

PRESS RELEASE

22 February 2024

Terranet AB – Year end report 2023

Significant events during the fourth quarter

- The company was awarded a grant from Skyltfonden (an initiative of the Swedish Transport Administration) for the development of new testing methods in collaboration with AstaZero (RISE).
- Dan Wahrenberg took over as the new CFO.
- The company and Nihat Küçük reached an agreement on the termination of Nihat's employment as CTO.
- Pierre Ekwall took over as the new CTO.
- The subscription of warrants in series T06 was carried out, with a subscription rate of 63% (the company raised approximately MSEK 6.3).

Significant events after the close of the period

- The company's board decided to carry out a directed issue of units amounting to MSEK 10 before issue costs and an issue of T08 to the Company for transfer free of charge to the Company's shareholders.
- The company held an extraordinary general meeting on January 31 where it was resolved to elect Mats Fägerhag as a new ordinary board member and further resolved on a directed issue of units to Maida Vale Capital AB of SEK 2.25 million.
- CEO Magnus Andersson and CTO Pierre Ekwall participated in CES in Las Vegas.

Q4, 1 October – 31 December 2023

- Revenue amounted to TSEK 205 (310).
- Operating profit/loss amounted to TSEK -9,219 (-7,431).
- Diluted and undiluted earnings per share amounted to SEK -0.02 (-0.03).

Full year, 1 January–31 December 2023

- Revenue amounted to TSEK 834 (748).
- Operating profit/loss amounted to TSEK -35,926 (-29,371).
- Diluted and undiluted earnings per share amounted to SEK -0.08 (-0.10).
- Cash and cash equivalents for the Group amounted to TSEK 29,006 (26,715) at the close of the period.
- The Board proposes that no dividend be paid for the 2023 financial year.

Comments from the CEO

Today's safety solutions in the automotive industry do not work well enough, and what we at Terranet offer will help save more lives and enable new mobility innovations for a safer and more efficient traffic environment.

We have seen an exciting close to an eventful 2023, with a fourth quarter marked by a number of significant steps forward. After years of hard work, BlincVision, our anti-collision project, is beginning to show its full potential as a comprehensive solution. We are seeing increased interest from potential customers and partners and can confidently state that the sector is looking for a product with the kind of speed and precision that BlincVision can offer.

Product development is progressing according to plan, and we are following our previously communicated product development plan; in 2024, we will demonstrate our prototype in a laboratory environment in the first quarter, and then in the second quarter we will demonstrate our prototype on vehicles in a test environment outdoors. The initial testing of a prototype showed promising results, offering good opportunities for product development before presentation to external parties. Our goal is to create formal partnerships with Tier 1 suppliers and automakers in 2024. We are moving closer and closer to a finished product that will be attractive on the market.

Continuous dialogues with Tier 1 suppliers and vehicle manufacturers have confirmed that there continues to be a great deal of interest in what we do across a number of different sectors, both in the area of driver assistance and autonomous vehicles. We continue to increase our commercial capability and have just elected Mats Fägerhag to the board. As a operational advisor, Mats brings many years of experience in the automotive industry and vast knowledge in the area of product development and commercialization. We are also engaged in an ongoing recruitment effort within business development.

At this year's CES, one of the world's premier trade shows for the automotive industry and tech sector, advanced driver assistance systems (ADAS) continued to be one of the hottest topics. Car manufacturers and suppliers acknowledge that existing anti-collision solutions are in need of improvement.

Despite the fact that many car models are currently equipped with advanced driver assistance systems, a high number of accidents still occur. And the continued high rate of accidents is especially concerning in cities, where accidents occur between cars and vulnerable road users. Solving this problem will require faster and more precise sensor technology. "Terranet offers technology that will help solve these problems, save lives and enable new mobility innovations for a safer and more efficient traffic environment". In light of the above, the collaboration that we initiated in the autumn of last year with AstaZero's test track and the interest from EuroNCAP are quite relevant.

We are now entering an incredibly intense period where years of development shall materialize. These are without a doubt the most exciting months we have ahead of us since Terranet was founded. We plan to update you shareholders in the coming months as we step by step in 2024 work towards our goal – to sign agreements and enter into partnerships with Tier 1 suppliers and leading car manufacturers.

We look forward to keeping you updated on what is sure to be a very eventful 2024!

Magnus Andersson
CEO
Lund, 22 February 2024

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 22 February 2024, 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 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

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