



Sebastian Siemiatkowski presents improved proposal to the EGM on 17 October 2025: receives 16 percent fewer shares for Double Sunday AB

- On 17 September 2025, Flat Capital AB (publ) (“Flat” or the “Company”) announced a proposal to integrate Double Sunday AB (“DSAB”), a company indirectly wholly owned by Sebastian Siemiatkowski that owns 24,564,396 ordinary shares in Klarna Group plc (“Klarna”), through in kind issues (the “Transaction”).
- In light of the opinions, comments, and requests raised by shareholders since the initial proposal, the board of directors and Sebastian Siemiatkowski have agreed to improve the terms and propose a more attractive deal for Flat’s shareholders, where DSAB’s Klarna shares are valued at USD 39.0 per share – a decrease of approximately 16 percent compared to the previous USD 46.7 (the “New Proposal”). The subscription price for Flat shares remains at SEK 20.00, entailing that approximately 16.29 Flat shares are received per Klarna share according to the New Proposal.
- The board of directors^[1] therefore presents adjusted proposals to the extraordinary general meeting on 17 October 2025, where the in kind issues comprise 400,137,971 shares in Flat, of which 136,657,667 A shares and 263,480,304 B shares, which means that Sebastian Siemiatkowski will receive approximately 16 percent fewer Flat shares than in the original proposals.

Comment from the board of directors:

“Almost four weeks ago, on 17 September 2025, a proposal was presented to integrate Double Sunday into Flat through an issue in kind. The proposal has generated reactions, both from our shareholders and far beyond our shareholder base – and as a result, we have noted greater interest in Flat, both as a company and as a stock.

As a board, we are delighted with our owners' commitment and the broad interest in our business. We believe it is extremely important to listen to all opinions, views, and proposals that are raised—an opinion shared by the entire board. Over the past few weeks, we have followed the discussion and market developments, while maintaining a continuous dialogue with both major and minor shareholders. Major shareholders have stressed the importance of proposing a deal that is considered beneficial to all shareholders, including smaller shareholders.

As a board, we are very positive about the adjusted offer now presented by Sebastian, which makes the deal more attractive to Flat's shareholders. We recommend that our owners vote in favor of the proposal at the general meeting on 17 October.”



The Transaction according to the New Proposal

Due to the New Proposal, the board of directors adjusts the previously presented proposals for resolutions on in kind issues ahead of the extraordinary general meeting on 17 October 2025 (the “**EGM**”). The Transaction is proposed to be carried out through new share issues to Double Sunday IV AB of in total 400,137,971 shares (of which 136,657,667 are A shares and 263,480,304 are 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 (the “**In Kind Issues**”).

According to the New Proposal, DSAB’s holding of ordinary shares in Klarna has been valued at USD 39.0 per ordinary share^[2], which is:

- just below the closing price of approximately USD 39.1 for Klarna's ordinary share on the NYSE on 13 October 2025, which was the last trading day prior to the announcement of the New Proposal,
- a discount of approximately 5 percent compared to the volume-weighted average price of approximately USD 41.0 for Klarna's ordinary share on the NYSE during the last five trading days prior to the announcement of the New Proposal, and
- a decrease of approximately 16 percent compared to the original assigned value of USD 46.7 per ordinary share in Klarna.

The newly issued shares in Flat are proposed to continue to have a subscription price of SEK 20.00 per share. According to the New Proposal, approximately 16.29 Flat shares will be received per ordinary share in Klarna, compared to approximately 19.34 according to the original proposal, which means that Sebastian Siemiatkowski will receive approximately 16 percent fewer Flat shares. Otherwise, the terms are unchanged.

The New Proposal has been negotiated between the board of directors and Sebastian Siemiatkowski, taking into account Klarna's share price development since the announcement of the Transaction. Sebastian Siemiatkowski, through Double Sunday IV AB, has undertaken to contribute the shares in DSAB on the adjusted terms.

Sebastian Siemiatkowski has not participated in the board of directors’ deliberations and resolutions on matters relating to the New Proposal due to a conflict of interest. For further information about the Transaction, please refer to the Company's press release of 17 September 2025.

Effects of the Transaction under the New Proposal

According to the New Proposal, Flat's net asset value after the Transaction is estimated to be approximately SEK 18.9 per share, based on a net asset value of SEK 14.0 per share as of 30 June 2025, and Klarna's closing price of approximately USD 39.1 on 13 October 2025, compared to approximately SEK 18.5 per share per the original proposal.

Following the Transaction, Flat's investment in Klarna is expected to increase from approximately 2 to approximately 87 percent of Flat's total assets, while its ownership interest in Klarna will increase from approximately 0.02 to approximately 6.5 percent. Sebastian Siemiatkowski's direct and indirect holding in Flat will increase to approximately 83 percent of the shares and approximately 95 percent of the votes.



The In Kind Issues entail that the number of shares in Flat will increase by 400,137,971 to a total of 497,825,717, and the share capital will increase by SEK 20,006,898.55 to SEK 24,891,285.85. This corresponds to a dilution of approximately 80 percent for existing shareholders.

Extraordinary general meeting in Flat on 17 October 2025

The completion of the Transaction is conditional upon the extraordinary general meeting of Flat on 17 October 2025 resolving on the In Kind Issues and the necessary amendments to the articles of association. The notice to the EGM was published on 17 September 2025 and is available on Flat's website, where the board's complete adjusted proposals for the In Kind Issues will also be published. Otherwise, the board's proposals to the EGM remain unchanged.

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

For further information, please contact:

Hanna Andreen, CEO, hw@flatcapital.com, +46 (0) 73 353 44 66

Certified Adviser:

Flat Capitals Certified Adviser is Augment Partners AB, info@augment.se, +46 (0) 8 604 22 55

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 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.

[1] The chairman of the board, 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] The value of Klarna's ordinary share is converted to SEK based on an exchange rate USD/SEK of 9.51941, corresponding to the Riksbank's (Sw. Riksbanken) published exchange rate for USD/SEK on 13 October 2025, which was the last trading day prior to the announcement of the New Proposal.

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 2025-10-14 07:30 CEST.

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Attachments

[Sebastian Siemiatkowski presents improved proposal to the EGM on 17 October 2025: receives 16 percent fewer shares for Double Sunday AB](#)