

FLAT

Rights issue of SEK 80 million for continued investments

Teaser



An EU Growth prospectus (the "**Prospectus**") has been prepared in Swedish in connection with the offering (the "**Offering**"). The Prospectus can be obtained at www.flatcapital.com and has been approved by the Swedish Financial Supervisory Authority (Finansinspektionen). The approval by the Swedish Financial Supervisory Authority must not be construed as an approval of the offered shares. The Prospectus contains a description of risks associated with an investment in the company and potential investors are advised to read the Prospectus in its entirety before making an investment decision.

Please note that any decision to invest in Flat shall be based on the Prospectus in its entirety. The Board of Directors of Flat has prepared the Prospectus in connection with the Offering and the forthcoming rights issue. Augment Partners AB is the financial advisor in connection with the Offering. The Prospectus is also available at www.augment.se/offerings/.

The Prospectus contains i.a. a presentation of Flat, the Offering and the risks associated with an investment in Flat and participation in the Offering. This investor teaser is not intended to replace the Prospectus as a basis for decisions to subscribe for shares in Flat and does not constitute a recommendation to subscribe for shares in Flat. Investors who want to, or are considering investing in Flat are encouraged to read the Prospectus.

Flat's journey (so far!)

High pace since the IPO in October 2021

2021

- **Flat is listed** on Nasdaq First North Growth Market in October 2021. Over 27,000 investors register for subscription and the IPO is heavily oversubscribed to 1,400%.
- **Flat invests SEK 18 million in LoveLocal**, a prominent tech company that aims to digitalise the local retail industry in India.
- **Flat invests SEK 10 million in Kry**, one of Europe's leading digital healthcare providers with the vision to contribute to more equal and accessible healthcare for all.
- **Flat invests SEK 4.6 million in Figma**, an outstanding design tool that allows users to work interactively and simultaneously.
- **Flat increases its ownership in Klarna by SEK 15 million.**

2022

- **Flat invests SEK 20 million in Discord**, a voice, video and text communication service used by more than a hundred million people.
- **Flat invests SEK 19 million in Getir**, one of the world's leading logistics and technology companies offering hyper-fast deliveries.
- **Portfolio company Budbee merges with Instabox** and forms the new company Instabee.

2023

- **Flat invests SEK 5.4 million in DeepL**, an AI company that offers multilingual automatic translation through its platform using AI neural machine learning.
- **Flat divests all its shares in Global-e**, implying a total profit of SEK 15.9 million and a return of +10x since Flat's IPO in October 2021.
- **Flat invests SEK 32 million in OpenAI**, the research company that has pioneered AI development with platforms such as ChatGPT and Dall-E, which has led to a large number of collaborations with leading global companies where OpenAI has integrated its AI technology.
- **Flat invests an additional SEK 21 million in Getir** through a convertible loan alongside other prominent investors.

2024

- **Flat invests SEK 10 million in Harvey**, a prominent generative AI platform for the legal services sector.
- **Flat invests SEK 10 million in Oden Technologies**, a US based data and AI company focused on the manufacturing industry.
- **Flat invests SEK 11 million in xAI**, an AI company that aims to develop and lead revolutionary AI technologies.
- **Flat invests SEK 11 million in Physical Intelligence**, a research company founded by prominent scientists, roboticists and entrepreneurs with the ambition to integrate AI into the physical world.
- **Flat invests SEK 18 million in SpaceX**, founded by Elon Musk to revolutionise space transportation with the goal of enabling life on other planets.
- **Flat invests SEK 10 million in Hemla**, a security company with the ambition to build the next generation security service.
- **Flat invests SEK 11 million in a US based AI hardware company.** More info coming.

Background and motive

Since the IPO three years ago, Flat has kept a fast pace and followed its strategy of investing in attractive but inaccessible global companies. These companies are an asset often reserved for an exclusive group of investors, but the strategy has given Flat's shareholders the opportunity to indirectly invest in companies such as OpenAI, SpaceX, DeepL, Perplexity, xAI, Physical Intelligence and Figma.

Like previous years, 2024 has been an eventful time for the portfolio companies - in March, Flat invested SEK 3 million and SEK 10 million in the AI companies Perplexity and Harvey, respectively, followed by a SEK 10 million investment in data and AI company Oden Technologies in April. Flat has also invested SEK 11 million in Elon Musk founded xAI and SEK 11 million in AI and robotics company Physical Intelligence, and in August, Flat invested SEK 22 million in the high-profile space company SpaceX, of which a first sub-investment of SEK 18 million has been completed. Finally, Flat invested SEK 10 million in the security start-up Hemla, and SEK 11 million in a US based AI hardware company. However, the past year has also brought major challenges, and Flat, for example, has been forced to write down the value of its investment in Getir to SEK 1.

Flat has access to a unique global network of world-leading investors and entrepreneurs. This means that Flat has a strong flow of investment opportunities in unlisted companies that are both backed by some of the most prominent investors in the world and run by dedicated entrepreneurs. Flat continuously evaluates new investments from this network and has, at the moment, a strong pipeline of new opportunities in areas such as AI. The company already has a net cash position, but given that the investment opportunities that Flat evaluates on an ongoing basis are often associated with a tight time frame and requirements for large allocations, the company believes that it is in its favour to further strengthen its cash position in order to be ready to act quickly on attractive opportunities when they arise.

The purpose of the rights issue is to further strengthen Flat's cash position in order to continue to pursue the many investment opportunities that its portfolio and network offers, mainly in terms of existing investments within AI and the strong pipeline of potential investments that exist there.

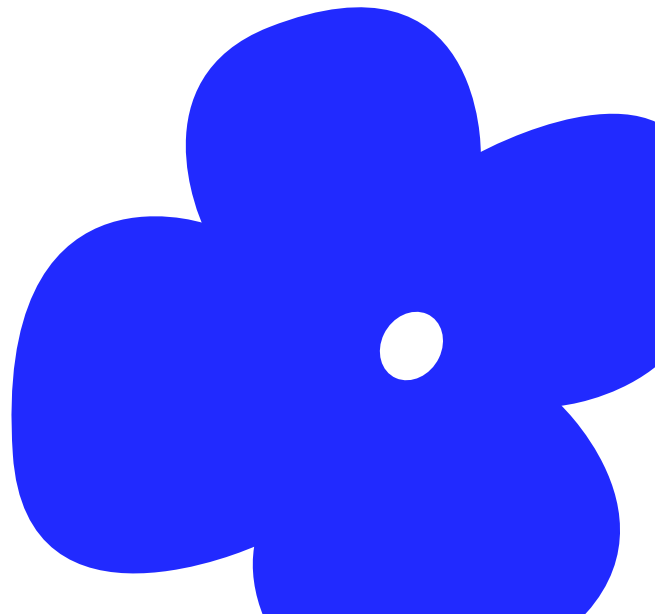
Provided that the Offering is fully subscribed, the company will receive approximately SEK 80.0 million before costs related to the Offering, which are estimated to amount to approximately SEK 1.1 million. The net proceeds of approximately SEK 78.9 million are indicatively intended to be used for the following purposes, by order of priority and to estimated extent:

- Investments in new companies, approximately 75 per cent.
- Investments in existing portfolio holdings, approximately 25 per cent.

Flat has received subscription commitments free of charge from the existing shareholders Frankenius Noterat AB and Cicero Fonder of SEK 30.0 million and approximately SEK 6.3 million respectively. Furthermore, the shareholders Dusco AB, which is wholly owned by the Douglas family, AltoCumulus Investment AB, the asset management company within the Axel Johnson Group, and Karolina Tham von Heidenstam have undertaken to subscribe for shares corresponding to their respective pro rata shares in the rights issue totalling approximately SEK 18.7 million, corresponding to approximately 23.4 per cent of the Offering.

In total, the rights issue is thus covered by subscription commitments of approximately SEK 55.0 million, corresponding to approximately 68.8 per cent. The subscription commitments are obtained free of charge and do not entitle to any compensation. These commitments are not secured by bank guarantees, escrow funds, pledge or similar arrangements.

In addition to the rights issue, and provided that rights issue is oversubscribed, Flat will carry out an additional issue of up to SEK 60.0 million, at the same subscription price as in the rights issue. The purpose is to meet a stronger demand than originally estimated. The allocation principle in an additional issue is to allocate shares to Frankenius Noterat AB and Cicero Fonder who have made subscription commitments exceeding their respective pro rata shares in the rights issue.



Business overview

About Flat

Flat is an investment company that stands out in three ways:

- Unique access to proven investment opportunities in prominent companies through Flat's network of world-leading investors and entrepreneurs.
- Focus on genuinely long-term investments.
- Trust in the entrepreneur and the network with whom Flat co-invests, allowing for passive investments and a low-cost base.

Flat was founded in 2013 by the entrepreneurs Nina and Sebastian Siemiatkowski, Nina with a background as CEO and founder of Milkywire, and Sebastian as co-founder and CEO of Klarna.

The aim is to simplify and improve the path to successful company building and to give more people the opportunity for maximum return on their investment.

Global network of investors and entrepreneurs

Through its founders and the Board, Flat has access to a global network of venture capital investors and entrepreneurs. This means a continuous flow of investment opportunities in unlisted and otherwise difficult-to-access companies with prominent entrepreneurs in leading positions.

Genuinely long-term investments

Flat provides long-term capital to entrepreneur-led companies that may otherwise rely on investors with a shorter time horizon. Long-term commitment is based on supporting dedicated entrepreneurs in both good and bad times, and is

possible by not having a fund structure with a determined life cycle and not using conventional, short-term methods of selling holdings.

Trust in the entrepreneur and Flat's network

In essence, Flat is a passive minority shareholder, a strategy and positioning based on the belief that the dedicated entrepreneur is best positioned to build their own company. In addition, there is strong confidence in Flat's network and its ability and experience to find these companies and entrepreneurs. Despite its essentially passive ownership, Flat's experience and network are available to the extent the entrepreneur wishes. The structure allows for low costs and an efficient organisation.

Broad investment mandate

Flat has a broad investment mandate, with each decision made based on an assessment of what maximises long-term shareholder value. Flat has the opportunity to invest in a variety of ways, ranging from being involved in the creation of new companies to investing in already listed companies. New investment opportunities are analysed on an ongoing basis and existing portfolio companies can be supported in new financing rounds. Sustainability factors such as the environment, social responsibility and ethics are important criteria for the company when making investment decisions. Flat aims to have a well-balanced portfolio over time, with a main exposure towards unlisted growth companies.

The portfolio currently consists of 29 companies, of which the largest holdings are OpenAI, Instabee, Klarna, Truecaller and Harvey.

Investment strategy



Prominent entrepreneurs

Flat invests in prominent entrepreneurs who have a leading position in their companies.



Attractive markets

Flat invests in markets, where company growth is driven by underlying structural trends.



Unlisted growth stage companies

Flat will primarily invest in unlisted companies that are in a growth phase.



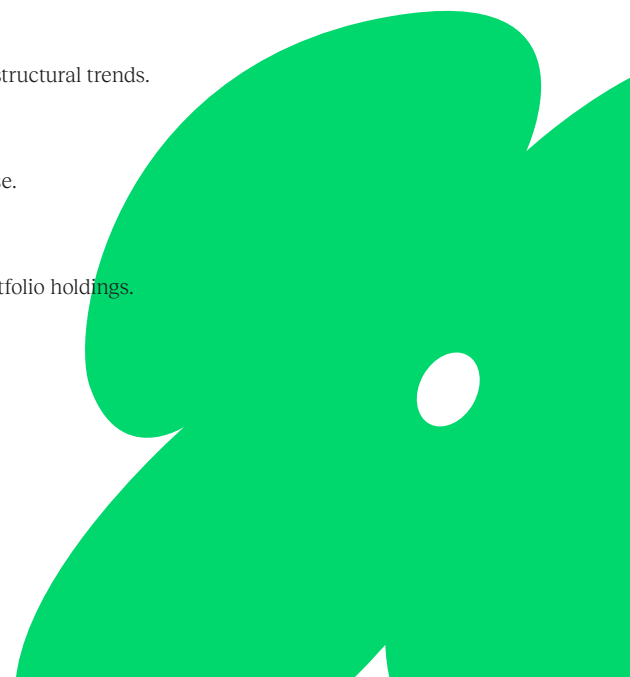
Passive minority-owner

Flat is mainly a passive investor and is seeking minority stakes in its portfolio holdings.















Global investments

Flat invests globally.



Portfolio overview

Company ¹	Short description of the company	Initial investment (yr)	Webpage
 OpenAI	Research company within AI	2023	OpenAI.com
Instabee	Technology company with logistics solution	2013	Instabee.com
Klarna	Global bank with payment and shopping solutions	2021	Klarna.com
truecaller	Platform for telephony services	2013	Truecaller.com
Harvey.	AI-platform for advanced professional services	2024	Harvey.ai
CDLP	Fashion house based on new, sustainable materials	2018	CDLP.com
 DeepL	Translations through AI neural machine learning	2023	DeepL.com
 Discord	VoIP and instant messaging social platform	2022	Discord.com
 Figma	Interactive design platform	2021	Figma.com
 HEMLA	Ambition to build the next generation security service	2024	Hemla.com
 LoveLocal	Digital grocery shopping in India	2021	LoveLocal.in
 ODEN TECHNOLOGIES	Data and AI platform for the manufacturing industry	2024	Oden.io
 perplexity	AI-conversational search engine	2023	Perplexity.ai
 π	AI and robotics company	2024	Physicalintelligence.com
 remote	Platform for HR services	2022	Remote.com
 SPACEX	Company within space technology	2024	SpaceX.com
 xI	Company within AI development	2024	x.ai
TBA	Unannounced investment: AI hardware company, USA	2024	
Other holdings:	Getir (2022), Kry (2021), Lyst (2021), Nylas (2021), Omio (2015), Pangaia (2021), Prion (2016), Quartr (2022), Steven (2017), TrueAccord (2019), Uniplaces (2015)		

Categorisation of financial assets as per 30 September 2024	Invested capital (KSEK)	Share of invested capital (%)	Reported value (KSEK) ²	Share of reported value (%)
Five largest holdings ³	143,870	42.6	187,097	61.0
Other significant holdings ⁴	124,894	37.0	113,921	37.1
Other holdings ⁵	68,605	20.3	5,931	1.9
Total all holdings	337,370	100.0	306,950	100.0

¹ Order: Five largest holdings (OpenAI, Instabee, Klarna, Truecaller, Harvey) in order of size, then alphabetical order.

² Flat's holdings include mainly unlisted holdings that cannot be valued at market value in the form of listed prices on an active market. These holdings are valued according to the company's valuation principles, which are described further in the Prospectus.

³ OpenAI, Instabee, Klarna, Truecaller, Harvey (order of size).

⁴ CDLP, DeepL, Discord, Figma, Hemla, LoveLocal, Oden, Perplexity, Physical Intelligence, Remote, SpaceX, xAI and unannounced investment (alphabetical order).

⁵ Getir, Kry, Lyst, Nylas, Omio, Pangaia, Prion, Quartr, Steven, TrueAccord, Uniplaces (alphabetical order).

Terms & timetable

Terms	For each existing B share held on the record date, one (1) subscription right is obtained. Seven (7) subscription rights entitle to subscribe for one (1) new B share.
Issue volume	The Offering comprises 6,401,101 B shares, corresponding to an issue volume of approximately SEK 80.0 million upon full subscription, with the possibility to increase the issue volume by an additional SEK 60.0 million at most, in the event of oversubscription.
Use of proceeds	<ul style="list-style-type: none"> • Investments in new companies, approximately 75 per cent. • Investments in existing portfolio holdings, approximately 25 per cent.
Subscription price	SEK 12.50 per share.
Subscription commitments	The rights issue is covered by subscription commitments free of charge totalling approximately SEK 55.0 million, corresponding to approximately 68.8 per cent, from existing shareholders Frankenius Noterat AB, Dusco AB, which is wholly owned by the Douglas family, AltoCumulus Investment AB, the asset management company within the Axel Johnson Group, Cicero Fonder, and Karolina Tham von Heidenstam.
Record date	5 November 2024.
Subscription period	7 November 2024 - 21 November 2024.
Trading in subscription rights	7 November 2024 - 18 November 2024.
Trading in intermediary shares (BTA)	Trading in BTA B will take place on the Nasdaq First North Growth Market from 7 November 2024 until the issue is registered at the Swedish Companies Registration Office. The registration is expected occur around week 49, 2024.
Expected publication of preliminary outcome	22 November 2024.
Expected date for decision on allocation	26 November 2024.
Marketplace	Nasdaq First North Growth Market.

7
November

First day of
subscription

18
November

Last day of trading in
subscription rights

21
November

Last day of
subscription

26
November

Announcement of
final outcome

Instructions for participation

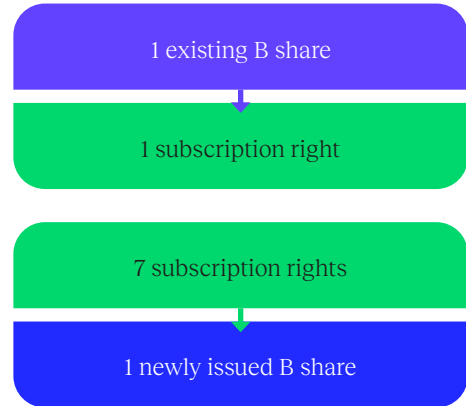
Subscription rights

1. You are allocated subscription rights

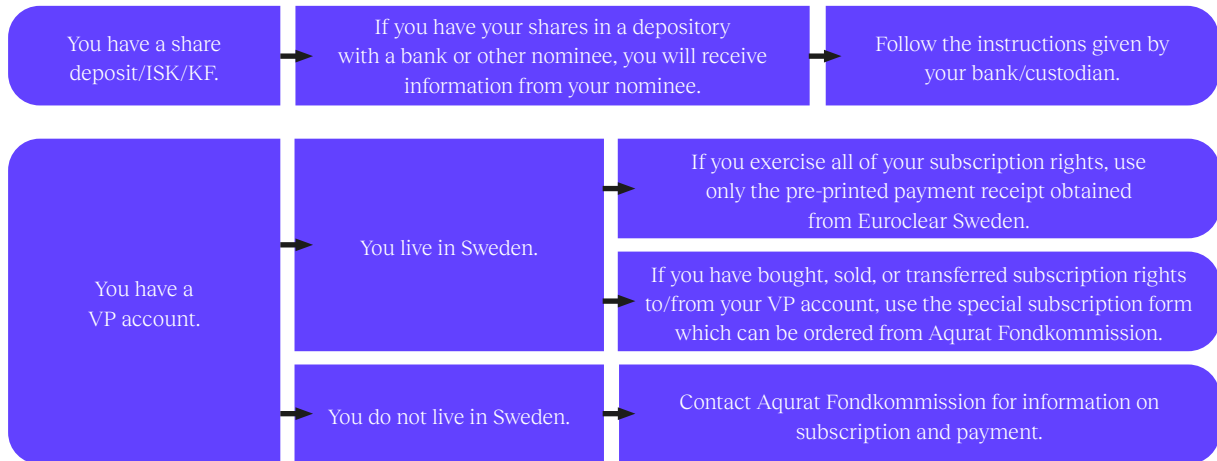
For each B share you held in Flat on the record date, 5 November 2024 (bought on 1 November 2024 at the latest), you receive one (1) subscription right.

2. How to exercise subscription rights

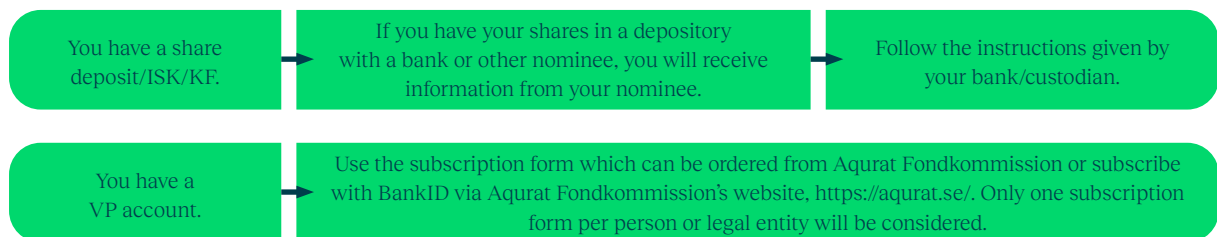
Seven (7) subscription rights entitle to subscribe for one (1) new B share in Flat at a subscription price of SEK 12.50 per share. Subscription takes place during the period between 7 November 2024 and 21 November 2024.



Subscription with subscription rights



Subscription without subscription rights



Unexercised subscription rights



Please note that banks and other nominees may have different deadlines for the last day of subscription. Contact your bank/custodian for information about your subscription.

Aqurat Fondkommission can be reached by email: info@aqurat.se, and telephone: +46 (0)8 684 05 800