

PRESS RELEASE

Lund, June 15, 2023

Terranet AB announces outcome in rights issue

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Terranet AB ("Terranet" or the "Company") has completed the rights issue of units consisting of shares of series B, warrants of series TO6, and warrants of series TO7 which the board of directors decided on May 17, 2023, with authorisation from the annual general meeting on May 10, 2023 (the "Rights Issue"). The outcome concludes that 40,646,315 units have been subscribed through use of unit rights, corresponding to approximately 48.5 percent of the Rights Issue. Additionally, the Company has received applications for subscription of 1,044,146 units without unit rights, corresponding to approximately 1.2 percent of the Rights Issue. A total of 41,690,461 units were subscribed with the support of unit rights and applications for subscription without unit rights, corresponding to 49.8 percent of the Rights Issue. Hence, underwriting commitments of 16,924,872 units, corresponding to 20.2 percent of the Rights Issue, will be exercised. In total, 58,615,333 units were subscribed, corresponding to 70.0 percent of the Rights Issue. Through the Rights Issue, the Company will receive approximately SEK 52.8 million before issue costs.

Outcome in the Rights Issue

The subscription period in the Rights Issue ended on June 13, 2023. The final outcome shows that 40,646,315 units has been subscribed for with support of unit rights, corresponding to approximately 48.5 percent of the Rights Issue. Additionally, the Company has received applications for subscription of 1,044,146 units without support of unit rights, corresponding to approximately 1.2 percent of the Rights Issue. Consequently, 41,690,461 units were subscribed with and without unit rights, corresponding to approximately 49.8 percent of the Rights Issue. Underwriting commitments of 16,924,872 units will be exercised by the Company, corresponding to 20.2 percent of the Rights Issue. Each unit consists of five (5) newly issued shares of series B, three (3) warrants of series TO6 and three (3) warrants of series TO7. In total, 58,615,333 units were subscribed, corresponding to 293,076,665 newly issued shares of series B, 175,845,999 warrants of series TO6 and 175,845,999 warrants of series TO7.

Through the Rights Issue, the Company will receive approximately SEK 52.8 million before issue costs. Upon full exercise of all warrants of series TO6, the Company may be provided with an additional capital injection of up to approximately SEK 47.5 million. Upon full exercise of all warrants of series TO7, the Company may be provided with an additional capital injection of up to approximately SEK 47.5 million.

Comment from Magnus Andersson, CEO

"It's nice that even in this tough market climate we have shareholders who support and believe in Terranet. I look forward to our opportunities, both in terms of partnership and the development of BlincVision."

Allocation of units subscribed for without the support of unit rights

Allocation of units subscribed for without the support of unit rights has taken place in accordance with what is stated in the prospectus that the Company published on May 25, 2023, due to the Rights Issue. Notification of such allocation is announced separately through settlement notes. Nominee-registered shareholders receive notification of allotment in accordance with instructions from the respective nominee.

Shares and share capital

Through the Rights Issue, the number of shares in the Company increase by 293,076,665 B-shares, from 334,944,760 shares (consisting of 1,084,463 A-shares and 333,860,297 B-shares) to 628,021,425 shares and the share capital increase by SEK 2,930,766.65, from SEK 3,349,447.60 to SEK 6,280,214.25. If all warrants of series TO6 are fully exercised for subscription of new shares in the Company, the number of shares in the Company will increase with an additional 175,845,999 B-shares, from 628,021,425 shares (1,084,463 A-shares and 626,936,962 B-shares) to 803,867,424 shares, and the share capital will increase with an additional SEK 1,758,459.99, from SEK 6,280,214.25 to SEK 8,038,674.24. If all warrants of series TO7 are fully exercised for subscription of new shares in the Company, the number of shares in the Company will increase with an additional 175,845,999 B-shares, from 803,867,424 shares (1,084,463 A-shares and 802,782,961 B-shares) to 979,713,423 shares, and the share capital will increase with an additional SEK 1,758,459.99, from SEK 8,038,674.24 to SEK 9,797,134.23.

Warrants of series TO6

Each warrant of series TO6 entitles the holder to subscribe for one (1) new share of series B in the Company at an exercise price corresponding to seventy (70) percent of the volume-weighted average price (VWAP) of the Company's share on Nasdaq First North Premier Growth Market during the period from and including November 10, 2023 up to and including November 23, 2023, however a minimum of the share's quota value (SEK 0.01) and a maximum of SEK 0.27 per B-share. Subscription of new B-shares through warrants of series TO6 shall be carried out according to the terms of the warrants during the period from and including November 27, 2023, up to and including December 11, 2023. The warrants of series TO6 are intended to be admitted to trading on the Nasdaq First North Premier Growth Market after final registration of the Rights Issue with the Swedish Companies Registration Office.

Warrants of series TO7

Each warrant of series TO7 entitles the holder to subscribe for one (1) new share of series B in the Company at an exercise price corresponding to seventy (70) percent of the volume-weighted average price (VWAP) of the Company's share on Nasdaq First North Premier Growth Market during the period from and including May 2, 2024 up to and including May 16, 2024, however a minimum of the share's quota value (SEK 0.01) and a maximum of SEK 0.27 per B-share. Subscription of new B-shares through warrants of series TO7 shall be carried out according to the terms of the warrants during the period from and including May 20, 2024, up to and including June 3, 2024. The warrants of series TO7 are intended to be admitted to trading on the Nasdaq First North Premier Growth Market after final registration of the Rights Issue with the Swedish Companies Registration Office.

Paid subscribed units ("BTU")

Trading with BTU (Paid Subscribed Unit) takes place on Nasdaq First North Premier Growth Market until the conversion of BTU into B-shares and warrants after the Rights Issue has been registered with the Swedish Companies Registration Office. Registration with the Swedish Companies Registration Office is expected to take place during week 26, 2023.

Compensation to underwriters

In connection with the Rights Issue, an external investor and Mangold Fondkommission have entered underwriting commitments. For underwriting commitments made, an underwriting compensation of 15 percent of the underwritten amount is paid in cash or alternatively 20 percent of the underwritten amount in the form of units. Underwriters who wish to receive underwriting compensation in the form of units must notify Mangold Fondkommission AB no later than June 22, 2023. The subscription price for any units issued as underwriting compensation has been set at SEK 0.90 per unit, which corresponds to the subscription price in the Rights Issue and which the board of directors deems to be of fair market value. In total, a maximum of 44,156,560 units may be issued as underwriting compensation to the underwriters.

Advisers

Mangold Fondkommission AB is the financial advisor to Terranet in connection with the Rights Issue. Eversheds Sutherland Advokatbyrå AB is the legal advisor to the Company in connection with the Rights Issue.

For more information, please contact

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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 June 15, 2023, at 16:30 CEST.

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

Certified Adviser to Terranet is Mangold Fondkommission AB.

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