



Notice of Annual General Meeting in Flat Capital AB (publ)

The shareholders of Flat Capital AB (publ), 556941-0110, (the "Company" or "Flat") are invited to the Annual General Meeting on Thursday, May 4, 2023 at 16:00 at Alma at Nybrogatan 8, 114 34 Stockholm. Registration begins at 15:45. The Board has decided that shareholders may also exercise their voting rights at the Annual General Meeting by postal voting in advance.

In addition to the AGM, we will also present an investor meeting. This gives shareholders, and others interested, an opportunity to take part in a short presentation about Flat and also the opportunity to ask questions to management and the board. The investor meeting will start at 16:30 at Alma at Nybrogatan 8, 114 34 Stockholm. After the meeting and the presentation, pizza, soft drinks and other light refreshments will be served, with the opportunity to mingle to network with us at Flat and other shareholders.

Right to participate in the Annual General Meeting and notification

Participation at the meeting venue

Shareholders who wish to attend the meeting in person or by proxy shall:

- i. be registered in the printout of the share register made by Euroclear Sweden AB on April 25, 2023,
- ii. register and, where applicable, the number of assistants the shareholder wishes to bring, no later than April 27, 2023.

Notification of participation is made by e-mail to bolagsstamma@flatcapital.com or by post to Flat Capital AB (publ), "Annual General Meeting 2023" Flat Capital AB Box 5855 102 45 Stockholm. The notification states name, personal identification number or organization number, address, telephone number, number of shares and, where applicable, the number of assistants the shareholder wishes to bring.

If a shareholder is represented by a proxy, a written and dated power of attorney signed by the shareholder must be issued to the proxy. The power of attorney may not be older than 1 year, unless a longer period is specified in the power of attorney (maximum 5 years). Proxy forms are available on the Company's website www.flatcapital.com, as of April 6, 2023, and will be sent by mail to shareholders who so request and provide their postal address. If the power of attorney is issued by a legal entity, a registration certificate or equivalent authorization document must be attached. The power of attorney, registration certificate and other authorization documents should be received by the Company no later than 27 April 2023 by sending a letter by post to Flat Capital AB (publ), "Annual General Meeting 2023", Flat Capital AB Box 5855 102 45 Stockholm, Sweden, or by email to bolagsstamma@flatcapital.com.

Participation by postal voting

Shareholders who wish to participate in the meeting by postal voting, in person or by proxy, shall:

- i. be included in the printout of the share register made by Euroclear Sweden AB on April 25, 2023,
- ii. notify the Company of their participation no later than April 27, 2023 by casting their vote in accordance with the instructions under the heading "Postal voting" below.



Postal voting

For the postal voting, a special form shall be used, which, together with further instructions for postal voting, will be available on the Company's website, www.flatcapital.com, as of 6 April 2023. Shareholders who vote by proxy shall issue a dated and signed power of attorney that is attached to the postal voting form together with a certificate of registration or other authorization for owners who are legal entities. Proxy forms are available on the Company's website www.flatcapital.com, as of April 6, 2023, and will be sent by mail to shareholders who request and state their postal address. The complete form must be received by the Company no later than April 27, 2023 by mail to Flat Capital AB (publ), "Årsstämma 2023", Flat Capital AB Box 5855 102 45 Stockholm or by email to bolagsstamma@flatcapital.com. The shareholder may not provide the postal vote with special instructions or conditions. If this happens, the postal vote is invalid in its entirety. Further instructions and conditions are stated in the postal voting form.

Nominee-registered shares

In order to be entitled to participate in the meeting, a shareholder whose shares have been registered in the name of a nominee must, in addition to registering for the meeting, register the shares in his/her own name so that the shareholder will be included in the presentation of the share register on April 25 2023. Such registration may be temporary (so-called voting rights registration) and is requested from the nominee in accordance with the nominee's routines in such time in advance as the nominee determines. Voting rights registration made by the nominee no later than April 27, 2023 will be taken into account in the preparation of the share register.

Shareholders' right to receive information

Shareholders in the Company have at the annual general meeting, if the Board considers that it can be done without significant harm to the Company, the right to information about circumstances that may affect the assessment of an item on the agenda or the Company's financial situation (i.e., the right to ask questions in accordance with Chapter 7, Section 32 of the Swedish Companies Act (2005:551)). Shareholders who wish to submit questions in advance can do so by mail to the Company at the address Flat Capital AB Box 5855 102 45 Stockholm or by e-mail to bolagsstamma@flatcapital.com.

Proposal for the agenda

1. Opening of the Annual General Meeting,
2. Election of the chairman of the meeting,
3. Preparation and approval of the voting list,
4. Approval of the agenda,
5. Election of one or two persons to verify the minutes,
6. Examination of whether the meeting has been duly convened,
7. Presentation of the annual report and the auditor's report, and, where applicable, the consolidated accounts and the auditor's report for the group,
8. Resolutions on;
 - a. adoption of the income statement and balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet,
 - b. allocation of profit or loss according to the adopted balance sheet,
 - c. discharge from liability for the members of the Board and the CEO,
9. Determination of board and auditor fees,



10. Election of board members, chairman of the board and auditor,
11. Resolution on authorization for the Board to decide on a new share issue,
12. Resolution on (A) Directed issue of warrants, Series 2023/2026:A and (B) Payment of gratuity to key employees,
13. Resolution on a directed issue of warrants, Series 2023/2026:S to Board members,
14. Closing of the Annual General Meeting.

Proposal for resolution

The following proposed resolutions follow the numbering as set out in the agenda proposed by the Board.

Paragraph 2 - Election of chairman of the meeting

The Board proposes that Sebastian Siemiatkowski is elected chairman of the Annual General Meeting.

Paragraph 5 - Election of one or two persons to verify the minutes.

The Board proposes Hanna Wachtmeister or, if prevented, the person or persons designated by the Board, as persons to verify the minutes together with the chairman. The task of the verifiers also includes checking the voting list.

Paragraph 8(b) - Appropriation of profit or loss according to the adopted balance sheet

The Company proposes to allocate the Company's result in accordance with the Board' proposal in the annual report. The Board further proposes that no dividend is paid for the financial year 2022.

Paragraph 8(c) - Discharge from liability for the members of the Board and the CEO

The auditor recommends that the annual general meeting grants discharge from liability for the financial year 2022.

Decisions on discharge from liability are made through individual decisions for each board member and CEO in the following order:

- Hanna Wachtmeister, CEO (refers to the financial year 2022)
- Sebastian Siemiatkowski, Chairman (refers to the financial year 2022)
- Charlotte Runius, board member (refers to the financial year 2022)
- Amaury de Poret, board member (refers to the financial year 2022)
- Marcelo Carvalho de Andrade, board member (refers to the financial year 2022)
- Nina Siemiatkowski, board member (relates to part of the financial year 2022)

Paragraph 9 - Determination of fees for the Board and auditors

Shareholders propose that fees shall be paid to the Chairman of the Board with SEK 75,000 and to the other members of the Board with SEK 75,000 each.



Shareholders propose that fees to the auditor shall be paid in accordance with approved invoices.

Paragraph 10 - Election of board members, chairman of the board and auditor

Shareholders propose to re-elect Sebastian Siemiatkowski, Charlotte Runius, Amaury de Poret and Marcelo Carvalho de Andrade as ordinary members of the Board. Furthermore, the Meeting proposes to re-elect Sebastian Siemiatkowski as Chairman of the Board.

Shareholders propose to re-elect Grant Thornton AB as the Company's auditor with the authorized public accountant Carl-Johan Regell as auditor in charge.

Paragraph 11 – Resolution on authorization for the Board to resolve on a new share issue

The Board proposes that the meeting resolves to authorize the Board to, until the time of the next annual general meeting and on one or more occasions, resolve on a new issue of shares, with or without deviation from the shareholders' preferential rights.

The purpose of the authorization is to increase the company's financial flexibility for new investments, to support existing portfolio companies and to broaden the shareholder base if needed. The Board shall have the right to decide that payment shall be made in cash or in kind or subscribed for with a right of set-off. The Board's decision to issue shares with deviation from the shareholders' preferential rights may entail a total increase of not more than 25 percent of the number of outstanding shares, based on the number of outstanding shares in the Company at the time of the decision on the authorization.

Each member of the Board is authorized to, individually or through the person appointed by any of them, make such minor adjustments to this resolution as may be necessary in connection with the registration thereof.

Majority requirements

The resolutions referred to in paragraph 11 shall be valid only if supported by shareholders representing at least two thirds of the votes cast and the shares represented at the meeting.

Paragraph 12 – Resolution on (A) Directed issue of warrants, Series 2023/2026:A and (B) Payment of gratuity to key employees

The Board proposes that the Annual General Meeting on May 4, 2023 in Flat Capital AB (publ), reg. no. 556941-0110 (the "Company"), resolves on a directed issue of warrants with the right to subscribe for new Class B shares ("Shares") in the Company. The issue shall be made with deviation from the shareholders' preferential rights on the following conditions:

A. Directed issue of warrants, Series 2023/2026:A, to key employees.

- The company shall issue a maximum of 641,554 warrants entitling the holder to subscribe for 641,554 new Class B shares. Oversubscription cannot occur.
- The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, be granted to key employees of the company or the group, who shall be offered to subscribe for warrants on a separate subscription list.



- The warrants shall be issued at a price corresponding to an estimated market value of the warrants (option premium) using the Black-Scholes model. The valuation of the warrants shall be carried out by an independent valuation institute or accounting firm. A preliminary calculation based on a subscription price upon exercise of the warrants of SEK 12.00 per share gives a value of SEK 0.88 on the warrant. The following values of the parameters included in the calculation model have then been used:

Risk-free rate:	2.685%
Volatility:	34.8%
Liquidity discount due to unlisted option:	15.1%
Dividend share of future profits:	0.0%
Market value of the share:	8.00 SEK

- The warrants shall be subscribed for no later than May 25, 2023 on a separate subscription list. The Board shall be entitled to extend the subscription period.
- Payment of the option premium for the warrants shall be made within three weeks of subscription. The Board shall be entitled to extend the time for payment.
- The increase in the company's share capital may, upon full exercise of the warrants, amount to a maximum of SEK 32,077.70, subject to the increase that may be caused by recalculation as a result of issues, etc.
- Payment for shares upon exercise of a Warrant shall be made in cash at a subscription price corresponding to 150 percent of the average of the volume-weighted price paid for each trading day according to First North Stockholm's official price list for shares in the Company during the period of 10 trading days up to and including May 3, 2023. The subscription price thus determined shall be rounded off to the nearest whole ten öre, whereby 5 öre shall be rounded down.
- Each warrant shall entitle the holder to subscribe for one new Class B share against cash payment during the period June 1, 2026 up to and including July 1, 2026. However, the warrants shall be exercisable at any earlier date as a result of a merger, compulsory redemption of shares, liquidation, etc.
- Shares issued following the exercise of a warrant carry the right to dividends for the first time on the record date for dividends that occurs immediately after the new shares have been registered with the Swedish Companies Registration Office and entered in the share register maintained by Euroclear.
- In connection with the subscription of warrants to the participants in the program, the Company shall reserve the right to repurchase warrants if the participant's employment ceases or if the participant in turn wishes to transfer the warrants.
- The premium on the subscription of shares through the exercise of a warrant shall be added to the unrestricted share premium account.
- The full conditions of the program are set out in *Appendix A*, which is published on the website.



Allocation of warrants

The offer to purchase warrants includes 2 key employees and the offer is distributed as follows:

Name	Maximum number of warrants
Hanna Wachtmeister (CEO)	320,777
Antonio Melani (CFO)	320,777

Reasons for deviation from the shareholders' preferential rights

The reason for deviating from the shareholders' preferential rights is a desire to have an option program introduced for allocation to key employees of the company, whereby they can be offered the opportunity to participate in a value growth in the Company's share. This is expected to strengthen the interest in the company's development - as well as the company's share price development - and to stimulate continued company loyalty in the coming years.

Dilution effect and other outstanding incentive programs

In case all warrants are exercised, the number of shares will increase by 641,554, which corresponds to a dilution of not more than approximately 2.0 percent of the shares and votes based on the Company's current number of shares. In the above cases and in the event that all warrants in the second proposal are exercised, the number of shares will increase by 882,136, corresponding to a dilution of not more than approximately 2.7 percent of the shares and votes based on the Company's current number of shares.

There are currently two (2) outstanding stock option plans;

- 1. Incentive program CEO LTIP 2021 comprises a maximum of 364,243 warrants, of which 364,243 are allocated and give the right to subscribe for new shares of SEK 24.40 from October 20, 2026 up to and including November 3, 2026.*
- 2. Incentive program Board LTIP 2021 comprises a maximum of 273,183 warrants, of which 273,183 are allotted and give the right to subscribe for new shares of SEK 24.40 from October 20, 2026 to November 3, 2026.*

If all previously issued warrants and warrants issued in incentive programs 2023/2026:A and 2023/2026:S are exercised, the dilution can amount to a maximum of approximately 4.6 percent according to the above assumptions.

B. Payment of gratuity

As part of the incentive program, the participant receives a bonus in the form of a gross salary supplement where the net salary corresponds to the amount paid by the participant for the warrants. The bonus is paid in connection with the regular salary payment in the current or following month and the total salary cost including social security contributions may not exceed SEK 850,000 per participant. The Board may, if deemed necessary in individual cases, decide on alternative payment dates or that under certain circumstances the bonus shall not be paid in whole or in part or may be reclaimed, subject to the limitations that may follow from law.



Costs and impact on key figures

Since the warrants are issued at market value, it is the company's assessment that no salary costs or social security contributions will arise for the company as a direct result of the option program according to A. Upon payment of gratification, salary costs and social security contributions arise. Assuming that all options are acquired for a price of SEK 0.88 per option and an assumed marginal tax of 50 percent and social security contributions of 31.42 percent, the total salary cost including social security contributions amounts to SEK 1.5 million.

The total costs as described above, including other costs in the form of fees to external advisors and costs for administration of the program, are estimated to amount to approximately SEK 1.6 million over the duration of the program. Upon full exercise of all warrants, the company will receive an issue proceeds corresponding to the number of issued warrants times the exercise price. This means that at full exercise and at an assumed exercise price of SEK 12.00, the company would receive a total of SEK 7.7 million in equity upon exercise of the warrants in 2026.

The incentive program is expected to have a limited effect on the Company's key figures.

Preparation of the proposal

The proposal for the incentive program has been prepared by the Board in cooperation with external experts.

Special authorization

The Board, or the person appointed by the Board, shall be entitled to make such minor adjustments to the above-mentioned proposal as may be necessary in connection with the registration of the above resolution with the Swedish Companies Registration Office and any Euroclear Sweden connection of the warrants.

Majority requirements

The resolution is subject to Chapter 16 of the Swedish Companies Act and requires the support of shareholders representing at least nine tenths of both the votes cast and the shares represented at the meeting.

Paragraph 13 – Resolution on directed issue of warrants, Series 2023/2026:S to Board members

The main-owner Sebastian Siemiatkowski, who privately and through his wholly-owned companies represents approximately 39.4% percent of the shares and approximately 73.0% of the votes (the "Proposer") proposes that the annual general meeting on May 4, 2023 in Flat Capital AB (publ), reg. no. 556941-0110 (the "Company"), resolves on a directed issue of warrants with the right to subscribe for new Class B shares in the Company. The issue shall be made with deviation from the shareholders' preferential rights on the following terms:

- The Company shall issue a maximum of 240,582 warrants entitling the holder to subscribe for 240,582 new Class B shares ("Shares"). Over-subscription cannot occur.
- The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, belong to the Board of the Company (the "Participants"), who shall be offered to subscribe for warrants on a separate subscription list.



- The warrants shall be issued free of charge. The market value of the warrants shall be calculated using the Black-Scholes valuation model to calculate the Company's social costs and benefits. The valuation of the warrants shall be carried out by an independent valuation institute or accounting firm. A preliminary calculation based on a subscription price upon exercise of the warrants of SEK 12.00 per share gives a value of SEK 0.88 on the warrant. The following values of the parameters included in the calculation model have then been used:

Risk-free rate:	2.685%
Volatility:	34.8%
Liquidity discount due to unlisted option:	15.1%
Dividend share of future profits:	0.0%
Market value of the share:	8.00 SEK

- The warrants shall be subscribed for no later than May 25, 2023 on a separate subscription list. The Company through the Proposer shall have the right to extend the subscription period.
- Allocated warrants are offered for subscription free of charge against admission of benefit taxation. Such offer of allotment of warrants shall be made within 10 banking days after the decision on allotment is made.
- The increase in the Company's share capital may, upon full exercise of the warrants, amount to a maximum of SEK 12,029.10, subject to the increase that may be caused by recalculation as a result of issues, etc.
- Payment for shares upon exercise of a Warrant shall be made in cash at a subscription price corresponding to 150 percent of the average of the volume-weighted price paid for each trading day according to First North Stockholm's official price list for shares in the Company during the period of 10 trading days up to and including May 3, 2023. The subscription price thus determined shall be rounded off to the nearest whole ten öre, whereby 5 öre shall be rounded down.
- Each warrant shall entitle the holder to subscribe for one new Class B share against cash payment during the period June 1, 2026 up to and including July 1, 2026. However, the warrants shall be exercisable at any earlier date as a result of a merger, compulsory redemption of shares, liquidation, etc.
- Shares issued following the exercise of a warrant carry the right to dividends for the first time on the record date for dividends that occurs immediately after the new shares have been registered with the Swedish Companies Registration Office and entered in the share register maintained by Euroclear.
- In connection with the subscription of warrants to the participants in the program, the Company shall reserve the right to repurchase warrants if the Participant's employment ceases or if the Participant in turn wishes to transfer the warrants.
- The premium on the subscription of shares through the exercise of a warrant shall be added to the unrestricted share premium account.
- The full conditions of the program are set out in *Appendix B*, which is published on the website.



Allocation of warrants

The offer to purchase warrants covers a maximum of 3 participants. Allocation will be made to the following persons:

Name	Maximum number of warrants
Amaury de Poret (Board member)	80,194
Charlotte Runius (Board member)	80,194
Marcelo Carvalho de Andrade (Board member)	80,194

Reasons for deviation from the shareholders' preferential rights

The reason for deviating from the shareholders' preferential rights is a desire to have an option program introduced for allocation to key persons in the Company or the group whereby they can be offered the opportunity to participate in a value growth in the Company's share. This is expected to strengthen interest in the company's development - as well as the company's share price development - and to stimulate continued company loyalty in the coming years.

Dilution effect and other share-based incentive programs

In case all warrants are exercised, the number of shares will increase by 240,582, which corresponds to a dilution of not more than approximately 0.7 percent of the shares and votes based on the Company's current number of shares. In the cases above and in the event that all warrants in the second proposal are exercised, the number of shares will increase by 882,136, which corresponds to a maximum dilution of approximately 2.7 percent of the shares and votes based on the Company's current number of shares.

There are currently two (2) outstanding stock option plans;

1. *Incentive program CEO LTIP 2021 comprises a maximum of 364,243 warrants, of which 364,243 are allocated and give the right to subscribe for new shares of SEK 24.40 from October 20, 2026 up to and including November 3, 2026.*
2. *Incentive program Board LTIP 2021 comprises a maximum of 273,183 warrants, of which 273,183 are allotted and give the right to subscribe for new shares of SEK 24.40 from October 20, 2026 to November 3, 2026.*

If all previously issued warrants and warrants issued in incentive programs 2023/2026:A and 2023/2026:S are exercised, the dilution can amount to a maximum of approximately 4.6 percent according to the above assumptions.

Costs and impact on the company's key figures

As the warrants are issued free of charge, it is the Company's assessment that benefits and social security contributions will arise for the Participant and the Company as a result of the warrant program in addition to certain limited costs in the form of external consultancy fees and administration regarding the warrant program.

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05 APRIL 2023 16:00:00 CEST



The total costs for social security contributions depend on the number of options that will be added and on the value of the benefit that the Participant will ultimately receive upon allocation, but also on the countries in which the participants reside and the rates of social security contributions in these countries. The cost of social security contributions, if all Participants are resident in Sweden, amounts to approximately SEK 66,520.

The total costs, including other costs in the form of fees to external advisors and costs for administration of the program, are estimated to amount to approximately SEK 0.2 million over the duration of the program. Upon full exercise of all warrants, the company will receive an issue proceeds corresponding to the number of issued warrants times the exercise price. This means that at full exercise and at an assumed exercise price of SEK 12.00, the company would receive a total of SEK 2.9 million in equity upon exercise of the warrants in 2026.

The incentive program is estimated to have a marginal effect on the Company's key figures.

Preparation of the proposal

The proposal for an incentive scheme has been prepared by the Proposer in cooperation with external experts.

Special authorization

The Board, or the person appointed by the Board, shall be entitled to make such minor adjustments to the above-mentioned proposal as may be necessary in connection with the registration of the above resolution with the Swedish Companies Registration Office and any Euroclear Sweden connection of the warrants.

Majority requirements

The resolution is subject to Chapter 16 of the Swedish Companies Act and requires the support of shareholders representing at least nine tenths of both the votes cast and the shares represented at the meeting.

Available documents

The annual report and the auditor's report for 2022 (including, inter alia, the Board' proposal for allocation of the Company's result) will be available at the Company and on the website www.flatcapital.com and will be sent by post to shareholders who so request and state their postal address.

Processing of personal data

For information on how personal data is processed in connection with the general meeting, please refer to the privacy policy available on Euroclear Sweden AB's website, www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf.

Flat Capital AB (publ) has corporate identity number 556941-0110 and its registered office is in the municipality of Stockholm.

Disclaimer:

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.

Note: Appendices and related documents will be in Swedish only, available on the company's website, flatcapital.com.

PRESS RELEASE
05 APRIL 2023 16:00:00 CEST



[Translated with DeepL](#)

April 2023

Flat Capital AB (publ)

The Board

Attachments

[Notice of Annual General Meeting in Flat Capital AB \(publ\)](#)