

PRESS RELEASE

04 November 2025 20:10:00 CET

TERRANET INTENDS TO IMPLEMENT AN ACCELERATED BOOKBUILDING PROCEDURE OF SEK 20 MILLION AND A RIGHTS ISSUE OF SEK 18.5 MILLION TO ACCELERATE THE COMMERCIALIZATION OF BLINCVISION

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Terranet AB ("Terranet" or the "Company") hereby announces an intention to raise capital of approximately SEK 38.5 million in total through a directed share issue of approximately SEK 20 million (the "Directed Share Issue") and a new issue of shares with preferential rights for existing shareholders of approximately SEK 18.5 million (the "Rights Issue"), together (the "Capital Raise"). Terranet has instructed Mangold Fondkommission AB ("Mangold") to, in its capacity as Sole Global Coordinator and Sole Bookrunner, immediately initiate a so-called accelerated bookbuilding procedure to investigate the conditions for the Directed Share Issue.

The Directed Share Issue

The subscription price and number of shares in the Directed Issue will be determined by the Company in consultation with Mangold through a so-called accelerated bookbuilding procedure that commences immediately today, 4 November 2025, and ends before the commencement of trading on Nasdaq First North Premier Growth Market on 5 November 2025. The bookbuilding procedure may, if the Company's Board of Directors so decides, be shortened or extended and may be terminated at any time. The Company will announce the outcome of the Directed Share Issue no later than before the commencement of trading on Nasdaq First North Premier Growth Market on 5 November 2025. For more information regarding the accelerated book building process, please contact corporatefinance@mangold.se.

Background and rationale in summary

Terranet is on the verge of a commercial breakthrough. After several years of focused development, the Company has in 2025 delivered its first MVP version (Minimum Viable Product) of the proprietary collision warning system BlincVision - a tested and verified

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technology that, through laser triangulation, event cameras and real-time algorithms, can detect, analyze and react to moving objects up to ten times faster than today's conventional systems. The delivery marks the transition from product development to business development and from vision to commercial reality.

BlincVision forms the basis for a new safety paradigm in how vehicles, robots and autonomous systems perceive and interact with their surroundings. Interest from the industry has increased significantly, and Terranet is now conducting discussions and tests with several leading players in the automotive industry, industrial automation, autonomous mobility and defense-related applications.

The capital from the directed share issue will be used to accelerate Terranet's commercial journey and strengthen the Company's financial position, giving Terranet the flexibility required to fully drive the commercialization of BlincVision and bring the technology to market.

In 2026, Terranet expects to enter a commercial phase and obtain its first revenues through strategic partnerships and collaboration agreements with leading industry partners in sectors relevant to the Company. The coming period is expected to be a crucial shift - from a development-driven innovation company to a commercial tech player with a scalable business model, increasing revenues and clear industrial demand.

In parallel, the Company continues to strengthen its technology platform and patent portfolio, while identifying new potential revenue streams outside the automotive industry, including industrial automation, autonomous mobility and defense applications.

The Capital Raise is expected to create the necessary conditions for Terranet to continue its technical validation, accelerate commercialization and establish revenue streams from 2026 onwards. In light of the current market situation and a current share price that means that outstanding warrants of series TO9 B are unlikely to be exercised to a sufficient extent, the Board of Directors believes that the planned Capital Raise is crucial to ensure the Company's financial strength and maintain the momentum that has now been built up in the commercialization phase.

Deviation from shareholders' preferential rights

The reasons for the deviation from the shareholders' preferential rights are as follows: Prior to the resolution on the Directed Share Issue, the board of directors has carefully investigated and considered alternative financing options, including raising capital solely through a rights issue. However, the Board of Directors believes, after an overall assessment and taking into account that a directed share issue means that the Company can be credited with capital earlier, that a directed share issue in combination with a rights issue is a more advantageous alternative for the Company and the Company's shareholders than a rights issue alone. It is therefore the assessment of the Board of

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Directors that it is in the interest of both the Company and its shareholders to carry out the Directed Issue. Through the Directed Share Issue, the Company can also bring in additional institutional and private investors, which would contribute to diversifying and strengthening the Company's shareholder base.

The Company is in an important phase and has a need for financing to ensure the Company's long-term operations. Carrying out only a rights issue would, in the opinion of the Board of Directors, require significantly more time and resources to carry out and also entail a higher risk of negative impact on the share price, especially in light of today's volatile and challenging market conditions. From a shareholder perspective, an isolated rights issue thus entails a risk of a negative effect on the share price compared to a directed issue in combination with a rights issue. In light of the volatility in the market, the Board of Directors has assessed that a rights issue, without the Directed Issue, would need to be significantly larger and thus also require larger guarantees from an underwriting consortium, which would entail additional costs and/or further dilution depending on the type of compensation for such guarantees.

In light of the above, the board's overall assessment is that the reasons for carrying out the Directed Issue in combination with a compensation issue in the form of the Rights Issue outweigh the reasons for carrying out a more extensive isolated rights issue.

The Rights Issue

The Board of Directors intends to resolve on the Rights Issue in connection with the Directed Share Issue. Provided that the board of directors resolves on the Rights Issue, the Subscription Price in the Rights Issue will correspond to the subscription price determined for the Directed Issue through the accelerated bookbuilding procedure.

Advisers

Mangold Fondkommission is acting as Sole Global Coordinator and Sole Bookrunner to the Company and Eversheds Sutherland Advokatbyrå AB is acting as legal advisor to the Company in relation to the Capital Raise.

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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 2025-11-04 20:10 CET.

About Terranet AB (publ)

Terranet’s mission is to save lives in urban traffic. We develop groundbreaking technology solutions for advanced driver assistance systems (ADAS) and autonomous vehicles, with a focus on protecting vulnerable road users from injury. Using a unique and patented sensor technology, Terranet’s system BlincVision scans the road with laser precision, detecting objects up to ten times faster than any other ADAS solution on the market today.

Terranet is headquartered in Lund, Sweden, with additional operations in Gothenburg and Stuttgart – at the heart of the European automotive industry. Since 2017, the company has been listed on Nasdaq First North Premier Growth Market (Nasdaq: TERRNT-B).

Visit us at www.terranel.se

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