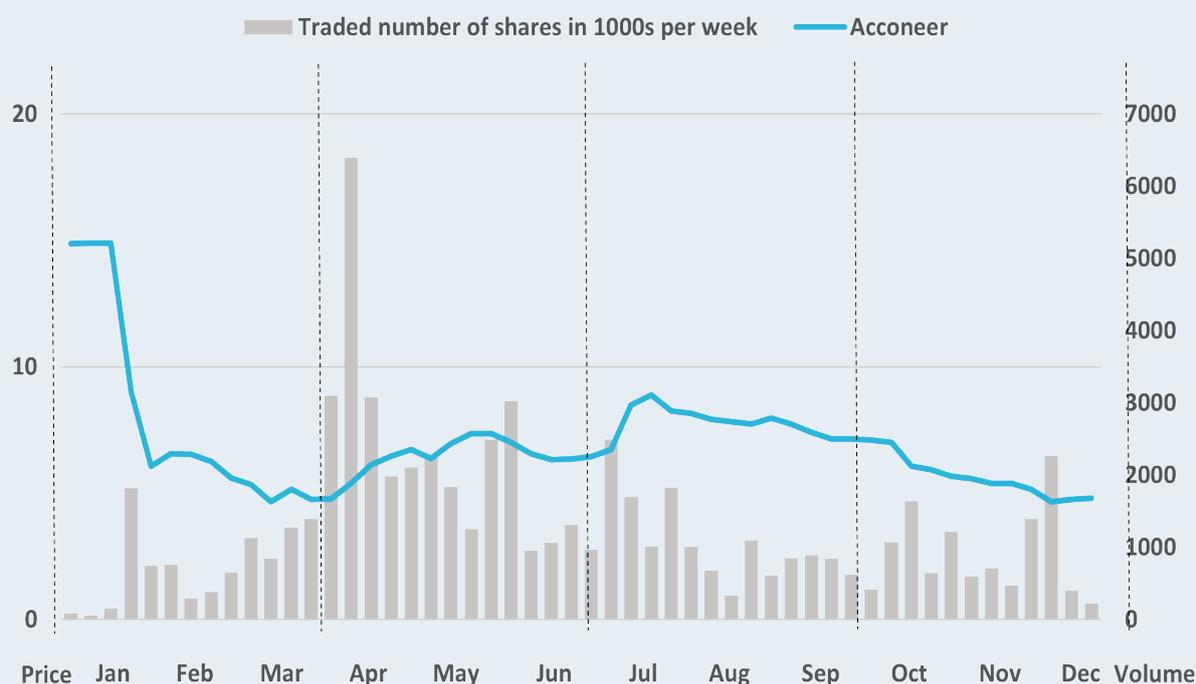
● **2007** The founders begin research at the nano electronics group at the University of Lund.

THE TEN LARGEST OWNERS

2024-12-31

NAME	NUMBER OF SHARES	SHARE %
BGA Invest AB	5,370,206	8.64
Avanza Pension	5,228,526	8.41
Alps Alpine CO LTD	4,326,700	6.96
Lars Ingvarsson	4,160,114	6.69
Swedbank Försäkring	2,575,251	4.14
Nordnet Pensionsförsäkring	2,292,282	3.69
Jimmie Landerman	938,330	1.51
Simon Persson	624,000	1.00
Mikael Egard	563,850	0.91
Lars-Erik Wernersson	556,500	0.90
	26,635,759	42.85
Other shareholders	35,519,068	57.15
Total number of shares	62,154,827	100%

THE SHARE



FINANCIAL CALENDAR

Q1 Interim report 2025	2025-04-25
Annual General Meeting 2025.....	2025-04-29
Q2 Interim report 2025	2025-07-18
Q3 Interim report 2025	2025-10-24
Year-end report 2025.....	2026-02-13
Annual Report 2025.....	2026-03-24

The Annual General Meeting will be held on Tuesday 29 April 2025. 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 ongoing assignments: Chairman of the Board, Tapeeze AB, Board member Audiодо AB and Board member Milepost AB.

Previous assignments (selected): Global Sales Manager at Fingerprint Cards.

Vice President of Ericsson Mobile Platforms Asia.

Shareholding: 421,834 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 ongoing assignments: Board member NordAmps AB and owner of Lars-Erik Wernersson AB.

Previous assignments (selected): 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 ongoing assignments: CEO at BGA Invest AB, Chairman of the board of SmartRefill in Helsingborg AB, Board member of Minesto AB and Board member of BGA Invest AB.

Previous assignments (selected): Board member BGA Capital AB, Board member BGA Förvaltning and Deputy board member of Watersprint AB.

Shareholding: 5,370,206 shares (through the company BGA INVEST AB).



HENRIC STRÅTH

Born 1982. Board member since 2024.

Education and experience: Master of Laws (LL.M.) at Lund University.

Other ongoing assignments: Board member and co-owner at Moll Wendén Law Firm.

Previous assignments:

Shareholding: -

MANAGEMENT



TED HANSSON

Born 1976. CEO. Employed since 2024.

Education and experience: Master of Science in Electrical Engineering Blekinge University.

Other ongoing assignments: Board member Acconeer Incentive AB.

Previous assignments (selected): Various senior management roles including interim CEO, Fingerprint Cards (2013-2024). Director, Samsung Electronics (2012-2013).

Shareholding: 374,935 warrants.



MATS ÄRLELID

Born in 1979. Chief Technology Officer. Employed since 2012.

Education and experience: Phd of Circuit Design at Lund University, MSc in Electrical Engineering at Lund University.

Other ongoing assignments: -

Previous assignments (selected):-

Shareholding: 555,676 shares and 43,393 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 ongoing assignments: Board member and owner of Ardventor AB. Deputy board member Suppleant Acconeer Incentive AB.

Previous assignments(selected):-

Shareholding: Holding of 563,850 shares privately and through Ardventor AB and 24,500 warrants.



PER ODÉNIUS

Born 1964. Head of Operations. Employed since 2015.

Education and experience: MSc in Electrical Engineering at Lund University.

Other ongoing assignments: Owner of Odénius Consulting AB.

Previous assignments (selected): Development manager at Ericsson and ST-Ericsson (2008-2015).

Shareholding: Holdings privately and through Odénius Consulting AB for a total of 85,072 shares and 7,225 warrants.

MANAGEMENT



KARIN ALFVÉN

Born 1979. Head of RnD. Employed since 2018.

Education and experience: MSc in Computer Science at Lund University.

Other current assignments: -

Previous assignments (selected): Head of Software Development, Acconeer.

Shareholding: 44,485 shares and 28,050 warrants.



BJÖRN BENGTTSSON

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 and CFO at Avsalt Group AB (publ).

Previous assignments (selected): -

Shareholding: 100,000 shares through BonBalance AB.



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 ongoing assignments: -

Previous assignments (selected): Head of Market Unit and Sales Director, Tieto (2013 – 2016). Business Development Director, Scalado (2010 – 2013).

Shareholding: 54,062 shares and 61,235 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 (selected): Head of Developer Communication, Developer Program, Sony Corporation.

Shareholding: 9,964 shares and 25,000 warrants.

MANAGEMENT REPORT

The Board of Directors and the Chief Executive Officer of Acconeer AB hereby present the annual report for the financial year 2024-01-01 - 2024-12-31.

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

Events in 2024

On 24 January it was announced that Acconeer's A121 Pulsed Coherent Radar sensor had been designed into a first car model from a leading Japanese automotive manufacturer. The design win was for the use case access control, which allows touchless opening of the trunk of a car. The total forecasted value of the design win is more than USD 5 million over a seven-year period starting in 2025.

On 29 January the Board of Directors of Acconeer announced its intention to carry out a fully guaranteed rights issue of shares equivalent to approximately SEK 150 million before deductions for transaction costs. An Extraordinary General Meeting was held on 1 March 2024 to change the limits of the number of shares and share capital in the Articles of Association and to grant the Board of Directors an authorization to resolve on the Rights Issue. The Rights Issue was resolved by the Board of Directors on 5 March 2024. The final outcome showed that 28,372,000 shares, corresponding to approximately 79.9 percent of the offered shares, had been subscribed for with support of subscription rights. Additionally, applications for subscription of 5,893,311 shares without the support of subscription rights, corresponding to approximately 16.6 percent of the offered shares, had been submitted. Together, subscriptions with support of subscription rights and subscriptions without the support of subscription rights correspond to approximately 96.5 percent of the offered shares in the Rights Issue. Thus, guarantee commitments of 1,251,733 shares, corresponding to approximately 3.5 percent of the offered shares, was utilised.

On 16 February Acconeer received their largest order yet from NEXTY Electronics worth 1,8 million USD. The order related to Acconeer's pulsed coherent radar sensor A1 for mass production.

In the beginning of April Acconeer received an order from BEYD worth USD 180,000. The order related to Acconeer's A1 and A121 Pulsed Coherent Radar sensor for customers' mass production.

On 8 April Acconeer received an order from European IoT provider worth USD 100,000. The order related to Acconeer's Pulsed Coherent Radar sensors A121 and A1 for mass production. The customer was a leading IoT solutions provider serving its customers highly accurate end-to-end remote tank monitoring solutions.

On 16 April Acconeer announced an automotive design win with an estimated value of USD 30 million. For the first time, Acconeer's upcoming next generation A2 Pulsed Coherent Radar sensor had been selected for in-cabin monitoring in a car. In addition, Acconeer's A1 radar sensor had been selected for the use case access control - which allows touchless opening of the trunk of a car - in the same car model, by a European premium car manufacturer. The total estimated value of the design win was around USD 30 million over a seven-year period starting in 2026. By "design win" Acconeer refers to that the company's radar sensor has been selected for use in a customer product, but it is not equivalent to that an order has been placed.

On 23 May it was announced that Sweden's innovation agency Vinnova had decided to award Acconeer and Sandvik a grant totaling SEK 3.5 million, of which Acconeer's share is SEK 2.5 million, for research into automated material classification with radar. The project started in Q3 2024 and is planned to be completed in the second half of 2026. In this project Sandvik and Acconeer combine their strengths to develop a material classification system for rock crushing conveyor belt applications. The system will provide information on different types of materials and particle size distributions and identify deviations towards the requirements on the produced material.

In the beginning of June it was announced that Acconeer's A121 Pulsed Coherent Radar sensor had been designed into five additional car models from a leading Japanese automotive manufacturer, following the one announced in January the same year. The design wins were for the use case access control, which allows touchless opening of the trunk of a car. The total forecasted value of the design wins is USD 4 million over a seven-year period starting in 2025.

On 13 June Acconeer announced the appointment

of Ted Hansson as its new Chief Executive Officer, effective July 1st, 2024. Ted Hansson brings extensive experience in driving sales and business growth in the technology sector. Based in Asia, he has over 20 years of experience in managing and scaling global semiconductor business and previously held senior leadership roles at Fingerprint Cards AB, including President of Mobile, PC, and Access China business, and interim group CEO. He has also worked for Ericsson and Samsung Semiconductor.

On 12 August Acconeer received an order from Restar worth USD 166,000. The order related to Acconeer's A1 Pulsed Coherent Radar sensor for a customer utilizing it for a level measurement application. Restar Electronics Americas is one of Acconeer's distributors serving the North America region.

On 20 September Acconeer received an order from BEYD worth USD 183,000. The order related to Acconeer's A111 and A121 Pulsed Coherent Radar sensors for customers' mass production. BEYD is Acconeer's Chinese distributor and an important sales channel for the company.

Events after the end of the year

On 6 February it was announced that Acconeer has signed a worldwide franchise deal with Future Electronics, who will provide customers access to Acconeer's unique 60GHz radar solutions. This agreement covers Acconeer's A121 radar sensor and related products, and expands Acconeer's global distribution network. Future Electronics is a global leader in electronics distribution headquartered in Montreal, Canada.

The Board of Directors of Acconeer AB proposed a directed share issue of approximately SEK 25 million to Alps Alpine, that now has been paid, and a fully secured rights issue (compensation issue) of approximately SEK 25 million. Alps Alpine committed to subscribe for the directed issue. Several major shareholders as well as members of the Board of Directors and management have provided subscription and guarantee commitments in the rights issue.

Acconeer AB held an extraordinary general meeting on 6 March 2025. The extraordinary general meeting resolved, in accordance with the Board of Directors' proposal, on a directed share issue consisting of a maximum of 5,482,456 shares, entailing an increase in the share capital of a maximum of SEK 274,122.8. The Extraordinary General Meeting also resolved, in accordance with the Board of Directors' proposal, to issue a maximum of 5,484,249 new shares, increasing the share capital by a maximum of SEK 274,212.45.

On March 14 Acconeer AB published information memorandum in connection with upcoming rights issue (compensation issue).

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 continuously 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 company cannot provide any guarantees regarding the accuracy of the forward-looking statements made herein or to the extent of the actual occurrence of any anticipated developments.

Financing risks and need of financing

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.

It is the assessment of the Board of Directors of Acconeer that the existing working capital as of the balance sheet date is not sufficient for the current needs over the next twelve months. In light of this, the Board of Directors, with the support of the authorization from the Extraordinary General Meeting on March 6, 2025, has decided to implement the Directed New Share Issue and the Rights Issue for a total of SEK 50 million before issue

costs. The Company has, via written agreements, received subscription and guarantee commitments corresponding to 100 percent of the Rights Issue. At the time of submission of the annual report, SEK 25 million has been received, whereby the Company is expected to be able to finance its business plan during 2025. The total net proceeds from the Issues are expected to be sufficient to finance the Company's business plan until the Company reaches a positive cash flow.

The rights issue is carried out to add working capital to Acconeer and create better conditions to realize the Company's strategy and business plan to create value for Acconeer's shareholders and other stakeholders.

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 future revenue. Acconeer is a so-called fables 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 results. 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. As Acconeer does not have control over the production resources, shortages may arise in the industry where Acconeer is not allocated enough production resources. This may have a negative impact on the Company's results.

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. This would affect the Company's operations negatively.

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 similar 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, such as Infinion, Texas Instruments and Bosch, may have developed, or may develop, directly or indirectly competing products or other alternative solutions, such as infrared sensors, ultrasound sensors or cameras, 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 negative impact on the Company's ability to retain and attract new customers.

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. The Board of directors approve impairment tests carried out.

Sale of the Company's products risks entailing product liability

If the Company's products turn out to be technically faulty or do not meet the performance and/or the functions that were promised, the Company may be obliged to participate in or carry out action programs and be liable for warranty liability. Warranties, to the extent that such will be provided, are normally expected to relate to the product's overall function and performance. Shortcomings in Acconeer's products or guarantees can lead to the Company incurring significant costs, for example damages.

Product liability may amount to significant amounts. It is not certain that the provisions that have been made in the ongoing management for warranty commitments or other commitments are sufficient to cover any consequences for the delivery of faulty products or that the Company's insurance covers such damage. Even if the Company's insurances would cover a possible product liability claim or claim related to the delivery of faulty products, there is a risk that the compensable amount does not correspond to the actual damage.

International operations and changes in exchange rate

The company is a Swedish limited company whose results and financial position are reported in SEK. A significant part of the Company's future manufacturing and market is located abroad, and purchases and sales take place primarily in US dollars. Such sales and purchases mean that Acconeer is exposed to exchange rate fluctuations. A drop of 20 percent in the US dollar exchange rate against the Swedish krona would mean a reduction of approximately 20 percent in the Company's revenue. Acconeer can thus be negatively affected by currency fluctuations.

Risks of breakdowns in IT systems and operational disruptions

Acconeer depends on the efficient and uninterrupted operation of various IT systems to run its day-to-day operations. An extensive breakdown or other disruption in the IT systems may affect the Company's ability to provide its services and carry out effective sales. In the event that Acconeer fails to provide its customers with agreed services and products, the Company may also incur liability or obtain dissatisfied customers who terminate or do not renew their agreements with Acconeer.

There is also a risk that the Company's security measures regarding its systems and other security routines do not prevent unauthorized intrusion by outside parties trying to gain access to confidential information. There is also a risk that any authorized person at Acconeer or the third party suppliers that Acconeer uses willfully or negligently disseminate the confidential information to unauthorized persons. The company makes investments to protect itself from the risk of its IT systems being affected by operational

disruptions and even if this is done, the risk remains of being affected by activities such as system intrusion, virus spread and other forms of IT crime. Such activities may cause system failures and business interruptions and may damage Acconeer computers or other equipment. Even unpredictable events such as fire and natural disasters can have consequences for Acconeer's ability to fulfill its obligations towards the customer. If any of the above risks were to materialize, it could damage Acconeer's reputation and result in the Company becoming liable for damages, and thus result in increased costs and/or lost revenue.

Credit risks

The company has guidelines for granting credit to customers and as a general rule the company applies a credit period of 30 days. There is a risk that the Company's assessment and evaluation of its counterparties' credit risk is not correct. If the Company's customers are unable to meet their commitments to the Company, this may have a negative impact on the Company's results and financial position.

NET SALES AND RESULT 2024

Net sales for the full year amounted to kSEK 51,320 (35,522) i.e. an increase of 44 % compared to previous year. Net sales relate to sales to customers through distributors, mainly Digi-Key, NEXTY, BEYD and Codico, and income from development services.

Gross profit, which only includes direct cost of goods, amounted to kSEK 32,871 (25,572), which corresponds to a gross margin of 64 (72)%. Reduced with revenues from development related services, gross profit amounted to kSEK 23,242 (15,928) which corresponds to a gross margin of 56 (62)%. Before the inventory adjustment the gross margin was 60 (62)%. Product mix between our sensors, modules and evaluation kits as well as cost of components affect the gross margin.

Compared with the full year of last year, operating expenses decreased by 14 % to kSEK

64,427 (75,178). The operating result for the full year amounted to kSEK -28,577 (-46,807) and the result after tax amounted to kSEK -31,479 (-46,504). The decrease is due to lower costs for research and development, which are positively affected by lower depreciation, because A1 is fully depreciated, and that a larger part of the period's development costs meet the criteria to be capitalized compared to the previous year because more resources have been put into the development of A2 to reach set Milestones. The company makes further investments primarily within sales and research and development to adapt the company to the increased sales volumes and the broadening of the number of sensors that lies before us.

The operating margin developed in line with management's expectations and amounted to -56% (-132%).

INVESTMENTS, LIQUIDITY AND FINANCIAL POSITION

On 31 December 2024 the cumulative book value of balanced costs for development work amounted to kSEK 104,340 (57,736). Since the third quarter of 2023 this refers to development work related to the next generation radar sensor A2, as A1 is now fully depreciated. During the year, kSEK 46,604 (69%) of total costs of kSEK 67,234 were capitalized, compared with the previous year when kSEK 34,134 (49%) of total costs of kSEK 70,359 were capitalized. This year's amortization of capitalized development costs amounts to 0 (6,885) TSEK.

The corresponding patent portfolio value amounted to kSEK 2,420 (2,252) most of which is due to investments in patents and patent applications related to the A1 product. Acconeer has 12 patent families including in total 30 granted patents and 11 pending patent applications. The patent portfolio covers various geographic regions, including the U.S., Europe, Japan and China.

Investments in fixed tangible assets has been financed from the company's own resources, and amounted to kSEK 14,633 (11,830).

The inventory is high, but has decreased with 14 % during the year. The reasons are large purchases made during the pandemic when there was a shortage of components that have now been delivered, delays in customer projects and an improved yield. Inventory is now decreasing according to the management's expectations.

Accounts payable have decreased significantly,

which is mainly explained by fewer received deliveries of goods towards the end of the period.

During the fourth quarter 2023, the company used the first payment of SEK 30 million from the loan facility from Buntel AB and Exelity AB. At the end of the first quarter 2024, the loan was resolved. Interest expenses and similar expenses amounted to kSEK-5,033 (-940) during the year. The increased cost is due to the loan facility utilized.

During the first quarter, a big customer made an advance payment regarding upcoming deliveries amounting to kSEK 17,234. As of December 31, the advance payment is due to kSEK 4,439. The advance payment means that the liability is reduced when the goods are delivered instead of liquid funds coming in.

The company has used the possibility to get deferrals with employer contributions and deducted tax on employees' wages. In September, the company chose to pay back the deferral, which has a negative effect on the period's cash flow with kSEK 14,729.

The cash flow from operating activities during the full year amounted to kSEK -28,984 (-37,276).

After changes in working capital the cashflow for the period was kSEK -32,087 (-49,348).

At the balance sheet date, cash and cash equivalents amounted to kSEK 53,757 (38,653).

Total equity amounted to kSEK 227,724 (132,286).

Equity ratio was 91 (66) percent. The equity ratio has improved significantly due to the rights issue carried out during the first half of the year.

MULTIPLE YEAR OVERVIEW

AMOUNTS IN KSEK	2024	2023	2022	2021	2020
Net sales	51,320	35,522	46,825	31,157	9,505
Operating result	-28,677	-46,807	-47,248	-51,101	-62,309
Balance sheet total	251,184	199,220	190,675	223,223	128,442
Solidity %	91	66	90	89	94

See Accounting and valuation policies for definitions of key indicators.

CHANGES IN EQUITY

KSEK	SHARE CAPITAL	FUND FOR DEVELOPMENT COSTS	SHARE PREMIUM RESERVE	SHARE HOLDERS CONTRIB.	RETAINED EARNINGS	TOTAL EQUITY
Total equity 2023-12-31	1,332	57,736	490,112	25	-416,918	132,287
New rights issue	1,776		147,396			149,172
Exercise of warrants			1,707			1,707
Issue expenses			-23,583			-23,583
Warrant expenses			-380			-380
Capitalisation development costs		46,604			-46,604	0
Net profit/loss for the period					-31,479	-31,479
Total equity 2024-12-31	3,108	104,340	615,252	25	-495,001	227,724

KSEK	SHARE CAPITAL	FUND FOR DEVELOPMENT COSTS	SHARE PREMIUM RESERVE	SHARE HOLDERS CONTRIB.	RETAINED EARNINGS	TOTAL EQUITY
Total equity 2022-12-31	1,317	28,495	482,848	25	-341,174	171,511
New rights issue	13		5,227			5,240
Exercise of warrants	2		2,147			2,149
Issue expenses			-233			-233
Capitalisation development costs		34,134			-34,134	0
Dissolution of depreciation of development costs		-4,893			4,893	0
Convertible loan			155			155
Deferred tax			-32			-32
Net profit/loss for the period					-46,504	-46,504
Total equity 2023-12-31	1,332	57,736	490,112	25	-416,919	132,286

PROPOSED APPROPRIATIONS OF PROFIT OR LOSS

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

	Amount
Premium reserve	615,252,311
Retained loss	-463,497,334
Loss for the year	<u>-31,478,717</u>
Total	120,276,260

are distributed so that

Premium reserve	615,252,311
to be carried forward	<u>-494,976,051</u>
	120,276,260

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	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Net sales	2	51,320	35,522
Cost of goods sold		-18,449	-9,950
Gross profit		32,871	25,572
Operating expenses	3-9,11-14		
Sales expenses		-32,190	-28,588
Administrative expenses		-11,607	-10,365
Research and Development expenses	11	-20,630	-36,225
Other operating income/ expenses	10	2,879	2,799
Operating result		-28,677	-46,807
Result from financial items			
Other interest income and similar income		2,202	1,240
Interest expenses och similar expenses	15	-5,033	-940
Net financial income/expense		-2,831	300
Profit or loss before tax		-31,508	-46,507
Deferred tax		29	3
Net profit or loss for the year		-31,479	-46,504

BALANCE SHEET

AMOUNTS IN KSEK	NOTE 1	2024-12-31	2023-12-31
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalised development costs	11	104,340	57,736
Patents	12	2,420	2,252
		106,760	59,988
<i>Tangible fixed assets</i>			
Machinery and other technical equipment	13	7,176	7,749
Equipment, tools, fixtures and fittings	14	2,372	2,780
Assets under construction and advance payments referring to tangible fixed assets	16	5,085	1,301
		14,633	11,830
<i>Financial fixed assets</i>			
Participations in Group companies	17,18	828	828
		828	828
Total fixed assets		122,221	72,646
Current assets			
<i>Inventories, etc.</i>			
Work in progress		38,551	46,548
Raw materials and supplies		6,981	7,939
Finished goods and merchandise		9,420	9,363
		54,952	63,850
<i>Short-term receivables</i>			
Accounts receivable		4,039	4,437
Receivables from Group companies		500	-
Current tax assets		793	617
Other receivables	19	1,107	1,100
Prepayments and accrued income	20	13,815	17,917
		20,254	24,071
<i>Cash and bank balances</i>			
Cash and bank balances		53,757	38,653
Total current assets		128,963	126,574
TOTAL ASSETS		251,184	199,220

BALANCE SHEET (CONT'D)

AMOUNTS IN KSEK	NOTE 1	2024-12-31	2023-12-31
EQUITY AND LIABILITIES			
Equity	21		
<i>Restricted equity</i>			
Share capital		3,108	1,332
Fund for development costs		104,340	57,736
		107,448	59,068
<i>Non-restricted equity</i>			
Share premium reserve		615,252	490,112
Retained profit or loss		-463,497	-370,390
Net profit or loss for the year		-31,479	-46,504
		120,276	73,218
Total equity		227,724	132,286
Provisions	22		
Deferred tax liability		-	29
Total provisions		-	29
Short-term liabilities			
Liabilities to credit institutions	15	-	27,450
Advances from customers		4,439	-
Accounts payable	23	2,203	12,575
Liabilities to Group companies		-	32
Other liabilities	24	1,646	15,682
Accruals and deferred income	25	15,172	11,166
		23,460	66,905
TOTAL EQUITY AND LIABILITIES		251,184	199,220

CASH FLOW STATEMENT

AMOUNTS IN SEK	NOTE 1	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Operating activities			
Result after financial items		-31,508	-46,507
Adjustments for items not included in cash flow	26	2,700	9,356
Income tax paid		-176	-125
Cash flow from operating activities before change in working capital		-28,984	-37,276
Cash flow from change in working capital			
Change in inventories		8,898	-33,613
Change in receivables		398	359
Change in short-term receivables		3,596	891
Change in trade payables		-10,372	6,409
Change in current liabilities		-5,623	13,882
Cash flow from operating activities		-32,087	-49,348
Investing activities			
Investments in intangible fixed assets		-47,142	-34,498
Investments in tangible fixed assets		-5,133	-2,145
Cash flow from investing activities		-52,275	-36,643
Financing activities			
New rights issue		150,879	7,389
Issue expenses		-23,963	-233
Taken loans		-	27,605
Amortization of loans		-27,450	-
Cash flow from financing activities		99,466	34,761
CASH FLOW FOR THE YEAR		15,104	-51,230
Cash and cash equivalents at the beginning of the year			
Cash and cash equivalents at the beginning of the year		38,653	89,883
Cash and cash equivalents at the end of the year		53,757	38,653

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 exchange 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. This is a fixed price contract. 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 liability 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 leasing fees according to operational leasing agreements, including any increased initial rent but excluding expenses for services such as insurance and maintenance, are 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 year income 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 78,293 and the number of shares by 1,565,861 corresponding to a dilutive effect of approximately 2.5 percent.

The warrant programs are distributed as follows:
2021/2024 paid subscription price per warrant SEK

11.44, subscription price per share SEK 95.84 during 2024-2025, 107,138 warrants.

2022/2026 paid subscription price per warrant SEK 7.90, subscription price per share SEK 51.23 during 2026, 223,515 warrants.

2023/2026 paid subscription price per warrant SEK 7.71, subscription price per share SEK 50.49 during 2026, 133,803 warrants.

2023/2027 paid subscription price per warrant SEK 1.76, subscription price per share SEK 9.88 during 2026, 403,278 warrants.

2024/2028 paid subscription price per warrant SEK 1.32, subscription price per share SEK 8.50 during 2026, 346,283 warrants.

Convertible debentures

Convertible debentures can be converted to shares by the counterparty exercising its option to convert the claim to shares, reported as a compound financial instrument divided into a debt part and an equity part. The fair value of the debt at the time of issue is calculated by discounting the future payment flows with the current market interest rate for a similar debt, without the right to conversion. The value of the equity instrument is calculated as the difference between the issue proceeds when the convertible bond was issued and the fair value of the financial debt at the time of issue. Any deferred tax attributable to the debt at the time of issue is deducted from the reported value of the equity instrument. Transaction costs in connection with the issue of a compound financial instrument are allocated to the debt part and the equity part proportionally to how the issue proceeds are distributed. The interest expense is reported in the year's profit and calculated using the effective interest method.

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 for 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	8-15 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	4-10 years
Equipment, tools, fixtures and fittings	3-5 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 recorded at the lower of acquisition and net realizable value. The risk of obsolescence has been taken into account. Net realizable value refers to the estimated selling price of the goods less selling costs.

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 institutions 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.

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.

Operating margin

Operating profit after depreciation as a percentage of net sales.

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

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Sales of goods	41,691	25,878
Development-related services	9,629	9,644
	51,320	35,522

NOTE 3 OPERATING EXPENSES BY COST CATEGORY

	2024 FULL YEAR	2023 FULL YEAR
Other operating income	-4,497	-3,777
Raw materials and consumables	18,449	9,950
Other external costs	46,434	46,664
Personnel costs	61,900	53,292
Depreciation of fixed tangible and intangible assets	2,701	9,356
Other operating costs	1,618	978
Capitalised development costs	-46,604	-34,134
	80,001	82,329

The Board's costs are included in Other external costs with SEK 801,996 (892 500) 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 20,383 (12,610) and depreciation of tangible and intangible fixed assets to kSEK 2,701 (9,356). 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 LEASING AGREEMENTS

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Future minimum lease payments referring to non-cancellable operating leases		
Within one year	3,041	2,978
Between one and five years	1,548	4,469
	4,589	7,447
Leasing costs of the financial year		
Leasing costs of the financial year	2,976	2,706
	2,976	2,706

NOTE 6 SALARIES AND REMUNERATIONS

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Salaries and remunerations		
Directors and Chief Executive Officer*)	4 526	2,408
Other employees	44 025	37,297
	48 551	39,705
Social security contributions		
Pension costs for directors and CEO	589	517
Pension costs for other employees	4 934	4,553
Other statutory and contractual social security contributions	9 900	8,385
	15 423	13,455
Total salaries, remunerations, social security contributions and pension costs	63 974	53,160

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

NOTE 7 EMPLOYEES AND PERSONNEL COSTS

AVERAGE NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Sweden	56	52
Of whom men	50	46
Total	56	52
Gender distribution of the Board and management		
Percentage of women, %		
Board of Directors	25	20
Other executive directors	25	11

NOTE 8 REMUNERATION AND OTHER BENEFITS

2024-01-01 - 2024-12-31	BASE PAY	VARIABLE PAY	OTHER BENEFITS	PENSION EXPENSES	TOTAL
Remuneration and benefits					
Outgoing CEO, Lars Lindell	1,688	53	3	317	2,061
Incoming CEO, Ted Hansson (6 months)	1,148	545	3	271	1,967
Other executive directors (6)*	5,835	203	13	1,153	7,204
	8,671	801	19	1,741	11,232

2023-01-01 - 2023-12-31	BASE PAY	VARIABLE PAY	OTHER BENEFITS	PENSION EXPENSES	TOTAL
Remuneration and benefits					
Chief Executive Officer	1,401	45	3	517	1,966
Other executive directors (6)*	5,911	187	22	1,157	7,277
	7,312	232	25	1,674	9,243

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

NOTE 9 TRANSACTIONS BETWEEN GROUP COMPANIES

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

NOTE 10 OTHER OPERATING INCOME

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
License and royalties	8	16
Sensorita grant	295	-
WASP grant	510	480
Vinnova grant	1,266	2,198
Exchange rate gains	1,798	1,023
Alps Alpine	612	55
Other operating income	8	5
Exchange rate loss	-1,618	-978
	2,879	2,799

NOTE 11 CAPITALISED DEVELOPMENT COSTS

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Cost, opening balance	103,639	69,505
Capitalisation own work for the year	46,604	34,134
Accumulated cost, closing balance	150,243	103,639
Amortisation, opening balance	-45,903	-39,017
Amortisation for the year	0	-6,886
Accumulated amortisation, closing balance	-45,903	-45,903
Carrying amount	104,340	57,736

NOTE 12 PATENTS

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Cost, opening balance	3,944	3,580
Acquisitions	538	364
Accumulated cost, closing balance	4,482	3,944
Amortisation, opening balance	-1,692	-1,329
Amortisation for the year	-370	-363
Accumulated amortisation, closing balance	-2,062	-1,692
Carrying amount	2,420	2 252

NOTE 13 MACHINERY AND OTHER TECHNICAL EQUIPMENT

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Cost, opening balance	20,217	12,420
Purchases	822	734
Reclassification	-	7,063
Accumulated cost, closing balance	21,039	20,217
Depreciation, opening balance	-12,468	-11,333
Depreciation for the year	-1,395	-1,135
Accumulated depreciation, closing balance	-13,863	-12,468
Carrying amount	7,176	7,749

NOTE 14 EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Cost, opening balance	4,992	4,881
Purchases	528	111
Accumulated cost, closing balance	5,520	4,992
Depreciation, opening balance	-2,212	-1,240
Depreciation for the year	-936	-972
Accumulated depreciation, closing balance	-3,148	-2,212
Carrying amount	2,372	2,780

NOTE 15 LIABILITIES TO CREDIT INSTITUTIONS

During the fourth quarter of 2023, the company called for the first payment of SEK 30 million of the loan facility from Buntel AB and Exelity AB. The loan was repaid during the first quarter of 2024. Interest expenses and similar expenses during the year amounted to kSEK -4,202 (-605). The loan from Buntel AB & Exelity AB was a convertible loan. Since the loan as of the balance sheet date 2023-12-31 contained a conversion right, the liability was divided between equity and short-term debt to credit institution. Interest was paid at STIBOR (average three-month STIBOR) plus 1% per month commenced, which corresponded to approximately 16% in annual effective interest. The lenders had the right to capitalize the interest. The loan was calculated at present value according to the effective interest method. The loan was to be repaid 12 months after the lender received the payment.

LENDER	INTEREST RATE	DATE OF INTEREST CHANGE	LOAN AMOUNT 2024-12-31	LOAN AMOUNT 2023-12-31
Buntel AB & Exelity AB	16,08	2024-01-01	-	30,000
Less equity participation			-	-155
Less accrued brokerage fee			-	-3,000
Capitalised interest 2023			-	605
			-	27,450

NOTE 16 FIXED ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS REFERRING TO TANGIBLE FIXED ASSETS

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Cost, opening balance	1,301	7,063
Purchases Machinery and other technical equipment	4,022	1,063
Purchases Equipment and tools	-	238
Reclassification from Machinery and technical equipment	-	-7,063
Reclassification to Equipment and tools	-238	-
Carrying amount	5,085	1,301

NOTE 17 PARTICIPATIONS IN GROUP COMPANIES

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Acquisition value, opening balance	828	828
Accumulated cost, closing balance	828	828
Carrying amount	828	828

NOTE 18 SPECIFICATION OF PARTICIPATIONS IN GROUP COMPANIES

NAME	REG.NO.	REGISTERED OFFICE	EQUITY CAPITAL	RESULT
Acconeer Incentive AB	559156-2474	Lund, Sweden	826	-4

NAME	CAPITAL SHARE	VOTING RIGHTS	NUMBER OF SHARES	BOOK VALUE	EQUITY CAPITAL
Acconeer Incentive AB	100%	100%	50,000	828	822
				828	822

NOTE 19 OTHER RECEIVABLES

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Recoverable VAT	981	1,097
Other receivables	126	3
	1,107	1,100

NOTE 20 PREPAID EXPENSES AND ACCRUED INCOME

	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Prepaid rent	784	772
Rent deposition	1,287	1,302
Accrued income not yet invoiced,	7,269	10,273
Other prepaid expenses	4,475	5,570
	13,815	17,917

NOTE 21 NUMBER OF SHARES AND QUOTA VALUE

2024-12-31 NAME	NUMBER OF SHARES	QUOTA VALUE
Number of A shares	62,154,827	0.05
	62,154,827	

2023-12-31 NAME	NUMBER OF SHARES	QUOTA VALUE
Number of A shares	26,637,783	0,05
	26,637,783	

NOTE 22 PROVISIONS

	2024-12-31	2023-12-31
Deferred tax liability		
Amount at the beginning of the year	29	-
Provisions of the year	-	32
Amounts returned during the year	-29	-3
	-	29

NOT 23 AGE-DISTRIBUTED DUE DATE LIST FOR ACCOUNTS PAYABLE

	2024-12-31	2023-12-31
Not past due date	2,024	11,991
Overdue 1-30 days	179	584
Overdue 31-60 days	-	-
Overdue 61-90 days	-	-
Overdue more than 90 days	-	-
	2,203	12,575

NOT 24 OTHER LIABILITIES

	2024-12-31	2023-12-31
Deferment of VAT, employer's contributions and withholding tax	-	14,729
Other current liabilities	1,646	953
	1,646	15,682

NOTE 25 ACCRUALS AND DEFERRED INCOME

	2024-12-31	2023-12-31
Accrued bonus incl. social security cost	3,424	1,778
Other accrued salaries incl. social security cost	740	0
Accrued holiday pay social security cost	3,816	3,336
Special payroll tax	1,331	1,219
Deferred grant Vinnova	1,155	477
Deferred income	67	102
Discount rent	240	400
Discount telephony	105	165
Accrued Directors' fees	802	892
Other accrued expenses	3,492	2,797
	15,172	11,166

NOTE 26 NON-CASH ITEMS

	2024-12-31	2023-12-31
Depreciation	2,700	9,356
	2,700	9,356

NOTE 27 RELATED PARTY TRANSACTIONS

The company has a related party relationship with FinansBalans KB, Lillehem Konsult AB and Moll Wendén Advokatbyrå AB. The related party transactions have consisted of the purchase of financial management services from FinansBalans KB, consultancy fees from Lillehem Konsult AB and legal consultations from Moll Wendén Advokatbyrå AB. All transactions have been made on market terms.

Other related party transactions are compensation to the board of directors for board fees.

NOTE 28 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

On 6 February it was announced that Acconeer has signed a worldwide franchise deal with Future Electronics, who will provide customers access to Acconeer's unique 60GHz radar solutions. This agreement covers Acconeer's A121 radar sensor and related products, and expands Acconeer's global distribution network. Future Electronics is a global leader in electronics distribution headquartered in Montreal, Canada.

The Board of Directors of Acconeer AB proposed a directed share issue of approximately SEK 25 million to Alps Alpine, that now has been paid, and a fully secured rights issue (compensation issue) of approximately SEK 25 million. Alps Alpine committed to subscribe for the directed issue. Several major shareholders as well as members of the Board of

Directors and management have provided subscription and guarantee commitments in the rights issue.

Acconeer AB held an extraordinary general meeting on 6 March 2025. The extraordinary general meeting resolved, in accordance with the Board of Directors' proposal, on a directed share issue consisting of a maximum of 5,482,456 shares, entailing an increase in the share capital of a maximum of SEK 274,122.8. The Extraordinary General Meeting also resolved, in accordance with the Board of Directors' proposal, to issue a maximum of 5,484,249 new shares, increasing the share capital by a maximum of SEK 274,212.45.

On March 14 Acconeer AB published information memorandum in connection with upcoming rights issue (compensation issue).

SIGNATURES

The income statement and balance sheet will be submitted for adoption
by the Annual General Meeting on 2025-04-29

Malmö, 2025-03-25

Thomas Rex
Chairman of the Board

Lars-Erik Wernersson

Git Sturesjö Adolfsson

Henric Stråth

Ted Hansson
Chief Executive Officer

Our auditor's report was submitted on 2025-03-25
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 2024. The annual accounts of the company are included on pages 23-46 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 2024 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 Information than the annual accounts

This document also contains other information than the annual accounts and is found on pages 1-22. 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 2024 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 25 March 2025

KPMG AB

KPMG AB

Jonas Nihlberg
Authorized Public Accountant
Auditor in charge

Tobias Lindberg
Authorized Public Accountant



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