

Dear Shareholder.

It is time to look back and reflect on this year and at the same time also look forward to an exciting 2023.

The past year has been challenging due to drastic changes in the geopolitical situation. To ensure that the development of BlincVision continues without any obstacles, we maintain a close dialogue with our suppliers and partners.

As we previously mentioned, we entered a partnership with the Swedish tech company Prevas for the development of our scanner module earlier this fall. The work is progressing smoothly and according to plan. The prototype will be completed at the beginning of next year.

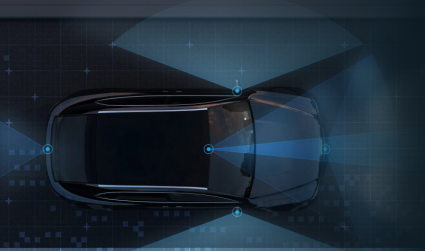
I am also excited to share that we have initiated feasibility studies for our sensor module together with two international specialists. These two studies are scheduled to be completed in late January 2023. Afterwards, we will have a range of options to produce a prototype for our sensor module. The main goal is to quickly release the best product onto the market.

In conjunction with the above-mentioned development, we work continuously with the computer unit for BlincVision. The computer unit is set to be completed when the other components, i.e., both scanner and sensor module are finalized. We aim to test BlincVision in vehicles in 2023. Since BlincVision will offer a groundbreaking solution for the market, we are also considering potential other areas of use for it.

Those of you who follow me and Terranet on social media, may have noticed that I've spent a lot of time traveling and meeting representatives from the market. There are many exciting developments happening in the fields of ADAS and self-driving cars. Things are changing rapidly, and driver assistance systems are becoming increasingly automated. The latest example is an automated driverless parking system – claimed to be the world's first level 4 autonomous system- developed by Mercedes-Benz and Bosch, which has now been officially approved for commercial use in Germany by the country's transport authority. It is also evident that there is growing demand for technology-intense driver assistance systems among customers. It is expected that the vehicle you are traveling in will be able to actively assist with monitoring and reacting to the surroundings.

This opens the door to numerous opportunities for Terranet with both Tier-1's and OEM's. I am certain that the finished BlincVision prototype, a revolutionary system, will make a significant impact when we introduce it to the market.

As we move into a new and exciting year, we are looking forward to taking further important steps towards the completion of our product and other significant events that will drive our company forward.



In early January, we will be attending CES in Las Vegas. CES is the world's largest meeting event for technology and innovation. All major Tier-1's and OEM's will be on site, providing great opportunity to reconnect with current contacts and partners, as well as establish new relationships. Our partner holoride, in which we are co-owners, has launched their product this fall and will also be at CES. We are excited to follow their development.

In the coming months, we will be making several strategically important recruitments for Terranet that will strengthen our team in both innovation and technical development. I am looking forward to introducing you to our new team members when they are on board.

As we plan to test BlincVision in vehicles in 2023, it is natural to prioritize commercial discussions for BlincVision going forward.

Thank you for this year and we look forward to seeing you again at the start of the new year. We wish you a Merry Christmas and a Happy New Year!

Best regards,



Magnus Andersson
CEO, Terranet

Lund, December 2022