

Invitation to Subscribe for Shares in Artificial Solutions International AB (publ)

Subscription Period:
19 January - 2 February 2024



As a shareholder in Artificial Solutions International AB (publ), you will receive subscription rights in the rights issue. Please note that the subscription rights are expected to have an economic value.

- exercise the received subscription rights and subscribe for shares no later than 2 February, 2024; or
- no later than 30 January, 2024, sell the received subscription rights that are not intended to be exercised for subscription of shares.

Please note that it is also possible to apply for subscription of shares without subscription rights and that shareholders with nominee-registered holdings with custody at a bank or other nominee should contact their bank or nominee for instructions on how to subscribe and pay.



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The Rights Issue Offering in Summary

Rights Issue Offering

Rights issue of new shares, providing approximately SEK 25.6 million in gross proceeds before deduction of transaction costs if fully subscribed.

Conditions

For each existing share in the Company, one (1) subscription right is received. Six (6) subscription rights entitle the holder to subscribe for ten (10) new shares. In addition, investors are offered the opportunity to sign up for subscription of shares without the support of subscription rights.

Subscription Price

SEK 0.15 per share. No brokerage fee is paid.

Subscription Commitments and Declaration of Intent

In total, approximately SEK 15.4 million, corresponding to approximately 60.2 per cent of the Rights Issue, is covered by subscription commitments and non-binding declarations of intent.

Subscription period

19 January - 2 February 2024.

Trading with subscription rights (TR)

19 January - 30 January 2024.

Trading with BTA (paid subscribed shares)

19 January 2024 until the registration of the shares with the Swedish Companies Registration Office.

Number of shares outstanding before and after a fully subscribed right issue

As of the date of the Memorandum, there are 102,429,090 shares outstanding in the Company. Provided the rights issue is fully subscribed, the number of shares outstanding will increase by 170,715,150 shares, resulting in outstanding shares amounting to 273,144,240.

Other Information

Stock Ticker: ASAI
ISIN Code Share: SE0018397184
ISIN Code Subscription Right:
SE0021310547
ISIN Code BTA: SE0021310554
LEI Code: 98450060010AABBAA974

Important Information

"Artificial Solutions", the "Company" or the "Group" means Artificial Solutions International AB, corporate identity number 556840-2076, the group within which Artificial Solutions is the parent company or a subsidiary of the Group, depending on the context.

"Memorandum" means this document. The Memorandum is not a prospectus. This Memorandum has been prepared by the Board of Directors of Artificial Solutions in connection with the Rights Issue, which is exempt from a prospectus obligation under Chapter 2, Section 1 of the Act (2019:414) with supplementary provisions to the EU Prospectus Regulation which provides for an exemption from the obligation to publish a prospectus in respect of securities offered to the public that amount to less than EUR 2.5 million in total during a period of twelve months. This Memorandum is therefore not a prospectus within the meaning of Regulation European Parliament and Council Regulation (EU) 2017/1139 (the Prospectus Regulation). The Memorandum has not been reviewed, approved or registered by the Swedish Financial Supervisory Authority.

The "Rights Issue" or the "Offering" means the offer to subscribe for new shares in the Company under the terms in the Memorandum.

"Aktieinvest" means Aktieinvest FK AB, corporate identity number 556072-2596. "Euroclear" means Euroclear Sweden AB, corporate identity number 556112-8074. Reference to "SEK" refers to Swedish kronor, reference to "USD" refers to US dollars and reference to "EUR" refers to euros. "k" refers to thousands, "M" refers to millions and "bn" refers to billions.

Distribution of this Memorandum and participation in the Offering are subject to legal restrictions and other regulations in certain jurisdictions. The Company has not taken, and will not take any measures to allow an offer to any jurisdictions other than Sweden. The Rights Issue is not directed, either directly or indirectly, to persons whose participation requires additional documents, registration, or other actions than those required by Swedish law. The Memorandum, the application form, or other documents relating to the Rights Issue must not be distributed in or to any country where distribution or the Offering would require such actions to be taken or otherwise be in conflict with applicable laws or regulations in such country. Neither the subscription rights, paid subscribed shares ("BTA"), nor the newly issued shares, have been registered or will be registered under the United States Securities Act of 1933, as amended, or any corresponding law in any state in the USA. The Offering does not include persons residing in the USA, Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Singapore, South Africa, or any other country where the Offering or distribution of the Memorandum would be contrary to applicable laws or regulations or require prospectuses, registrations, or other actions than those required by Swedish law. An application for subscription of shares in violation of the above may be considered invalid. Consequently, subscription rights, BTAs, or shares may not be directly or indirectly offered, resold, or delivered in or to countries where action as above is required or to shareholders residing as above.

An investment in securities is associated with risks. When investors make an investment decision, they must rely on their own assessment of the Company according to this Memorandum, including existing facts and risks. Before making an investment decision, potential investors should consult their own professional advisors and carefully evaluate and consider the investment decision.

The Memorandum contains information from third parties as well as statistics and calculations derived from industry reports and studies, publicly available information, and commercial publications, in some cases historical information. The Company believes that such information is useful for investors' understanding of the industry in which the Company operates and the Company's position within the industry. However, the Company does not have access to the facts and assumptions underlying various data, market information, and other information obtained from publicly available sources. The Company has not conducted any independent verifications of the market information provided by third parties, the industry, or general publications. Although the Company believes that its internal analyses are reliable, they have not been verified by any independent source, and the Company cannot guarantee their accuracy.

Forward-looking Statements

This Memorandum contains forward-looking statements that reflect the Company's intentions, assessments, or current expectations about and targets for the Company's future results of operations, financial condition, development, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by the fact that they contain words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this Memorandum are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this Memorandum by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this Memorandum are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this Memorandum or any obligation to update or revise the statements in this Memorandum to reflect subsequent events. Readers of this Memorandum should not place undue reliance on the forward-looking statements in this Memorandum. The information, opinions and forward-looking statements contained in this Memorandum speak only as at its date and are subject to change without notice. Neither the Company nor anyone else does undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this Memorandum.



CEO Statement

Dear Shareholders,

For the last 20 years Artificial Solutions has been working with Natural Language in the Computerworld. During this time AI has been regarded as a side activity for most corporations. For the last two years though, this has changed. The development of our patented technology has given us pole position in the latest computer revolution – the shift from Programming to Prompting.

Today Natural Language is the given way to interact with computers. And to build business applications in this new AI world you need a robust framework. That framework is Teneo.ai® that powers the largest voice based AI implementations in the world and some of the first Enterprise uses of LLM technologies such as ChatGPT.

The results of this is that our Company has strong growth in recurring revenues (+50% year over year in the third quarter 2023) and an industry leading Net Revenue Retention Rate (NRR) of 151%. Customers love the technology and our market is forecasted to grow with 38% p.a. until 2031 according to Gartner Group.

Last year when we raised capital in a rights issue, we did not quite raise the amount that we targeted. We aimed to raise approximately 145 MSEK and finally raised close to 100 MSEK.

We have therefore this year focused on increasing our existing customers usage as this gives the greatest gross margin contribution and during 2023, we have managed to exceed our budget in terms of revenues and lower costs.

This rights issue targeting to raise approximately 25.6 MSEK in new capital is aimed at during 2024 continue to grow our existing customers, but also take advantage of our references and partnerships to increase our market presence and win new customers.

Our largest shareholders have shown great commitments with more than 60 percent of the rights issue secured through subscription commitments and declaration of interests.

The proceeds from the rights issue is primarily intended to invest in our marketing and sales activities and coupled with continuing to develop the Company's Teneo.ai® platform.

“This rights issue to our existing shareholders is an important step in our goals of becoming cash flow positive during 2024 as well as meeting our other long-term financial targets”.

Per Ottosson, CEO

**Per Ottosson
CEO**



Invitation to Subscribe For Shares in Artificial Solutions International AB (PUBL)

In order to ensure that Artificial Solutions is sufficiently funded for its continued growth and development and to raise working capital to strengthen the Company's efforts in primarily marketing and sales but also product development, the Board of Directors, on 13 December 2023, resolved on the Rights Issue, subject to approval by an extraordinary general meeting. On 15 January 2024 an extraordinary general meeting approved the Board of Directors' resolution on the Rights Issue and the Board of Directors' proposals connected therewith.

Shareholders who are registered in the share register in Artificial Solutions on the record date on 17 January 2024 will receive one (1) subscription right for each share held in the Company. Six (6) subscription rights entitle the holder to subscription for ten (10) new shares. In addition, investors are offered the opportunity to sign up for subscription of shares without the support of subscription rights. The subscription price is SEK 0.15 per share, which means that Artificial Solutions will receive gross proceeds of approximately 25.6 MSEK before deduction of transaction costs, provided that the Rights Issue is fully subscribed.

Provided that the Rights Issue is fully subscribed, the number of shares in Artificial Solutions will, through the Rights Issue, increase by 170,715,150 from 102,429,090 to 273,144,240 and the share capital will increase by a maximum of approximately SEK 833,333, from SEK 500,000 to approximately SEK 1,333,333. The bonus issue resolved by the extraordinary general meeting on 15 January 2024, will result in an additional increase of the share capital by approximately SEK 118,596,008.

The last day of trading in Artificial Solutions' shares including the right to receive subscription rights in the Rights Issue is 15 January 2024. The shares are traded excluding the right to receive subscription rights in the Rights Issue as of 16 January 2024. The subscription period, with or without the support of subscription rights, runs from 19 January 2024 up to and including 2 February 2024. Trading in subscription rights will take place on Nasdaq First North Growth Market during the period from 19 January 2024 to 30 January 2024 and trading in BTAs (paid subscribed shares) will take place on Nasdaq First North Growth Market during the period from 19 January 2024 until the registration of the shares with the Swedish Companies Registration Office. The new shares issued in the Rights Issue are intended to be admitted to trading on Nasdaq First North Growth Market.

Shareholders who choose not to participate in the Rights Issue will through the Rights Issue have their ownership diluted by up to 62.5 per cent (calculated on the total number of outstanding shares in the Company after completion of the Rights Issue). These shareholders will have the opportunity to partly compensate themselves financially for this dilution effect by selling their received subscription rights.

Some of the Company's shareholders including persons from the Board of Directors and management, such as Åsa Hedin (chair of the board), Per Ottosson (CEO), and Fredrik Törgren (CFO), as well as certain external investors have undertaken to subscribe for shares in the Rights Issue.

In addition, the Company has received non-binding declarations of intent of participation from certain shareholders, amounting to approximately SEK 1.1 million, corresponding to approximately 4.4 per cent of the Rights Issue.

In total, approximately SEK 15.4 million, corresponding to approximately 60.2 per cent of the Rights Issue, is covered by subscription commitments and non-binding declarations of intent.

Declaration of Responsibility by the Board of Directors

The Board of Directors of Artificial Solutions International AB (publ) is responsible for the content of the Memorandum. It is hereby declared that the Board of Directors has taken all reasonable precautions to ensure that the information in the Memorandum, as far as the Board of Directors is aware, is in accordance with the actual circumstances and no material information has been omitted.

Stockholm, January 17, 2024

The Board of Directors of Artificial Solutions International AB (publ)



Background & Reason

The Company is pleased to report consistent progress in 2023 with the expansion of our Teneo.ai® platform. This has involved enhancing existing customer engagements by broadening the range of use cases, languages, channels and geographical coverage.

These efforts have contributed to a notable 50% increase in recurring revenues in the third quarter of 2023, compared to the same period in 2022, and our Net Revenue Retention rate (NRR) has exceeded 150%.

We continue to focus on our major customers, with Teneo.ai® now facilitating 15-20% of global natural language voice interactions. This includes the deployment of the world's largest customer implementations in a market expected to grow at an annual rate of 38% until 2031. Teneo.ai® has proven its value in delivering significant savings, as seen in a 39 million USD return on investment for a large US tech firm.

Our OpenQuestion® product has also enhanced customer interaction for clients like Swisscom and Telefonica, allowing end-users to use natural language for communication. This has improved customer experience and efficiency in call routing and has laid the groundwork for the automations now being built in call handling.

In collaboration with Microsoft, as part of the AI Inner Circle, Artificial Solutions has launched a new product developed with input from our clients. This solution enables enterprises to utilize new foundational LLM models such as GPT for applications in support or sales processes. Built on Teneo.ai®, it addresses key enterprise needs like security, data control, and cost management. The product simplifies the adoption of the Stanford Frugal GPT method, furthering our commitment to innovation in AI applications.



To support our continued growth, we are undertaking a Rights Issue. This step is aimed at increasing our API call volumes and recurring revenues, and enhancing our SaaS ARR (Annual Recurring Revenues).

We plan to invest in marketing and sales activities and personnel, while also continuing to develop the Teneo.ai® platform, to maintain our competitive edge in the market.

Use of Proceeds

If the Rights Issue is fully subscribed, the Company will receive approximately 25.6 MSEK before deductions for transaction costs. Given the Company's current business plan and against the above background, the Company will use the net proceeds for the following purposes listed in order of priority:

- Approximately 35 per cent will be used for marketing the Company's SaaS service, Teneo, in line with the Company's business plan, and further drive the revenue growth through growing and marketing the platform towards new and existing partners and customers.
- Approximately 50 per cent will be used for continued development of the Teneo platform in order to remain a leader and pioneer within the Conversational AI market.
- Approximately 5 per cent will be used for a selective recruitment of key personnel within sales, market and product development.
- Approximately 10 per cent will be used to support the Company's operational activities and working capital requirements for the Company to reach its financial targets and communicated strategy.



Key Investment Highlights



A prominent player, with strong industrial backing, in a market growing at 38% CAGR

Largest references in this high growth AI market

Highly scalable business model with SaaS Revenues growing +50% YoY and gross margin on fully onboarded models approaching 95%

Quality of offering paired with material switching costs support revenue retention

Allows customers to leverage the latest Generative AI technologies like GPT

The Company in Brief

Artificial Solutions® is at the forefront of AI-powered and automated conversations with its Teneo.ai® platform, a solution endorsed by global customers such as AT&T, Microsoft, HelloFresh, and Telefónica.

By combining natural language understanding (NLU), machine learning (ML), and generative pre-trained transformers (GPT), Artificial Solutions transforms automated call centers from static keypad interactions to dynamic and human-like conversations.

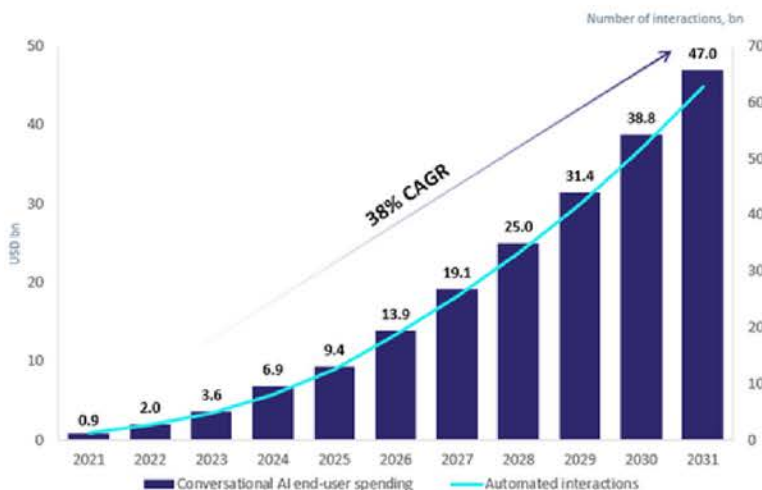
Today Teneo.ai® runs across 86 languages and dialects.

Our solution OpenQuestion, powered by Teneo.ai®, optimizes routing for Contact Centers to better serve customers and reduce costs.

Artificial Solutions® is acknowledged as a market leader in the Conversational AI space by Gartner and ISG Research and Teneo.ai® powers 15-20% of the global interaction volumes and has the largest customer implementations in the world (chart below).

Gartner Group predicts that the Conversational AI market that Artificial Solutions addresses will continue to grow 38% p.a. until 2031. The main growth driver is expected to be automation of existing contact center services, with around 30% of interactions being handled by AI in 2031. Gartner Group further predicts that by 2026, more than 80% of enterprises will use generative AI APIs or models, and/or deployed GenAI-enabled applications in production environments, up from less than 5% in 2023.

Significant market potential for CAI in contact centers - 38% CAGR until 2031



Source:
Company information,
Gartner – Market Trend:
Conversational AI for Agent
Automation Delivers an
Efficient Customer Contact
Center Experience, Reuters.

Artificial Solutions® has a highly scalable and sticky subscription-based business model where the Company's recurring revenues scale with its customers increased usage of the Teneo.ai® platform or its solutions powered by Teneo.ai®.

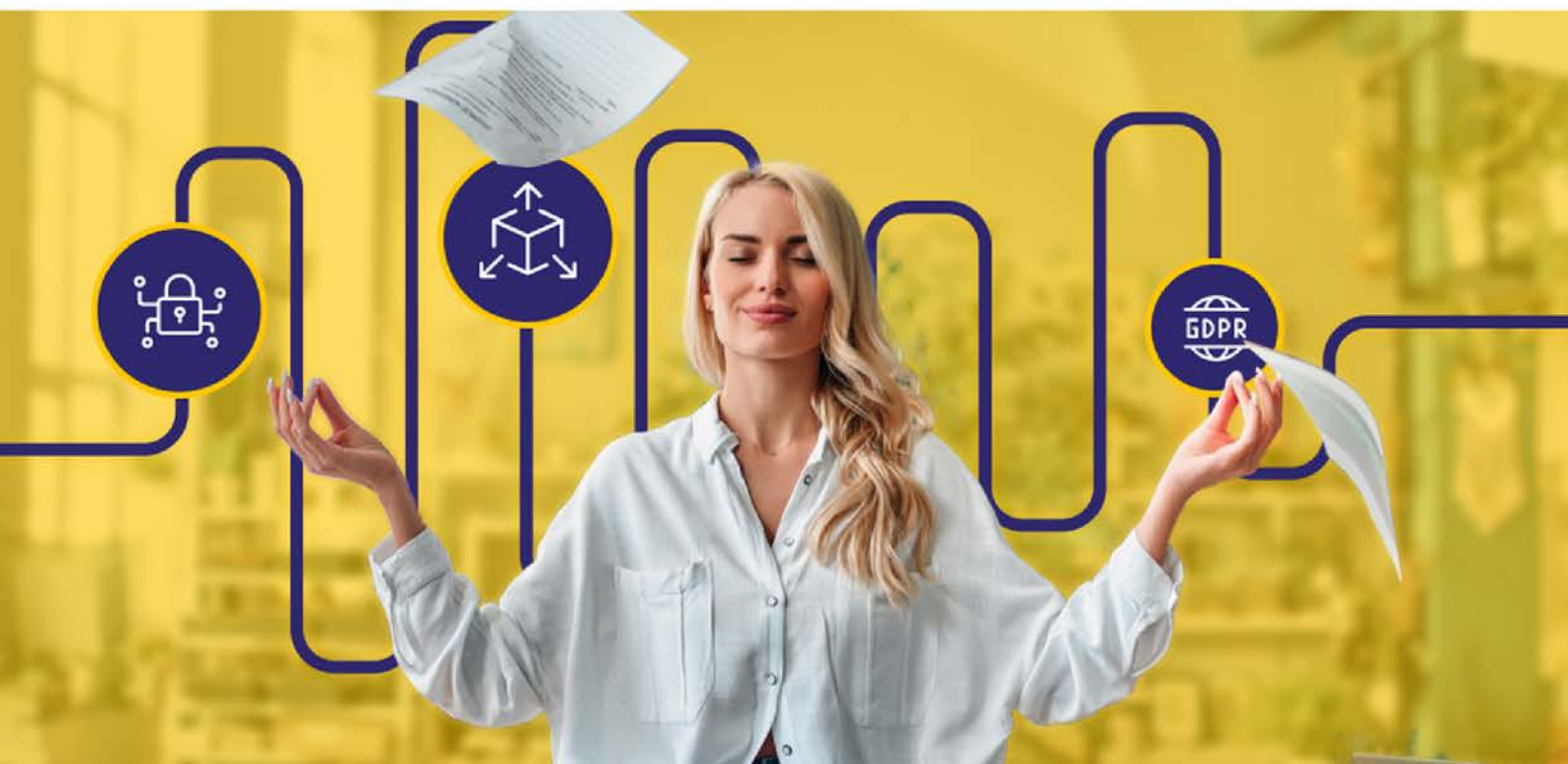
From the beginning of 2021 when the SaaS offering was initially launched, the Company's quarterly recurring software revenues have increased from 6.6 MSEK in Q1 2021 to 16.2 MSEK in Q3 2023, an increase of 2.5x.

Artificial Solutions is focused on global blue chip companies with significant Contact Center operations and has a clear objective to upsell and grow on existing customers as a key component in the continued growth.

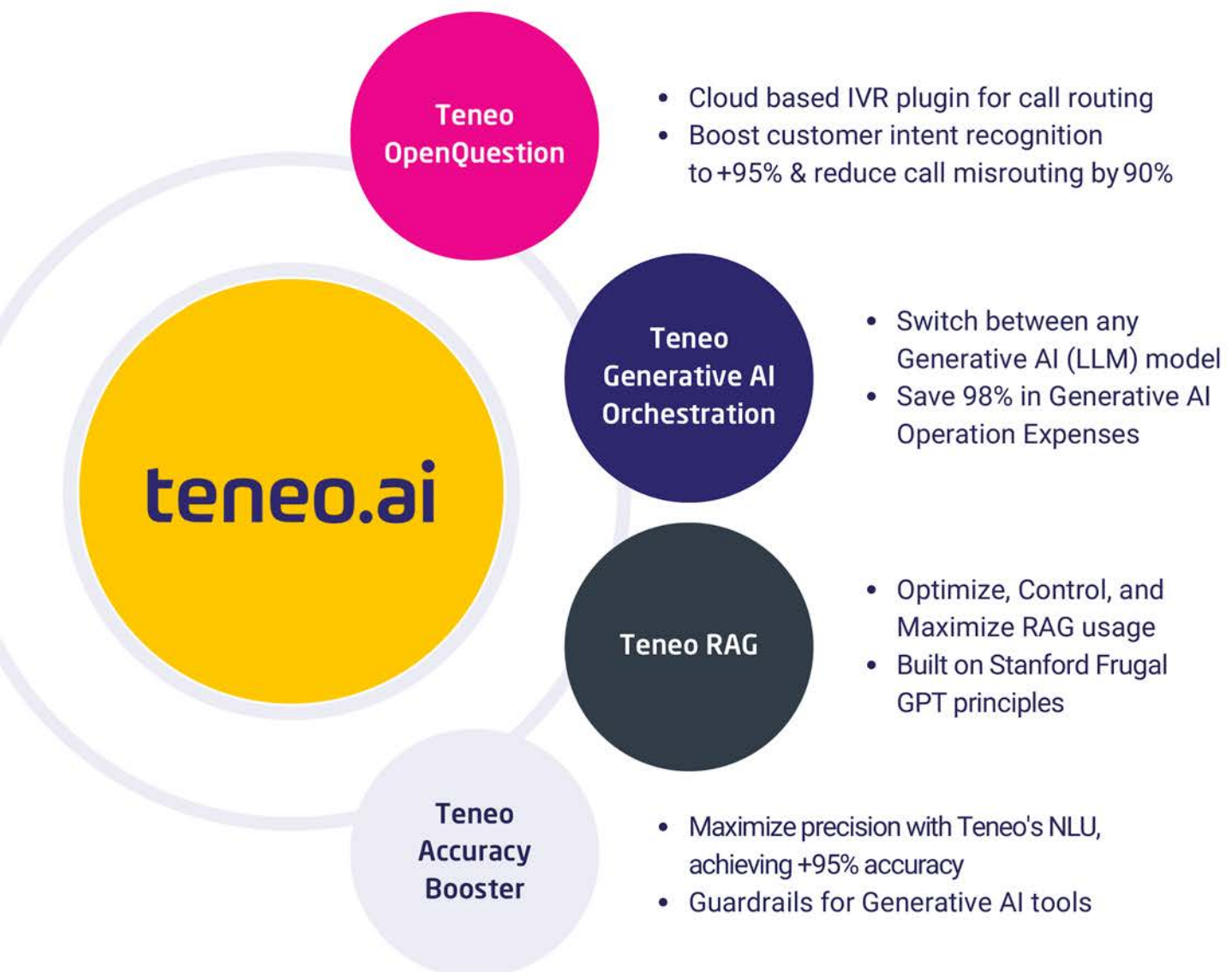
The growth from existing customers, through extended usage such as more languages, more channels (voice, Whatsapp etc.) and more covered geographies, is also the reason for the Company's industry leading Net Revenue Retention Rate key performance indicator.

During the fourth quarter 2023, the Company also released a couple of new products and solutions powered by Teneo.ai®.

Artificial Solutions International AB's (publ) shares are traded on Nasdaq First North Growth Market in Stockholm with ticker ASAI.



Teneo is AI orchestration platform that integrates with pre-existing Contact Center infrastructure to help transform customer engagement. With Teneo, companies can boost accuracy, increase speed of resolution, magnify support capabilities, control Generative AI tools and save costs.



Additional information about the Teneo platform and solutions can be found in our website: www.teneo.ai.



Financial Summary

The Company has experienced significant revenue growth and in particular growth in software-linked recurring revenues, ARR and best in class net revenue retention rate KPIs the recent three years following the decision in the fourth quarter of 2020 to rebuild our platform Teneo.ai to be provided as a cloud-based SaaS (software as a service) offering.

Financial Targets

End of 2022, the Company also presented our Financial Targets, which to a large extent are built on continuing to grow on our existing customers by scaling up their usage of our platform (as they increase the number of API calls by adding more languages, channels (voice, WhatsApp etc.), covered geographies or new use cases). The Financial Targets are based on continued growth from existing customers coupled with also adding new customers.

API Calls

>1 billion

Annualized rate during 2024

ARR

SEK >200m

To be reached during 2025

Cash Flow

Positive

From operations during 2024

EBITA Margin

30%

Long term (in a mature state)

Strong Growth in Recurring Revenues and Reduced Operating Expenses

The Company has experienced strong growth in recurring revenues over the last three years while the Company’s operating expenses have decreased.

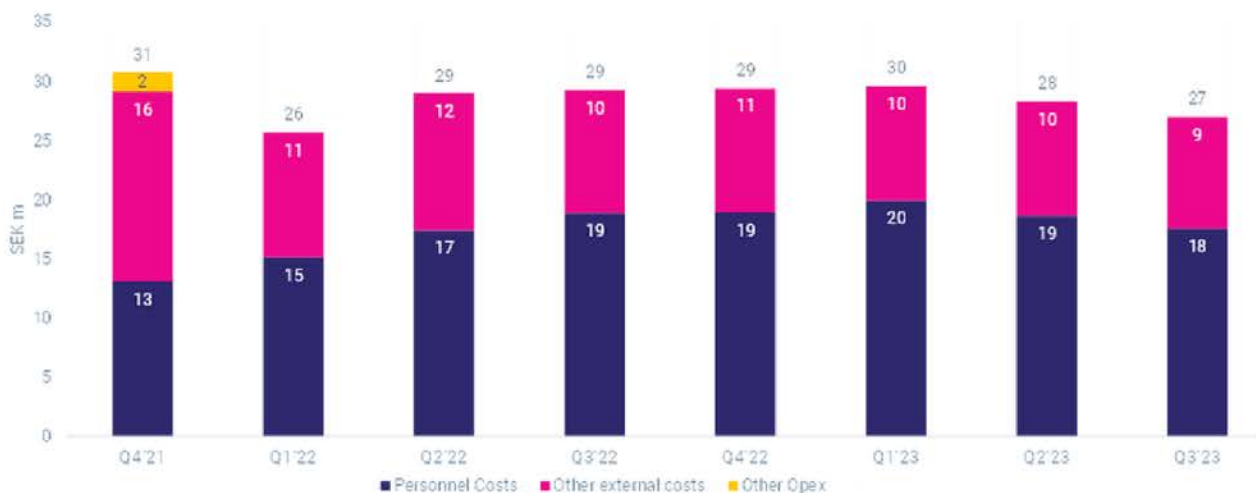
As the recurring revenues have grown, the percentage of recurring software revenues in relation to the Company’s total revenues have increased – in the third quarter 2023 the recurring revenues constituted 99% of total revenues.

The recurring revenues grew from 10.9 MSEK in the third quarter 2022 to 16.2 MSEK in the third quarter 2023, equivalent to a 50% growth.

Recurring Revenues Constitute ~99% of Total Revenue

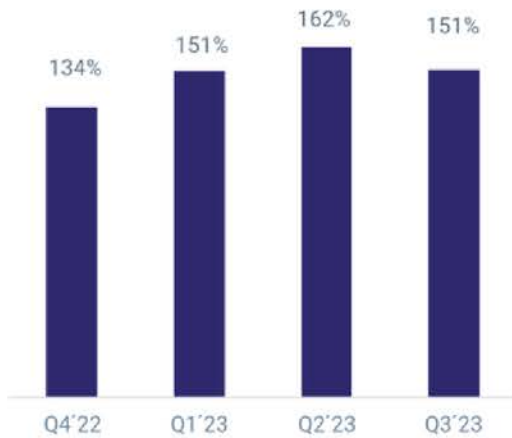


Operating Expenses Development

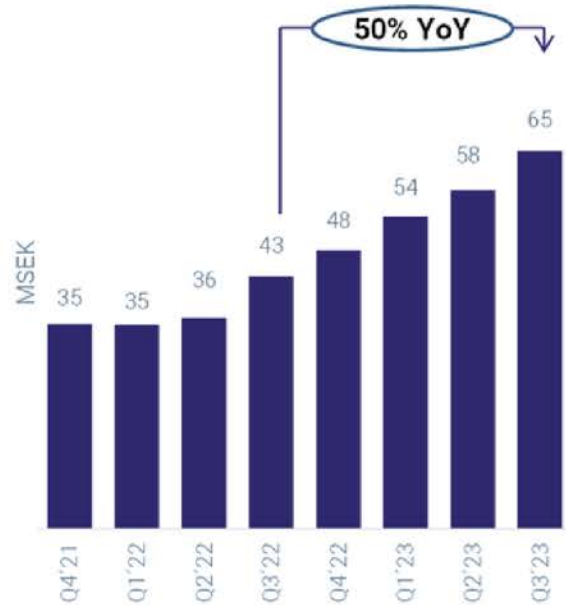


Best in Class KPIs

Quarterly NRR



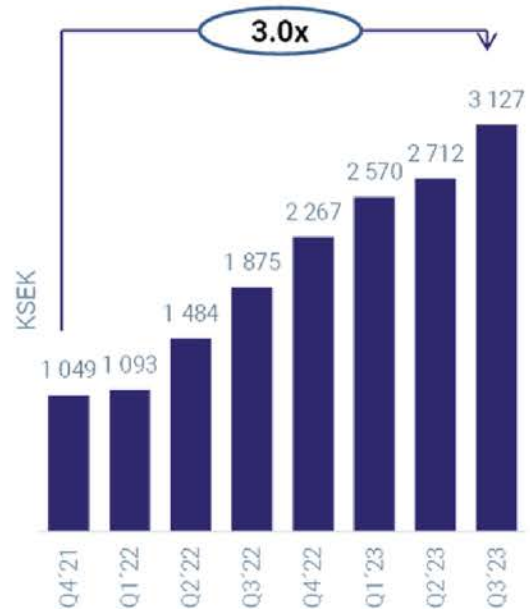
Total Quarterly Average ARR



Total ARR per Customer



SaaS ARR per Customer



The Company's formal annual and interim reports, investor presentations, KPI definitions, press releases and shareholding information can be found on Artificial Solutions' website: <https://www.investors.artificial-solutions.com/>.

Terms & Conditions of the Offering

Overview of the Rights Issue

For each share held on the record date on 17 January 2024, one (1) subscription right is obtained. Six (6) subscription rights entitle the holder to subscribe for ten (10) new shares. Only a whole number of shares can be subscribed for. Upon full subscription, the Rights Issue will result in an increase in the number of shares in the Company by 170,715,150, from 102,429,090 to 273,144,240. The dilution from the issuance of shares in the Rights Issue amounts to a maximum of approximately 62.5 percent based on the number of shares in the Company after the Rights Issue. Shareholders who choose not to participate in the Rights Issue will have the opportunity to partly compensate themselves financially for the dilution effect by selling their subscription rights.

Subscription Price

The subscription price for the Rights Issue is SEK 0.15 per share. No commission is applied.

Record Date

Existing shareholders who are registered in Euroclear as of the record date 17 January 2024, will receive subscription rights. The last day of trading in Artificial Solutions' shares including the right to receive subscription rights in the Rights Issue is 15 January 2024. The shares are traded excluding the right to receive subscription rights in the Rights Issue from 16 January 2024.

Subscription Period

The subscription of shares in the Rights Issue shall take place during the period from 19 January 2024, to and including 2 February 2024. The board of Artificial Solutions has the right to extend the subscription period. Any extension of the subscription period will be announced through a press release no later than 2 February 2024.

Issue Statements - Directly Registered Shareholders

Pre-printed issue statements, along with an attached payment form, will be sent to shareholders who were registered in Euroclear Sweden on the record date of 17 January 2024. The pre-printed issue statement includes information about the number of received subscription rights and the total number of shares that can be subscribed for a separate VP (sw. Värdepapperscentralen) receipt confirming the registration of subscription rights on the shareholder's VP account will not be sent out. Those listed in the special register of pledged holders and trustees that is maintained regarding the share register, will not receive an issue statement but will be notified separately.

Nominee Registered Shareholders

Shareholders whose holdings of shares in the Company are nominee-registered with a bank or another nominee will not receive an issue statement from Euroclear. Instead, subscription and payment instructions should be followed according to the respective nominee's guidance.

Shareholders Residing in Certain Jurisdictions

Allocation of subscription rights and the issuance of BTA's (interim shares) and shares to individuals residing or citizens in countries other than Sweden may be subject to legal restrictions. This Memorandum does not constitute an offer of, or an invitation to purchase, any of the shares or subscription rights to individuals residing in Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Singapore, South Africa, the United States, or any other jurisdiction where participation would require prospectuses, registration, or actions beyond those required by Swedish law. No securities offering in the Company is made to the public in the USA, the United Kingdom, or any member state within the European Economic Area ("EEA") other than Sweden. In the United Kingdom and EEA member states other than Sweden, the offering of shares may only be made in accordance with exemptions from the Prospectus Regulation. Subscription rights that would otherwise have been delivered to unauthorized shareholders will be sold, and the sales proceeds, net of costs, will then be paid to such shareholders. Amounts below 100 SEK will not be disbursed.

Trading in Subscription Rights

The subscription rights will be tradable and listed on Nasdaq First North Growth market. Trading of subscription rights will take place from 19 January 2024 to and including 30 January 2024 under the symbol "[ASAI TR]". The ISIN code for the subscription rights is [SE0021310547].

Subscription of Shares With the Support of Subscription Rights

Subscription of shares with the support of subscription rights must be made through simultaneous cash payment during the period from 19 January 2024, to and including 2 February 2024. Subscription rights that are not sold before close of trading on Nasdaq First North Growth Market (at 17:30 hours CET), on 30 January 2024 or exercised by the end of the subscription period will have no value and will automatically lapse without compensation to the holder. Unused subscription rights will be deregistered from shareholder's VP accounts without notification from Euroclear.

In order not to lose the value of the subscription rights, the holder must either:

- Sell the subscription rights not exercised no later than 30 January 2024 or;
- Exercise the subscription rights received and subscribe for shares no later than 2 February 2024.

Directly registered shareholders residing in Sweden

The subscription of shares by directly registered shareholders with the support of subscription rights is made through simultaneous cash payment, which must reach Aktieinvest FK AB ("Aktieinvest") no later than 2 February 2024, at 17:00 (CET). This can be done through one of the following alternatives:

A. ISSUE STATEMENT – PRE-PRINTED PAYMENT FORM

The pre-printed payment form is to be used if all received subscription rights according to the issue statement from Euroclear Sweden are to be utilized. No additions or changes are permitted on the receipt or in the payment amount.

B. SUBSCRIPTION FORM (I) – SUBSCRIPTION WITH THE SUPPORT OF SUBSCRIPTION RIGHTS

If subscription rights have been acquired or sold, or if, for any other reason, the number of subscription rights utilized for subscription concerns a different quantity than those specified in the issue statement from Euroclear Sweden, subscription form (I) for the subscription of shares with the support of subscription rights should be used. Please note that payment for subscribed shares should be made according to the instructions on the subscription form while submitting the form to Aktieinvest. In this case, the pre-printed payment receipt from Euroclear Sweden should not be used.

Subscription form (I) can be obtained from Aktieinvest by phone at +46 8 5065 1795 or by email at emittentservice@aktieinvest.se

The filled subscription form must reach Aktieinvest at the address or email below no later than 2 February, 2024, at 17:00 (CET).

Aktieinvest FK AB
Emittentservice
Box 7785
103 96 Stockholm
Telephone: +46 8 5065 1795
E-mail: emittentservice@aktieinvest.se
(scanned subscription form)

Subscription forms sent by mail should be dispatched well before the last subscription day. Note that the subscription is binding, and no changes or additions may be made to the pre-printed text on the subscription form. An incomplete or incorrectly filled subscription form, as well as a subscription form not accompanied by necessary identity and authorization documents, may be disregarded. In the event that multiple subscription forms are received from the same subscriber, Aktieinvest reserves the right to only consider the latest received subscription form.

If the subscription amount is paid late, is insufficient, or is paid in an incorrect manner, the subscription request may be disregarded. The paid subscription amount will then be refunded. No interest will be paid on such funds.

Directly registered shareholders not residing in Sweden and eligible to subscribe for shares with the support of subscription rights

Directly registered shareholders eligible to subscribe for shares in the Rights Issue, who are not residing in Sweden and are not subject to restrictions mentioned under the section "Shareholders residing in certain jurisdictions," and who cannot use the pre-printed payment form, can make payments in SEK through a foreign bank in accordance with the instructions below:

Account Holder: Aktieinvest FK AB
IBAN: SE2930000000015102406825
BIC: NDEASESS
Bank: Nordea Bank

When making the payment, the subscriber's name, VP account number, and OCR reference from the issue statement must be specified. The payment should reach Aktieinvest no later than 2 February 2024.



If the subscription concerns a different quantity of shares than indicated in the issue statement, subscription form (I) should be used instead. Subscription forms can be ordered by contacting Aktieinvest during office hours at phone number +46 8 5065 1795 or via email at emittentservice@aktieinvest.se.

Subscription forms and payments must reach Aktieinvest by 2 February 2024, at 17:00 (CET).

Nominee Registered Shareholders

Holders of accounts registered with a nominee, who wish to subscribe for shares in the Rights Issue with the support of subscription rights should register for subscription following the instructions from their respective nominees.

Paid Subscribed Shares (BTA)

After payment and subscription, Euroclear Sweden will send out a VP receipt as confirmation that BTA has been booked into the subscriber's VP account. The shares will be registered as BTA on the VP account until the registration of the Rights Issue is completed at the Swedish Companies Registration Office (sw. Bolagsverket). The registration with the Swedish Companies Registration Office is expected to take place on or about week 7 of 2024. After that, BTA will be reclassified as regular shares. The delivery of the new shares is anticipated on or about week 8 of 2024. No VP receipt will be issued by Euroclear Sweden in connection with this reclassification. Customers with nominee registered accounts will receive BTA and information according to their nominee's procedures. Trading with BTA is expected to occur under the ticker symbol "ASAI BTA" on Nasdaq First North Growth Market from 19 January 2024, until the registration of the Rights Issue with the Swedish Companies Registration Office. The ISIN code for BTA is SE0021310554. Institutions with the required permits are available to facilitate the buying and selling of BTA.

Subscription of Shares Without Support of Subscription Rights

Subscription of shares can also be made without the support of subscription rights, i.e., subscription without preferential rights. Subscription without preferential rights should be made during the same period as subscription with preferential rights, i.e., from 19 January 2024, to and including 2 February 2024, at 17:00 (CET).

Entitlement to Dividends

Dividends will be paid out following a decision by the general meeting. The distribution of dividends is managed by Euroclear Sweden or, for nominee registered holdings, in accordance with the procedures of the respective nominee. The right to dividends belongs to the person registered as the owner of shares in the share register maintained by Euroclear Sweden on the designated record date.

The new shares shall entitle to dividend for the first time on the record date for dividends that occurs closest after the new shares have been registered with the Swedish Companies Registration Office and entered into the share register maintained by Euroclear Sweden.

Directly Registered Shareholders and Others

Expressions of interest to subscribe for shares without preferential rights should be made using subscription form (II). Such subscription forms can be obtained from Aktieinvest by phone at +46 8 5065 1795, through its website www.aktieinvest.se/emission/artificialsolutions2024, or from Artificial Solution's website, www.investors.artificial-solutions.com. The filled subscription form must reach Aktieinvest at the address or email below by 17:00 (CET) on 2 February 2024.

Aktieinvest FK AB
Emittentservice
Box 7785
103 96 Stockholm
Telephone: +46 8 5065 1795
E-mail: emittentservice@aktieinvest.se
(scanned subscription form)

Please note that the subscription is binding, and no changes or additions may be made to the pre-printed text on the subscription form. An incomplete or incorrectly filled subscription form, as well as a subscription form not accompanied by necessary identity and authorization documents, may be disregarded, or the subscription may be assessed as having been made for a lower amount. For subscriptions without the support of subscription rights exceeding the equivalent of 15,000 EUR, a certified ID document and KYC form must be attached. Only one subscription form per subscriber will be considered. In the event of multiple subscription forms received from the same subscriber, Aktieinvest reserves the right to only consider the latest received subscription form.

Electronic subscription with Bank ID is also possible. Visit www.aktieinvest.se/emission/artificialsolutions2024 and follow the instructions.

Nominee-Registered Shareholders

Customers and nominees wishing to subscribe for shares in the Rights Issue without the support of subscription rights must register for subscription in accordance with the instructions from their respective nominees, who also manage allocation notifications and other matters.

Allocation Principles

In the event all shares in the Rights Issue are not subscribed for with the support of subscription rights, the Board of Directors shall, within the framework of the Rights Issue's maximum amount, resolve on the allotment of shares subscribed for without the support of subscription rights. In case of over-subscription, allotment shall be made in according to the following principles:

- i. Firstly, shares shall be allotted to those who have subscribed for shares with the support of subscription rights (regardless of whether they were shareholders on the Record Date or not), pro rata in relation to how many shares each subscriber subscribed for with the support of subscription rights, and to the extent that this is not possible, by drawing of lots.
- ii. Secondly, if all shares are not allotted according to the above, allotment shall be made to those how have notified interest to subscribe for shares without preferential rights, and in case of oversubscription, in relation to the number of shares set out in the respective subscription notifications, and to the extent this is not possible, by drawing of lots.

Trading in New Shares

The shares in Artificial Solutions are subject to trading on Nasdaq First North Growth Market under the ticker ASAI with ISIN code SE0018397184. After the Swedish Companies Registration Office registers the Rights Issue, the new shares will also be traded on Nasdaq First North Growth Market. Such trading for new shares converted from BTA is expected to commence on or about week 8 of 2024.

Irrevocable Subscription

The Company does not have the right to cancel the Rights Issue or to temporarily withdraw the offer. Subscription for shares, with or without the support of subscription rights, is irrevocable, and the subscriber may not withdraw or modify a subscription for shares. In the event that multiple subscription forms are received from the same subscriber, Aktieinvest reserves the right to only consider the latest received subscription form.

Announcement of Outcome in the Rights Issue

The outcome of the Rights Issue will be disclosed through a press release as soon as it becomes known to the Company, which is expected to occur on or about 6 February 2024.

Information on the Processing of Personal Data

Individuals subscribing to, or expressing interest in subscribing to, shares in the Rights Issue will provide personal data to Aktieinvest. Personal data provided to Aktieinvest will be processed in data systems to the extent required to administer the Rights Issue. Personal data obtained from a source other than the individual concerned may also be processed. It is possible that personal data may be handed over to and processed by Artificial Solutions and/or other third party involved in the Rights Issue. Information about the processing of personal data is provided by Aktieinvest, which is the data controller for the processing of personal data. Aktieinvest accepts requests for correction or deletion of personal data.



Information on LEI and NID

According to the Directive 2014/65/EU of the European Parliament and of the Council ("MiFID II"), all investors must have a global identifier to conduct securities transactions from January 3, 2018. These requirements mean that legal entities need to apply for registration of a Legal Entity Identifier ("LEI"), and individuals need to determine their National Identification number (NID) to subscribe for shares in the Rights Issue. Please note that it is the legal status of the subscriber that determines whether an LEI or NID number is needed, and Aktieinvest may be prevented from carrying out the transaction if the LEI or NID number (as applicable) is not provided. Legal entities needing to obtain an LEI can contact one of the providers available in the market. Instructions for the global LEI system are available at GLEIF.org. For individuals with only Swedish citizenship, the NID number consists of the designation "SE" followed by the individual's personal identification number. If the individual has multiple citizenships or a citizenship other than Swedish, the NCI number may be some other type of number. Individuals intending to subscribe for shares in the Rights Issue are encouraged to apply for the registration of an LEI (legal entities) or determine their NID number (individuals) well in advance to be eligible to participate in the Rights Issue and/or be allocated shares subscribed without the support of subscription rights.

Subscription Commitments

The Company has received subscription commitments from existing shareholders, including certain board members and members of management, and external investors totaling approximately SEK 14.3 million, corresponding to about 55.8 percent of the Rights Issue. No fee is to be paid for the subscription commitments that have been entered into. The subscription commitments are not secured through bank guarantees, restricted funds, pledged assets, or similar arrangements.

In addition, the Company has received non-binding declarations of intent of participation from AB Couronne amounting to approximately SEK 0.5 million and Vencom Group Holding BV amounting to approximately SEK 0.6 million, totalling approximately SEK 1.1 million, corresponding to approximately 4.4 per cent of the Rights Issue. Vencom Group Holding BV is wholly owned by board member Johan Gustavsson and AB Couronne is wholly owned by Vencom Group Holding BV.

The individuals who have made subscription commitments are listed in the table below.

Name	Subscription Commitments (SEK)
Sven Joel Härgestam	2 850 098
SEB Stiftelsen	2 820 887
Provider Investment AB	1 999 999
Tedde Jeansson	1 517 319
Anders P Carlsson	1 000 000
Bjursund Invest AB	956 901
Niclas Nyström	650 000
Staffan Bohman	630 993
Per Ottosson	397 725
Farsviken AB	308 324
Mats Nilsson	255 750
Carl Rosvall	217 745
Fredrik Törgren	216 492
Christopher McManus	150 000
Patrik Rosenberg	126 500
Ash&Partners AB (wholly owned by the chairman Åsa Hedin)	60 255
Lars Roth	50 000
Andreas Wieweg	43 166
Johan Gustavsson	31 625
Leticia Baig	765
Nuria Vilanova	522
Cristina Beaus	207
Vanesa Guirado	92
Total	14 285 660

Transaction Costs

The estimated transaction costs to be paid by the Company with regards to the Rights Issue are estimated to amount to approximately SEK 2.4 million.

Other Information

Aktieinvest acts as the issuing agent for the Rights Issue. The fact that Aktieinvest is the issuing agent does not mean that Aktieinvest considers those who have applied for subscription of shares in the Rights Issue as customers. Therefore, Aktieinvest will not categorize the subscriber or conduct a suitability assessment in accordance with the Swedish Securities Market Act (sw. Lag (2007:528) om värdepappersmarknaden) regarding the subscription. In the event that an excessive amount is paid by a subscriber for shares, Aktieinvest will arrange for the repayment of the excess amount. If the subscription funds are paid too late, are insufficient, or are paid in an incorrect manner, the subscription may be disregarded, or the subscription may be accepted for a lower amount. Paid funds not utilized will be refunded, and no interest will be paid on such funds. Except as expressly stated herein, no financial information in this Memorandum has been reviewed or audited by the Company's auditor.



ARTIFICIAL SOLUTIONS

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<https://www.investors.artificial-solutions.com/>