

PRESS RELEASE

Lund, January 12, 2024

NOTICE TO ATTEND THE EXTRAORDINARY GENERAL MEETING IN TERRANET AB

N.B. This English text is an unofficial translation of the Swedish original of the notice to attend the extraordinary general meeting in Terranet AB, and in case of any discrepancies between the Swedish and the English translation, the Swedish text shall prevail.

The shareholders of Terranet AB, reg.no 556707-2128 (the "**Company**"), are hereby convened to an extraordinary general meeting on 31 January 2024 at 11:00 am CET at the premises of Eversheds Sutherland Advokatbyrå, Sveavägen 20 in Stockholm. Registration begins at 10:45 am CET.

RIGHT TO PARTICIPATE AND REGISTRATION

Shareholders who wish to attend the general meeting shall

- be entered in the share register maintained by Euroclear Sweden AB on 23 January 2024, and;
- notify the Company of their intention to participate in the meeting no later than 25 January 2024 by e-mail to dan.wahrenberg@terranet.se or by post to Terranet AB, Mobilvägen 10, 223 62 Lund, Sweden, mark the envelope with "Extraordinary General Meeting 2024". Upon notification, the shareholder shall state name, personal or corporate identity number, address and telephone number and, where applicable, information about assistants (maximum 2).

NOMINEE REGISTERED SHARES

Shareholders who have had their shares registered by a nominee through a bank or investment institution must have their shares registered in their own name to be entitled to attend the general meeting. Such registration may be temporary (so-called voting registration) and is requested from the nominee in accordance with the nominee's procedures. Voting registrations made (registered with Euroclear Sweden AB) no later than 25 January 2024 will be taken into account in the preparation of the share register.

PROXY

Shareholders represented by proxy must issue a written power of attorney for the proxy, signed and dated by the shareholder. The period of validity of the proxy may not exceed five years if specifically stated. If no period of validity is indicated, the proxy shall be valid for a maximum of one year. If the proxy is issued by a legal person, a copy of the certificate of registration or equivalent of the legal person must be attached. The original proxy and any certificate of registration should be sent by post to the Company at the above address in good time before the general meeting. The proxy form will be available on the Company's website (www.terranet.se) at least two weeks before the general meeting.

PROPOSED AGENDA

1. Opening of the meeting
2. Election of the chairman of the meeting
3. Preparation and approval of the voting list
4. Election of one or more persons to verify the minutes
5. Determination whether the meeting has been duly convened
6. Approval of the agenda

7. Resolution on a) the number of members of the board of directors, b) election of a new member of the board of directors, and c) determination of the remuneration to a new member of the board of directors.
8. Resolution on approval of the board's resolution on a directed issue of units from the 12 January 2024
9. Resolution to authorise the board of directors to make minor adjustments of the resolutions
10. Closure of the meeting

PROPOSED RESOLUTIONS

Item 2 – Election of the chairman of the meeting

The nomination committee proposes that lawyer Mark Falkner, Eversheds Sutherland Advokatbyrå AB, is elected as chairman at the meeting.

Item 7 – Resolution on a) the number of members of the board of directors, b) election of a member of the board of directors, and c) determination of the remuneration to a member of the board of directors.

The nomination committee proposes that the board of directors shall be expanded and consist of seven members without deputies and that Mats Fägerhag is elected as a new board member of the Company for the period until the end of the next annual general meeting. Furthermore, the nomination committee proposes that Mats Fägerhag shall receive a remuneration corresponding to the remuneration that the annual general meeting 2023 resolved would be paid to board members who are not employed by the Company, calculated pro rata for the period Mats Fägerhag is a board member of the Company until the end of the next annual general meeting.

Mats Fägerhag brings automotive industry expertise to the board and will also from time to time work operationally in the company on specific issues.

Mats was born in 1961 and holds a Master's degree in Mechanical Engineering from Lund University.

Mats has more than 35 years of experience from the automotive industry and has held leading positions within Saab Automobile, General Motors Europe, Volvo Cars, and Geely Automotive. For ten years, he has been the CEO of the Geely company CEVT, which, among other things, has developed platforms for Volvo Cars, Polestar, Lynck&Co, and Geely Automotive as well as autonomous vehicles for Alphabet-owned ("Google") Waymo.

Mats is currently also chairman of the board of Aliaro AB, and a board member of Systemite AB, CarlixKlippan AB, MedicSolution AB and Chalmers Industri Teknik. Mats also works through his own company as an advisor to various companies.

Mats is independent in relation to the Company, its management and the Company's major shareholders.

Item 8 – Resolution on approval of the board's resolution on a directed issue of units from 12 January 2024

The board of directors proposes that the general meeting resolves to approve the board's resolution on a directed issue of not more than 16,071,428 units, consisting of shares of series B and warrants of series TO8. The resolution shall otherwise be governed by the following terms and conditions.

1. The new shares and warrants shall be issued in units. Each unit shall contain two (2) shares of series B and one (1) warrant of series TO8.
2. The Company's share capital may be increased by a maximum of SEK 321 428.56 through the issue of not more than 32 142 856 shares. Not more than 16 071 428 warrants of series TO8 shall be issued entailing an increase in the share capital at the utilisation of no more than SEK 160,714.28.

3. The right to subscribe for units shall, with deviation from the shareholders' preferential rights, belong to the shareholder Maida Vale Capital. The right to subscribe for units shall, with deviation from the shareholders' preferential rights, belong to the shareholder Maida Vale Capital. Prior to the Directed Issue, the board of directors has considered the possibility of raising capital through a cash rights issue but has concluded that a rights issue, in comparison to the Directed Issue, (i) would be significantly more time-consuming and entail significantly higher costs and increased exposure to potential market volatility compared to a directed issue, (ii) would probably not be subscribed to the required extent, given the current climate on the stock market, without underwriting commitments being procured in order to ensure that the Company is provided with sufficient capital, which in turn risks incurring additional costs and/or further dilution depending on the type of consideration paid for such underwriting, (iii) would entail an uncertainty in relation to the size of the capital that the Company may receive from the Company's existing shareholders and (iv) would probably need to be made at a lower subscription price in view of the discount levels that have occurred on the stock market recently. Other alternatives, including the raising of a long-term loan, have also been considered but have either been deemed to entail too high costs or not to generate sufficient working capital and thus not to be in the interest of the Company or the shareholders. The directed share issue further entails that i) the Company's shareholder base is broadened with new investors with an interest in the Company and its development and ii) the Company's ownership base is strengthened by a number of existing owners investing further in the Company. In the board's opinion, the above provides a strengthened ownership picture. An increased ownership for certain existing shareholders with great commitment to the Company and its future development creates, in the board's opinion, conditions for stability and security for both the Company and other shareholders. Against this background, the board of directors has made the assessment that a directed new share issue on the proposed terms is the most favourable for the Company and its shareholders, especially since the Company is in need of immediate financing.
4. The subscription price per unit amounts to SEK 0.14, meaning a subscription price per share of SEK 0.07. The subscription price in the Directed Issue has been determined after negotiations with the subscribers and corresponds to a discount of approximately 9.23 per cent in relation to the volume-weighted average price of the Company's share on Nasdaq First North Premier Growth Market during the period 27 December 2023 up to and including 10 January 2024 and is deemed by the board of directors to be on market terms. The premium shall be added to the free premium fund.
5. Subscription shall be made on a separate subscription list on the date of the resolution. However, the Board of Directors is entitled to postpone the final date for subscription.
6. Payment shall be made within seven banking days from the date of subscription. However, the board is entitled to postpone the final date for payment.
7. Subscription can only be made in units and thus not of shares and warrants separately. Allotment may only be made in units. However, after completion of the issue, the shares and warrants will be separated.
8. Each warrant of series TO8 entitles the holder to subscribe for one (1) share at a subscription price of SEK 0.14. Subscription for shares through the exercise of the warrants of series TO8 may be made during the period from 18 November 2024 up to and including 29 November 2024. The excess price of new subscriptions for shares through the exercise of the warrants shall be added to the free share premium fund. The warrants are subject to additional terms and conditions as set out in a separate appendix, including customary conversion terms.
9. The new shares entitle the holder to a dividend as from the date on which the shares are entered in the share register.

10. The board of directors or the person appointed by the board of directors is authorised to make the minor adjustments required for the registration of the resolution with the Swedish Companies Registration Office.

A valid resolution under the proposal in this item 8 requires that the proposal is supported by shareholders holding at least nine tenths (9/10) of both the votes cast and the shares represented at the meeting.

Item 9 – Resolution to authorise the board of directors to make minor adjustments to the resolutions adopted by the Annual General Meeting

The board of directors proposes that the general meeting authorises the board of directors, the managing director or the person otherwise appointed by the board of directors or the managing director, to make such minor adjustments and clarifications of the resolutions adopted at the general meeting to the extent required for registration of the resolutions.

OTHER INFORMATION

Documents and information

The notice, a form of power of attorney, and documents according to the Swedish Companies Act will be available at the Company's office for at least two weeks before the general meeting and will be sent free of charge to shareholders who so request and provide their postal address. The documents will also be published on the Company's website, www.terrannet.se, no later than the same day.

Shareholders have the right under Chapter 7, Section 32 of the Companies Act to request information from the board of directors and the chief executive officer regarding circumstances that may affect the assessment of an item on the agenda. The board of directors and the chief executive officer shall disclose such information if the board of directors considers that this can be done without material harm to the Company.

Processing of personal data

The personal data collected from the share register maintained by Euroclear Sweden AB, received notifications and information about proxies and assistants will be used for registration, preparation of the voting list for the general meeting and, where applicable, the minutes of the meeting. For information on how your personal data is processed in connection with the General Meeting, please refer to the privacy policy on the Euroclear AB website, <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Number of shares and votes

At the time of issuance of this notice, the total number of shares in the Company is 755,145,869, divided into 1,084,463 shares of series A and 754,061,406 shares of series B. Each share of series A entitles to two votes and each share of series B entitles to one vote.

Lund in January 2024
Terranet AB
Board of Directors

For more information, please contact

Magnus Andersson CEO

Email: magnus.andersson@terranet.se

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 and patented vision technology, Terranet's anti-collision system BlincVision scans and detects road objects multiple 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

Certified Adviser to Terranet is Mangold Fondkommission AB,

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