

Q4

YEAR-END REPORT
JANUARY - DECEMBER
2025



Significant events during the fourth quarter

Evaluations across multiple verticals

Several evaluation agreements were signed, broadening the application areas for BlincVision. Agreements with an international industrial group, a U.S.-based AI company, as well as players within autonomous vehicles and the mining industry, demonstrate demand for the technology in environments where rapid detection is critical.

The VERDAS 3 research project

During 2026–2027, the company will participate in VERDAS 3, a Vinnova-funded initiative building on previous VERDAS projects. The project brings together several strong partners with a shared objective to develop more reliable driver assistance systems. The work is intended to contribute to Euro NCAP's updated protocols in 2029.

Strengthened financial position

A directed share issue and a rights issue were carried out and raised approximately SEK 40 million after costs, which strengthens the company's financial foundation and secures financing throughout the 2026 financial year.

Significant events after the end of the period

Participation in accelerator and network programs

Terranet participates in Amyra Accelerate and Neuromorphic Sweden with a focus on business development and new application areas.

Evaluation agreement within the defense industry

Terranet has entered into its first evaluation agreement within the defense industry. The agreement covers the evaluation of the company's sensor-based technology in a military application area and marks Terranet's entry into a new vertical.

Financial overview

	Oct – Dec 2025	Oct – Dec 2024	Jan – Dec 2025	Jan – Dec 2024
Revenue (TSEK)	0	1	0	283
Operating result (TSEK)	-11,214	-9,555	-40,885	-35,808
Financial items (TSEK)	-282	-482	-5,485	-3,292
Earnings per share (SEK)	-0.01	-0.01	-0.02	-0.04
Closing cash (TSEK)	37,681	18,541	37,681	18,541



Comment from the CEO

” We enter 2026 with an MVP ready for evaluations and collaborations that are now taking shape.”

The fourth quarter closed a year where the focus gradually shifted from development to a clearer commercial context for BlincVision. During the quarter, agreements for external evaluations were signed, patent protection was strengthened, funding was secured, and the company’s visibility in the industry increased.

External evaluations in new environments

During 2025, the main focus was to deliver an MVP and take the first steps toward external evaluations in new environments. Interest in BlincVision has grown during the year, also beyond the traditional automotive industry. Dialogues have been initiated

with players within autonomous vehicles, industry, AI, and mining – environments where the need for fast detection is high.

During the fourth quarter, several evaluation agreements were signed. To me, this is a clear sign

that the challenges we address are relevant across multiple industries.

What these environments have in common is the need for systems that can detect and act when time margins are very small. This is exactly where BlincVision is designed to make a real difference.

In parallel with the external evaluations, we continue internal testing and explore new application areas for BlincVision. This work provides valuable insights and strengthens our priorities going forward.

Developing the future of road safety

In the coming year, Terranet will participate in the research project VERDAS 3, a Vinnova-funded initiative that builds on earlier VERDAS projects. The project covers both vehicle-to-vehicle scenarios and situations involving vulnerable road users. Through this participation, Terranet contributes technical expertise and is an active part of a collaboration where future road-safety solutions are shaped together with leading players in the field. The work will support Euro NCAP's updated protocols planned for 2029.

Increased industry visibility

During the year, we have taken part in several industry events, both in Sweden and internationally. Meetings with stakeholders across the ecosystem have increased interest in BlincVision and opened new dialogues around future evaluations. With an MVP in place, these discussions have become more concrete and forward-looking.

During the fourth quarter, Terranet participated in Drive Sweden Forum, Auto.AI, and Sweden's Road Safety Days 2025. At AstaZero, we also had the opportunity to present our MVP to visitors from different parts of the industry.

Technical maturity

During the fourth quarter, BlincVision was certified as a Class 1 Laser Product according to IEC 60825-1. This confirms that the system meets eye-safety requirements and enables upcoming evaluations in real-world environments. At the same time, Terranet was granted a new patent related to BlincVision's 3D technology and AI model. This strengthens the company's intellectual property and contributes to a more coherent patent portfolio.

Together, this creates a solid technical foundation.

Secured funding

During the quarter, both a directed share issue and a rights issue were completed. Funding is now secured into the first quarter of 2027. This gives us room to continue according to plan and take BlincVision further toward commercial use and long-term shareholder value.

Looking ahead to 2026


With the year now concluded, during 2025 BlincVision moved from a prototype to an MVP that is now being evaluated by external partners. With signed evaluation agreements, increased industry visibility, and secured funding, we have a strong starting point.

During 2026, Terranet is expected to move into a more commercial phase through strategic collaborations and partnerships. The ambition is to begin generating revenue, while continuing to strengthen the technical platform and the patent portfolio.

Lars Lindell

CEO

Lund January 6, 2026



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

Traffic accidents are one of the world's largest and most costly societal challenges.

≈ 3%

of a country's gross domestic product (GDP)

According to the World Health Organization (WHO), traffic accidents cost most countries around three percent of their GDP each year. This includes expenses related to healthcare, rehabilitation, lost productivity, and other societal impacts.

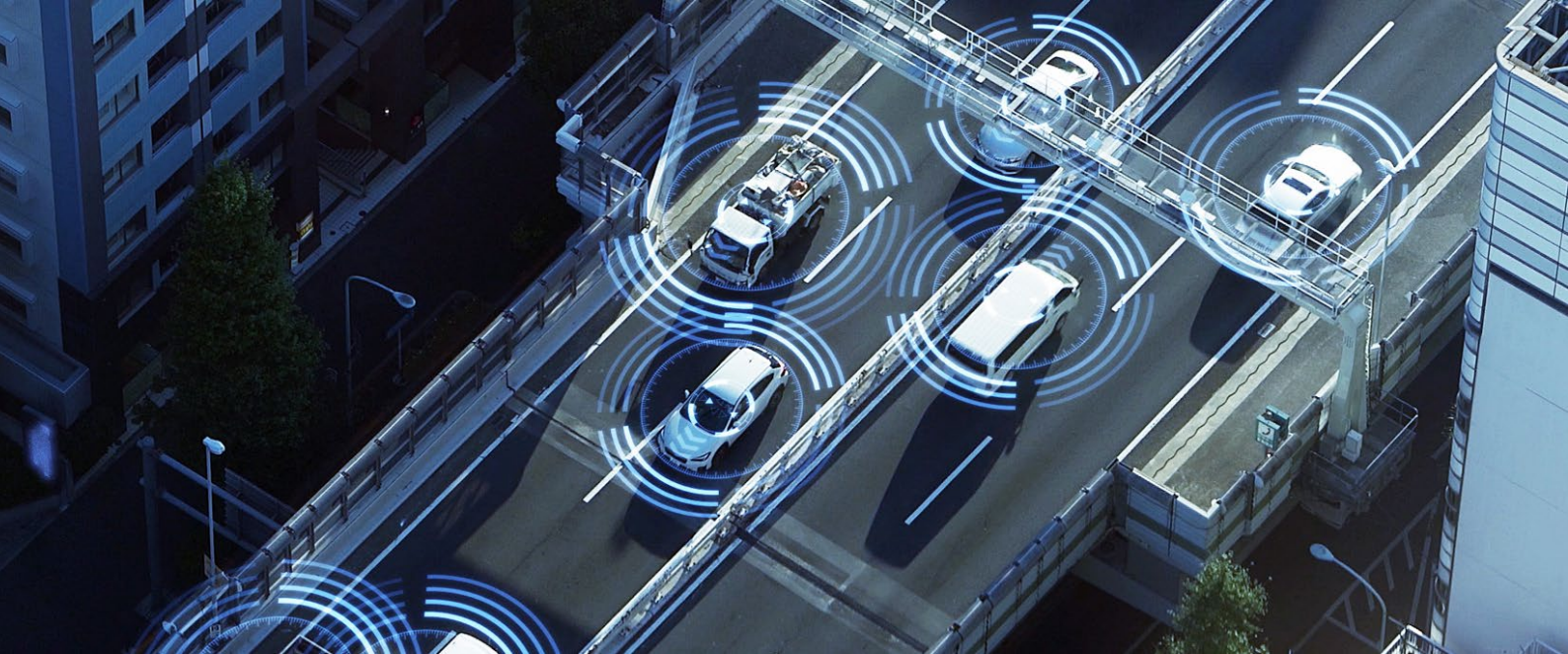
In practical terms, this means that traffic accidents in the United States alone result in costs of several hundred billion dollars annually — resources that could otherwise be used for healthcare, education, infrastructure, or technological development.

At the same time, global efforts are underway to reduce both human suffering and societal costs. Through the UN's Decade of Action for Road Safety 2021–2030, member states have agreed to halve the number of road traffic deaths and injuries by 2030.

Together, statistics and global initiatives continue to drive progress in road safety.

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





Market potential and BlincVision's competitive advantages

Terranet is positioned within the rapidly evolving segment of the automotive industry focused on advanced driver assistance systems (ADAS) and autonomous driving (AD). These markets are driven by global urbanization, increasing demand for safe and efficient transportation systems, and rapid technological progress in sensors, AI, and data processing.

Market conditions for advanced driver assistance systems and autonomous driving are changing quickly. The ADAS segment is characterized by a more cautious market climate, new regulations, and a stronger focus on cost efficiency and safety. At the same time, the industry is accelerating in autonomous driving, driven by advances in AI, sensor technology, and data processing. Driver assistance systems are evolving fast and increasingly approaching functions that were previously limited to self-driving vehicles.

As vehicles become more autonomous, the need for sensors that can react instantly and perform reliably even in complex environments grows. BlincVision is developed precisely for this purpose — to improve safety for vulnerable road users through faster detection in critical situations.

BlincVision can be used both as a standalone system and as a complement to, for example, lidar, radar, and traditional cameras. In sensor fusion systems, BlincVision contributes information that enhances the vehicle's ability to make fast and accurate decisions in critical traffic situations.

At the same time, the need for fast and reliable object detection is growing beyond the automotive industry. More and more sectors are facing the same challenge — to detect and respond to movement in time to create safer and more efficient environments. Here, BlincVision's technology has the potential to make a real difference. In industrial automation and logistics, it can contribute to safer and more efficient production flows. In defense, the technology enables faster decision-making and increased situational awareness, while in agriculture, it can be used to detect obstacles during automated machine operation or to create safer working environments. By exploring these areas, Terranet broadens its market and opens up new collaborations where rapid detection creates tangible value.

BlincVision – stable MVP and broadened market interest

During the quarter, work on the BlincVision MVP continued with a focus on use in external settings. At the same time, the sensor solution's technology and performance generated strong interest beyond the automotive industry.



Focus has been on the delivery of the company's sensor solution BlincVision in MVP configuration, as well as on creating conditions for upcoming evaluations. The evaluation work is conducted in close dialogue with partners and is adapted to individual timelines and conditions.

BlincVision is delivered as a complete, standalone unit designed for evaluation in partner environments. The solution can be used directly without the installation of drivers, enabling a fast and smooth start of the evaluation process. Feedback has been positive regarding the system's usability and design.

In connection with external evaluation activities, technical feedback has been received related to how the system is used in different contexts. This feedback shows that the MVP meets the performance targets defined for this evaluation phase. External evaluations were initiated in the autumn and will continue on an ongoing basis throughout 2026.

In parallel, Terranet has carried out market-preparatory activities to enable future evaluations also within additional application areas.

The road ahead for 2026

In 2026, the focus will be further strengthened on market activities and partnerships.

- Continued business development of BlincVision for automotive applications with the goal of volume production
- Development of solutions for alternative use cases beyond the automotive sector through customer and partner collaborations
- Strengthened IP and patent protection



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 December 31, 2025, Terranet's total market capitalization was MSEK 160. The share capital amounted to SEK 22,378,162.38 divided into 1,061,330 Class A shares and 2,237,916,238 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 0.07 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 11,797.

Development of the share capital

	Period	No of shares	Share capital (TSEK)
At the beginning of the year	Q2	1 193 741 451	11 937
Directed issue 1:2025	Q2	277 777 731	2 778
Rights issue 1:2025	Q2	166 568 568	1 666
Offset issue	Q3	19 941 288	199
Directed issue 1:2025	Q4	343 012 814	3 430
Rights issue 1:2025	Q4	236 861 290	2 369
Warrant TO9	Q4	13 096	0
Per December 31, 2025		2 237 916 238	22 379

Ownership structure

The 10 largest shareholders as of December 31, 2025

Owner	Total	A Shares	B Shares	Ownership %
Försäkringsbolaget Avanza Pension	329 142 033		329 142 033	14,71%
Futur pension	158 279 430		158 279 430	7,07%
Aleksov Oliver	100 634 674		100 634 674	4,50%
Pereira Mario	99 549 996		99 549 996	4,45%
Nordnet Pensionsförsäkring AB	90 681 241		90 681 241	4,05%
Jensen, Morten Skovsby	36 157 803		36 157 803	1,62%
Sandstrom Kristofer	29 089 835		29 089 835	1,30%
Kristian Mårtensson	27 791 140		27 791 140	1,24%
Barsum Hanna	21 290 000		21 290 000	0,95%
Mats Rosenberg	21 023 923		21 023 923	0,94%
Övriga	1 324 276 163	1 061 330	1 323 214 833	59,71%
Totalt	2 237 916 238	1 061 330	2 236 854 908	100,00%

Operations

Terranet develops technical solutions for advanced driver assistance systems (ADAS) and autonomous driving (AD) 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 Tier 1 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. The need for fast and reliable object detection is also growing outside the automotive industry, which is why Terranet has started pursuing the business opportunities for BlincVision that we have identified in industrial automation, logistics, defense and agriculture, for example.

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.

Outside the automotive industry, Terranet has signed evaluation agreements with players active in AI technology, autonomous vehicles and in the mining industry.

Read more at: www.terranet.se

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

Staff

As of December 31, 2025, the number of employees in the Group was 17 (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.

Financial status

On April 16, the company's Board of Directors resolved to carry out a directed share issue of MSEK 8.8 under the authorization from the 2024 AGM. The Annual General Meeting on May 23 resolved on an additional directed share issue of approximately MSEK 16.2 and a fully guaranteed rights issue of approximately MSEK 15. During June, the rights issue and most of the directed issue were completed. In total, the company raised MSEK 40.0 during from the share issues.

The issues of units also included warrants of series TO9 B, which have a subscription period in December 2025. As the price of the company's share was significantly below the subscription price of SEK 0.18 during the subscription period in December, only a few shares were subscribed for with the support of TO9 B.

On November 4, the company announced that the Board of Directors had resolved on a directed share issue amounting to approximately MSEK 26.8 and a rights issue amounting to approximately MSEK 18.5. Both issues were completed in December and raised a total of approximately MSEK 39.7 after issue costs.

During the current year, the company has paid off the remaining part of the loan from the external lender, where the principal amount at the beginning of the year amounted to MSEK 8.1. The loan taken out in connection with the acquisition of the shares in holotide has now been fully repaid and the company no longer has any debts to external lenders.

The company's closing cash position on 31 December, amounting to MSEK 37.7, is considered sufficient to support the business's liquidity needs during the coming twelve-month period.

A prerequisite for continued operations over time is the company's ongoing success in raising capital and commercializing its product. The company's management and board of directors work continuously with liquidity planning and long-term financing of the business.

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 in the long run.

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 MSEK 44,5 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 interim 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.

The company follows the development of the new accounting standard IFRS 18, which will enter into force for the financial year beginning on 1 January 2027. The standard is expected to affect the presentation of the Group's income statement and certain disclosure requirements but is not currently considered to affect the Group's earnings or financial position. The company has not yet completed the analysis of the full effects of the standard.



Financial overview

(Comparison values relates to the same period in 2024)

Revenue

Revenues for the fourth quarter amounted to TSEK 0 (1). For the twelve-month period, revenues amounted to SEK 0 thousand (283).

Operating profit/loss

Capitalized development expenses during the fourth quarter amounted to TSEK 1,954(1,362) and to TSEK 7,394 (3,951) for the twelve-month period and consists entirely of capitalized expenses for own personnel and consultants. The change compared to the previous year is due to increased activity in connection with the work on the MVP (Minimal Viable Product) that was developed during the financial year.

Personnel costs for the fourth quarter amounted to TSEK 6,493 (5,853) and for the twelve-month period personnel costs amounted to TSEK 23,189 (21,357), the increase compared to last year is mainly due to recruitments and the annual salary adjustment.

Other external costs were higher compared to the corresponding period last year and amounted to TSEK 4,978 (4,709) during the quarter and to TSEK 21,860 (17,248) during the twelve-month period. The increase is due to an increased activity level, including additional external resources compared to the same period previous year.

Operating profit for the fourth quarter amounted to TSEK -11,214 (-9,555) and for the twelve-month period to TSEK -40,885 (-35,808).

Depreciation of intangible assets during the fourth quarter amounted to TSEK 56 (56), depreciation of property, plant and equipment amounted to TSEK 78 (52) and depreciation of assets with rights of use amounted to TSEK 1,560 (243). Depreciation of intangible assets during the twelve-month period amounted to TSEK 226 (226), depreciation of property, plant and equipment amounted to TSEK 301 (235) and depreciation of assets with rights of use amounted to TSEK 2,673 (971).

Financial items

The financial costs, TSEK 289 (548) during the fourth quarter and TSEK 1,965 (3,802) during the twelve-month period, mainly related to interest expenses on the loan of MSEK 35 originally raised in April 2021 to finance the acquisition of shares in holoride. The loan was settled in full during June and hence the financial cost as a whole is lower than previous year.

Summer Robotics Inc, in which Terranet has been a shareholder since 2022, announced before the end of the quarter that it had completed a new financing round. As Terranet has not participated in this funding round, the book value of our holding has been adjusted to reflect our share in the company and the valuation at which the new investors acquired their shares. The impairment of long-term securities holdings in the quarter and in the twelve-month period amounts to TSEK 3,573.

Interest expenses attributable to right-of-use assets for the fourth quarter amounted to TSEK 161(56) and for the twelve-month period to TSEK 687 (256).

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 fourth quarter amounted to TSEK -11,505 (-10,060) and for the twelve-month period to TSEK -46,407 (-39,123).

Earnings per share before and after dilution amounted to SEK -0.01 (-0.01) for the fourth quarter and to SEK -0.02 (-0.04) for the twelve-month period.

Cash flow

Cash flow from operating activities during the fourth quarter amounted to TSEK -8,916 (-9,727) and for the twelve-month period to TSEK -38,264 (-37,175).

Cash flow from investing activities during the quarter amounted to TSEK -2,112 (-1,493) and during the twelve-month period to TSEK -8,202 (-4,615) and consists of capitalization of development expenses, costs for patents and acquisition of equipment.

Cash flow from financing activities amounted to TSEK 38,979 (-16,882) during the quarter and to TSEK 65,613 (31,287) during the twelve-month period. The inflow during the quarter amounting to MSEK 39.7 is related to the directed issue and the rights issue completed in December. The issue related expenses amounted to approximately MSEK 5.5.

During the second quarter, a final amortization of the loan debt of MSEK 8.3, including accrued interest, was made. Hence the company no longer have any debt to external lenders.

Financial position and liquidity

(Comparison values as of December 31, 2024)

At the end of the period, total assets amounted to TSEK 78,166 (52,880), equity amounted to TSEK 59,326 (28,735) and the equity/assets ratio amounted to 75.9 (54.3)%.

Financial fixed assets amount to TSEK 1,857 (5,430), which refers to the investment of shares in Summer Robotics Inc. made in 2022. See under Financial items regarding the impairment of financial fixed assets.

The company holds a license for patents in Voxelflow technology and works continuously, as part of the product development work, to build on the patent protection for BlincVision. Currently, the company has two approved patents and four patent applications filed, and the company expects to file a number of additional patent applications in its technology area during the year. The book value of the company's patent portfolio amounted to TSEK 2,422 (2,211) at the end of the period.

The carrying amount of the Group's net debt per end of the quarter amounted to TSEK 0 (8,118). The loan of MSEK 35 (nominal amount) originally raised to finance the investment in holoride GmbH in 2021 was settled during the fourth quarter and has now been fully repaid. The company therefore no longer has any loans from external financiers.

Of the interest-bearing liabilities, lease liabilities amount to TSEK 6,826 (993). The company has signed a new lease agreement for premises in Lund. The agreement, which entered into force on 1 February 2025, has a term of six years.

At the end of the period, the Group's cash and cash equivalents amounted to SEK 37,681 (18,541) thousand. For risks related to financing and going concern, see the section Risks and uncertainties.

Transactions with related parties

Purchases of TSEK 113 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. Furthermore, board member Mats Fägerhag has invoiced the company TSEK 46 through his company Fagerhag Consulting AB for consultations, outside the Board work, during the period.

Key figures

(Amounts in TSEK unless otherwise indicated)	2025	2024	2025	2024
	3 months	3 months	12 months	12 months
	October -	October -	January -	January -
	December	December	December	December
Undiluted EPS (SEK)	-0,01	-0,01	-0,02	-0,04
Diluted EPS (SEK)	-0,01	-0,01	-0,02	-0,04
Number of shares on balance sheet date	2 237 916 238	1 193 741 451	2 237 916 238	1 193 741 451
Average number of shares	1 813 653 495	1 101 709 912	1 908 229 324	985 061 999
Equity/asset ratio (%)	75,9	54,3	75,9	54,3
Operating profit/loss	-11 214	-9 555	-40 885	-35 808
Profit/loss for the period	-11 505	-10 060	-46 407	-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 October - December	2024 3 months October - December	2025 12 months January- December	2024 12 months January- December
Other operating revenue	0	1	0	283
Activated work for own account	1954	1362	7 394	3 951
<i>Operating expenses</i>				
Other external expenses	-4 978	-4 709	-21 860	-17 248
Staff costs	-6 493	-5 853	-23 189	-21 357
Depreciation and write-offs of tangible and intangible fixed assets	-1 694	-351	-3 199	-1 432
Other operating items	-3	-5	-31	-5
Operating profit/loss	-11 214	-9 555	-40 885	-35 808
Financial income	7	66	53	510
Writedown long-term financial assets	0	0	-3573	0
Financial costs	-289	-548	-1 965	-3 802
Profit/loss before tax	-11 496	-10 037	-46 370	-39 100
Tax on profit/loss for the period	-9	-23	-37	-23
Profit/loss for the period attributable to the parent company's shareholders	-11 505	-10 060	-46 407	-39 123
Earnings per share, SEK				
Undiluted EPS	-0,01	-0,01	-0,02	-0,04
Diluted EPS	-0,01	-0,01	-0,02	-0,04

The Group's summary statement of comprehensive income

(Amounts in TSEK)	2025	2024	2025	2024
	3 months	3 months	12 months	12 months
	October -	October -	January -	January -
	December	December	December	December
Profit/loss for the period	-11 505	-10 060	-46 407	-39 123
Other comprehensive income	-13	7	-40	-16
Comprehensive income for the period attributable to the parent company's shareholders	-11 518	-10 053	-46 447	-39 139

Summary consolidated statement of financial position

(Amounts in TSEK)	2025-12-31	2024-12-31
ASSETS		
Subscribed not paid capital	5000	0
Fixed assets		
<i>Intangible fixed assets</i>		
Capitalised development costs	28 226	20 833
Patents and trademarks	2 422	2 211
<i>Property, plant and equipment</i>		
Right of use assets	5 119	2 123
Equipment	345	275
<i>Financial assets</i>		
Long-term securities	1 857	5 430
Other long-term receivables	160	170
Total fixed assets	38 129	31 042
Current assets		
Other receivables	1547	1802
Prepaid expenses and accrued revenue	809	1 495
Cash and cash equivalents	37 681	18 541
Total current assets	40 037	21 838
TOTAL ASSETS	83 166	52 880
EQUITY AND LIABILITIES		
Equity		
Share capital	22 379	11 937
Other capital contribution	550 698	484 101
Translation reserve	-63	-23
Profit/loss carried forward	-467 281	-428 157
Profit/loss for the period	-46 407	-39 123
Equity attributable to the parent company's shareholders	59 326	28 735
Long-term liabilities		
Lease liabilities	5514	1404
Other long-term liabilities	2 503	4 378
Total long-term liabilities	8 017	5 782
Current liabilities		
Loans payable	0	8 118
Lease liabilities	1312	993
Accounts payable	1069	1122
Tax liabilities	0	0
Other liabilities	2 815	2 844
Accrued expenses and prepaid revenue	5 627	5 286
Total current liabilities	10 823	18 363
TOTAL EQUITY AND LIABILITIES	78 166	52 880

Summary consolidated statement of changes in equity (*)

(Amounts in TSEK)	Attributable to the parent company's shareholders	
	2025-12-31	2024-12-31
Opening balance	28 735	28 749
Profit/loss for the period	-46 407	-39 123
Other comprehensive income	-40	-16
New cash issue	83 670	39 810
New cash issue, not paid	1 752	0
Issue costs	-8 384	-685
Closing balance	59 326	28 735

*See Note 1 – Equity

Summary consolidated cash flow statement

(Amounts in TSEK)	2025	2024	2025	2024
	3 months	3 months	12 months	12 months
	October - December	October - December	January- December	January- December
Operating activities				
Operating profit/loss	-11 214	-9 555	-40 885	-35 808
Adjustments for items not included in the cash flow:				
Depreciation and write-offs	1 694	351	3 199	1 432
Other non-cash items	103	103	412	412
Interest received	6	510	7	510
Paid interest and other financial expenses	-290	-590	-1765	-4282
Paid taxes	-9	-61	-37	-61
Cash flow from operations before changes in working capital	-9 710	-9 242	-39 069	-37 797
Changes in working capital				
Changes in operating receivables	40	-994	568	-342
Change in operating liabilities	754	509	237	964
Cash flow from operations	-8 916	-9 727	-38 264	-37 175
Investing activities				
Capitalisation of development costs	-1954	-1362	-7 394	-3 951
Capitalisation of patents and trademarks	-158	-131	-437	-482
Acquisition of tangible assets	0	0	-371	-182
Paid deposit	0	0	0	0
Cash flow from investing activities	-2 112	-1 493	-8 202	-4 615
Financing activities				
New share issue	43 679	17 179	83 670	39 810
Issue costs	-3 915	-49	-6 632	-685
New loans	0	0	0	0
Repaid loans	-475	0	-10 193	-6 879
Amortisation of lease liabilities	-312	-248	-1232	-959
Cash flow from financing activities	38 977	16 882	65 613	31 287
Cash flow for the period	27 949	5 662	19 147	-10 503
Cash and cash equivalents at the start of the period	9 733	12 861	18 541	29 006
Exchange rate differences in cash and cash equivalents	-1	18	-7	38
Cash and cash equivalents at the close of the period	37 681	18 541	37 681	18 541

Summary parent company income statement

(Amounts in TSEK)	2025	2024	2025	2024
	3 months	3 months	12 months	12 months
	October -	October -	January -	January -
	December	December	December	December
Net sales	972	1 357	4 693	5 208
Other operating income	0	0	3	0
<i>Operating expenses</i>				
Other external expenses	-1 304	-1 328	-4 881	-6 630
Personell expenses	-1 378	-1 893	-5 504	-6 749
Other operaing expenses	0	-5	0	-5
Operating profit/loss	-1 710	-1 869	-5 689	-8 176
Financial income	7	66	52	509
Write-down of shares in group companies	-10 000	-9 500	-44 500	-32 000
Write-down of financial assets	0	0	-3 573	0
Financial costs	-16	-418	-831	-2 951
Total financial items	-10 009	-9 852	-48 852	-34 442
Profit/loss before tax for the period	-11 719	-11 721	-54 541	-42 618
Tax on profit/loss for the period	0	0	0	0
Profit/loss for the period	-11 719	-11 721	-54 541	-42 618

Summary parent company statement of comprehensive income

(Amounts in TSEK)	2025	2024	2025	2024
	3 months	3 months	12 months	12 months
	October -	October -	January -	January -
	December	December	December	December
Profit/loss for the period	-11 719	-11 721	-54 541	-42 618
Other comprehensive income	0	0	0	0
Comprehensive income for the period	-11 719	-11 721	-54 541	-42 618

Summary parent company balance sheet

(Amounts in TSEK)	2025-12-31	2024-12-31
ASSETS		
Financial assets		
Shares in group companies	57 011	57 011
Other long-term securities	1 857	5 430
Total fixed assets	58 868	62 441
Current assets		
Receivables Group companies	277	436
Other receivables	333	352
Prepaid expenses and accrued revenue	298	577
Cash on hand	36 628	17 815
Total current assets	37 536	19 180
TOTAL ASSETS	96 404	81 621
EQUITY AND LIABILITIES		
Equity		
<i>Restricted equity</i>		
Share capital	22 379	11 937
<i>Non-restricted equity</i>		
Share premium reserve	550 698	484 101
Profit/loss carried forward	-424 337	-381 719
Profit/loss for the period	-54 541	-42 618
Total equity	94 199	71 701
Current liabilities		
Loans payable	0	8 118
Accounts payable	935	208
Liabilities to group companies	94	94
Other short term liabilities	182	302
Accrued expenses and prepaid revenue	994	1 198
Total current liabilities	2 205	9 920
TOTAL EQUITY AND LIABILITIES	96 404	81 621

Not 1 Equity

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 MSEK 25 million to a number of pre-selected investors, including existing shareholders. A total of 8,417,507 units was 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 MSEK 8.8 (the "first directed issue").

The second part was resolved by the Board of Directors and approved by the Annual General Meeting on May 23 and amounted to approximately MSEK 16.2. (the "Second Directed Issue").

The right to subscribe for units in the directed issues was granted to members of the Board of Directors and management, certain existing shareholders and external investors. In total, the company has received MSEK 25 through the two directed share issues.

Rights issue of units

To compensate the shareholders who did not participate in the Directed Share Issues, the Annual General Meeting resolved to approve the Board of Directors' proposal to carry out a Rights Issue of a maximum of 13,880,714 units. The Rights Issue, which was fully subscribed, provided the Company with approximately MSEK 15 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 did not receive any unit rights in the Rights Issue for the units subscribed through the

Directed Share Issues. The subscription period ran from May 27, 2025, to June 11, 2025.

Offset issue

At the beginning of the third quarter, an additional 19,941,288 Class B shares were issued as compensation to the guarantors in the rights issue, Hunter Capital AB and Scaninvest AB.

Directed issue of shares and rights issue

On November 4, 2025, the company announced that the Board of Directors had resolved to carry out a directed issue of shares and a rights issue of shares.

The Directed Issue

The directed issue of shares amounted to approximately MSEK 26.8 and was subscribed for by a number of pre-announced investors, including existing shareholders. The subscription price in the Directed Issue was determined through an accelerated book building process and amounted to SEK 0.078 per share. A total of 343,012,814 shares of series B were issued.

Rights issue

The company also announced that the Board of Directors had decided to carry out a fully guaranteed rights issue amounting to approximately MSEK 18.5. The subscription price in the rights issue was determined at the same price as the one at which investors in the directed issue were allowed to subscribe, i.e. SEK 0.078 per share. A total of 236,861,290 shares of series B were issued.

In total, the company received approximately SEK 39.7 million after issue costs from the two issues.

Warrant program T09 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. As the market price of the company's shares during the subscription period was significantly below the subscription price, only 13,096 Class B shares were subscribed.

Financial calendar

2026

6 February	Year-end Report 2025	20 May	Annual General Meeting 2026
22 April	Annual Report 2025	19 August	Quarterly Report Q2 2026
7 May	Quarterly Report Q1 2026	28 October	Quarterly Report Q3 2026

2027

3 February	Year-End Report 2026
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Webcast presentation

Webcast presentation of the quarterly report together with Redeye.

2026-02-06, 10:00 – 10:45

Link: <https://www.redeye.se/events/1146135/live-q-terranet-2>

This report has not been reviewed by the company's auditors.

The Board of Directors and the CEO certify that the Year-End 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 February 6, 2026

Torgny Hellström
Chairman

Anders Blom
Board member

Magnus Edman
Board member

Mats Fägerhag
Board member

Uwe Brandenburg
Board member

Lars Lindell
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This information is information that Terranet AB (publ) 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 8.00 a.m. CET on February 6, 2026.

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