

PRESS RELEASE

07 May 2026 09:28:00 CEST

TERRANET IS CONDUCTING A DIRECTED ISSUE OF SHARES AMOUNTING TO APPROXIMATELY SEK 11,8 MILLION – ACCELERATING THE COMMERCIALIZATION PHASE

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The board of directors of Terranet AB (publ) (“Terranet” or the “Company”) has today, pursuant to the authorization granted by the annual general meeting on 23 May 2025, resolved on a directed issue of 99,872,881 shares at a subscription price of SEK 0.118 per share (the “Directed Issue”), through which the Company will receive gross proceeds of approximately SEK 11,8 million before deduction of transaction costs. The subscription price corresponds to a premium of 7.2 percent of the closing price of the Company’s shares on 6 May 2026 and a discount of 11.9 percent relative to the volume-weighted average price (VWAP) of the Company’s share on Nasdaq First North Premier Growth Market during the period from and including 22 April 2026 up until and including 6 May 2026.

Background and rationale for the Directed Issue

The Company is facing a strategically important growth phase in which the Company intends to strengthen its commercial expansion through the Directed Issue of SEK 11,8 million. The purpose of the capital raising is to accelerate the commercialization of BlincVision within the ADAS segment as well as toward new high-value market segments with a particular focus on defense-related applications, mining operations, and industrial applications. These sectors are characterized by growing demand for advanced and reliable sensor systems—areas where BlincVision’s uniquely low latency and advanced detection capabilities are deemed highly relevant. By injecting new capital, the Company creates the conditions to intensify business development, customize hardware and systems, and pursue strategic partnerships. This is expected to shorten time-to-market and increase the Company’s commercial impact. The proceeds from the offering also strengthen the Company’s negotiating position in ongoing partner dialogues, and the Company reiterates its previous goal of closing at least one or more commercial deals in 2026.

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“This financing enables BlincVision to accelerate into highly attractive markets and extends our financial runway to Q3 2027, excluding customer revenue. This gives us the right negotiating position and flexibility to secure several value-enhancing milestones and customer deals in the coming period,” says Terranet’s chairman of the board, Torgny Hellström.

The Directed Issue

The board of directors has today, pursuant to the authorization granted by the 2025 annual general meeting, resolved on the Directed Issue of 99,872,881 new shares to Mario Pereira, Camilla Andersson, Hunter Capital, Morten Jensen, Anders Lindström, Kristian Mårtensson and Fredrik Engman. The subscription price in the Directed Issue amounts to 0.118 SEK per share, corresponding to a premium of 7.2 percent of the closing price of the Company’s shares on 6 May 2026 and a discount of 11.9 percent relative to the volume-weighted average price (VWAP) of the Company’s share on Nasdaq First North Premier Growth Market from 22 April 2026 up until 6 May 2026.

Reasons for deviating from shareholders’ preferential rights and basis for the subscription price

Prior to the Directed Issue, the board of directors has considered the possibility of raising capital through a 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. The Directed Issue further entails that i) the Company’s shareholder base is partly 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. The reason certain existing shareholders are permitted to participate in the Directed Issue is that these shareholders have previously demonstrated a strong commitment to and support for the Company, and that their continued participation contributes to anchoring, stability and confidence in the Company and the Directed Issue. 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

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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. The subscription price of SEK 0.118 per share has been determined with regard to the prevailing financing climate in the market and through arm's-length negotiations with the subscribers, which is why the board of directors assesses that the subscription price has been ensured on market terms.

Number of shares, share capital, and dilution

As a result of the Directed Issue, the number of shares will increase by 99,872,881 from 2,237,916,238 to 2,337,789,119. The share capital will increase by approximately 998,728.81 from SEK 22,379,162.38 to SEK 23,277,891.19. The dilution for existing shareholders amounts to approximately 4.3 percent.

Advisors

Eversheds Sutherland Advokatbyrå AB is acting as legal counsel to the Company in connection with the Directed Issue.

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For more information, please contact:

Torgny Hellström, Chairman of the Board

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Terranet develops the groundbreaking sensor solution BlincVision. The solution enables vehicles and machines to react earlier in high-risk situations. The technology focuses on relevant changes in the field of view, allowing faster detection. The ambition is to contribute to increased safety in environments where rapid decisions are critical, from urban traffic to applications within autonomous mobility, defense, industry, and agriculture.

Terranet is headquartered in Lund, Sweden, and also operates in Gothenburg and Stuttgart. The company is listed on Nasdaq First North Premier Growth Market (Nasdaq: TERRNT-B). Follow Terranet at terranet.se.

Certified Adviser to Terranet is Mangold Fondkommission AB, 08-503 015 50, ca@mangold.se.

This information is information that Terranet is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 2026-05-07 09:28 CEST.