



Rights issue of SEK 138 million for continued investments

Teaser



An EU Growth prospectus (the "**Prospectus**") has been prepared in connection with the offer (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 Capital AB (publ) shall be based on the Prospectus in its entirety. The Board of Directors of Flat Capital has prepared the Prospectus in connection with the Offering and the forthcoming rights issue. Augment Partners AB is the financial advisor and Certified Adviser in connection with the Offering. The Prospectus is also available at www.augment.se/offerings/.

The Prospectus contains i.a. a presentation of Flat Capital, the Offering and the risks associated with an investment in Flat Capital 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 Capital and does not constitute a recommendation to subscribe for shares in Flat Capital. Investors who want to, or are considering investing in Flat Capital are encouraged to read the Prospectus.

Flat's journey

Highlights since the IPO in October 2021

2021

- **Flat Capital is listed** on Nasdaq First North Growth Market in October 2021. Over 27,000 investors register for subscription and the IPO is heavily oversubscribed.
- **Flat invests SEK 17 million in LoveLocal**, a prominent tech company that aims to digitize the local retail industry in India.
- **Flat invests SEK 10 million in Kry**, Europe's largest digital healthcare provider, with the vision to contribute to more equal and accessible healthcare for all.
- **Portfolio company Flow Commerce announces a takeover bid** from publicly listed Global-e. The acquisition was paid with 50 percent shares in Global-e and 50 percent in cash.
- **Flat invests SEK 4,5 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 19 million in Discord**, a voice, video and text communication service used by more than a hundred million people.
- **Flat raises SEK 77 million through a rights issue**, enabling the company to execute on identified investment opportunities.
- **Flat invests SEK 19 million in Getir**, one of the world's leading logistics & technology companies offering hyper-fast deliveries.
- **Portfolio company Figma announces a takeover bid** from the listed competitor Adobe, indicatively returning 2x on invested capital. However, this has not been taken into account in the reported net asset value.
- **Portfolio company Budbee merges with Instabox** and forms the new company Instabee.
- **Portfolio company Getir acquires rival Gorillas** and expands to e.g. the USA.

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**, resulting in an attractive return of +10x since the IPO of Flat 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.

Background and motive

Since the IPO almost two 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 invest in companies such as OpenAI, Figma, Discord, DeepL, Getir, and Quartr.

In addition to new investments, it has also been an eventful time for the portfolio companies – Flow Commerce has been acquired by publicly listed Global-e, which has subsequently been divested, resulting in an attractive return of +10x since the IPO of Flat. Figma has received a public takeover bid from the listed competitor Adobe, indicatively returning 2x on invested capital. Budbee has merged with Instabox and formed the combined company Instabee. Getir has acquired their rival Gorillas, becoming one of Europe's leading players in on-demand delivery. The past year has also brought major challenges, but the portfolio companies and their founders have impressed with their ability to quickly transition their business models from growth to profitability. In addition to several new investments, Flat has increased its investments in existing portfolio companies such as Klarna.

Flat has access to a unique global network of world-leading investors and entrepreneurs. This means a continuous and strong flow of investment opportunities in leading unlisted companies with the world's top entrepreneurs. Flat continuously evaluates new investments from this network and has an exciting pipeline of new opportunities in areas such as artificial intelligence.

The motive for the rights issue is to be able to take advantage of the opportunities that exist in the company's pipeline. This applies to investments in both new companies and existing holdings. Flat is pleased to offer its shareholders an opportunity to maintain their ownership in the company and at the same time welcome new long-term and strategically important investors who have submitted subscription commitments.

Provided that the Offering is fully subscribed, the company will receive approximately SEK 138.2 million before costs related to

the Offering, which are estimated to amount to approximately SEK 3.3 million. The net proceeds of approximately SEK 134.9 million are intended to be used as outlined below in order of priority and to estimated extent:

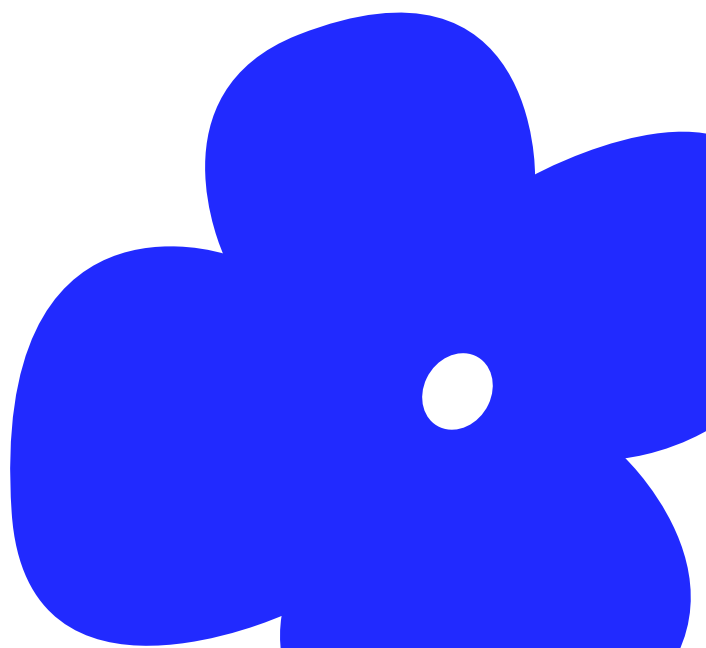
- Investments in new companies, approximately 75 percent.
- Investments in existing portfolio holdings, approximately 25 percent.

Flat has received subscription commitments free of charge from anchor investors amounting to a total of SEK 80.0 million, of which Dusco AB, which is wholly owned by the-Douglas family, has provided subscription commitments corresponding to SEK 50.0 million. Furthermore, AltoCumulus, the asset management and family office part of the Axel Johnson Group, has provided subscription commitments corresponding to SEK 30.0 million.

In addition, existing shareholders and other investors have provided subscription commitments to subscribe for shares with and without preferential rights corresponding to a total of SEK 22.2 million. Additionally, the existing shareholder Cicero Fonder has declared its intention to subscribe for shares corresponding to its pro rata share of approximately SEK 4.5 million.

In total, the Rights issue is thus covered by subscription commitments and intentions to subscribe for shares amounting to SEK 106.7 million, corresponding to 77.2 per cent. The subscription commitments and intentions to subscribe do not entitle to any compensation. These commitments and intentions are not secured by bank guarantees, escrow funds, pledge or similar arrangements.

In addition to the rights issue, and provided that the rights issue is oversubscribed, the Board of Directors is authorised to carry out an additional issue of maximum SEK 72.0 million, on the same terms and conditions as in the rights issue of SEK 9.0 per share. The allocation principle in a subsequent issue is to allocate shares to the anchor investors and other investors who have submitted subscription commitments.



Business overview

About Flat Capital

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

- Unique access to proven investment opportunities in prominent companies through our network of world-leading investors and entrepreneurs.
- Focus on genuinely long-term investments.
- Trust in the entrepreneur and our network with whom we co-invest, 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 portfolio currently consists of 21 companies, of which the largest holdings are Instabee, Getir, OpenAI, Truecaller and 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 world-leading investors and entrepreneurs

Through its founders and the Board, Flat has access to a global network of world-leading venture capital investors and entrepreneurs. This means a continuous and strong flow of investment opportunities in unlisted and otherwise difficult-to-access companies with prominent entrepreneurs in leading positions. The network also provides unique access to cross-border knowledge exchange for business enhancing collaboration.

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 our 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 the smoothest way possible. In addition, there is strong confidence in Flat's network and their ability and experience to find these future global leaders 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 organization.

Broad investment mandate

Flat has a broad investment mandate, with each decision made based on an assessment of what maximizes 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 analyzed 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.

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 name ¹	Short description of the company	Initial investment (year)	Total invested capital (KSEK) ²	Website
Instabee	Technology company with logistics solution	2013	7,477	Instabee.com
 OpenAI	Pioneering AI research company	2023	31,623	OpenAI.com
 getir	Tech and hyper-fast delivery company	2022	40,385	Getir.uk
truecaller	Platform for telephony services	2013	601	Truecaller.com
Klarna.	Global bank, payment and shopping solutions	2021	93,874	Klarna.com
CDLP	Fashion house based on innovative materials	2018	2,684	CDLP.com
 DeepL	Translations through AI neural machine learning	2023	5,412	DeepL.com
 Discord	VoIP and instant messaging social platform	2022	19,888	Discord.com
 Figma	Interactive design platform	2021	4,571	Figma.com
kry	Physical and digital healthcare provider	2021	10,069	Kry.se
 LoveLocal	Digital grocery shopping in India	2021	18,031	LoveLocal.in
LYST	Global fashion search platform	2021	7,540	LYST.com
 Nylas	Software for productivity infrastructure	2021	2,100	Nylas.com
omio	Travel planning platform	2015	818	Omio.se
PANGAIA	Material science fashion company	2021	3,462	Pangaia.com
Prion	Platform for preschool activities	2016	1,003	PrionApp.com
 Quartr	Digital platform for IR-solutions	2022	1,066	Quartr.com
 remote	Global payroll, HR and compliance solution	2022	4,883	Remote.com
steven 	Shared economy platform	2017	772	GetSteven.com
 TrueAccord	Debt management platform for consumers	2019	655	TrueAccord.com
 Uniplaces	Platform for booking accommodation	2015	660	Uniplaces.com

¹ Sorting: Largest 5 holdings (Instabee, Getir, OpenAI, Truecaller and Klarna), thereafter alphabetical order.

² Total invested capital calculated as of August 8, 2023.

Terms & timetable

Terms

For each existing B share owned on the record date, shareholders will receive one (1) subscription right. Nine (9) subscription rights entitle to subscribe for five (5) new B shares.

Size of the Offering

The Offering amounts to 15,360,270 B shares, corresponding to an issue amount of approximately SEK 138.2 million upon full subscription

Use of proceeds

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

Subscription price

SEK 9 per share

Subscription commitments and intentions to subscribe for shares

The rights issue is covered by subscription commitments and intentions to subscribe for shares amounting to SEK 106.7 million, corresponding to 77.2 per cent. Flat has received subscription commitments free of charge from Dusco AB, which is wholly owned by the Douglas family, and AltoCumulus, the asset management and family office part of the Axel Johnson Group, amounting to SEK 80.0 million.

Record date

August 10, 2023

Subscription period

August 14, 2023 – August 29, 2023

Trading in subscription rights

August 14, 2023 – August 24, 2023

Trading in temporary shares

Trading in temporary shares will take place on the Nasdaq First North Growth Market from August 14, 2023, until the issue is registered with the Swedish Companies Registration Office. The registration is expected to take place around week 37, 2023.

Expected publication of preliminary outcome

August 30, 2023

Expected date for decision on allocation

September 1, 2023

Marketplace

Nasdaq First North Growth Market

14

August

First day of
subscription

24

August

Trading in subscription
rights commences

29

August

Last day of
subscription

1

September

Announcement of
final outcome

Instructions for participation

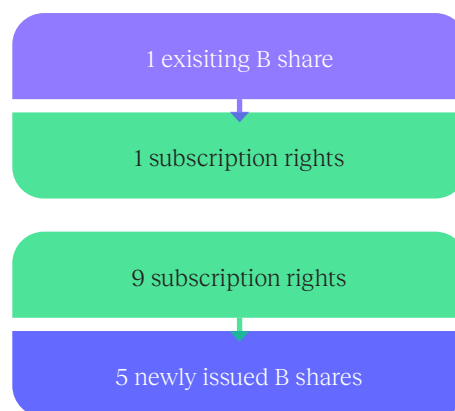
Subscription rights

1. You are allocated subscription rights

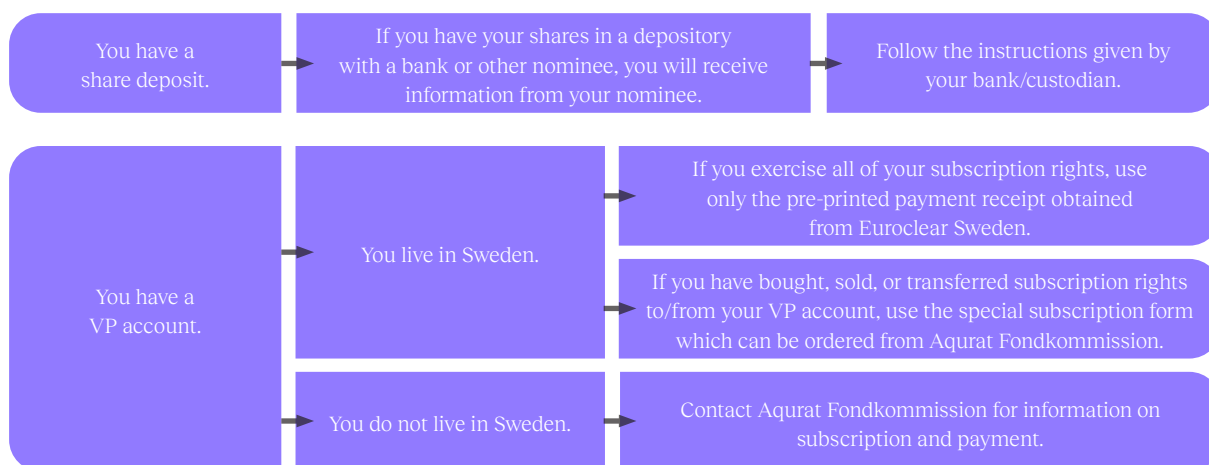
For each B share you hold in Flat on the record date, August 10, 2023 (bought on August 8, 2023, at the latest), you receive one (1) subscription right.

2. How to exercise subscription rights

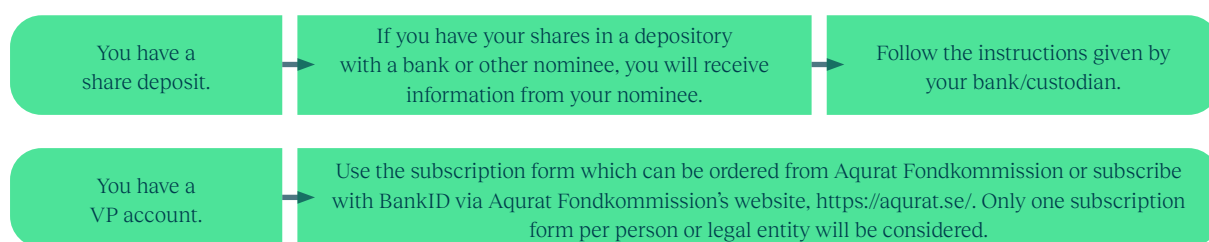
Nine (9) subscription rights entitle to subscribe for five (5) new B shares in Flat at a subscription price of SEK 9 per share. Subscription takes place during the period from August 14, 2023, to August 29, 2023.



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.

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