

PRESS RELEASE

Lund, 17 May 2023

Terranet AB – Interim report 1 January – 31 March 2023

Significant events during the first quarter

- Prevas Development delivered the first prototype of the laser scanner module to Terranet. Testing and evaluation continues.
- Warrant programme T05 B was concluded. Over 70% of the warrants were exercised for the subscription of B shares. The company raised a total of MSEK 3.8 before issue costs. The funds were used for the repayment of loans.
- The company expanded its global sales and business development network by bringing on Martin Wöhrle as senior advisor. Martin has a strong background in the industry, including time with BMW and Hyundai.
- Mangold Insight released an updated analysis of Terranet, reaffirming the previous buy recommendation.
- Terranet's CEO Magnus Andersson and CTO Nihat Küçük presented the year-end report and product development update during a well-received webcast followed by a Q&A session.
- Magnus Andersson presented Terranet at Aktiespararna's popular aktiedag in Lund.
- Holoride GmbH launched a retrofit version of its unique XR/VR product, which can be used in vehicles from any manufacturer.

Significant events after the close of the period

- Terranet updated the market through a Letter from the CEO, where Magnus Andersson reported on the progress made in the company's product development and the steps taken to accelerate the commercialization of BlincVision.
- The annual report, which included the corporate governance report and audit report, was published.
- Annual General Meeting held on May 10, 2023. The meeting resolved to re-elect the board members Göran Janson, Anders Blom, Magnus Edman, Tarek Shoeb and Nils Wollny, and to elect Torgny Hellström as an ordinary member. Furthermore, it was resolved to elect Torgny Hellström as chairman of the board.
- The associated company holoride GmbH received a convertible loan from one of its shareholders (not Terranet) to expand its market rollout.

First quarter, 1 January — 31 March 2023

- Revenue amounted to TSEK 208 (177).
- Operating profit/loss amounted to TSEK -8,242 (-8,350).
- Diluted and undiluted earnings per share amounted to SEK -0.03 (-0.03).

The group's cash and cash equivalents at the close of the period amounted to TSEK 17,754 (26,715 at the start of the financial year).

Comments from the CEO

Dear Shareholders,

At this moment in time, there is an ongoing and exciting discussion in society about the interplay between humans, technology, and automation. We know that Terranet can contribute with insights and knowledge about how advanced technology can benefit humanity and save lives in urban traffic. We will continue to be part of this conversation. We are putting an important quarter behind us. My primary focus has been to transition BlincVision from development project to commercial product.

Our business development network has been expanded with the recruitment of a senior consultant from the automotive industry, who primarily will focus on the Asian markets. Additionally, our newly appointed Chairman of the Board, Torgny Hellström, brings valuable experience to Terranet from managing listed companies in the IT- and tech sector as well as expertise in business development and sales. More time and effort are also put into marketing and strengthening the company brand.

At the same time, work is ongoing to ensure more and faster progress in the product development of BlincVision. We are making good progress in the recruitment process. We recently hired a Senior Engineering Lead who will manage the intensive day to day development of BlincVision and an AI engineer who will focus on computer vision, object perception, and the training of neural networks. Additional recruitments will come.

The first prototype of our laser scanner was delivered to our Lund office at the end of March, and testing is currently ongoing at the Lund lab. The first results indicate that the scanner meets our high standards. The scanner will be integrated into a prototype that will be presented to prospective customers. Our ambition is still to have this prototype ready to be tested on a vehicle during 2023.

The events that Terranet has participated in at the beginning of the year have provided me with many interesting insights and reflections. Changing urban environments will force the automotive industry to push the boundaries of what vehicle safety systems are capable of to save lives of vulnerable road users. Initiatives have been launched, but further action is necessary. No single system can perform every task. There is no perfect sensor that can do everything, which is why a fusion of different sensors and systems is necessary to achieve the EU's goal of zero road fatalities by 2050.

In Sweden, we have extensive experience of groundbreaking innovations within road safety. BlincVision, which is being developed for the rapidly growing ADAS and autonomous vehicle market, builds on that experience and offers the fastest and most accurate safety system for vehicles in urban traffic. I am convinced that BlincVision, built with modern and unique technology, will change the future of road safety.

Magnus Andersson
CEO
Lund, 17 May 2023



This information is such that Terranet AB is required to make public in accordance with the EU's Market Abuse Regulation (MAR). The information was made public by the Company's contact person below on 17 May 2023, at 08.00 CET.

For more information, please contact

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About Terranet AB (publ)

Terranet is on a mission to save lives in urban traffic.

We develop breakthrough tech solutions for Advanced Driver Assistance Systems (ADAS) and Autonomous Vehicles (AV) that protect vulnerable road users.

With a unique patented vision technology, Terranet's anti-collision system BlincVision laser scans and detects road objects up to ten times faster and with higher accuracy than any other ADAS technology available today.

Terranet is based in Lund, Sweden, and in the heart of the European automotive industry in Stuttgart, Germany. The company is listed on Nasdaq First North Premier Growth Market since 2017(Nasdaq: TERRNT-B).

Follow our journey at www.terranet.se

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