



Flat proposes an issue in kind in which Double Sunday AB, valued at SEK 9.5 billion, will be integrated into Flat

- The board^[1] of Flat Capital AB (publ) (“Flat” or the “Company”) proposes to carry out issues in kind of 475,089,847 shares of which 162,255,709 are A shares and 312,834,138 are B shares, in exchange for all shares in Double Sunday AB (“DSAB”), a company indirectly wholly owned by Sebastian Siemiatkowski, which holds 24,564,396 ordinary shares in Klarna Group plc (“Klarna” and the “In Kind Issues”, respectively), where DSAB is integrated into Flat at an agreed value of approximately SEK 9.5 billion (the “Transaction”).
- DSAB’s holding in Klarna has been valued at approximately USD 46.7 per share, corresponding to the volume-weighted average price of Klarna’s ordinary shares on the New York Stock Exchange (“NYSE”) during the last five trading days prior to the announcement of the Transaction.
- The shares in Flat are priced at SEK 20.0 per share, corresponding to a premium of approximately 42.5% in relation to Flat’s net asset value (NAV) as of 30 June 2025, entailing that approximately 19.34 shares in Flat are received for each ordinary share in Klarna.
- The Transaction requires approval at an extraordinary general meeting by at least 90% of the shares and 90% of the votes. Flat’s majority owners, Sebastian and Nina Siemiatkowski, with approximately 17.5% of the shares and 40.8% of the votes in Flat, will vote in favour of the Transaction.

Letter to the shareholders from the board of directors and Sebastian Siemiatkowski:

“Dear shareholders of Flat,

Before we get into the formal and legal aspects of this proposal, we would like to share the background to this exciting next step in Flat’s journey.

From the outset, Flat has been built on a simple but ambitious idea: to combine the Swedish tradition of long-term ownership with a new generation of investments. Inspired by other prominent family-owned investment companies, we want to create long-term value, strength, and growth – but in a way that suits the digital era.

We have already demonstrated the power of our network through unique investments in AI companies, taken the first step towards active ownership with Defensor Group as a building block for the next generation of the defence industry, and maintained a slim cost-conscious organisation. Now it is time for the next big step.

With Klarna’s successful listing on the New York Stock Exchange and its establishment as the bank of the future, we see an opportunity for Klarna to become for Flat what SEB has been and continues to be for Investor.



Flat proposes to integrate Double Sunday AB, which owns 6.5% of Klarna and is currently wholly owned by Sebastian Siemiatkowski, thereby consolidating Sebastian's entire current ownership in Klarna under Flat. This reinforces Sebastian's long-term commitment and ownership in Flat, which has been clearly requested by our owners during recent years' share issues. This will substantially increase Flat's net asset value and could potentially place us among the 100 largest listed companies in Sweden, and also creates further conditions for a move to Nasdaq Stockholm's main market.

Our ambition is to build a diversified portfolio of both active and passive investments, listed and unlisted. But Rome wasn't built in a day. For some time, Klarna will account for a large part of our assets – which at the same time gives us greatly increased flexibility to explore new, more efficient forms of financing, in the forms of debt or share issues, thereby creating opportunities for new investments.

The valuation of Klarna is based on the volume-weighted average price since the listing a week ago, while Flat is valued in line with previous transactions.

We are very pleased to be able to present this proposal at an extraordinary general meeting. It is a step that will make Flat a stronger, more relevant player in the Swedish capital market – and further consolidates our goal: to create the best possible long-term return for our owners.”

About the Transaction

The Transaction is proposed to be carried out through new share issues to Double Sunday IV AB^[2] of 475,089,847 shares, of which 162,255,709 A shares and 312,834,138 B shares, in Flat against payment in kind consisting of shares in DSAB, a company indirectly wholly owned by Sebastian Siemiatkowski, which holds 24,564,396 ordinary shares in Klarna. For technical reasons, it is proposed that the integration is carried out through two issues in kind, with the first issue in kind comprising 40 percent of the shares in DSAB and the second issue in kind comprising the remaining 60 percent of the shares in DSAB. Both issues in kind will be subject to resolution at the same extraordinary general meeting and are intended to be carried out in close succession. The distribution between the number of A and B shares issued through the In Kind Issues has been determined based on the current distribution between A and B shares in Sebastian Siemiatkowski's shareholding in Flat.^[3]

DSAB is a holding company whose sole activity consists of owning and managing shares in Klarna. DSAB owns 24,564,396 ordinary shares in Klarna and has raised bank financing of approximately SEK 1.1 billion for the purpose of financing acquisitions of shares. DSAB also holds 24,564,396 B shares in Klarna. The B shares entitle the holder to 10 votes per share but do not entitle the holder to dividends or other effective economic rights in Klarna and are non-transferable. DSAB's shareholding in Klarna corresponds to approximately 6.5 percent of the shares and approximately 7.1 percent of the votes in Klarna. The ordinary shares in Klarna are listed on the NYSE under the ticker KLAR since 10 September 2025.

In the Transaction, DSAB will be valued based on a NAV valuation, where DSAB's holding of ordinary shares in Klarna has been valued at approximately USD 46.7 per ordinary share,^[4] corresponding to:

- the volume-weighted average price of Klarna's ordinary shares on the NYSE during the last five trading days prior to the announcement of the Transaction, and



- a premium of 3 percent compared to the closing price of approximately USD 45.4 for Klarna's ordinary share on the NYSE on 16 September 2025, which was the last trading day prior to the announcement of the Transaction.

The newly issued shares in Flat are priced at SEK 20.0 per share, corresponding to:

- a premium of approximately 42.5 percent in relation to Flat's net asset value (NAV) as of 30 June 2025, and
- a discount of 13 percent compared to the closing price of approximately SEK 23.0 for Flat's B share on Nasdaq First Growth Market on 16 September, 2025, which was the last trading day prior to the announcement of the Transaction.

The subscription price, which has been determined through negotiations between the board of directors and Sebastian Siemiatkowski, is deemed market-based in light of the substantial premium to NAV per Flat-share and that the Transaction thus leads to a financially value-creating transaction where NAV per share increases significantly.

The determined valuation entails that approximately 19.34 shares in Flat are received for each ordinary share in Klarna contributed to Flat through the Transaction.

Sebastian Siemiatkowski (through Double Sunday IV AB) has undertaken to contribute the shares in DSAB on the terms set out above. The undertaking will cease to apply if the Transaction has not been approved by the general meeting by 24 October 2025 at the latest, and is further conditional upon DSAB's creditors providing the necessary approvals to complete the Transaction.

Sebastian Siemiatkowski has not participated in the board of directors' deliberations and resolutions on matters relating to the Transaction due to a conflict of interest. In the deliberations and resolutions on matters relating to the Transaction, the board of directors has therefore consisted of the independent board members Amaury de Poret, Charlotte Runius, and Marcelo Carvalho de Andrade.

Bank financing

To repay DSAB's existing debt financing, Flat intends to raise debt financing from a Swedish bank of approximately SEK 1.1 billion in connection with the completion of the Transaction, with an expected term of one year.

Effects of the Transaction

Through the Transaction, Flat's investment in Klarna as a percentage of Flat's total NAV will increase from approximately 2 percent to, approximately, more than 95 percent, depending on Klarna's share price at the time of completion of the Transaction.^[5] Flat's share of the capital in Klarna will increase from approximately 0.02 percent to approximately 6.5 percent. Sebastian Siemiatkowski's direct and indirect holding in Flat will increase to approximately 85.1 percent of the shares and approximately 95.9 percent of the votes in Flat.

The Transaction will not result in any change to Flat's future operations or investment strategy. The Transaction will result in a short-term high portfolio concentration in Klarna, but Flat operates on a long-term basis and aims to have a balanced investment portfolio over time. The increase in Flat's NAV and market capitalisation resulting from the increased indirect holding in Klarna is expected to give Flat expanded opportunities to make both more and larger acquisitions and investments in the future.



The Transaction will not result in any change to the composition of Flat's board of directors or management. Nor will the Transaction result in any change in control, as Sebastian Siemiatkowski with related parties already exercise significant influence over Flat prior to the Transaction.

Through the In Kind Issues, the number of shares in Flat will increase with a total of 475,089,847 shares, from 97,687,746 shares to 572,777,593 shares, and the share capital will increase with SEK 23,754,492.35, from SEK 4,884,387.30 to SEK 28,638,879.65. The completion of the In Kind Issues will entail a dilution of approximately 82.9 percent for existing shareholders in relation to the total number of outstanding shares in Flat.

Extraordinary general meeting in Flat

The completion of the Transaction is conditional upon an extraordinary general meeting of Flat resolving on the In Kind Issues and related amendments to the articles of association. The extraordinary general meeting is intended to be held on 17 October 2025 (the "EGM"). The notice to the EGM will be published in a separate press release.

The In Kind Issues constitute so-called "Leo issuances" pursuant to Chapter 16 of the Swedish Companies Act (2005:551), which require the support of at least nine-tenths of both the votes cast and the shares represented at the EGM in order to be valid. Flat's majority owners, Sebastian Siemiatkowski and Nina Siemiatkowski, who together represent approximately 17.5 percent of the shares and 40.8 percent of the votes in Flat, are entitled to participate in the vote on the In Kind Issues and will vote in favour of the In Kind Issues.

About Double Sunday AB

Double Sunday AB is a private Swedish holding company that owns shares in Klarna. Klarna is a global tech company listed on the NYSE. The name Double Sunday comes from the round-the-world trip, without flying, that Sebastian took with Niklas Adalberth in 2003, which resulted in them experiencing the same Sunday twice when they crossed the international date line.

Interim report for the period January-September 2025

By reason of the Transaction, the Company has decided to postpone the publication of its interim report for the period January-September 2025. The previously communicated date was 23 October 2025. The new date for publication is 28 November 2025.

Advisor

KANTER Advokatbyrå is acting as legal advisor in connection with the Transaction.

For further information, please contact

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About Flat Capital

Flat Capital makes long-term investments in outstanding entrepreneurs through its global network, giving shareholders access to companies with great potential. The portfolio includes several global and leading tech

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companies, such as OpenAI, Klarna, Perplexity, SpaceX and ElevenLabs. Flat Capital was founded in 2013 by Nina and Sebastian Siemiatkowski, the entrepreneurs behind Milkywire and Klarna. Flat's major shareholders also include several of Sweden's leading entrepreneurial and industrial families. Read more at www.flatcapital.com/en

Note: This is a non-official translation of the Swedish original text. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

[1] Sebastian Siemiatkowski has not participated in the board of directors' deliberations and resolutions on matters relating to the Transaction (as defined herein) due to a conflict of interest. In this press release, the board of directors therefore refers to the independent board members Amaury de Poret, Charlotte Runius and Marcelo Carvalho de Andrade.

[2] Double Sunday IV AB is a company wholly owned by Sebastian Siemiatkowski, with a shareholding in Flat that, as of today, corresponds to approximately 8.4 percent of the shares and approximately 6.0 percent of the votes in Flat.

[3] Sebastian Siemiatkowski owns, directly and through companies, 4,259,329 A shares and 8,212,121 B shares in Flat.

[4] The value of Klarna's ordinary share is converted to SEK based on an exchange rate USD/SEK of 9.25764, corresponding to the Riksbank's (Sw. Riksbanken) published exchange rate for USD/SEK on 16 September 2025, which was the last trading day prior to the announcement of the Transaction.

[5] The value that the indirect shareholding in Klarna integrated through the Transaction will be recognised in Flat's accounts depends on the conditions at the time of completion of the Transaction and may therefore deviate, both upward and downward, from the value assigned to the shareholding in the Transaction.

This information is information that Flat Capital AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-09-17 07:30 CEST.

Attachments

[Flat proposes an issue in kind in which Double Sunday AB, valued at SEK 9.5 billion, will be integrated into Flat](#)