

# Terranet AB (publ)

Interim report 1 January 2021 – 30 June 2021

Safety at the blink of an eye

## **Second quarter**

1 april – 30 june 2021

- Revenue amounted to SEK 183 thousand (234)
- Operating profit/loss amounted to SEK -8,476 thousand (-6,115)
- Net profit/loss for the period amounted to SEK -9,479 thousand (-7,821)
- Cash flow from operating activities amounted to SEK -10,951 thousand (-8,137)
- The group's cash and cash equivalents amounted to SEK 46,824 thousand (44,495)
- Diluted and undiluted earnings per share amounted to SEK -0.04 thousand (-0.15)
- An investment of MSEK 32.4 in holoxide and loans taken to fund the investment

## **Interim period**

1 january – 30 june 2021

- Revenue amounted to SEK 592 thousand (715)
- Operating profit/loss amounted to SEK -18,382 thousand (-15,555)
- Net profit/loss for the period amounted to SEK -19,475 thousand (-18,016)
- Cash flow from operating activities amounted to SEK -21,265 thousand (-18,166)
- Diluted and undiluted earnings per share amounted to SEK -0.08 thousand (-0.36)
- In Q1, proceeds from the issue amounting to MSEK 36.4 million were received upon exercise of warrants for the subscription of shares.

## Comments from the CEO

The second quarter was marked by some important milestones for Terranet. First, the company completed a major investment in holoride, which was followed by the company's acceptance to NVIDIA Inception — an accelerator programme designed to nurture startups revolutionizing industries with advancements in AI and data sciences. Lastly, the quarter saw the recruitment of Mercedes-Benz Head of Navigation & Maps, Nihat Küçük, who will step in as CTO and SVP Product Management to lead the design and engineering team in Lund and Stuttgart.

Following its participation in the Startup Autobahn event in February, which was a digital presence this year due to the pandemic, Terranet was handpicked by Mercedes-Benz to showcase VoxelFlow™ at Startup Autobahn powered by Plug and Play a second time at the event held at end of July. An upgraded proof of concept version of VoxelFlow™ 3D vision technology was mounted and presented in the luxury Maybach S-Class Sedan. During the second quarter, Terranet delivered and invoiced the first batch of the demo concept under the terms of the previous purchase order from Mercedes-Benz.

Going forward, the Company will continue to focus on developing its unique object identification software for collision avoidance.

Terranet continues to explore new opportunities to provide the mobility and auto tech sectors with innovative solutions for both navigation systems and in-vehicle entertainment.

The collaboration with Nvidia (the leading provider of graphics chips to the automotive industry) provides a unique opportunity for the company to develop its computer vision sensing system on one of the foremost processors in the world and to gain access to knowledge and expertise, as well as a network of automotive thought leaders.

Terranet's investment of MEUR 3.2 in holoride is equivalent to 11% of the company's outstanding shares. Holoride's VR-technology is set for launch next year and has tremendous potential to become a market leader. Terranet led the investment in the high profile infotainment company in co-syndication with Audi. The deal gives Terranet access to the holoride customer database. Moreover, it opens up a new business line for Terranet in Infotainment. In addition, a customer order of MSEK 1.6 from holoride was recently announced. The project is part of an engineering service offering by Terranet on the impact of imagery and cellular localization for holoride's in-car entertainment user experience.

During the quarter, Terranet has lined up in partnership with a supply chain of experts in the field of computer vision, software and AI.

Terranet has identified an opportunity to diversify our technology platform and accelerate our ability to generate additional business opportunities while providing multiple safety technologies based on the VoxelFlow technology across multiple car brands and models.

Our new CTO, Nihat Küçük, will lead efforts to plan and launch scalable products within active safety and collision warning systems.

Terranet maintains an overarching strategy of developing technology that saves lives, which is in line with the automotive industry's Vision Zero of eliminating all road fatalities and serious injuries.

I would like to extend my deepest gratitude to our investors, customers and employees. Your support enables Terranet to continue its journey towards developing cutting-edge, innovative technology that saves lives.

Pär-Olof Johannesson  
CEO, Terranet



## Significant events during the period

On 22 April, the signing of a cooperation agreement and investment in the VR/AR technology company holoride was announced. Terranet's investment amounted to € 3.2M and was a joint investment with A4nXT (Audi), Shell Attractions (game developer) and two actors from Asia. Terranet will invest the equivalent of EUR 3.2 million in holoride's new share issue, corresponding to 10.84% of the total number of shares and votes. Terranet's collaboration with holoride gives the company broader access to large segments of the global automotive industry and opens the door to a new business segment for the company's VoxelFlow technology – Infotainment.

On 22 April, a loan agreement and two series of warrants (series T04 B and series T05 B), which can be subscribed free of charge, were also announced, which together will fund the investment in holoride and secure Terranet's ability to further develop its technology. The warrants are distributed equally between the lender and the company's current shareholders.

On 31 March, notice convening the Annual General Meeting was sent, which was held on 29 April 2021. A resolution at the AGM corrected the company name to Terranet; this interim report is thus updated with the new company name. Göran Janson, Karolina Bjurehed, Arne Hansson, Lars Novak and Michel Roig were re-elected as board members. Göran Jansson was re-elected Board Chair. Authorisation was granted for a new issue of warrants in two series, series T04 B and series T05 B, to raise capital for the acquisition of shares holoride.

On 17 June, Terranet announced the recruitment of Nihat Küçük, who comes most recently from Mercedes-Benz, where he was the Development Manager for Navigation & Maps. Nihat Küçük will step in as Technology and Development Manager (CTO and SVP Product Management) for the growing team in Lund and in Stuttgart, Germany.

## Significant events after the close of the period

On 21 July, Terranet once again participated in the Start-Up Autobahn, which featured a demo to show the progress the company has made in the development of its VoxelFlow technology. At this year's event, the latest advances were presented in a demonstration of VoxelFlow in a luxury Maybach S-Class Sedan.

On 3 August, the company announced the receipt of an order from Holoride corresponding to MSEK 1.6. The order is part of an engineering service offering that takes advantage of our combined expertise in image analysis and signal processing to optimise network stability in Holoride's VR platform. This is intended to increase the user experience (UX) for back seat passengers.



## Activities and notes

Terranet develops safety technology for advanced driver-assisted systems (ADAS) and autonomous vehicles.

### **Business strategy**

Terranet's business model is based on safety technology, which will generate future licensing and service revenues from the company's proprietary sensor software (VoxelFlow). The company's marketing strategy is directed towards OEM manufacturers and Tier-1 suppliers in the automotive industry. Terranet conducts development activities in close collaboration with industry leaders throughout the business chain while working to adapt the technology according to the customer's specific needs.

### **Operations**

Terranet also develops technology for three-dimensional image analysis for the rapid identification of moving objects in potentially urban traffic situations. The system is called VoxelFlow, which uses three event-based cameras to generate voxels, making it unique from the pixel-based camera systems that are commonly used in vehicles today. These technologies enable the proper function of active safety features, such as collision warning systems, including automatic braking. TerraNet has an exclusive global license to develop and market VoxelFlow within the automotive industry.

Terranet's operations are focused on advanced driver support and self-driving vehicles. The company also develops collision-warning software and algorithms for positioning using 5G technology, as well as for communication between vehicles and between vehicles and other objects, so-called V2X.

Read more at: [www.terranel.se](http://www.terranel.se)

Terranet AB (publ)

Corp. reg. no. 556707-2128

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## Staff

As of 30 June 2021, the number of employees in the Group was 14 (10). Temporary staff and staff on parental leave have been excluded.

## Risks and uncertainties

Significant risks and uncertainties are described in the company's annual report for 2020. The company currently has a negative cash flow from operating activities, and after the outcome of warrants of series and 2020:3 in 2021 and considering the current business plan and the company's planned investments, the existing working capital is deemed to be sufficient for more than 12 months.

## The parent company

Terranet AB (publ), having corporate identification number 556707-2128, is a limited company registered in Sweden with its registered office in Lund. The company's B shares are listed on Nasdaq First North Premier Growth Market. The address of the main office is Mobilvägen 10, 223 62 Lund.

The parent company leads and administrates operations and financing activities and does not conduct any operating activities; reference is therefore made to information for the group in general.

## Accounting principles

The consolidated financial statements for Terranet AB (publ.) have been established in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, the Swedish Annual Accounts Act (ÅRL) and Swedish Financial Reporting Board's recommendations RFR 1 "Supplementary accounting rules for groups". The parent company's financial reports have been established in accordance with the Swedish Annual Accounts Act and RFR 2, "Accounting for Legal Entities".

The parent company applies the same accounting principles as the Group, where applicable.

This interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting".

Disclosures required under IAS 34 are provided in notes and elsewhere in the interim report.

The accounting principles and calculation methods applied are in agreement with those described in the annual report for 2020.

## Equity

As of the beginning of the year, the number of shares amounted to 217,006 263.

In March, warrants of series TO2 B were exercised at approximately 95%, which raised MSEK 36.4 after issue costs and increased the total number of shares by 47,906 993. The average number of shares for the interim period amounted to 241,621,458 (50,502,653).



## Warrants

The subscription of B shares through warrants of series 2020:3 will occur from 23 August 2021 to 3 September 2021. Each warrant of series 2020:3 entitles the holder to the subscription of one (1) new B share in the company against cash payment corresponding to 70 percent of the volume-weighted average price of the company's share on Nasdaq First North Premier Growth Market between 09 August 2021 to 20 August 2021, however, no less than the value corresponding to the quotient value for Terranet's share during the subscription period and a maximum of SEK 0.80 per B share. In the event of full exercise of all warrants of series 2020:3, the company can expect to raise a maximum of an additional MSEK 40.4.

In connection with the loan of MSEK 35 taken to fund the acquisition of shares in Holride, warrants (series T04 B and series T05 B), which can be subscribed free of charge, were also issued to the lender and existing shareholders.

A total of 14,319,634 warrants of series T04 B were issued, of which 7,159,817 were issued to the lender and 7,159,817 to existing shareholders.

Each warrant of series T04 B 1 entitles the holder to the subscription of one (1) new share in the company against cash payment corresponding to 70 percent of the volume-weighted average price of the company's share on Nasdaq First North Premier Growth Market between 11 February 2022 to 24 February 2022; however, a maximum of SEK 3.60 and no less than the value corresponding to the quotient value for Terranet's share. The subscription period for shares through warrants of series T04 B will run from 28 February 2022 through 11 March 2022.

In the event of full exercise of warrants of series T04 B, Terranet will raise a total of approximately MSEK 51.6, based on a subscription price of SEK 3.60.

A total of 12,321,546 warrants of series T05 B were issued, of which 6,160,773 were issued to the lender and 6,160,773 to existing shareholders.

Each warrant of series T05 B entitles the holder to the subscription of one (1) new share in the company against cash payment corresponding to 70 percent of the volume-weighted average price of the company's share on Nasdaq First North Premier Growth Market between 24 February 2023 to 09 March 2023; however, a maximum of SEK 4.20 and no less than the value corresponding to the quotient value for Terranet's share. The subscription period for shares through warrants of series T05B will occur from 13 March 2023 to 24 March 2023.

Upon full exercise of warrants of series T05 B, Terranet will raise a total of approximately MSEK 51.8, based on a subscription price of SEK 4.20.

## Financial overview

### Second quarter

1 April 2021– 30 June 2021

#### Revenue

Revenue for the quarter amounted to SEK 183 thousand (234), which consists, as in the previous year, almost exclusively of grants from Vinnova.

#### Operating profit/loss

Capitalised development costs amount to SEK 3,478 thousand (539) where SEK 1,207 thousand (216) is attributable to capitalised staff costs and the remainder is attributable to consulting costs.

The increase in other external costs and staff costs is mainly explained by the increased level of activity in the company, with more employees and increased costs for consultants, increased marketing activities and the purchase of materials for use in development projects.

During the period, the company initiated the process of registering Terranet Tech AB as an employer in Germany in order to be able to employ staff on site in Germany without needing to start a separate German company.

Operating profit/loss for the quarter amounted to SEK -8,476 thousand (-6,115). Amortisation of intangible assets amounted to SEK 150 thousand (50), depreciation of fixed assets amounted to SEK 25 thousand (0) and impairment of right-of-use assets amount to SEK 122 thousand (255).

#### Financial costs

Financial costs consist primarily of interest on the loan of MSEK 35, which was taken in April to fund the acquisition of shares in Holoride. The comparison period includes interest on convertible loans, which have been repaid in full as of January 2021.

Interest costs attributable to right-of-use assets amount to SEK 47 thousand (118) for the period.

**Taxes**

The Group's effective tax amounted to 0 (0) percent. The group has a substantial accumulated tax loss carryforward, however, no deferred tax assets are reported with respect to this

**Net profit/loss for the period**

Net profit/loss for the period amounted to SEK -9,479 thousand (-7,821). Diluted and undiluted earnings per share amounted to SEK -0.04 (-0.15).

**Cash flow**

Cash flow from operating activities amounted to SEK -10,951 thousand (-8,137). The increased cash outflow can be explained by the increased level of activity in the company.

Cash flow from investing activities amounted to SEK -37,433 thousand (-567). The investment in holride, which was carried out in April, amounted to SEK 33,545 thousand (including acquisition costs). During the period, SEK 3,478 thousand was invested in development and SEK 376 thousand was invested in tangible fixed assets.

Cash flow from financing activities amounted to SEK 34,897 thousand (4,754); cash flow consists of the loan of SEK 35,000 thousand, which was taken in April to fund the acquisition of shares in holride, and SEK 103 thousand (246) in lease liability amortisation.

## Financial overview

### Interim period

1 January 2021 – 30 June 2021

#### Revenue

Revenue for the interim period amounted to SEK 592 (715) thousand, which consists almost exclusively of grants from Vinnova.

#### Operating profit/loss

Capitalised development costs amount to SEK 5,233 thousand (935), where SEK 2,241 thousand (411) is attributable to capitalised staff costs and the remainder is attributable to consulting costs.

Operating profit/loss for the interim period amounted to SEK -18,382 thousand (-15,555). Higher capitalisation and higher operating costs can be attributed to the increased level of activity in the company during the period.

The results for the interim period reflect this increased activity and the company's effort to bring in more staff with the competencies needed to increase the pace of development of VoxelFlow. The company has also increased its IT investments and the purchase of technical equipment to support this development.

#### Financial costs

Financial costs consist primarily of interest costs attributable to the loan of SEK 35 million, which was taken in April.

#### Taxes

The Group's effective tax amounted to 0 (0) percent.

#### Net profit/loss for the period

Net profit/loss for the period amounted to SEK -19,475 thousand (-18,016). Diluted and undiluted earnings per share amounted to SEK -0.08 (-0.36).

#### Cash flow

Cash flow from operating activities amounted to SEK -21,265 thousand (-18,166).

Cash flow from investing activities amounted to SEK -41,415 thousand (-1,016). The company's investment in holoride amounts to SEK 33,545 thousand. An investment of SEK 2,061 thousand was made in licensing rights in the first quarter. The rights entail an indefinite and geographically unlimited right to the VoxelFlow technology; at the same time, future licensing fees will be significantly lower.

During the period, SEK 5,233 thousand was invested in development and SEK 466 thousand was invested in tangible fixed assets.

Cash flow from financing activities amounted to SEK 65,009 thousand (11,406). The proceeds from the issue in Q1, upon exercise of warrants, amount to SEK 36,404 thousand after issue costs. The convertible loan taken in 2019 was repaid in full in the first quarter. In all other respects, reference is made to information for the corresponding quarter.

### **Financial position and liquidity**

The equity/assets ratio was 58.3 % (72.2%) on 30 June 2021 and equity amounted to SEK 60,842 thousand (43,913).

Total assets on 30 June 2021 amounted to SEK 104,390 thousand (60,792). The investment in holoride (SEK 33,545 thousand) and increased investments in development can explain the increase in the asset pool.

The carrying value of the group's interest-bearing liabilities amounts to SEK 35,186 thousand (20,960). The loan amounting to SEK 35,000 thousand (nominal amount) raised to fund the investment in holoride must be repaid in connection with the receipt of funds from TO4 B and TO5 B (see above under Warrants). As a result, half of the loan is reported in the short term and half in the long-term in this interim report.

Lease liabilities amounted to SEK 2,182 thousand (2,354).

At the start of the interim period, the group's cash and cash equivalents amounted to SEK 46,824 thousand (44,495).

### **Transactions with related parties**

No significant transactions with related parties have been completed during the period

## Key figures

<b>(Amounts in SEK thousand unless otherwise indicated)</b>	<b>2021 3 months april- june</b>	<b>2020 3 months april- june</b>	<b>2021 6 months january- june</b>	<b>2020 6 months january- june</b>	<b>2020 12 months january- december</b>
Undiluted EPS (SEK)	-0,04	-0,15	-0,08	-0,36	-0,27
Diluted EPS (SEK)	-0,04	-0,15	-0,08	-0,36	-0,27
Number of shares on the balance sheet date prior to dilution	264 913 256	50 502 653	264 913 256	50 502 653	217 006 263
Number of shares on the balance sheet date after dilution	264 913 256	50 502 653	264 913 256	50 502 653	217 006 263
Number of shares on the balance sheet date after dilution	264 913 256	50 502 653	241 621 458	50 502 653	128 172 645
Weighted average number of shares after dilution	264 913 256	50 502 653	241 621 458	50 502 653	128 172 645
Equity/asset ratio (%)	58,28%	-28,19%	58,28%	-28,19%	72,2%
Operating profit/loss	-8 476	-6 115	-18 382	-15 555	-31 662
EBITDA	-8 179	-5 810	-17 786	-14 783	-28 526



**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
EBITDA	Earnings before interest and taxes (EBIT), before depreciation and write-offs on tangible and intangible assets

## Summary consolidated income statement

(Amount in SEK thousand)	2021 3 months april- june	2020 3 months april- june	2021 6 months january- june	2020 6 months january- june	2020 12 months january- december
Other operating revenue	183	234	592	715	847
Activated work for own account	3 478	539	5 233	935	3 024
Operating expenses Other external expenses	-7 774	-4 541	-16 328	-10 584	-20 544
Staff costs	-4 066	-2 042	-7 283	-5 849	-11 853
Depreciation and write-offs of tangible and intangible fixed assets	-297	-305	-596	-772	-3 136
<b>Operating profit/loss</b>	<b>-8 476</b>	<b>-6 115</b>	<b>-18 382</b>	<b>-15 555</b>	<b>-31 662</b>
Financial income	0	0	0	0	381
Financial expenses	-1 003	-1 706	-1 093	-2 461	-3 612
<b>Profit/loss before tax</b>	<b>-9 479</b>	<b>-7 821</b>	<b>-19 475</b>	<b>-18 016</b>	<b>-34 893</b>
Tax on profit/loss for the period	0	0	0	0	0
<b>Profit/loss for the period attributable to the parent company's shareholders</b>	<b>-9 479</b>	<b>-7 821</b>	<b>-19 475</b>	<b>-18 016</b>	<b>-34 893</b>
<b>Profit/loss per share in SEK</b>					
Undiluted EPS	-0,04	-0,15	-0,08	-0,36	-0,27
Diluted EPS	-0,04	-0,15	-0,08	-0,36	-0,27

## Consolidated statement of comprehensive income

<b>(Amount in SEK thousand)</b>	<b>2021 3 months april- june</b>	<b>2020 3 months april- june</b>	<b>2021 6 months january- june</b>	<b>2020 6 months january- june</b>	<b>2020 12 months january- december</b>
Profit/loss for the period	-9 479	-7 821	-19 475	-18 016	-34 893
Other comprehensive income	0	0	0	0	4
<b>Comprehensive income for the period attributable to the parent company's shareholders</b>	<b>-9 479</b>	<b>-7 821</b>	<b>-19 475</b>	<b>-18 016</b>	<b>-34 889</b>

## Summary consolidated statement of financial position

(Amount in SEK thousand)	2021-06-30	2020-06-30	2020-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible Assets			
Capitalised development costs	15 495	8 341	10 262
Patents	2 030	2 458	2 046
Licenses	1 855	0	0
Property, plant and equipment			
Right of use assets	2 140	1 957	2 362
Equipment	441	0	0
Financial assets			
Long-term securities	33 545	0	0
<b>Total fixed assets</b>	<b>55 506</b>	<b>12 756</b>	<b>14 670</b>
<b>Current assets</b>			
Accounts receivables	0	0	0
Other receivables	940	851	897
Prepaid expenses and accrued revenue	1 120	6 410	730
Cash and cash equivalents	46 824	3 793	44 495
<b>Total current assets</b>	<b>48 884</b>	<b>11 054</b>	<b>46 122</b>
<b>TOTAL ASSETS</b>	<b>104 390</b>	<b>23 810</b>	<b>60 792</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	2 649	50 503	2 107
Other capital contribution	355 654	293 287	319 729
Translation reserve	0	-4	0
Profit/loss carried forward	-277 986	-332 483	-243 097
Comprehensive income for the period	-19 475	-18 016	-34 889
<b>Equity attributable to the parent company's shareholders</b>	<b>60 842</b>	<b>-6 713</b>	<b>43 913</b>
<b>Long-term liabilities</b>			
Loans payable	16 502	0	0
Leasingskulder	1 744	978	1 742
<b>Total long-term liabilities</b>	<b>18 246</b>	<b>978</b>	<b>1 742</b>
<b>Current liabilities</b>			
Loans payable	16 502	12 923	0
Convertible loans	0	5 860	6 156
Lease liabilities	438	1 199	612
Accounts payable	2 706	5 333	2 103
Other liabilities	1 045	599	2 116
Accrued expenses and prepaid revenue	4 611	3 631	4 150
<b>Total current liabilities</b>	<b>25 302</b>	<b>29 545</b>	<b>15 137</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>104 390</b>	<b>23 810</b>	<b>60 792</b>

## Summary consolidated statement of changes in equity

	Attributable to the parent company's shareholders		
	2021-06-30	2020-06-30	2020-12-31
<b>Opening balance</b>	43 913	11 303	11 303
Profit/loss for the period	-19 475	-18 016	-34 893
Other comprehensive income	0	0	4
New cash issue	38 326	0	72 949
New share issue through debt conversion	0	0	8 854
Issue costs	-1 922	0	-14 304
<b>Closing balance</b>	<b>60 842</b>	<b>-6 713</b>	<b>43 913</b>

## Summary consolidated cash flow statement

(Amount in SEK thousand)	2021 3 months april- june	2020 3 months april- june	2021 6 months january- june	2020 6 months january- june	2020 12 months january- december
<b>Operating activities</b>					
Operating profit/loss	-8 476	-6 115	-18 382	-15 555	-31 662
Adjustments for items not included in the cash flow:					
Depreciation and write-offs	297	305	596	772	3 136
Interest received	0	0	0	0	30
Paid interest and other financial expenses	-2 999	-121	-3 047	-930	-2 472
<b>Cash flow from operations before changes in working capital</b>	<b>-11 178</b>	<b>-5 931</b>	<b>-20 833</b>	<b>-15 713</b>	<b>-30 968</b>
<b>Changes in working capital</b>					
Changes in operating receivables	2 267	-2 021	-433	-2 119	647
Change in operating liabilities	-2 040	-185	1	-334	-66
<b>Cash flow from operations</b>	<b>-10 951</b>	<b>-8 137</b>	<b>-21 265</b>	<b>-18 166</b>	<b>-30 387</b>
<b>Investing activities</b>					
Capitalisation of development costs	-3 478	-539	-5 233	-935	-3 024
Capitalisation of patents	-34	-28	-110	-81	-188
Acquisition of licensing rights	0	0	-2 061	0	0
Acquisition of tangible assets	-376	0	-466	0	0
Investment in securities	-33 545	0	-33 545	0	0
<b>Cash flow from investing activities</b>	<b>-37 433</b>	<b>-567</b>	<b>-41 415</b>	<b>-1 016</b>	<b>-3 212</b>
<b>Financing activities</b>					
New share issue	0	0	38 326	0	72 949
Issue costs	0	0	-1 922	0	-7 108
Loans taken	35 000	5 000	35 000	11 900	11 900
Repaid loans	0	0	-6 198	0	-10 245
Amortisation of lease liabilities	-103	-246	-197	-494	-971
<b>Cash flow from financing activities</b>	<b>34 897</b>	<b>4 754</b>	<b>65 009</b>	<b>11 406</b>	<b>66 525</b>
<b>Cash flow for the period</b>	<b>-13 487</b>	<b>- 3 950</b>	<b>2 329</b>	<b>-7 776</b>	<b>32 926</b>
Cash and cash equivalents at the start of the period	60 311	7 743	44 495	11 569	11 569
<b>Cash and cash equivalents at the close of the period</b>	<b>46 824</b>	<b>3 793</b>	<b>46 824</b>	<b>3 793</b>	<b>44 495</b>

## Summary parent company income statement

<b>(Amount in SEK thousand)</b>	<b>2021 3 months april- june</b>	<b>2020 3 months april- june</b>	<b>2021 6 months january- june</b>	<b>2020 6 months january- june</b>	<b>2020 12 months january- december</b>
Other operating revenue	0	0	0	0	0
Operating expenses					
Other external expenses	-704	-501	-1 305	-1 386	-2 265
<b>EBIT</b>	<b>-704</b>	<b>-501</b>	<b>-1 305</b>	<b>-1 386</b>	<b>-2 265</b>
Financial income	0	0	0	0	29
Depreciation of shares in group companies	0	0	0	-27 000	-27 071
Financial costs	-874	-1 588	-916	-2 226	-3 145
<b>Total financial items</b>	<b>-874</b>	<b>-1 588</b>	<b>-916</b>	<b>-29 226</b>	<b>-30 187</b>
<b>Profit/loss before tax for the period</b>	<b>-1 578</b>	<b>-2 089</b>	<b>-2 221</b>	<b>-30 612</b>	<b>-32 452</b>
Tax on profit/loss for the period	0	0	0	0	0
<b>Profit/loss for the period</b>	<b>-1 578</b>	<b>-2 089</b>	<b>-2 221</b>	<b>-30 612</b>	<b>-32 452</b>

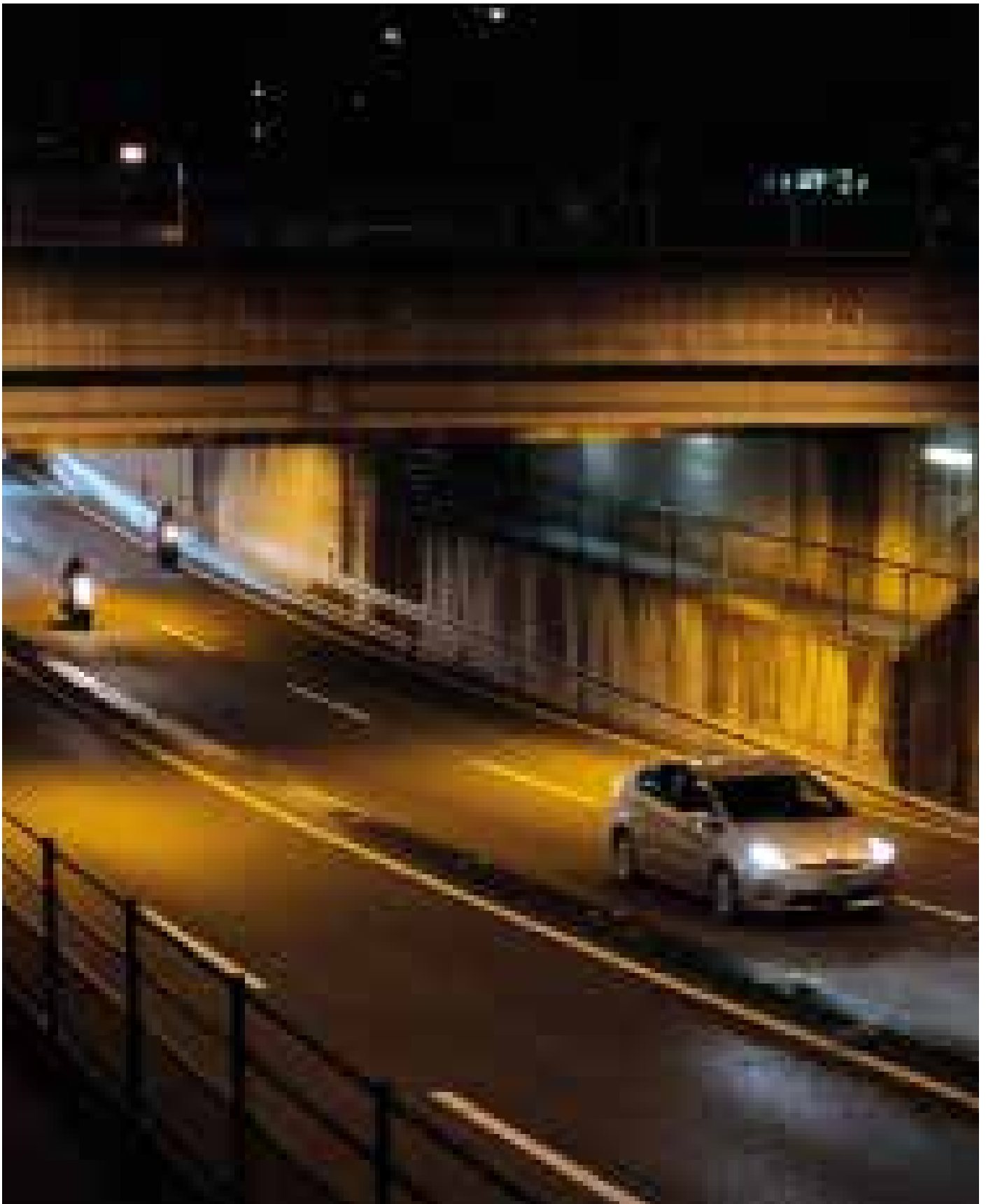
## Summary parent company statement of comprehensive income

<b>(Amount in SEK thousand)</b>	<b>2021 3 months april- june</b>	<b>2020 3 months april- june</b>	<b>2021 6 months january- june</b>	<b>2020 6 months january- june</b>	<b>2020 12 months january- december</b>
Profit/loss for the period	-1 578	-2 089	-2 221	-30 612	-32 452
Other comprehensive income	0	0	0	0	0
<b>Comprehensive income for the period</b>	<b>-1 578</b>	<b>-2 089</b>	<b>-2 221</b>	<b>-30 612</b>	<b>-32 452</b>

## Summary parent company income statement

(Amount in SEK thousand)	2021-06-30	2020-06-30	2020-12-31
<b>ASSETS</b>			
<b>Financial assets</b>			
Shares in group companies	81 733	40 703	56 733
Other long-term securities	33 545		
<b>Total fixed assets</b>	<b>115 278</b>	<b>40 703</b>	<b>56 733</b>
<b>Current assets</b>			
Due from group companies	0	0	30
Other receivables	0	0	0
Prepaid expenses and accrued revenue	219	5 320	204
Cash on hand	45 452	3 443	42 766
<b>Total current assets</b>	<b>45 671</b>	<b>8 763</b>	<b>43 000</b>
<b>Total assets</b>	<b>160 949</b>	<b>49 466</b>	<b>99 733</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Non-Restricted Equity			
Share capital	2 649	50 503	2 170
<b>Non-restricted equity</b>			
Share premium reserve	355 654	293 287	319 729
Profit/loss carried forward	-229 604	-286 540	-197 151
Profit/loss for the period	-2 221	-30 612	-32 452
<b>Total equity</b>	<b>126 478</b>	<b>26 638</b>	<b>92 296</b>
<b>Long term liabilities</b>			
Loans payable	16 502	0	0
<b>Total long-term liabilities</b>	<b>16 502</b>	<b>0</b>	<b>0</b>
<b>Current liabilities</b>			
Loans payable	16 502	12 923	0
Convertible loans	0	5 860	6 156
Accounts payable	150	3 120	11
Liabilities to group companies	1 287	94	94
Accrued expenses and prepaid revenue	30	831	1 176
<b>Total current liabilities</b>	<b>17 969</b>	<b>22 828</b>	<b>7 437</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>160 949</b>	<b>49 466</b>	<b>99 733</b>





The Board of Directors and the CEO certify that the interim report provides a fair overview 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 20th of August 2021**

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Göran Janson  
Board Chair

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Pär-Olof Johannesson  
CEO

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Michel Roig  
Board Member

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Karolina Bjurehed  
Board Member

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Arne Hansson  
Board Member

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Lars Novak  
Board Member

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

**For more information, please contact:**

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**The company's Certified Adviser is:**

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**Calendar::**

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Interim report January–September 19 November 2021

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Year-end report 2021 24 February 2022

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This information constitutes the information that Terranet AB (publ) is required to publish under the EU Market Abuse Regulation (MAR). The information was submitted for publication through the agency of the above-named contact person on 20 August at 8.00 am CET.



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