

Q1

QUARTERLY REPORT
JANUARY - MARCH 2025

Significant events during the fourth quarter

Validation of Proof of Concept together with MobilityXlab partner

The validation of the Proof of Concept (PoC) has been completed. Following the installation of BlincVision in the partner's vehicle and test environment, work has continued based on the defined requirements. The insights gained from the PoC have been valuable for the continued development of the product, and the validation now shows promising results in the defined test scenarios. The dialogue is ongoing, and Terranet intends to involve the partner in upcoming evaluations of the MVP.

Further development of existing prototype into MVP (Minimum Viable Product)

The development from prototype to MVP is taking place during the first and second quarters, in line with the communicated product development plan. The initial months of the year have focused on requirement specification, design work, and concept verification. The design has been improved to simplify integration and installation of the system in future partners' vehicles and test environments. Development efforts continue with a focus on increasing the system's maturity and functionality.

New CEO

On March 10, Lars Lindell took over as the company's new CEO. He brings many years of experience in leadership roles within tech and growth companies, along with broad international expertise and deep knowledge in sales and business models.

Significant events after the end of the period

New financing secured

On April 16, the company announced that the Board had decided on two directed share issues of SEK 25 million and a fully guaranteed rights issue of SEK 15 million. The directed issue consists of two parts, of which the first, amounting to SEK 9 million (fully paid as of April 30), falls within the authorization from the 2024 AGM. The second part of the directed issue, along with the rights issue, is subject to approval at the 2025 AGM.

Financial overview

	Jan – Mar 2025	Jan – Mar 2024	Jan – Dec 2024	Jan – Dec 2023
Revenue (TSEK)	0	308	283	834
Operating result (TSEK)	-9,176	-8,281	-35,808	-35,926
Financial items (TSEK)	-665	-1,065	-3,292	-37,190
Earnings per share (SEK)	-0,01	-0,01	-0,04	-0,15
Closing cash (TSEK)	4,952	29 918	18,541	29 006



Comment from the CEO

”2025 – the year BlincVision shows its value in customer environments”

The first quarter was marked by a clear focus on taking the next step in Terranet’s development. With a 2025 plan targeting an MVP for customers in the third quarter, the organization is fully committed to reaching our goals. Since stepping into the role as CEO in March, I’ve had the opportunity to get to know the business, the team, and our priorities. It’s clear that there is a strong drive to move the technology toward commercial use. In June, the management team and board will meet for this year’s strategy session – an important opportunity to set the direction for 2026 and create the right conditions for continued development and growth.

Strengthening BlincVision’s patent portfolio

As part of the MVP development, Terranet is addressing technical challenges within the application areas of event-based cameras. Since

the design is now defined and the MVP is set to begin customer deliveries in the third quarter of 2025, it is crucial to intensify the work on IP protection.

The company currently licenses patents related to the technology we are developing from third parties, while also continuously strengthening our own patent protection for BlincVision as an integrated part of the development process. This has already resulted in proprietary patent applications, and the work to build a strong, in-house portfolio within event-based camera technology is ongoing.

Development and commercialization progressing according to plan

The Proof of Concept report for our partner in MobilityXlab has now been completed. The report confirms that BlincVision performs well even in demanding test scenarios, while also identifying areas for further development. The collaboration has been highly valuable and provides important insights for continued product development. The dialogue with the partner continues, with the aim of including them in the upcoming evaluation of our MVP.

During the quarter, development efforts have primarily focused on advancing the prototype toward an MVP, through testing in both indoor and outdoor environments, and by improving both software and hardware.

In the third quarter, our MVP will begin testing with a few selected partners. One of them is an industrial player in the mining sector, with whom a collaboration agreement has already been signed. A kickoff meeting has taken place, and the project requirements have been defined. We look forward to bringing the MVP to the market and gaining a clearer picture of how the technology delivers value in real-world applications.

A strong financing round

After the end of the quarter, we completed a successful financing round for the company. A total of SEK 40 million was secured, consisting of a directed issue of units in two parts totaling SEK 25 million and a fully guaranteed rights issue of units

of SEK 15 million. The rights issue is being carried out to compensate shareholders who were unable to participate in the directed issue. Both issues were executed with a low discount relative to the average share price in the days preceding the board's decision.

The first directed issue of approximately SEK 9 million was fully completed by the end of April, while the second directed issue will be executed following the Annual General Meeting on May 23. The rights issue – which, together with the second directed issue, is subject to approval at the AGM – will be carried out in the weeks following the meeting.


The unit issues also include TO9 series warrants, with a subscription period in the first half of December. If fully exercised, the warrants could provide the company with an additional SEK 15 million.

In the press release on April 16, we stated that the total financing, assuming a high exercise rate of TO9, is expected to be sufficient into the second quarter of 2026. There is always some uncertainty regarding the performance of the stock market and, as such, how much TO9 will ultimately contribute. We will adjust our spending to align with the financial reality at any given time.

One step closer to the customer

We have a clear goal ahead of us and an organization with the right skills and drive. With a stronger financial position, key partnerships, and rapidly advancing technology, we are well positioned to take the next step toward the market. I look forward to the continued journey together with the team, our partners, and our shareholders.

Lars Lindell
CEO
Lund May 19, 2025

A woman with long brown hair is carrying a baby in a dark blue carrier. The baby is wearing a light blue hat and is drinking from a clear plastic bottle. The woman is looking off to the side with a serious expression. The background is a blurred city street at dusk, with warm lights from buildings and cars.

Every day, our loved ones head out into the world, and we expect them to come home safely.

Behind many traffic accidents are human mistakes, a moment of distraction, a single second that changes everything.

With groundbreaking technology that spots danger in an instant, we create safety where it matters most. Every meter counts. Every second can change everything.

Bringing
our loved
ones home

Statistics and global initiatives drive road safety forward

According to the World Health Organization (WHO), road traffic crashes kill about 1.19 million people globally each year and injure 20 to 50 million more. Over half of these deaths involve vulnerable road users like pedestrians, cyclists, and motorcyclists. The primary cause of death for children and young adults aged 5-29 is traffic injuries. Additionally, two-thirds of traffic fatalities affect people between the ages of 18 and 59. *

Already in the 1990s, the Vision Zero strategy was introduced in Sweden with the goal that no one should be seriously injured or killed in traffic. With the understanding that people make mistakes, roads and vehicles should be adapted to human conditions. Vision Zero has been successful throughout Europe and is now gaining traction in major American cities.

In 2020, UN member states agreed to support and implement measures to improve global road safety. This marked the start of the Decade of Action for Road Safety 2021-2030, aiming to reduce road traffic deaths and injuries by at least 50% by 2030.

The World Health Organization (WHO) and UN regional commissions developed a Global Plan to support this initiative.

Together, statistics and global initiatives are driving road safety forward.

*https://www.who.int/health-topics/road-safety#tab=tab_1



Market potential and BlincVision's competitive advantages

In 2023, the global advanced driver assistance systems market (ADAS) had a turnover of approximately 340 billion SEK. With an expected annual growth rate of 17.20%, the market is projected to exceed 1,400 billion SEK by 2032.*

17,2 %

Annual growth rate for
the global ADAS market

The National Highway Traffic Safety Administration (NHTSA) in the USA regularly conducts studies on traffic safety.** These studies show that ADAS technologies are not yet fully reliable in complex traffic environments. The sensors struggle to function correctly in adverse weather conditions and in complex, realistic traffic environments that include unexpected obstacles, varying road quality, and unpredictable factors. The software algorithms that interpret the sensors' data and make decisions can also make misjudgements. Together, this affects the systems' efficiency and reliability.

NHTSA highlights technical limitations such as deficiencies in sensors and software algorithms, as well as drivers' excessive reliance on the systems, which can lead to misuse and increased risk of accidents. They emphasize that these systems require continued development and thorough testing to become more reliable.

BlincVision's strength is its ability to deliver speed and precision in complex urban environments, where there is a need for improved performance.

With advanced sensors and AI-trained software, BlincVision navigates challenging traffic scenarios effectively.

By using event-based cameras, real-time decisions are enabled with minimal data processing, making the system unique in the market. This makes BlincVision an invaluable complement to existing technologies and a reliable choice for integration, strengthening our market position and improving traffic safety.

*<https://www.expertmarketresearch.com/reports/advanced-driver-assistance-systems-adas-market>

**Summary Report: Standing General Order on Crash Reporting for Level 2 Advanced Driver Assistance Systems (nhtsa.gov)



Product development of BlincVision

During the first quarter, development efforts focused on two key activities: validation of Proof of Concept in collaboration with a MobilityXlab partner, and the continued development of the prototype into an MVP. These activities build on the progress made in 2024, when BlincVision evolved from a concept to a tested prototype with successful vehicle integration and autonomous braking in realistic scenarios.



The Proof of Concept report delivered to our partner in MobilityXlab identifies areas for improvement in the system, but also confirms that BlincVision performs well even in demanding test scenarios. We have taken our sensor technology to a new level, improving both detection speed and object recognition capabilities. The collaboration has been highly valuable. We were able to install the system in the partner's vehicle and test environment, working according to their specific requirements. This has led to key insights that are now being applied in the next stage of development – a first version of the product focused on core functionalities, an MVP (Minimum Viable Product). We now intend to continue the dialogue and involve our partner in upcoming evaluations of the MVP.

During the quarter, we also conducted tests both indoors and outdoors, including at the AstaZero test track and in Ljungbyhed. At AstaZero, the focus was on Euro NCAP's CPNCO 50 scenario, where a child runs out in front of a parked car. The results show improved robustness compared to earlier versions, and that BlincVision can quickly detect and identify objects.

In parallel, training of the AI-based perception model is ongoing. More collected data strengthens the system's ability to handle different environments, lighting conditions, and objects – making the solution more robust and reliable.

We are also actively building the team, adding new specialists and project managers to support the next phase of development.

The continued development of the existing prototype into an MVP is focused during the first and second quarters on the following:

Creating a robust and user-friendly solution

The system design must withstand long-term use in vehicles, be weather-protected, and deliver reliable performance.

- **Delivering core functionalities**
Reliable pedestrian detection and the ability to brake in predefined traffic environments.
- **Simplifying installation and data management**
The product needs to be easy to install and enable smooth data collection and analysis.

The goal is to ensure the technology is robust and clearly demonstrates the potential of the final product.

In the third quarter, we plan to evaluate the MVP with selected partners. Partner selection is based on technical compatibility, use cases, potential for long-term collaboration, and geographic location. Their feedback will be key in refining and further developing the solution. With a verified MVP, expanded use cases, and increased presence in customer environments, the foundation is set for the next step – deepening partnerships and progressing toward volume production.

Product Development Plan for 2025

Quarter 1

Proof of Concept results via partner in MobilityXlab and initiation of the next customer project.

Quarter 2

Further development of the existing prototype to an MVP (Minimum Viable Product).

Quarters 3-4

Verification of the MVP in customer vehicles and adjustments according to market demands.

Agreement with partner signed, initiating an initial dialogue regarding volume production.

The share

General information

Terranet's B-share was listed on Nasdaq First North Premier on 30 May 2017 and is traded on Nasdaq First North Premier Growth Market. The ticker symbol of the share is TERRNT B and ISIN code B share: SE0009806045.

On March 31, 2025, Terranet's total market capitalization was MSEK 126. The share capital amounted to SEK 11,937,414.51 divided into 1,083,063 Class A shares and 1,192,658,388 Class B shares.

Each share has a nominal value of SEK 0.01. No shares are held by the company itself or its subsidiaries.

The share price at the end of the quarter was SEK 0.11 per share, compared to the share price of SEK 0.15 SEK per share at the beginning of the year. The number of shareholders at the end of the quarter was 12,119.

Development of the share capital

	No of shares	Share capital (TSEK)
At the beginning of the year	1 193 741 451	11 937
Per March 31, 2025	1 193 741 451	11 937

Ownership structure

The 10 largest shareholders as of March 31, 2025

	Total	A Shares	B Shares	Ownership %
Maida Vale Capital AB	112 749 029		112 749 029	9,45%
Aleksov Oliver	43 472 806		43 472 806	3,64%
VKN Holding AB	23 821 610		23 821 610	2,00%
Barsum Hanna	21 281 272		21 281 272	1,78%
Sandstrom Kristofer	15 512 605		15 512 605	1,30%
Jensen, Morten Skovsby	14 422 102		14 422 102	1,21%
Pereira Mario	13 771 562		13 771 562	1,15%
Rosenberg Mats	11 732 928		11 732 928	0,98%
Hultbom Maths	11 264 096		11 264 096	0,94%
Mårtensson Kristian	10 304 956		10 304 956	0,86%
Others	915 408 485	1 083 063	914 325 422	76,68%
	1 193 741 451	1 083 063	1 192 658 388	100,00%

Operations

Terranet develops technical solutions for advanced driver assistance systems (ADAS) and self-driving vehicles (AV) that make roadways safer for drivers and pedestrians.

Business concept

Terranet's business concept centres around the development of solutions for advanced driver assistance systems and self-driving vehicles that it primarily markets to vehicle manufacturers, subcontractors and other actors in transport and mobility as a service in order to save lives among unprotected road users. Terranet offers solutions that respond to the rapidly expanding global market for advanced driver assistance systems. Terranet's business model is based on the sale of the company's solutions through licensing to OEMs (Original Equipment Manufacturers) and Tier1 suppliers, who supply components to OEMs in the automotive industry. In addition to licensing revenue, product sales can generate revenue through customer-specific adaptations, as well as service and upgrades.

Operations

The company is currently developing BlincVision, an anti-collision system designed to prevent traffic accidents between vehicles and vulnerable road users.

Product development is carried out in close partnership with leading players in software and hardware development as well as the automotive industry. BlincVision is based on sensor technology that uses four-dimensional image analysis to identify objects in traffic. It is a complete turnkey system consisting of three main components: a laser scanner, ultra-fast sensors, and AI-based object recognition. Together, these enable record-fast object detection, giving the vehicle the ability to act and avoid dangerous situations for vulnerable road users.

Terranet tests and evaluates various sensor technologies, with the requirement that they must have ultra-fast reaction times and be optimally integrable with BlincVision. Existing ADAS technologies on the market are primarily developed to protect drivers from colliding with other vehicles,

whereas BlincVision is being developed to ensure the safety of all vulnerable road users in urban traffic. BlincVision's speed and precision provide a major advantage at short distances in traffic. This gives Terranet a unique market position, as the company – unlike existing ADAS systems – has the potential to save more lives in urban environments.

Read more at: www.terranet.se

Terranet AB (publ)
Corp. reg. no. 556707-2128
Mobilvägen 10, 223 62 Lund

Staff

As of March 31, 2024, the number of employees in the Group was 16 (16). Temporary staff, full-time consultants, and employees on parental leave are excluded. The company continues to recruit additional engineers.

Risks and uncertainties

The Group's and the Parent Company's business risks, risk management, and handling of financial risks are described in detail in the 2024 Annual Report, published in April 2025. No events of material significance to Terranet have occurred since then that affect or alter these descriptions of the Group's or the Parent Company's risks and their management.

The company has a negative cash flow from operating activities and will require future capital injections until positive cash flows are achieved.

On April 16, the company's Board of Directors resolved to carry out a directed share issue of SEK 8.8 million under the authorization from the 2024 AGM and has convened the AGM for May 23. In addition to standard agenda items, the AGM will resolve on another directed share issue of approximately SEK 16.2 million and a rights issue of

approximately SEK 15 million. The unit issues also include warrants of series TO9, which, if fully exercised, could bring in an additional SEK 15 million.

With proceeds from the two directed share issues, the rights issue, and a high exercise rate of the TO9 warrants, the company will have sufficient liquidity to continue operations into the second quarter of 2026. The company has historically seen a high exercise rate in its warrant programs—most recently with TO8, where 88% of all outstanding warrants were exercised.

A prerequisite for continued operations is the company's ongoing success in raising capital and commercializing its product.

Given the progress made over the past year—both in product development and business development—the Board assesses that it is possible to secure financing for the company's operations, and thus ensure continued operations. Should the company fail to obtain additional financing, there may be a material uncertainty regarding the company's ability to continue as a going concern.

As of the end of the quarter, the company has a loan from an external lender amounting to SEK 8 million, with maturity on June 30, 2025. The loan is planned to be repaid once proceeds from the second directed share issue are received. This will fully repay the loan taken in connection with the acquisition of shares in holoride.

The parent company

Terranet AB (publ), corporate identity number 556707-2128, is a public limited company registered in Sweden with its head office in Lund. The company's Class B share is listed on Nasdaq First North Premier Growth Market. The head office is located at Mobilvägen 10, 223 62 Lund.

During the year, the Parent Company provided a shareholder contribution of SEK 4,500 thousand to Terranet Tech AB, with a corresponding write-down of the shares in Terranet Tech AB. This write-down

does not affect the Group's balance sheet or cash flow.

The Parent Company's operations consist of ownership management, financing, and certain management functions. As the Parent Company conducts no other operational activities, reference is made to the Group's information for further details.

Accounting principles

This year-end report has been prepared in accordance with IAS 34 "Interim Financial Reporting." Disclosures required under IAS 34 are provided in the notes or elsewhere in the interim report.

The Parent Company's financial statements are prepared in accordance with the Swedish Annual Accounts Act and RFR 2, "Accounting for Legal Entities." Accordingly, the Parent Company applies the same accounting principles as the Group where applicable.

The accounting principles and calculation methods applied are consistent with those described in the 2024 Annual Report. New standards and interpretations that came into effect on January 1, 2024, have had no impact on the financial statements of the Group or the Parent Company for the period.



Financial overview

(Comparison values relates to the same period in 2024)

Revenue

Revenues for the first quarter amounted to TSEK 0 (380).

Operating profit/loss

Capitalized development expenses during the first quarter amounted to TSEK 1,794 (698) and consist of capitalized expenses for own personnel and consultants.

Personnel costs for the first quarter amounted to TSEK 4,997 (4,771), the increase is mainly due to a higher number of employees compared to the same period last year.

Other external costs increased over the same period last year and amounted to TSEK 5,468 (4,217). The increase is primarily due to a higher level of purchased consultancy services and other operating expenses related to development activities.

Operating profit/loss for the first quarter amounted to TSEK -9,176 (-8,281).

Depreciation and write-downs of intangible assets during the first quarter amounted to TSEK 56 (56), depreciation of property, plant and equipment amounted to TSEK 65 (71), and depreciation of assets with rights of use amounted to TSEK 351 (243).

Financial expenses

The financial costs, TSEK 665 (1,263) during the first quarter, mainly related to interest expenses on the loan of MSEK 35 originally raised in April 2021 to finance the acquisition of shares in holoride GmbH.

Interest expenses attributable to right-of-use assets amounted to TSEK 167 (72) for the first quarter.

Taxes

The Group's effective tax rate was 0% (0%). The Group has significant accumulated tax loss carryforwards, but no deferred tax assets are recognized in respect of these.

Profit/loss for the period

The result for the first quarter amounted to TSEK -9,851 (-9,346).

Earnings per share before and after dilution amounted to SEK -0.01 (-0.01) for the quarter.

Cash flow

Cash flow from operating activities for the first quarter amounted to -9,123 (-7,805) TSEK.

Cash flow from investing activities totaled -2,178 (-841) TSEK during the quarter and includes capitalized development expenses, patent costs, and purchases of equipment.

Cash flow from financing activities amounted to -805 (9,767) TSEK during the quarter and relates to the reduction of lease and loan liabilities.

Financial position and liquidity

(Comparison values as of December 31, 2024)

At the end of the period, total assets amounted to 46,358 (52,880) TSEK, equity amounted to 18,847 (28,735) TSEK, and the equity ratio was 40.7% (47.8%).

Financial fixed assets amount to 5,430 (5,430) TSEK, which refers to the investment in shares in Summer Robotics Inc. made in 2022.

The company holds a license for patents within Voxelflow technology and continuously works, as part of the product development process, to build on the patent protection for BlincVision.

Currently, the company has four submitted patent applications and expects to complement with several more patent applications within our technology area during the year. The book value of the company's patent portfolio at the end of the

period amounts to 2,182 (2,211) TSEK.

The reported value of the group's net loan debt amounted to 8,223 (8,118) TSEK, which entirely refers to the loan originally amounting to 35 MSEK (nominal amount) taken out to finance the investment in holotide GmbH in 2021.

In connection with receiving the liquidity from the directed issue of a total of 25 MSEK communicated on April 16, the company intends to repay the outstanding loan debt and thereby terminate the loan. The company's loan debts at the end of the period amount to 8,223 (8,118) TSEK.

Of the interest-bearing debts, leasing debts amount to 7,113 (3,123) TSEK. The company has signed a new lease agreement for premises in Lund. The agreement, which came into effect on February 1, 2025, has a term of six years and future undiscounted cash flows from the agreement amount to 8.1 MSEK.

At the end of the period, the group's liquid assets amounted to 4,952 (18,541) TSEK. For risks related to financing and continued operations, see the section Risks and Uncertainties.

Transactions with related parties

Purchases of TSEK 9 were made from Prevas Development AB during the year. Magnus Edman is a member of the Board of Directors of Terranet AB and CEO of Prevas Development AB.

Key figures

(Amounts in TSEK unless otherwise indicated)	2025	2024	2024
	3 months	3 months	12 months
	January	January	January-
	March	March	December
Undiluted EPS (SEK)	-0,01	-0,01	-0,04
Diluted EPS (SEK)	-0,01	-0,01	-0,04
Number of shares on balance sheet date	1 193 741 451	898 003 007	1 193 741 451
Average number of shares	1 193 741 451	841 566 588	985 061 999
Equity/asset ratio (%)	40,7	47,8	54,3
Operating profit/loss	-9 176	-8 281	-35 808
Profit/loss for the period	-9 851	-9 346	-39 123

Definitions

Undiluted EPS	The profit/loss after tax for the period attributable to the parent company's shareholders divided by the weighted average of outstanding shares during the period.
Diluted EPS	The profit/loss after tax for the period attributable to the parent company's shareholders divided by the weighted average of outstanding shares during the period plus shares that are added if all potential shares which can cause a dilutive effect are converted into shares. If the result is negative, the dilutive effect is not factored into the calculation, as this would mean that earnings per share would improve. Only option programmes with an issue price below the average share price for the period can cause a dilutive effect.
Number of shares after dilution	Only option programmes with an issue price below the share price on the balance sheet date/average share price for the period can cause a dilutive effect.
Equity/asset ratio	Equity at the close of the period as a percent of total assets at the close of the period.
Earnings before interest and taxes (EBIT)	Profit/loss before financial items and tax.
Profit/loss for the period	Profit/loss after tax for the period.

Summary consolidated income statement

(Amounts in TSEK)	2025 3 months January March	2024 3 months January March	2024 12 months January- December
Other operating revenue	0	380	283
Activated work for own account	1794	698	3 951
<i>Operating expenses</i>			
Other external expenses	-5 468	-4 217	-17 248
Staff costs	-4 997	-4 771	-21 357
Depreciation and write-offs of tangible and intangible fixed assets	-472	-371	-1 432
Other operating costs	-33	0	-5
Operating profit/loss	-9 176	-8 281	-35 808
Financial income	45	198	510
Financial costs	-711	-1263	-3 802
Profit/loss before tax	-9 842	-9 346	-39 100
Tax on profit/loss for the period	-9	0	-23
Profit/loss for the period attributable to the parent company's shareholders	-9 851	-9 346	-39 123
Earnings per share, SEK			
Undiluted EPS	-0,01	-0,01	-0,04
Diluted EPS	-0,01	-0,01	-0,04

The Group's summary statement of comprehensive income

(Amounts in TSEK)	2025	2024	2024
	3 months	3 months	12 months
	January	January	January-
	March	March	December
Profit/loss for the period	-9 851	-9 346	-39 123
Other comprehensive income	-37	-13	-16
Comprehensive income for the period attributable to the parent company's shareholders	-9 888	-9 359	-39 139

Summary consolidated statement of financial position

(Amounts in TSEK)	2025-03-31	2024-12-31	2024-03-31
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalised development costs	22 627	20 833	17 580
Patents and trademarks	2 182	2 211	1 986
<i>Property, plant and equipment</i>			
Right of use assets	6 778	2 123	2 852
Equipment	567	275	315
<i>Financial assets</i>			
Long-term securities	5 430	5 430	5 430
Other long-term receivables	161	170	171
Total fixed assets	37 745	31 042	28 334
Current assets			
Other receivables	2 272	1 802	1 661
Prepaid expenses and accrued revenue	1 389	1 495	2 558
Cash and cash equivalents	4 952	18 541	28 918
Total current assets	8 613	21 838	33 137
TOTAL ASSETS	46 358	52 880	61 471
EQUITY AND LIABILITIES			
Equity			
Share capital	11 937	11 937	8 980
Other capital contribution	484 101	484 101	457 934
Translation reserve	-60	-23	3
Profit/loss carried forward	-467 280	-428 157	-428 181
Profit/loss for the period	-9 851	-39 123	-9 346
Equity attributable to the parent company's shareholders	18 847	28 735	29 390
Long-term liabilities			
Lease liabilities	5 963	1 404	2 144
Other long-term liabilities	3 916	4 378	0
Total long-term liabilities	9 879	5 782	2 144
Current liabilities			
Loans payable	8 223	8 118	16 506
Lease liabilities	1 150	993	979
Accounts payable	1 903	1 122	1 687
Tax liabilities	0	0	39
Other liabilities	2 894	2 844	7 620
Accrued expenses and prepaid revenue	3 462	5 286	3 106
Total current liabilities	17 632	18 363	29 937
TOTAL EQUITY AND LIABILITIES	46 358	52 880	61 471

Summary consolidated statement of changes in equity (*)

<i>Attributable to the parent company's shareholders</i>			
(Amounts in TSEK)	2025-03-31	2024-12-31	2024-03-31
Opening balance	28 735	28 749	28 749
Profit/loss for the period	-9 851	-39 123	-9 346
Other comprehensive income	-37	-16	-13
New cash issue	0	39 810	10 000
Issue costs	0	-685	0
Closing balance	18 847	28 735	29 390

*See Note 1 – Equity

Summary consolidated cash flow statement

(Amounts in TSEK)	2025	2024	2024
	3 months	3 months	12 months
	January	January	January-
	March	March	December
Operating activities			
Operating profit/loss	-9 176	-8 281	-35 808
Adjustments for items not included in the cash flow:			
Depreciation and write-offs	472	371	1 432
Other non-cash items	103	103	412
Interest received	45	198	510
Paid interest and other financial expenses	-558	-196	-4282
Paid taxes	-9	0	-61
Cash flow from operations before changes in working capital	-9 123	-7 805	-37 797
Changes in working capital			
Changes in operating receivables	-467	-956	-342
Change in operating liabilities	-1010	-295	964
Cash flow from operations	-10 600	-9 056	-37 175
Investing activities			
Capitalisation of development costs	-1794	-698	-3 951
Capitalisation of patents and trademarks	-27	-55	-482
Acquisition of tangible assets	-357	-88	-182
Paid deposit	0	0	0
Cash flow from investing activities	-2 178	-841	-4 615
Financing activities			
New share issue	0	10000	39 810
Issue costs	0	0	-685
New loans	0	0	0
Repaid loans	-515	0	-6 879
Amortisation of lease liabilities	-290	-233	-959
Cash flow from financing activities	-805	9 767	31 287
Cash flow for the period	-13 583	-130	-10 503
Cash and cash equivalents at the start of the period	18 541	29 006	29 006
Exchange rate differences in cash and cash equivalents	-6	42	38
Cash and cash equivalents at the close of the period	4 952	28 918	18 541

Summary parent company income statement

(Amounts in TSEK)	2025	2024	2024
	3 months	3 months	12 months
	January	January	January-
	March	March	December
Net sales	1 045	1 045	5 208
Other operating income	3	0	0
<i>Operating expenses</i>			
Other external expenses	-1 232	-1 798	-6 630
Personell expenses	-974	-1 818	-6 749
Other operaing expenses	0	0	-5
Operating profit/loss	-1 158	-2 571	-8 176
Financial income	45	198	509
Write-down of shares in group companies	-11 500	-9 000	-32 000
Write-down of financial assets	0	0	0
Financial costs	-435	-1 094	-2 951
Total financial items	-11 890	-9 896	-34 442
Profit/loss before tax for the period	-13 048	-12 467	-42 618
Tax on profit/loss for the period	0	0	0
Profit/loss for the period	-13 048	-12 467	-42 618

Summary parent company statement of comprehensive income

(Amounts in TSEK)	2023	2022	2022
	3 months	3 months	12 months
	January	January	January-
	March	March	December
Profit/loss for the period	-13 048	-12 467	-42 618
Other comprehensive income	0	0	0
Comprehensive income for the period	-13 048	-12 467	-42 618

Summary parent company balance sheet

(Amounts in TSEK)	2025-03-31	2024-12-31	2024-03-31
ASSETS			
Financial assets			
Shares in group companies	57 011	57 011	57 011
Other long-term securities	5 430	5 430	5 430
Total fixed assets	62 441	62 441	62 441
Current assets			
Receivables Group companies	436	436	697
Other receivables	773	352	527
Prepaid expenses and accrued revenue	495	577	471
Cash on hand	4 015	17 815	26 827
Total current assets	5 719	19 180	28 522
TOTAL ASSETS	68 160	81 621	90 963
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	11 937	11 937	8 980
<i>Non-restricted equity</i>			
Share premium reserve	484 101	484 101	457 934
Profit/loss carried forward	-424 337	-381 719	-381 719
Profit/loss for the period	-13 048	-42 618	-12 467
Total equity	58 653	71 701	72 728
Current liabilities			
Loans payable	8 223	8 118	16 506
Accounts payable	187	208	614
Liabilities to group companies	94	94	94
Other short term liabilities	338	302	565
Accrued expenses and prepaid revenue	665	1 198	456
Total current liabilities	9 507	9 920	18 235
TOTAL EQUITY AND LIABILITIES	68 160	81 621	90 963

Not 1 Equity

Warrant program 2022/2025:1

The 2022 Annual General Meeting decided to introduce incentive program 2022/2025:1 through the issuance of warrants to the Company with subsequent transfer to employees within the Company and the Group. A total of 9,850,000 warrants of series 2022/2025:1 were issued to the Company for further transfer to employees, each of which entitles the holder to subscribe for one new Class B share during the period from October 1, 2025, to October 31, 2025, or the earlier date as stipulated by the terms of the warrants, at a subscription price of SEK 2.50.

The CEO was offered to acquire up to 2,500,000 warrants, other management (up to three individuals) were offered to acquire up to 1,250,000 warrants each, and other employees (up to twelve individuals) were offered to acquire up to 300,000 warrants each. The warrants were acquired at market value, which was calculated by an external valuation institute to be SEK 0.12 per warrant.

The former CEO, Magnus Andersson, acquired 100% of his entitled share, i.e., 2,500,000 warrants at SEK 0.17 each. The difference in subscription prices within the program was due to the external valuation being made directly in connection with the time of each acquisition. Additionally, 315,000 warrants of series 2022/2025:1 were acquired by non-executive employees. The Company received a total of SEK 613,000 from the program in 2022.

Warrant program 2022/2025:2

The 2022 Annual General Meeting decided, in accordance with the proposal from shareholder Maida Vale Capital AB, to introduce incentive program 2022/2025:2 through the issuance of warrants to the Company with subsequent transfer to the Company's board members. A total of 5,000,000 warrants were issued to the Company for further transfer to board members, each of which entitles the holder to subscribe for one new Class B share during the period from May 1, 2025, to May 31, 2025, or the earlier date as stipulated by the terms of the warrants, at a subscription price of SEK 1.75.

The Company's board members, excluding Anders Blom, consisted of five individuals, each of whom was offered to acquire up to 1,000,000 warrants. The warrants were acquired at market value, which was calculated by an external valuation institute to be SEK 0.16 per warrant. Magnus Edman and Göran Janson acquired 100% of their entitled share, and Karolina Bjurehed acquired 87.5%. Anders Blom was not included in the program as he represents the shareholder Maida Vale Capital AB, which proposed the program to the meeting. The Company received a total of SEK 460,000 from the program in 2022.

Directed issue of units

On April 16, 2025, the company announced that the Board of Directors had decided to carry out a directed issue of units amounting to approximately SEK 25 million to a number of pre-selected investors, including existing shareholders. A total of 8,417,507 units will be issued, consisting of thirty-three (33) Class B

shares and five (5) warrants of series TO9 B. The subscription price per unit was SEK 2.97, equivalent to SEK 0.09 per share.

The subscription price in the directed issue was determined based on the volume-weighted average price of the company's shares on Nasdaq First North Premier Growth Market during the period April 7 – 11, 2025, representing a premium of approximately 4.0%. The directed issue is decided in two steps. The first part was decided under the authorization from the Annual General Meeting on May 22, 2024, amounting to approximately SEK 8.8 million (the "first directed issue"). The right to subscribe for units in the first directed issue was granted to Hunter Capital and Milad Pournouri.

The second part was decided by the Board of Directors, subject to subsequent approval by the General Meeting, amounting to approximately SEK 16.2 million (the "second directed issue"). The right to subscribe for units in the second issue was granted to members of the Board and management, certain existing shareholders, and external investors.

Rights issue of units

To compensate shareholders who do not participate in the Directed Share Issues, the Board of Directors, subject to subsequent approval by the Annual General Meeting, has decided to carry out the Rights Issue of up to 13,880,714 units, which, if fully subscribed, can provide the Company with approximately SEK 15 million before deduction of issue costs. One unit in the Rights Issue consists of twelve (12) Class B shares and three (3) warrants of series TO9 B. The warrants are issued free of charge. Shareholders on the record date of April 29, 2025, will receive one (1) unit right for each (1) existing Class B share, and eighty-six (86) unit rights will entitle the holder to subscribe for one (1) unit. The subscription price in the Rights Issue will be SEK 1.08 per unit, equivalent to SEK 0.09 per Class B share, which corresponds to the subscription price in the Directed Share Issues. Participants in the Directed Share Issues will not receive any unit rights in the Rights Issue for the units subscribed through the Directed Share Issues. The subscription period runs from May 27, 2025, to June 11, 2025.

Warrant program TO9 B

Each warrant of series TO9 B entitles the holder to subscribe for one (1) new Class B share in the Company. One (1) warrant of series TO9 B entitles the holder to subscribe for one (1) Class B share in the Company at a subscription price of SEK 0.18 (equivalent to 200% of the subscription price per Class B share in the Directed Share Issues and the Rights Issue). Subscription for Class B shares with the support of warrants of series TO9 B will take place during the period from December 1, 2025, to December 15, 2025. Upon full exercise of all warrants of series TO9 B within the framework of the offered units, the Company may receive an additional maximum of approximately SEK 15.1 million.

Financial calendar

2025

19 February	Year-end Report 2024	23 May	AGM 2025
25 April	Annual report 2024	21 August	Quarterly Report Q2 2025
19 May	Quarterly Report Q1 2025	6 November	Quarterly Report Q3 2025

2026

12 February	Year-end Report 2024
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This report has not been reviewed by the company's auditors.

The Board of Directors and the CEO certify that the interim report gives a true and fair view of the Parent Company's and the Group's operations, financial position and results and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Lund May 19, 2025

Torgny Hellström
Chairman

Anders Blom
Board member

Magnus Edman
Board member

Mats Fägerhag
Board member

Nils Wollny
Board member

Tarek Shoeb
Board member

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