



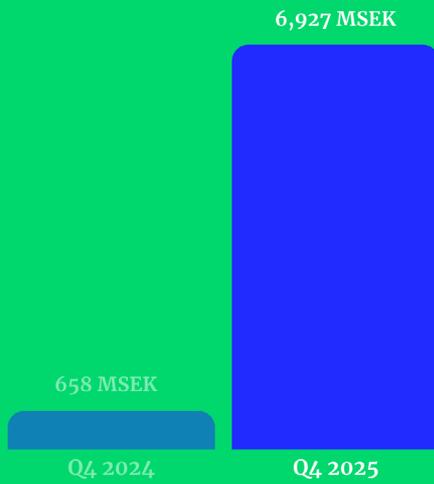
Flat Capital AB (publ)

Annual Report

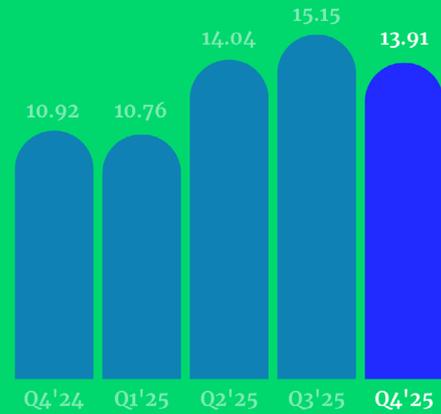
2025



Net Asset Value (NAV), total



Net Asset Value (NAV), per share



Year in short

+10x

Total NAV development,
annual change 2025

+27%

Development NAV/share,
annual change 2025

0.33%

Operating expenses,
as a share of NAV

Some of our portfolio companies

Klarna.  **OpenAI**
DEFENSOR.
GROUP

Highlights

FY 2025

Q1

- **Flat is selling its stake in Truecaller for 41.5 MSEK**, which means a return of 3.8x, or an annual return (IRR) of +51%, for shareholders who've been with Flat since it went public.

Q2

- **Flat's rights issue is heavily oversubscribed at 777 MSEK**, with Flat receiving 600 MSEK before issue costs. The issue strengthens our cash position and enables us to act quickly on new investment opportunities, as well as opening for larger and active holdings.

Q3

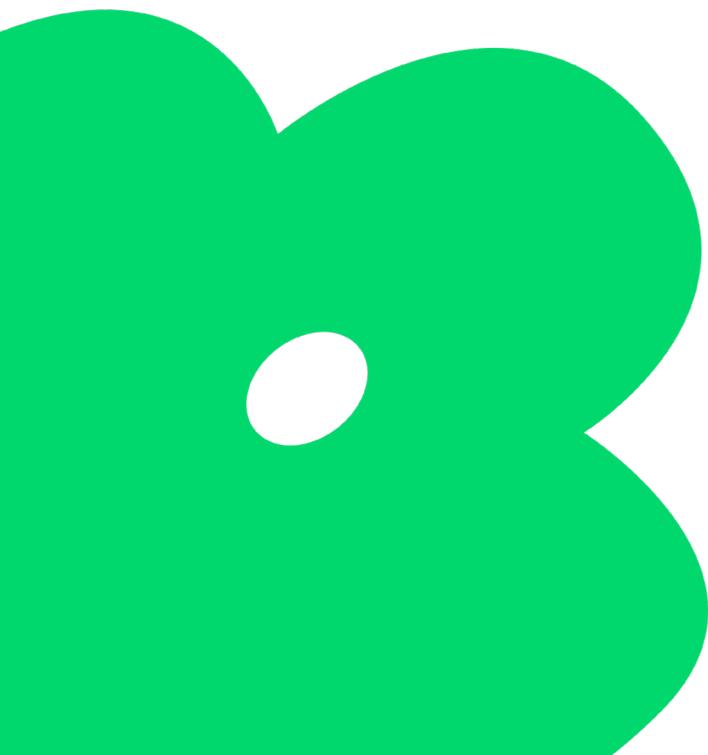
- **Flat is investing 458 MSEK in Defensor for a 63% stake**, an active investment in a new industrial group within defense and security. Defensor acquires 70% of ArmaTech & SAFE4U, two specialized defense companies with strong track records and unique positions in their fields.

Q4

- **Flat has completed the integration of Double Sunday AB (DSAB)**, resulting in DSAB's assets, primarily 24.6 million ordinary shares in Klarna Group plc, being transferred to Flat through a non-cash issue.

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Description of activities

About Flat

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

- Unique access to proven investment opportunities in prominent, often hard-to-reach companies through our global network of world-leading investors and entrepreneurs,
- Focus on genuinely long-term investments where we support entrepreneur-led companies without restrictions from fund structures or fixed time horizons,
- Trust in the entrepreneur and our network, where the entrepreneur's drive is combined with our experience and contacts to create the conditions for long-term success - as a passive or active owner.

Flat was founded in 2013 by entrepreneurs Nina and Sebastian Siemiatkowski, Nina with a background as CEO and founder of Milkywire and Sebastian as co-founder and CEO of Klarna.

The aim is to simplify and improve the path to successful company building and give more people the opportunity to share in maximum returns.

Note: The net asset value of Flat includes the valuation of unlisted holdings. Keep in mind that these are estimated values according to our accounting principles and that the value may differ between different players and investors, and that there is no "market price" as for listed companies. See more under Note 11.

Global network of world-leading investors and entrepreneurs

Through its founders and board of directors, Flat has access to a global network consisting of world-leading investors, primarily in venture capital, and entrepreneurs. This means a continuous and strong flow of investment opportunities in unlisted and otherwise difficult-to-access companies with prominent entrepreneurs in leading positions.

Genuinely long-term investments

Flat contributes long-term capital to entrepreneur-led companies that might otherwise be dependent on investors with a shorter time horizon. The long-term approach is based on supporting dedicated entrepreneurs through thick and thin

and is made possible by, among other things, not having a fund structure with a fixed life cycle and not using conventional, short-term methods for divesting holdings.

Trust in the entrepreneur and our network

Flat is fundamentally based on the conviction that dedicated entrepreneurs are best suited to build their own companies. At the same time, there is strong confidence in Flat's network and its ability and experience in identifying and supporting future world-leading companies and entrepreneurs. By combining the entrepreneur's drive with Flat's experience and network, we can create the best possible conditions for long-term success. The structure enables low costs and an efficient organization.

Broad investment mandate

Flat has a comprehensive investment mandate, where every decision is made based on an assessment of what will maximize long-term value for shareholders. Flat has the opportunity to make several different types of investments, ranging from participating in starting new companies to investing in already listed companies, as a passive or active owner. New investment opportunities are analyzed on an ongoing basis, and existing portfolio companies can be supported in new financing rounds. Sustainability factors such as the environment, social responsibility, and ethics are important criteria for the company when making investment decisions. Flat strives to have a balanced portfolio over time.

The portfolio consists of +30 companies, with the largest holdings being Klarna, Defensor, OpenAI, Perplexity, Alpaca, and Cerebras.

Significant change in 2025

In 2025, Flat carried out two transactions that significantly changed Flat's investment portfolio. In August, Flat became the majority owner of a new Swedish defense group, and in October, Flat acquired founder Sebastian Siemiatkowski's holding in Klarna through a non-cash issue. The integration of Sebastian's Klarna shares into Flat has, in the short term, created a concentration of both ownership and portfolio. However, the long-term ambition with Flat is to diversify the portfolio.

Our investment strategy



Prominent entrepreneurs

Flat invests in prominent entrepreneurs who hold leading positions in their companies.



Attractive markets

Flat invests in markets where companies' growth is driven by underlying structural trends.



Companies in the growth phase

Flat primarily invests in companies that are in the growth phase



Global investments

Flat invests globally.

Financial information in short

KSEK	Dec 31 2025	Sep 30 2025	Jun 30 2025	Mar 31 2025	Dec 31 2024
Net Asset Value¹	6 926 851	1 480 119	1 371 644	648 539	657 940
- of which shares in listed holdings, including indirect holdings through DSAB ²	6 565 713	41 639	-	-	26 854
- of which indirect net debt through DSAB ²	- 1 084 413	-	-	-	-
- of which shares in unlisted majority holdings	457 500	457 500	-	-	-
- of which shares in unlisted minority holdings	845 912	786 299	629 095	483 214	477 352
- of which net cash ¹	144 075	198 061	152 233	166 797	158 832
- of which other net assets/-liabilities	-1 936	-3 379	590 317	-1 471	-5 098
Net Asset Value per share, SEK¹	13,91	15,15	14,04	10,76	10,92
- of which net cash per share ¹	0,29	2,03	1,56	2,77	2,64

KSEK	Full-year 2025	Full-year 2024
Operating expenses	-12 531	-6 105
Profit for the period	-2 290 441	107 950
Change in value of financial assets	-2 272 315	108 185
- of which realized	34 522	0
Investments	8 595 485	145 853
Divestments	42 663	0
Operating expenses in relation to the average NAV, annualized ¹	0,33%	1,14%



Net Asset Value¹ (NAV)
2025-12-31

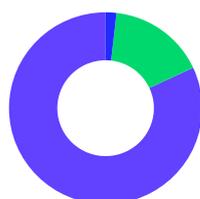


NAV¹ per share
2025-12-31



Change in NAV
per share 25/24

Total assets (incl. DSAB)



- Listed assets, incl. indirect assets through DSAB, 82%
- Unlisted assets, 16%
- Other assets, 2%

Capital structure (incl. DSAB)



- Equity (Flat), 86%
- Net debt DSAB, 14%
- Liabilities (Flat), 0%

Currency exposure (incl. DSAB)



- Holding in USD, 92%
- Holding in SEK, 8%
- Other currencies, 0%

¹ For definitions of key figures, see Note 2.

² DSAB includes a holding of 24,564,396 Klarna shares and net debt. See Notes 11 & 12 for more information.

Net asset value (NAV) 2025

MSEK	Fair value 2025-12-31
<u>Listed holdings¹</u>	
Klarna (indirectly through DSAB, see Note 4 for more information)	6 534,4
Klarna	23,3
Figma	8,1
Sum of listed holdings	6 565,7
<u>Unlisted majority holdings²</u>	
Defensor Group	457,5
Sum of unlisted majority holdings	457,5
<u>Unlisted minority holdings</u>	
Unlisted holdings valued at the last transaction within the last 12 months ³	450,9
Externally managed unlisted assets, valued at fair value ⁴	308,2
Other unlisted holdings ⁵	86,8
Sum of unlisted minority holdings	845,9
Net debt (indirectly through DSAB, see Note 4 for more information)	-1 084,4
Net cash	144,1
Other net assets/-liabilities	-1,9
Total other assets and liabilities	-942,2
Total Net Asset Value	6 926,9
Net Asset Value per share (SEK)	13,91

1: Klarna indirectly through DSAB (includes 24,564,396 Klarna shares and net debt, see Note 11&12 for more information), Klarna (87,420 shares), Figma (23,476 shares).

2: Defensor Group

3: Alpaca, BrindleChute, CDLP, Cerebras, ElevenLabs, Lovable, Magic, Nexos, OpenAI, Perplexity, Pieces, Quartr, Talentium, Talk2Me

4: AI-portfolio 1 (Cursor, Chai, i.o Products/OpenAI, Speak), AI-portfolio 2, Harvey, Physical Intelligence, SpaceX, xAI

5: DeepL, Discord, Even (Steven), Getir, Hemla, Instabee, LoveLocal, Nylas, Oden, Omio, Opal, Pangaia, Prion, Project Europe (fund), Remote, TrueAccord, Uniplaces

Brief description: **largest listed holdings**

Klarna.

- AI-driven & global payment provider and shopping assistant
- CEO & Co-founder: Sebastian Siemiatkowski (CEO)
- Initial investment: 2021
- Total invested capital¹: 8 077 551 758 SEK (6.5% of capital)

About Klarna: Klarna is a global digital bank and flexible payments provider. With over 118 million active users and 3.4 million transactions per day, Klarna's AI-powered payments and commerce network empowers people to pay smarter, with a mission to be available everywhere, for everything.

Operating across 26 countries and trusted by more than 966,000 retailers, Klarna helps merchants drive growth and loyalty through innovative payment and marketing solutions. Consumers can pay with Klarna online, in-store, and through Apple Pay and Google Pay. Our partners include leading brands such as Uber, H&M, Saks, Sephora, Macy's, IKEA, Expedia Group, Nike, and Airbnb.

Klarna is listed on the New York Stock Exchange (NYSE: KLAR).



Key figures:

128b

Gross merchandise
volume (GMV)

118m

Active consumers

26

Countries

966k

Merchants

More info: www.klarna.com

¹ Please note that total capital invested is NOT the same as the current valuation of our holdings.

Brief description: largest unlisted holdings (1/2)

DEFENSOR. GROUP

- Industrial group accelerating Nordic defense industry
- CEO & Co-founders: Max Jägerbring (CEO), Martin Grund, Daniel Denvell, Jonas Jägerbring, Stefan Fröman
- Initial investment: 2025
- Total invested capital¹: 457 500 000 SEK (62,5% of company)

Defensor is a Nordic industrial group focused on developing the next generation of the defense industry through long-term thinking, innovation, and entrepreneurial drive. At a time when the world is characterized by increasing uncertainty and where forces that threaten freedom and security are growing stronger, our mission is to build capabilities that protect both nations and individuals.

Defensor brings together a new generation of defense companies – founded and run by entrepreneurs and passionate individuals who have worked during a period when only the most competent and persistent have been able to survive. These companies combine long-term organic growth and profitability with modern working methods, high adaptability, and a responsiveness that is appreciated by customers.

Among these players, a common idea has emerged: to join forces. To combine the speed and innovative power of entrepreneur-driven companies with the resources and staying power of a larger industrial group. Together, we can handle larger orders, build shared expertise, create industrial synergies, and coordinate efforts to better meet our customers' needs. This also enables long-term investments that secure and scale up Nordic defense capabilities.

- This is Defensor.

Defensor's subsidiaries currently consist of ArmaTech, SAFE4U and Zulu Marine, three entrepreneur-driven businesses with strong positions in the defense and security sector.

- **ArmaTech** - system supplier to Nordic authorities and partner to leading manufacturers in the defense and security sector.
- **SAFE4U** - leading Swedish manufacturer of ballistic protection products for government customers, with a focus on police, military, and special forces.
- **Zulu Marine** - develops and produces high-performance boats for demanding environments and government customers.

Note that Zulu Marine was acquired by Defensor in February 2026.

Defensor comments on the year:

In 2025, Defensor was established as an industrial platform that combines the speed and innovative power of entrepreneur-driven companies with the resources and long-term perspective of a larger industrial group.

Through the acquisitions of ArmaTech and SAFE4U, as well as the continued development of the Group's structure, Defensor has built a growing group of specialized businesses with a clear operational focus and close relationships with government customers. During the year, the organization and platform were further developed to strengthen implementation capabilities and enable continued scalable growth. Overall, 2025, from its establishment onwards, has been characterized by high activity, strong delivery, and continued positioning of Defensor as a responsible player that customers can rely on when demands are at their highest.

More info: www.defensor.se



¹ Please note that total capital invested is NOT the same as the current valuation of our holdings.

Brief description: **largest unlisted holdings** (2/2)



- Pioneering artificial intelligence research company
- CEO & Co-founder: Sam Altman
- Initial investment: 2023
- Total invested capital¹: 31 623 227 SEK

OpenAI, the pioneering artificial intelligence research company that aims to develop and lead revolutionary AI technologies. Since the company was founded in 2015, it has been at the forefront of AI development, resulting in platforms such as ChatGPT and Dall-E, as well as a large number of collaborations with leading global companies where OpenAI has integrated its AI technology.

OpenAI was founded in 2015 by a group of leading AI researchers and entrepreneurs, including current CEO Sam Altman, along with Elon Musk, Greg Brockman, Ilya Sutskever, among others. Its research is published in top academic journals and cited by thousands of other researchers, and has quickly become one of the most respected and influential organizations in artificial intelligence.

More info: www.openai.com



- AI-conversational search engine
- CEO & Co-founder: Aravind Srinivas
- Initial investment: 2023
- Total invested capital¹: 3 128 760 SEK

Perplexity is an alternative to traditional search engines, where you can directly pose your questions and receive concise, accurate answers backed up by a curated set of sources. It has a conversational interface, contextual awareness and personalization to learn your interests and preferences over time.

Perplexity's mission is to make searching for information online feel like you have a knowledgeable assistant guiding you, it is a powerful productivity and knowledge tool that can help you save time and energy with mundane tasks for a multitude of use cases. Perplexity is backed by investors like IVP.

More info: www.perplexity.ai



- API-based platform for crypto trading
- CEO & Co-founder: Yoshi Yokokawa
- Initial investment: 2025
- Total invested capital¹: 47 645 892 SEK

Alpaca offers an API-based trading platform for trading cryptocurrencies, stocks, and other financial instruments through partners. With its API solutions, Alpaca is building a global standard for investment infrastructure with the goal of making financial services accessible to everyone.

The company's offerings are leading in areas such as crypto, stocks, ETFs, options, and interest-bearing assets, with offerings such as tokenization, securities lending, and high-yield accounts. Alpaca's solutions currently play a central role in connecting traditional finance and blockchain-based infrastructure. Today, Alpaca has partnerships with over 300 organizations in more than 40 countries and supports millions of accounts at leading financial institutions and fintech companies.

More info: www.alpaca.markets



- AI infrastructure companies developing processors
- CEO & Co-founder: Andrew Feldman
- Initial investment: 2025
- Total invested capital¹: 47 233 406 SEK

Cerebras Systems is based in the United States and was founded in 2016 by CEO Andrew Feldman, along with co-founders Jean-Philippe Fricker, Michael James, Gary Lauterbach, and Sean Lie

Cerebras' advanced processors and custom-built systems, which combine hardware, software, and expertise, enable faster model training, low latency inference, and easier scaling of even the most advanced AI workflows. By reducing both computation time and complexity, Cerebras democratizes AI, making it more accessible to organizations worldwide.

More info: www.cerebras.ai

¹ Please note that total capital invested is NOT the same as the current valuation of our holdings.

Chairman & CEO on the past year

Sebastian Siemiatkowski, Chairman of the Board:

Dear shareholders,

I know that this has been a frustrating year for many of you. The share price has fallen. The Klarna integration was controversial. The change of CEO created uncertainty. I am aware of that, and I am not going to pretend otherwise.

2025 was a year of change, and it is both a shift and the continuation of a long-term idea. Flat Capital was built with a single mission: to invest in what we believe will provide the best returns in the long term, and to be evaluated solely on that. Nothing else. Many of you found Flat through OpenAI, Perplexity, or Klarna. That entry point was real and valuable. But those positions reflected our assessment at a specific point in time, not a permanent identity. We have never tied ourselves to a theme.

We have always said that we follow our best assessment about where the opportunities of the future lie. We have also always said: view Flat Capital as a long-term investment with elevated risk. Do not place all your savings there. These were not disclaimers. It was an honest description of what we are.

During 2025, we began a shift. We broadened the portfolio beyond a concentrated AI exposure toward more traditional industries, defense with Defensor and banking with Klarna. It is an active choice based on our view of where the best long-term opportunities lie. At the same time, we moved from smaller, more passive positions toward fewer, more significant holdings where we can be more engaged.

This ties in with something we have learned more clearly during the year: risk is not an objective quantity. It depends on the observer. When we invested in OpenAI, we saw it as an almost risk-free opportunity, but many observers saw it as

speculative. Other times we assess something as high risk, while others see stability. These differences in perception are precisely where opportunities emerge.

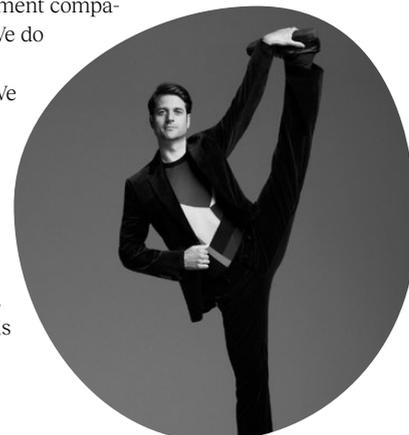
View Flat as a long-term allocation within a broader portfolio, capital you can commit patiently and allow to compound over time. Ultimately, it is over extended periods that performance becomes evident.

The integration of my Klarna holding was the biggest decision of the year and the most scrutinized. It significantly concentrated the portfolio, and it was a related-party transaction of a size that raised legitimate questions. Those questions deserve respect, not dismissal. What I can say is that every share I personally own is invested in Flat Capital. This is not a PR strategy, it is an expression of my conviction and commitment to all our shareholders.

There will be times, as there already have been, when our decisions are not immediately obvious. That is inherent in managing a long-term investment company with a flexible mandate. We do not manage this portfolio for short-term narrative clarity. We manage it with a singular objective: to maximize long-term compounded returns over many years.

Thank you for your patience, your continued commitment, and your candid criticism. It is heard, and it matters.

// Sebastian
Siemiatkowski



Amaury de Poret, interim CEO:

To describe 2025 as an eventful year for Flat Capital would be an understatement. Over the course of just twelve months, we carried out a 600 MSEK share issue, executed the transformative acquisition of the Defensor Group platform, made eleven additional new investments, and completed a multi-billion-SEK in-kind contribution, integrating Sebastian Siemiatkowski's entire Klarna holding into Flat Capital.

The eleven investments completed during the past year can be seen in light of Flat Capital's initial strategy, allocating capital across a mix of early-stage companies and more established players in the tech and AI sectors.

As a majority investment in a traditional industry, the acquisition of the Defensor Group marks the first step in an expanded strategic direction for Flat Capital. We are proud to have partnered with exceptional Swedish entrepreneurs in a business that is helping shape the future of the Nordic defence industry.

Although the integration of Sebastian's Klarna shares increases portfolio concentration in the near term, we view the transaction as strategically compelling over the long term. The transaction provides Flat Capital with exposure to a high-growth banking and payment platform, delivers immediate scale, and reinforces Sebastian's long-term alignment and commitment to Flat Capital.

Thanks for your continued support and interest over the past year, it means a great deal to us as we build what's next together.

// Amaury de Poret



Corporate governance

Flat is a Stockholm-based investment company whose B shares have been listed on Nasdaq First North Growth Market in Stockholm since October 2021. The external framework for corporate governance is the Swedish Companies Act, the Articles of Association, and Nasdaq's rules for issuers on First North Growth Market. The company complies with internal regulations issued by the board of directors, the most important of which are the board's rules of procedure, instructions for the CEO, and the company's information and insider policy. Flat's Board of directors has decided to apply for listing of the company's shares on Nasdaq Stockholm Main Market. Within the framework of this work, the company applies the Swedish Code of Corporate Governance

Rickard El Tarzi will take up the position of CEO during the first half of April 2026.

The principles of corporate governance

Corporate governance at Flat aims to ensure that the board and management can conduct business in a way that creates long-term value for shareholders and other stakeholders.

This includes maintaining:

- Effective organizational structure: Clear lines of responsibility and decision-making processes that support governance, monitoring, and decision-making.
- Risk management and internal control systems: Identification, assessment, and management of business risks, and implementation of control measures that ensure reliable reporting and compliance.
- Establishment of governance documents and policies: Clear guidelines and policies for governance, risk management, internal control and reporting that provide structure and clarity for the entire organization.
- Transparent internal and external reporting: Ensuring accurate, relevant and up-to-date information to the board, management, shareholders and other stakeholders.

Core values and principles

To facilitate decision-making, the company has several core values that the board, management, and employees can use as a basis.

- Investment decisions should maximize long-term returns, but not at the expense of sustainability factors.
- A well-diversified team with different cultures and gender diversity promotes new perspectives and can in turn lead to better profitability that is also sustainable in the long term.
- Flat works internally with sustainability and seeks portfolio companies that share the same values.

Shareholders and the Annual General Meeting

The Annual General Meeting is Flat's highest decision-making body, through which shareholders exercise their influence in the company. At the Annual General Meeting, decisions are made on the company's affairs in accordance with the Companies Act and the Articles of Association.

The Annual General Meeting is held annually within six months of the end of the financial year. At the Annual General Meeting, the income statement and balance sheet for the past financial year are approved, decisions are made on the allocation of the company's profits and the discharge from liability of the Board members and the CEO.

Furthermore, decisions are made on the election of the Board and, where applicable case, auditors, as well as the fees for the Board and auditors. In addition, other matters that, according to law or the Articles of Association, fall within the remit of the Annual General Meeting are dealt with.

Flat has two classes of shares, A shares and B shares. A shares have a voting value 10 times that of B shares. At the time of publication of the annual report, the company has 140,916,996 A shares and 356,925,125 B shares. There are thus a total of 497,842,121 shares in the company.

Board of Directors

According to Flat's Articles of Association, the Board of Directors shall consist of a minimum of three and a maximum of ten members, including the Chairman of the Board. Currently, the Board consists of four ordinary members, of whom three are independent in relation to the company, the company management, and the company's major shareholders. The company's Board of Directors is elected at the Annual General Meeting. The election of the Board of Directors is valid for the period up to and including the next Annual General Meeting. At the time of submitting the annual report, the company does not appoint any special committees or subcommittees for audit or remuneration issues; instead, the entire Board of Directors is involved in these matters.

The board of directors shall monitor the business and actively support the development of the company. The board of directors is composed of individuals with expertise and experience in areas such as business development, marketing, investment activities, financing, and capital market issues.

The Chairman of the Board ensures that the Board performs its duties. The Chairman also monitors the business in dialogue with the CEO and is responsible for ensuring that other members receive the information necessary for high-quality discussions and decisions. The Chairman is also responsible for evaluating the work of both the Board and the CEO.

Composition of the Board

Name	Role	Independence from largest owner	Independence from management
Sebastian Siemiatkowski	Chairman	No	Yes
Amaury de Poret*	Exec. Member / Interim CEO	Yes	No
Dr. Marcelo Carvalho de Andrade	Member	Yes	Yes
Charlotte Runius	Member	Yes	Yes

*) Amaury de Poret has been interim CEO since February 6.

Rickard El Tarzi will take over as the company's new CEO in April 2026.

Our Board

Sebastian Siemiatkowski,
Chairman of the Board



Few people have made as many mistakes as this man. Few have also worked as hard to correct them and learn from them. From Burger King and telemarketing to elderly care and teaching. Serving the customer is his passion. He finally ended up in the banking world, an industry more obsessed with serving itself than its customers. So, together with friends from Stockholm School of Economics, he founded Klarna in 2005 and has been its CEO ever since.

Holding in Flat:

4 259 329 A-shares in person and 136 657 667 A- resp. 271 692 425 B-shares through Double Sunday IV AB

Amaury de Poret,
Executive member of the Board



With over 15 years of experience in private equity and M&A, Amaury is a Swiss-qualified lawyer with a law degree from the University of Fribourg, Switzerland. Amaury is a co-founder and CEO of NAXS AB (publ), and co-founder of Enexis AB, an investment company focusing on plant-based medical and wellness investments. Previously, Amaury was part of the management team of Terra Capital Investors Ltd - a private equity fund operating from Washington, D.C. and São Paulo. Outside the financial industry, Amaury co-founded the communications agency Good Enough Media and was for five years a Board member of the Rainforest Alliance, one of the world's leading environmental organizations (he is now part of the organization's Ambassadors Circle).

Holding in Flat:

700 000 class B-shares, 91 061 warrants of series 2021/2026:S and 80 194 of series 2023/2026:S

Charlotte Runius,
Member of the Board



Charlotte has seen the world from two different perspectives - both as an investor and as an entrepreneur. After seven years in the buyout team at the investment firm 3i, she chose to start her own companies. With Fenix, she modernized one of the world's oldest industries and made it easier for families to plan funerals and family legal matters in Sweden and the UK. Charlotte has continued to develop in traditional industries with Svenska Naturvinsten helping companies to gamify sustainable consumer choices and Road Hero - an AI assistant helping professional drivers to report. She is furthermore a board member of STILFOLD which is developing a manufacturing method for steel that provides lighter constructions with less material and carbon footprint. Charlotte holds a Master's degree in Industrial Economics from KTH.

Holding in Flat:

75 000 class B-shares, 91 061 warrants of series 2021/2026:S and 80 194 of series 2023/2026:S

Dr. Marcelo Carvalho de Andrade,
Member of the Board



We have an Olympic rower on our board! With a medical degree from the Universidade Gama Filho in Rio de Janeiro, Marcelo has focused his career on bridging the gap between economic development and social sustainability. Marcelo founded the charity Pro-Natura International, then Terra Capital Investors Ltd, and Earth Capital—the world's largest private equity fund that only focuses on climate and sustainability.

He has been responsible for large-scale projects in sustainable development for both global companies and governments and has participated in BHP Billiton's forum for corporate social responsibility, DuPont's World Wide Biotech Panel, and Procter & Gamble's Sustainability Council.

Holding in Flat:

91 061 warrants of series 2021/2026:S and 80 194 of series 2023/2026:S

Our Team



Amaury de Poret,
Interim CEO

With over 15 years of experience in private equity and M&A, Amaury is a Swiss-qualified lawyer with a law degree from the University of Fribourg, Switzerland. Amaury is a co-founder and CEO of NAXS AB (publ), and co-founder of Enexis AB, an investment company focusing on plant-based medical and wellness investments. Previously, Amaury was part of the management team of Terra Capital Investors Ltd - a private equity fund operating from Washington, D.C. and São Paulo. Outside the financial industry, Amaury co-founded the communications agency Good Enough Media and was for five years a Board member of the Rainforest Alliance, one of the world's leading environmental organizations (he is now part of the organization's Ambassadors Circle).

Holding in Flat:

700 000 class B-shares, 91 061 warrants of series 2021/2026:S and 80 194 of series 2023/2026:S

Antonio Melani,
CFO

Antonio's experience in finance includes roles as an investment analyst at private equity firm Areim and fund manager NREP. His academic achievements in economics as well as civil engineering include master's degrees from the Stockholm School of Economics and KTH, and bachelor's degrees from Chalmers University of Technology and the University of Gothenburg. This hybrid background, combined with an intense enthusiasm for entrepreneurship and a willingness to think outside the box, creates a perfect match between Antonio and an agile, slim organization like Flat.



Holding in Flat:

10 666 class B-shares and 320 777 warrants of series 2023/2026:A

Our "AI-colleagues"

- **DeepL**
Head of Translations
 - Working time: 300% (24 hours / day)
 - Salary: c. 75 SEK per month (7.5 USD)
- **ChatGPT**
Head of Communication & Copywriting
 - Working time: 300% (24 hours / day)
 - Salary: c. 200 SEK per month (20 USD)
- **Grok**
Media analytics
 - Working time: 300% (24 hours / day)
 - Salary: c. 80 SEK per month (8 USD)
- **Cursor**
Head of Engineering
 - Working time: 300% (24 hours / day)
 - Salary: c. 200 SEK per month (20 USD)
- **Perplexity Pro**
Head of Research
 - Working time: 300% (24 hours / day)
 - Salary: c. 200 SEK per month (20 USD)
- **Harvey**
Head of Legal
 - Working time: Consultancy basis
 - Salary: 0 (if required)

Proposed Board of Directors for the 2026 AGM

Sebastian Siemiatkowski, Amaury de Poret, Charlotte Rúníus, and Dr. Marcelo Carvalho de Andrade are proposed for re-election as Board members, and Johan Söör is proposed for election as new Board members, for the period until the end of the next Annual General Meeting. Sebastian Siemiatkowski has been proposed to continue as Chairman of the Board.

Information about the Board members proposed for election is available on company's website: www.flatcapital.com

Annual General Meeting (AGM)

The shareholders of Flat Capital AB are invited to attend the Annual General Meeting on Thursday, March 19, 2026, at 5:30 p.m. at Nasdaq Stockholm's premises at Mäster Samuelsgatan 56, 111 21 Stockholm.

Proposed fees for the Board of Directors and auditors

For 2026, the Board fee is proposed to be 100,000 SEK per year for the Chairman of the Board and each Board member.

The auditor's fee is proposed to be paid on an ongoing basis according to the company's approved invoice.

Nomination Committee

The Annual General Meeting is Flat's highest decision-making body and exercises, among other things, supervision of the Board and approval of the annual report. The Nomination Committee proposes Board members and the Chairman of the Board to ensure competence and independence in the Board.

Internal control

Based on governing documents decided by the Board, the CEO and company management are responsible for designing, documenting, maintaining, and testing the systems and processes needed to minimize risks in day-to-day operations and financial reporting.

In addition to policy documents, there are also delegation arrangements, process descriptions, checklists, and job descriptions for employees containing the employee's responsibilities and authorities, as well as standardized reporting procedures.

In connection with the company's planned change of listing, Flat is actively working to strengthen internal governance and control in accordance with the COSO framework, which includes improved risk management, clearer processes, formalization of governance documents and more robust monitoring of the business's goals and results.

Information and communication

Annual reports, year-end reports, interim reports, and other ongoing information are prepared in accordance with Swedish law and practice.

The provision of information shall be characterized by openness and shall be reliable. To ensure that external information to the stock market is provided correctly, there is an information and insider policy that regulates how information is provided. The aim is to create understanding and trust in the business among owners, investors, analysts, and other stakeholders.

Flat's information to shareholders and other stakeholders is provided via public press releases, financial statements and interim reports, annual reports and the company's website. To enable Flats' shareholders and stakeholders to follow the business and its development, up-to-date information is published on an ongoing basis on the company's website. Events that are deemed to affect the share price are announced in press releases.

Share capital

At the end of the financial year, share capital amounted to 24,892 KSEK (3,013). In 2025, a cash issue was carried out, which increased share capital by 1,871 KSEK, and a non-cash issue was carried out, which increased share capital by 20,007 KSEK.

Since October 20, 2021, the company's shares have been listed on the Nasdaq First North Growth Market. The issue price at the time of listing was 10.0 SEK per share. The share price as of December 31, 2025, was 14.8 SEK.

Incentive programs

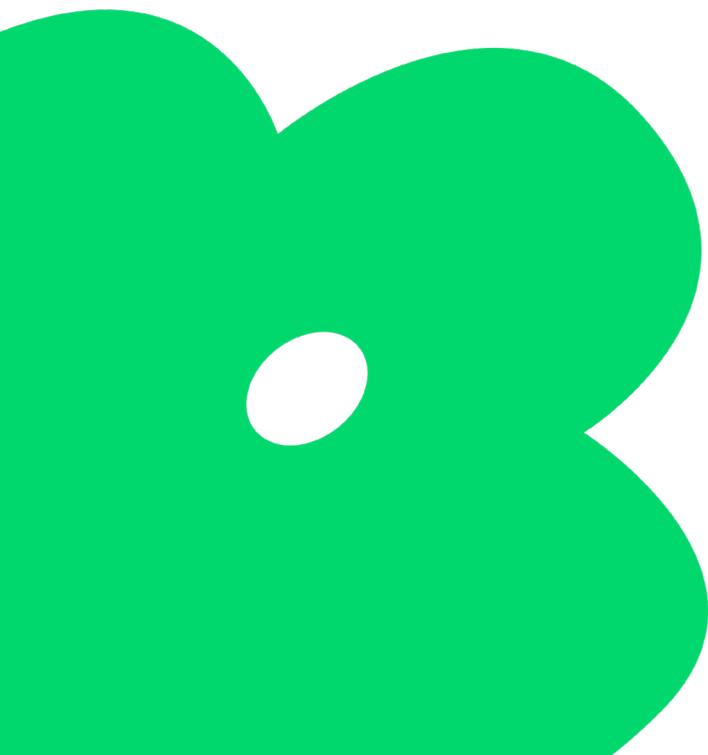
At the time of reporting, the company had issued a total of 1,155,319 warrants within the framework of three incentive programs.

Of the total number of warrants, 641,554 are held by the company's management and 513,765 have been issued to the company's board of directors. Upon full exercise of all warrants, the number of shares, recalculated after completed issues, would increase by 1,463,897, which would mean a total dilution of 0.29%.

The company has the right, with certain exceptions, to repurchase warrants if the participants' assignments in the company are terminated during the defined vesting period or if the participants wish to transfer warrants. The company's repurchase right expires proportionally based on how many years have passed since the warrants were issued. See also Note 5.

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Management report

The Board of Directors and CEO of Flat Capital AB (publ) 556941-0110 ("Flat") hereby submit their annual report for the 2025 financial year. All figures are stated in SEK thousand unless otherwise specified, and amounts in parentheses refer to the previous year. All amounts reported in this management report refer to investments and operations in the parent company, unless otherwise specified. In cases where the figures differ between the parent company and the group, this is clearly stated in the respective section or in the notes.

General information about the business

Flat is an investment company focused on investing in companies with prominent entrepreneurs in leading positions. Flat was founded in 2013 by Nina and Sebastian Siemiatkowski, where Sebastian is co-founder and CEO of Klarna.

Flat's purpose is to simplify and improve the path to successful company building and give more people the opportunity to share in maximum returns.

Flat stands out in three main ways:

- Unique access to proven investment opportunities in prominent companies through our network of world-leading investors and entrepreneurs,
- Focus on genuinely long-term investments,
- Trust in the entrepreneur and our network with whom we co-invest, enabling passive investments and a low cost base.

Flat's goal is to maximize long-term returns for its shareholders through growth in the net asset value of the portfolio. The companies Flat invests in are generally characterized by relatively high risk.

As of December 31, 2025, Flat's portfolio consisted of +30 companies, with the largest holdings being Klarna, Defensor, OpenAI, Perplexity, Alpaca, and Cerebras.

Business model & strategy

Flat is an investment company that focuses on growth companies with prominent entrepreneurs in leading positions. The company wants to contribute long-term capital to companies that might otherwise be dependent on investors with a shorter time horizon. Flat is essentially a passive minority owner, while the company's experience and network are available to the extent desired by the entrepreneur. Investments are made through a global network of world-leading investors and entrepreneurs.

Flat strives to have a well-balanced portfolio over time, even if in the short term it may be concentrated on one or a few investments. New investment opportunities are analyzed on an ongoing basis, and existing portfolio companies can be supported in new financing rounds. Flat has the opportunity to make several different types of investments, ranging from participating in the start-up of new companies to investing in already listed companies. Each decision is made based on an assessment of what will maximize value for shareholders in the long term.

Sustainability factors such as the environment, social responsibility, and ethics are important criteria for the company when making investment decisions.

Significant events in 2025

- During the year, Flat carried out a cash issue and a non-cash issue. The cash issue was carried out with preferential rights for existing B shareholders. The issue was oversubscribed to 777 MSEK, corresponding to 260%, and the Board decided to increase the issue amount through a directed new issue of 299 MSEK. Flat received total issue proceeds of approximately 600 MSEK before issue costs.
- On September 17, 2025, Flat's board of directors 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 non-cash issues. In connection with the proposed integration, it was also announced that Flat intends to raise loan financing from a Swedish bank of approximately 1.1 bSEK in connection with the completion of the transaction, with an expected term of one year.
- On October 14, 2025, Sebastian Siemiatkowski, together with the board of directors, presented a revised proposal for the extraordinary general meeting on October 17, 2025. In the revised proposal, the valuation of Klarna shares was adjusted from 46.7 USD to 39.0 USD per share, which meant that Sebastian was allocated approximately 16 percent fewer newly issued shares.
- On October 17, 2025, the extraordinary general meeting decided, in accordance with the revised proposal, to implement the integration of all shares in DSAB through the proposed non-cash issues.
- On August 4, 2025, Hanna Andreen announced to the board that she was stepping down as CEO. Since February 6, 2026, board member Amaury de Poret has been acting CEO.
- On August 29, 2025, Flat, together with a group of prominent entrepreneurs, signed an agreement to make a majority investment in Defensor Group AB ("Defensor"), a new Swedish industrial group with the ambition of building a leading player in the Nordic defense and security industry. Flat invested approximately 458 MSEK from existing cash reserves for an ownership stake of approximately 62.5 percent.
- In addition to the investment in Defensor and the acquisition of shares in Klarna, Flat has made a further 13 investments with a total acquisition value of 167.2 MSEK. In addition, shares in Truecaller and Lyst were divested during the year, with a realized profit of 34.5 MSEK.
- With the interim report for July-September 2025, Flat changed its financial reporting framework from K3 to International Financial Reporting Standards (IFRS). Since January 1, 2025, Flat has been an investment company in accordance with IFRS 10 and therefore does not prepare consolidated financial statements. The transition to IFRS has not resulted in any adjustments to reported amounts for the comparison period or opening equity. No restatements of comparative figures have therefore been made.

Events after the reporting period

- On January 12, 2026, Flat announced that Rickard El Tarzi will take over as the company's new CEO in April 2026. The Board of Directors has appointed Amaury de Poret, Executive board member of Flat, to be interim CEO from February 6, 2026 until Rickard takes office.

Results

Operating profit amounted to -2,284,729 KSEK (103,395). Profit for the year amounted to -2,290,441 KSEK (107,950). Of the profit for the year, unrealized changes in value amounted to -2,306,837 KSEK (108,185) and realized changes in value of 34,522 KSEK (0). See also Note 3 regarding changes in value. Operating expenses amounted to 12,531 KSEK (-6,105).

Cash flow and investments

Cash flow from operating activities during the year amounted to -21,217 KSEK (5,198). Cash flow from investing activities amounted to -582,143 KSEK (-145,853). Cash flow from financing activities amounted to 588,603 KSEK (137,138) and consisted of cash flow from new share issues less issue costs.

Liquidity and financing

As of December 31, 2025, the company's net cash amounted to 144,075 KSEK (158,832), of which interest-bearing liabilities amounted to 0 TSEK (0).

Sustainability and ESG

Sustainability is expected to be a significant factor going forward, both in terms of investment decisions and in Flat's internal operations. As the company is generally a passive investor with minority holdings, there is limited opportunity to influence the portfolio companies' work with sustainability factors. Therefore, ESG screening will be an important component of the investment process, where Flat has the opportunity to be selective and distance itself from investments in companies or industries that do not align with the company's view of sustainability.

Significant risks and uncertainties

Financial risks

Flat is exposed to various types of financial risks through its investments in listed and unlisted shares and other financial assets.

The main types of risk identified in accordance with IFRS 7 Financial Instruments are: Concentration risk, Market risk (price risk, valuation risk, interest rate risk, and currency risk), Capital risk, Credit risk, and Liquidity risk.

A more detailed account of these risks is provided in Note 10.

Capital management

Flat's goal with capital management is to ensure the company's long-term ability to continue its operations, while maintaining an appropriate capital structure to support the company's investment strategy and create value for shareholders in the long term. Capital is defined as equity attributable to the parent company's owners. The Group's capital structure includes, in addition to equity, interest-bearing debt through the wholly owned subsidiary DSAB.

The Board of Directors has overall responsibility for the Group's capital management. Capital levels, indebtedness, liquidity, and financial position at the Group level are monitored on an ongoing basis in relation to planned investments, identified risks, and prevailing market conditions. When assessing the capital structure, factors such as net indebtedness, financing costs, and the maturity structure of subsidiaries are taken into account.

Flat strives for a flexible capital structure and can, if necessary, adjust this through, for example, new share issues, contributions or dividends between Group companies, refinancing or amortization of debts in subsidiaries, divestments of

assets and changes in investment and financing strategy. The company is not subject to any external capital requirements from regulatory authorities.

Geopolitical risks and uncertainties

Geopolitical unrest, including the ongoing conflict in Ukraine and increased tensions in the Middle East, as well as increased trade friction between major economies, have contributed to increased uncertainty in the financial markets. These developments have led to volatility in energy and commodity prices and affected global supply chains and trade patterns.

Flat has no significant direct exposure to the immediate effects of these events, but the general economic development and uncertainty in the world around us may affect the company indirectly through its portfolio companies, for example through changes in market conditions, cost levels and demand over time.

Dependence on key individuals

Flat's success depends on effective and competent management, and a prerequisite for success is therefore its ability to attract, retain, and motivate suitable senior executives. The management team currently consists of only two people, the CEO and CFO, and Flat has no other full-time employees. There is therefore a risk that Flat will be significantly affected if any of the senior executives were to leave Flat. If any of Flat's senior executives leave Flat, for whatever reason, or if Flat is unable to recruit new employees when needed, there is a risk that Flat will not be able to conduct its business as planned. Furthermore, the commitment of Flat's co-founder Sebastian Siemiatkowski is a prerequisite for Flat to gain access to the global network of investors and entrepreneurs on which it bases its operations. There is therefore a risk that if Sebastian Siemiatkowski takes on a more passive role in relation to Flat, or completely divests his involvement, this could lead to Flat's access to attractive investment opportunities being drastically impaired. Furthermore, the success of the portfolio companies depends on retaining key personnel and continuing to recruit qualified personnel with expertise in relevant areas of operation. If any of the above risks were to materialize, it could have a negative impact on Flat's personnel costs, operations, financial position, and results.

Future development

Flat's future development is dependent on the development of the portfolio companies. Flat has the advantage of being long-term in its ownership and sees good opportunities for value creation in both its existing portfolio and in the investment opportunities that arise in a turbulent market.

Group structure

Since January 1, 2025, Flat Capital AB (publ) has been an investment company in accordance with IFRS 10 and therefore does not prepare consolidated financial statements. The company receives capital from a large number of external shareholders for the purpose of investing in companies with prominent entrepreneurs and creating long-term returns through capital growth and investment income. The business consists mainly of investments in listed and unlisted growth companies.

As of December 31, 2025, the company holds 100% of the shares in Double Sunday AB and approximately 62.5% of the shares in Defensor, but manages these holdings in the same way as other investments. Flat assesses that the holdings

do not change the company's character as an investment company according to IFRS 10, as the purpose of this holding is also to generate returns through capital growth.

DSAB is a holding company whose business consists of owning and managing shares in Klarna. DSAB owns 24,564,396 ordinary shares in Klarna and also holds 24,564,396 B shares in Klarna. The B shares entitle the holder to 10 votes per share but do not carry any right to dividends or other financial rights in Klarna and are not transferable. DSAB's shareholding in Klarna corresponds to approximately 6.5 percent of the shares. DSAB has also raised bank financing of approximately 1.1 bSEK.

Flat values all holdings on an ongoing basis at fair value through profit or loss in accordance with IFRS 9 and provides information on net asset value and fair value in annual and interim reports. The company also has an established subsidiary in the US, which can be used to implement future investments.

Personnel

As of December 31, 2025, the company had one employed CEO and one CFO.

Terms of employment and termination of employment

Remuneration to the CEO

In 2025, total remuneration to the CEO amounted to 1,818 KSEK. The remuneration consists of a fixed salary of 110 KSEK per month. Of the total remuneration, 66 KSEK consisted of pension premiums relating to a defined contribution pension plan. No variable remuneration has been agreed. The CEO has a notice period of six months without entitlement to severance pay.

Board fees

Board fees for 2025 amounted to 75 KSEK per board member. Amaury de Poret received 125 KSEK in his capacity as executive board member.

Other employees

For other employees, pension premiums corresponding to 5 percent of the base salary are paid. The pension plan is defined contribution. Pension costs are reported in the period in which the employees perform services that entitle them to the compensation. The contractual notice period is three months. As of December 31, 2025, there are no commitments regarding severance pay or other compensation after termination of employment.

Five-year overview

KSEK	2025	2024	2023	2022	2021
Change in value of holdings	-2 272 315	108 185	-77 921	-66 235	79 966
Results after financial items	-2 290 441	107 950	-83 358	-71 332	74 424
Equity ratio (%)	99,9%	99,2%	99,7%	99,7%	97,9%

Proposal for profit appropriation

The following retained earnings will be appropriated by the Annual General Meeting:

Retained earnings	121 166 962
Share premium reserve	9 071 232 917
Result for the year	-2 290 441 408
Sum	6 901 958 471

The Board and the CEO propose that the retained earnings of 6,901,958,471 SEK be carried forward.

Shareholders as of 2025-12-31	No. of A-shares	No. of B-shares	Capital (%)	Votes (%)
Double Sunday IV AB ¹	136 657 667	271 692 425	82,0	92,8
Sebastian Siemiatkowski	4 259 329	-	0,9	2,4
Dusco AB	-	7 598 461	1,5	0,4
Nina Siemiatkowski	-	4 637 989	0,9	0,3
AltoCumulus Investment AB	-	3 677 101	0,7	0,2
Iliakos AB	-	2 500 000	0,5	0,1
Nordnet Pensionsförsäkring	-	2 395 264	0,5	0,1
Frankenius Noterat AB	-	2 182 138	0,4	0,1
Karolina Tham Von Heidenstam	-	1 573 558	0,3	0,1
Nowo Global Fund	-	1 543 932	0,3	0,1
Tuesday Invest AB	-	1 250 000	0,3	0,1
10 largest shareholders	140 916 996	299 050 868	88,4	96,7
Other shareholders	-	57 874 257	11,6	3,3
Total	140 916 996	356 925 125	100,0	100,0

¹ Double Sunday IV AB is fully owned by the company's chairman Sebastian Siemiatkowski.

Statement of income and other comprehensive income, Investment Company

KSEK	Note	Full-year 2025	Full-year 2024
Operating income			
Change in value of financial assets	3	-2 272 315	108 185
Dividends received	4	117	1 315
Total operating income		-2 272 198	109 500
Operating expenses			
Personnel costs	5	-3 901	-3 153
Other external costs	6	-8 586	-2 951
Other operating expenses		-44	-1
Total operating expenses		-12 531	-6 105
Operating profit		-2 284 729	103 395
Financial income	7	5 065	4 555
Financial expenses	8	-10 777	0
Profit after financial items		-2 290 441	107 950
Taxes	9	0	0
Profit for the year		-2 290 441	107 950
Earnings per share before dilution, SEK		-12,72	2,16
Earnings per share after dilution, SEK		-12,71	2,16
Number of shares outstanding at the end of the period		497 842 121	60 268 142
Average number of shares before dilution		180 003 367	49 904 796
Average number of shares after dilution ¹		180 255 855	49 943 360

The investment company has no items reported as other comprehensive income, which is why total comprehensive income corresponds to profit for the year.

¹ The dilution effect on the options will only become relevant when the share price exceeds the respective subscription price for the various outstanding incentive programs.

Report on financial position, Investment company

KSEK	Note	Dec 31 2025	Dec 31 2024
ASSETS			
Financial fixed assets			
Shares in portfolio companies reported at fair value through profit or loss	10,11, 12	6 784 712	504 206
Other long-term receivables	13	70	0
Total fixed assets		6 784 782	504 206
Current assets			
Short-term receivables			
Other current receivables		0	0
Prepaid expenses and accrued income	14	114	141
Total current receivables		114	141
Cash and cash equivalents	15	144 075	158 832
Total current assets		144 189	158 973
TOTAL ASSETS		6 928 971	663 179
EQUITY AND LIABILITIES			
Equity			
Share capital	16	24 892	3 013
Sum		24 892	3 013
Other contributed capital		9 071 233	533 760
Accumulated profit		121 167	13 217
Profit for the year		-2 290 441	107 950
Sum		6 901 959	654 927
Total equity attributable to shareholders of the parent company		6 926 851	657 940
Current liabilities			
Accounts payable		764	790
Other liabilities		187	3 361
Accrued expenses and deferred income	17	1 169	1 088
Total current liabilities		2 120	5 239
TOTAL EQUITY AND LIABILITIES		6 928 971	663 179

Statement of changes in equity, Investment Company

KSEK	Equity attributable to owners of the parent company				
	Share capital	Share premium reserve	Accumulated profit/loss	Profit/loss for the year	Total equity
Opening equity 2024-01-01	2 453	397 088	96 575	-83 358	412 759
Results					
Carry-over of previous year's profit/loss			-83 358	83 358	0
Profit for the year				107 950	107 950
Transactions with shareholders					
New share issue	560	139 454			140 014
Issuing costs		-2 782			-2 782
Closing equity 2024-12-31	3 013	533 760	13 217	107 950	657 940
Opening equity 2025-01-01	3 013	533 760	13 217	107 950	657 940
Results					
Carry-over of previous year's profit/loss			107 950	-107 950	0
Profit for the year				-2 290 441	-2 290 441
Transactions with shareholders					
New share issue	21 879	8 547 584			8 569 463
Issuing costs		-10 111			-10 111
Closing equity 2025-12-31	24 892	9 071 233	121 167	-2 290 441	6 926 851

The investment company has no items reported as other comprehensive income, which is why total comprehensive income corresponds to profit for the year.

Cash flow statement, Investment company

KSEK	Note	Full-year 2025	Full-year 2024
Profit after financial items		-2 290 441	107 950
Adjustments for items not included in cash flow	18	2 272 315	-108 185
Cash flow from changes in working capital		-3 091	5 431
Cash flow from operating activities		-21 217	5 198
Investments in financial assets		-624 806	-145 853
Divestments of financial assets		42 663	0
Cash flow from investing activities		-582 143	-145 853
New share issue		592 555	139 920
Issuing costs		-3 952	-2 782
Cash flow from financing activities		588 603	137 138
Cash flow for the year		-14 757	-3 519
Cash and cash equivalents at the beginning of the year		158 832	162 351
Cash and cash equivalents at the end of the year	15	144 075	158 832

During the year, the Investment Company has not incurred any interest expenses.

Statement of income and other comprehensive income, Parent Company

KSEK	Note	Full-year 2025	Full-year 2024
Operating income			
Change in value of financial assets	3	-2 272 315	108 185
Dividends received	4	117	1 315
Total operating income		-2 272 198	109 500
Operating expenses			
Personnel costs	5	-3 901	-3 153
Other external costs	6	-8 586	-2 951
Other operating expenses		-44	-1
Total operating expenses		-12 531	-6 105
Operating profit		-2 284 729	103 395
Financial income	7	5 065	4 555
Financial expenses	8	-10 777	0
Profit after financial items		-2 290 441	107 950
Taxes	9	0	0
Profit for the year		-2 290 441	107 950

The parent company has no items reported as other comprehensive income, which is why total comprehensive income corresponds to profit for the year.

Statement of financial position, Parent Company

KSEK	Note	Dec 31 2025	Dec 31 2024
ASSETS			
Financial fixed assets			
Shares in subsidiaries valued at fair value through profit or loss	10,11, 12,19	5 907 473	0
Shares in other portfolio companies valued at fair value through profit or loss	11	877 239	504 206
Other long-term receivables	13	70	0
Total fixed assets		6 784 782	504 206
Current assets			
Short-term receivables			
Other current receivables		0	0
Prepaid expenses and accrued income	14	114	141
Total short-term receivables		114	141
Cash and cash equivalents	15	144 075	158 832
Total current assets		144 189	158 973
TOTAL ASSETS		6 928 971	663 179
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	16	24 892	3 013
Total restricted equity		24 892	3 013
Non-restricted equity			
Share premium reserve		9 071 233	533 760
Accumulated profit		121 167	13 217
Profit for the year		-2 290 441	107 950
Total non-restricted equity		6 901 959	654 927
Total equity		6 926 851	657 940
Current liabilities			
Accounts payable		764	790
Other liabilities		187	3 361
Accrued expenses and deferred income	17	1 169	1 088
Total current liabilities		2 120	5 239
TOTAL EQUITY AND LIABILITIES		6 928 971	663 179

Statement of changes in equity, Parent Company

KSEK	Share capital	Share premium reserve	Accumulated profit/loss	Profit/loss for the year	Total equity
Opening equity 2024-01-01	2 453	397 088	96 575	-83 358	412 759
Results					
Carry-over of previous year's profit/loss			-83 358	83 358	0
Profit for the year				107 950	107 950
Transactions with shareholders					
New share issue	560	139 454			140 014
Issuing costs		-2 782			-2 782
Closing equity 2024-12-31	3 013	533 760	13 217	107 950	657 940
Opening equity 2025-01-01	3 013	533 760	13 217	107 950	657 940
Results					
Carry-over of previous year's profit/loss			107 950	-107 950	0
Profit for the year				-2 290 441	-2 290 441
Transactions with shareholders					
New share issue	21 879	8 547 584			8 569 463
Issuing costs		-10 111			-10 111
Closing equity 2025-12-31	24 892	9 071 233	121 167	-2 290 441	6 926 851

The parent company has no items reported as other comprehensive income, which is why total comprehensive income corresponds to profit for the year.

Cash flow statement, Parent Company

KSEK	Note	Full-year 2025	Full-year 2024
Profit after financial items		-2 290 441	107 950
Adjustments for items not included in cash flow	18	2 272 315	-108 185
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Cash flow from operating activities		-21 217	5 198
Investments in financial assets		-624 806	-145 853
Divestments of financial assets		42 663	0
Cash flow from investing activities		-582 143	-145 853
New share issue		592 555	139 920
Issuing costs		-3 952	-2 782
Cash flow from financing activities		588 603	137 138
Cash flow for the year		-14 757	-3 519
Cash and cash equivalents at the beginning of the year		158 832	162 351
Cash and cash equivalents at the end of the year	15	144 075	158 832

During the year, the parent company did not incur any interest expenses.

Notes to the financial statements

All amounts reported in the notes refer to the operations of the parent company, unless otherwise stated. In cases where the figures differ between the parent company and the group, this is clearly stated in the respective section or in the notes.

Note 1 Accounting and valuation principles

General information

The annual report has been prepared in accordance with the Swedish Annual Accounts Act (ÅRL 1995:1554) and International Financial Reporting Standards (IFRS Accounting Standards) as approved by the European Commission for application within the EU, as well as the Swedish Financial Reporting Board FRFI.

This financial report is the company's first annual report prepared in accordance with IFRS. Previously, the company applied K3 (BFNAR 2012:1). The transition to IFRS has not affected the company's financial position or results. Even before the transition, the company reported both listed and unlisted holdings at fair value in accordance with Chapter 12 of K3, which means that the transition to IFRS has not resulted in any change in the valuation of these assets. Furthermore, no other adjustments were identified in connection with the IFRS conversion that affected the company's financial statements.

Consolidated reporting

Flat is an investment company as defined in IFRS 10 Consolidated Financial Statements. An investment company shall neither consolidate its subsidiaries nor apply IFRS 3 Business Combinations when it obtains control over another company. Instead, the investment company shall value holdings in a subsidiary at fair value through profit or loss in accordance with IFRS 9 Financial Instruments. All subsidiaries, interests in associates, or jointly controlled entities are classified as Investments in portfolio companies and are measured at fair value through profit or loss. Acquisition-related costs are expensed as they arise.

New standards and interpretations from 2025

During the 2025 financial year, no new standards and interpretations had a material impact on the company's financial statements.

New standards and interpretations that have not yet come into effect

New and amended standards that come into effect for financial years beginning on or after January 1, 2025, have not been applied in the preparation of Flat's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements (applicable to financial years beginning on January 1, 2027, or later) will replace IAS 1 Presentation of Financial Statements and introduce new requirements aimed at increasing the comparability of income statements between similar companies and providing users with more relevant and transparent information. The standard is not expected to have any financial impact on Flat, as IFRS 18 does not introduce new valuation principles but focuses on presentation and disclosures in the financial statements. The company has begun work on analyzing the effects of the new standard.

Significant estimates and assessments

The company's most important estimates and assessments are those made in connection with the fair value of holdings in unlisted subsidiaries and associated companies, as well as other unlisted securities holdings. See Note 10 Significant risks and uncertainties or Note 11 Classification of financial instruments.

Other important assumptions, estimates, and sources of uncertainty made by management in preparing the financial statements or in applying the Group's accounting policies that have a significant effect on the amounts reported in the financial reports are described in the respective note, in connection with the items they are deemed to affect.

Segment reporting

All operations in the company are considered to constitute a segment.

Functional currency and reporting currency

The financial statements are presented in Swedish kronor (SEK), which is the functional currency of the parent company and its subsidiaries.

Currency translation

Translation is performed according to the Swedish Central Bank's exchange rates on the last banking day of each reporting period.

Leasing agreements

The company leases office space under short-term leases. All such agreements are covered by the exemption for short-term leases under IFRS 16.

Rental costs for these agreements are reported on a straight-line basis over the rental period in the income statement. The company has no other leasing agreements that require reporting of right-of-use assets and leasing liabilities in accordance with IFRS 16.

Financial instruments

Financial instruments are recognized in the balance sheet when Flat Capital becomes a party to the contractual terms of the instrument.

Purchases and sales of financial assets are recognized on the trade date. Financial instruments are divided into financial assets and financial liabilities and are classified on initial recognition in accordance with IFRS 9.

Financial assets

Flat's financial assets mainly consist of:

- Shares in listed and unlisted companies
- Other long-term receivables
- Other short-term receivables
- Prepaid expenses and accrued income
- Cash and cash equivalents

Classification and measurement

Upon initial recognition, financial assets are classified in one of the following categories in accordance with IFRS 9:

- Financial assets measured at fair value through profit or loss
- Financial assets measured at amortized cost

The classification is based on the company's business model for managing the assets and the nature of the contractual cash flows.

Shares in listed and unlisted companies

The company measures its holdings at fair value on an ongoing basis in accordance with IFRS 9. Fair value is the amount at which an asset could be transferred between knowledgeable parties who are independent of each other and who have an interest in the transaction being carried out. Changes in fair value are reported in the income statement under "Change in value of securities holdings". For information on valuation methods, see Note 11.

The fair value of assets is recalculated at each reporting date. If the range between reasonable estimates of fair value is significant, or the probabilities of the estimates cannot be assessed in a reasonable manner, the assets are valued at the most recently reported fair value.

Holdings are classified into different categories in accordance with IFRS 9. Note 3 provides information per classification of financial instruments that are measured at fair value through profit or loss, divided into the following three levels:

- *Level 1: Fair value determined based on quoted prices in an active market for the same instrument.*
- *Level 2: Fair value determined based on valuation techniques using observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.*
- *Level 3: Fair value determined using a valuation technique, with significant elements of input data that are not observable in the market*

Receivables and cash and cash equivalents

Other receivables, prepaid expenses, accrued income, and cash and cash equivalents are classified as financial assets measured at amortized cost.

These assets are initially recognized at fair value including transaction costs and are subsequently measured at amortized cost using the effective interest method.

Cash and cash equivalents comprise cash on hand and immediately available bank balances.

Impairment of financial assets

Flat Capital applies the expected credit loss model in accordance with IFRS 9 for financial assets measured at amortized cost.

For current receivables, the simplified model is applied, which means that provisions are made for expected credit losses over the entire term of the receivable.

Derecognition of financial assets

A financial asset is derecognized from the balance sheet when the contractual rights to cash flows cease, or the asset is transferred and Flat has essentially transferred all risks and rewards attributable to ownership.

Financial liabilities

Flat's financial liabilities mainly consist of:

- Accounts payable
- Other liabilities
- Accrued expenses and deferred income

Classification and measurement

Financial liabilities are classified as measured at amortized cost.

They are initially recognized at fair value less directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest method.

Current liabilities refer to liabilities due within 12 months of the balance sheet date. Non-current liabilities have an expected maturity exceeding 12 months.

Derecognition of financial liabilities

A financial liability is removed from the balance sheet when the contractual obligation is fulfilled, canceled, or expires.

Cont'd. Note 1 Accounting and valuation principles

Long-term incentive programs

The company has long-term incentive programs in the form of warrants. The warrants are subscribed at fair value, with participants paying a market-based premium, and payment is made in cash. The proceeds received are reported as other contributed capital. When options are exercised, the share capital is increased by the quotient value of each newly issued share, and the premium is reported as other contributed capital.

The options have been valued by external experts, such as Grant Thornton and Optionspartner, using the Black & Scholes model and are based on observable market data, including exercise price, share price, volatility, risk-free interest rate, and dividend assumptions.

With certain exceptions, the company has the right to repurchase options if a participant's assignment is terminated or if the options are transferred before the end of the term. The repurchase right runs proportionally during the vesting period. The programs are classified as equity-settled under IFRS 2 Share-based Payment.

Remuneration to employees

Short-term remuneration in the company consists of salary, social security contributions, and paid vacation. Short-term remuneration is reported as an expense and a liability when there is a legal or informal obligation to pay out remuneration. There are no recurring long-term cash remuneration. Pension plans are defined contribution plans.

Income tax

The company mainly invests in so-called business-related shares. Capital gains on business-related shares are tax-free and capital losses on business-related shares are not deductible. The company reports no tax on listed holdings, as there are tax losses that can offset future taxable profits. For unrealized changes in value, deferred tax is therefore calculated only on listed holdings. Current expenses are tax deductible, but since the utilization of tax losses is uncertain, no deferred tax asset is reported on tax loss carryforwards.

Earnings per share before dilution

Earnings per share are defined as earnings after tax divided by the average number of outstanding shares.

Earnings per share after dilution

Earnings per share after dilution are calculated as profit after tax divided by the average number of outstanding shares adjusted for potential dilutive shares. The dilution effect on the options becomes relevant only when the share price exceeds the respective subscription price for the various outstanding incentive programs.

Cash flow statement

The cash flow statement is prepared using the indirect method. The reported cash flow only includes transactions that have resulted in payments or receipts. In addition to cash, the company classifies available balances at banks and other credit institutions, as well as short-term liquid investments that are listed on a marketplace and have a maturity of less than three months from the date of acquisition.

Accounting principles in the parent company

The parent company applies the Swedish Annual Accounts Act (ÅRL) and RFR 2 Accounting for Legal Entities. In accordance with RFR 2, the parent company has chosen to apply fair value through profit or loss when valuing shares and participations in subsidiaries, associated companies, and other investments. This means that investments are reported at fair value at each reporting date and that changes in fair value are reported in profit or loss.

The parent company applies the exception in RFR 2 Accounting for Legal Entities regarding IFRS 16 Leases. This means that the parent company does not report rights of use and lease liabilities in the balance sheet. Lease payments for leases are instead reported as an expense on a straight-line basis over the lease term in the statement of comprehensive income.

Note 2 Key ratio definitions and alternative key ratios

The annual report, prepared in accordance with the Swedish Annual Accounts Act (ÅRL 1995:1554) and International Financial Reporting Standards (IFRS Accounting Standards), reports certain financial key ratios and alternative performance measures that are not defined according to IFRS. Flat believes that these measures complement the financial statements and provide a more nuanced picture of the company's development, financial position, and profitability.

These key figures and measures are used to support both investors and the company's management in analyzing and monitoring the business. However, it should be noted that since companies do not always calculate these key figures in the same way, comparability between different companies may be limited.

Below are definitions and descriptions of the key figures and alternative performance measures used by Flat, together with a justification of why each measure is relevant to the assessment of the Group's results and financial position.

Net asset value (NAV)

The net value of all assets less liabilities, corresponding to the company's equity. Shareholdings are valued at fair value and other assets at cost.

Net asset value per share

Net asset value divided by the number of outstanding shares at the end of the period.

Net cash

Interest-bearing receivables and cash and cash equivalents minus interest-bearing liabilities.

Net cash per share

Net cash divided by the number of outstanding shares at the end of the period.

Operating expenses

Total operating expenses include personnel expenses, other external expenses, depreciation and amortization, and other operating expenses.

Average net asset value

Net asset value at the beginning of the period plus net asset value at the end of the period divided by two.

Operating expenses as a percentage of average net asset value

Operating expenses divided by average net asset value.

Note 3 Change in value of financial assets

The investment company and parent company KSEK	Full-year 2025	Full-year 2024
Unrealized changes in value		
Changes in value of listed holdings	-2 556 542	8 547
Changes in value of unlisted holdings	249 705	99 638
Total unrealized change in value	-2 306 837	108 185
Realized changes in value		
Changes in value of listed holdings	40 928	-
Changes in value of unlisted holdings	-6 406	-
Total realized change in value	34 522	-
Total change in value of financial assets	-2 272 315	108 185

Changes in the value of financial assets include both realized and unrealized changes in fair value.

For holdings in foreign currencies, the effects of exchange rate changes are also included in reported changes in value.

Note 4 Dividends received

The investment company and parent company KSEK	Full-year 2025	Full-year 2024
Truecaller	117	1 170
Steven / Even Opportunity	-	145
Total	117	1 315

Note 5 Personnel costs

On the closing date, the company had two employees: the CEO, who had been employed throughout the year, and a CFO. The board consisted of one woman (1) and three men (3).

The investment company and parent company

Average number of employees during the year, broken down by gender	Full-year 2025	Full-year 2024
Men	1	1
Women	1	1
Total	2	2

Salaries, other remuneration, and social security costs

The investment company and parent company KSEK	Full-year 2025	Full-year 2024
Salaries and other compensation		
CEO	1 321	1 017
Board	350	350
Other employees	1 028	917
Total salaries and other remuneration	2 699	2 284
Social costs and pension costs		
CEO	497	387
Board	110	110
Other employees	386	340
Total social costs according to law and agreements, as well as pension costs	993	837
Total salaries, compensation, social security costs, and pension costs	3 692	3 121

2025, Parent company

KSEK	Base salary/ board remuneration	Variable remuneration	Pension expense	Other benefits	Sum
Chairman of the Board	75	-	-	-	75
Other board members	275	-	-	-	275
CEO	1 321	-	66	5	1 392
Other senior executives	1 028	-	51	5	1 084
Total	2 699	-	117	10	2 826

2024, Parent company

KSEK	Base salary/ board remuneration	Variable remuneration	Pension expense	Other benefits	Sum
Chairman of the Board	75	-	-	-	75
Other board members	275	-	-	-	275
CEO	1 017	-	54	5	1 076
Other senior executives	917	-	42	5	9 64
Total	2 284	-	96	10	2 390

Long-term incentive programs

At the time of reporting, the company had issued a total of 1,155,319 warrants within the framework of three incentive programs. As of the reporting date, the total number of outstanding warrants amounted to 1,155,319, distributed across three incentive programs as shown in the table above. During the year, 364,243 warrants of series 2021/2025:A expired in connection with exercise. No warrants were issued or repurchased during the period.

The warrants have been issued to senior executives and the Board of Directors. Of the total number of outstanding warrants, 641,554 are held by the company's management and 513,765 by Board members.

Upon full exercise of all outstanding warrants, the share capital would increase through the issue of a maximum of 1,463,897 B shares, corresponding to a maximum dilution of approximately 0.29 percent of the total number of shares and votes after full dilution.

Exercise during the year

On October 22, 2025, CEO Hanna Andreen exercised all 364,243 warrants of series 2021/2025:A and thereby subscribed for 16,404 B shares in the company, in accordance with the applicable conversion terms.

Incentive programs	Opening balance	Issued	Expired 2025	Repurchased	Closing balance	Subscription price	Subscription- period
2021/2025:A	364 243	-	-364 243	-	0	19,4	Nov 2025
2021/2026:S	273 183	-	-	-	273 183	19,4	Nov 2026
2023/2026:A	641 554	-	-	-	641 554	11,4	Jul 2026
2023/2026:S	240 582	-	-	-	240 582	11,4	Jul 2026
Total	1 519 562	-	-364 243	-	1 155 319		

:A refers to option programs for key employees

:S refers to option programs for the board of directors.

* After recalculation for preferential issues, in accordance with option terms. All incentive programs have been valued according to Black-Scholes, by a third party.

Note 6 Other external costs**Fees to elected auditors**

Audit assignments refer to the review of the annual report and accounting records, as well as the administration of the Board of Directors and the CEO. The fees refer to BDO Mälardalen AB. In 2025, the company transitioned to reporting in accordance with IFRS, which has resulted in increased consulting services.

The investment company and parent company KSEK	Full-year 2025	Full-year 2024
Audit assignment	241	276
Tax advice	3	-
Other services	656	-
Total	900	276

Note 7 Financial income

The investment company and parent company KSEK	Full-year 2025	Full-year 2024
Exchange rate differences	0	375
Interest income	5 065	4 181
Total	5 065	4 555

Note 8 Financial expenses

The investment company and parent company KSEK	Full-year 2025	Full-year 2024
Exchange rate differences	10 777	0
Total	10 777	0

Note 9 Tax

The investment company and parent company KSEK	Full-year 2025	Full-year 2024
Exchange rate differences	-2 290 441	107 950
Tax according to applicable tax rate (20.6%)	471 831	-22 238
Unrealized change in value of securities	-471 171	22 286
Non-deductible expenses	-706	-3
Non-taxable income	92	0
Tax on costs charged to equity	2 083	573
Uncapitalized loss carryforwards	-2 129	-618
Change in deferred tax liability	0	0
Taxes recognized in the income statement	0	0

The parent company has loss carryforwards at the end of 2025 amounting to 45 MSEK (35).

Note 10 Significant risks and uncertainties

Flat is exposed to various types of financial risks through its investments in listed and unlisted shares and other financial assets.

The main types of risk identified in accordance with IFRS 7 Financial Instruments are: Concentration risk, Market risk (price risk, valuation risk, interest rate risk, and currency risk), Capital risk, Credit risk, and Liquidity risk.

Risk management is governed by the instructions and frameworks established by the company's board of directors. Flat is mainly financed with equity capital.

Concentration risk

Flat is largely exposed to individual portfolio companies. A high concentration in a limited number of holdings increases dependence on how these individual portfolio companies perform, which means that changes in value in individual portfolio companies can have a significant impact on Flat's financial position and results. High concentration also leads to greater volatility in the value of Flat's assets, as changes in the value of individual portfolio companies have a greater relative impact on the total value of Flat's financial assets. High concentration also means that Flat's risk exposure is less diversified, which can amplify the effects of the company's other risks.

Market risk

Flat is affected by changes in global capital markets and general macroeconomic factors. The company's earnings and valuation of holdings may vary depending on the economic situation, inflation, interest rates, geopolitical events, and access to credit. Volatility in the equity and fixed income markets can reduce liquidity and make it difficult to value or divest assets. An economic downturn could have a material adverse effect on the company's business, results, and financial position.

Price risk

Flat invests largely in unlisted growth companies that are valued at fair value in SEK. These holdings are often difficult to value, illiquid, and subject to significant price risk. A decline in the value of the investments directly affects the company's earnings and net asset value. Unlisted investments are also subject to subjective valuations and increased uncertainty.

Valuation risk

The company is exposed to valuation risks, as all holdings are valued at fair value. Incorrect assumptions or rapid changes in market conditions can lead to significant variations in earnings. Geopolitical events, such as wars, pandemics, or trade tensions, can further affect these valuations.

Interest rate risk

Flat is directly exposed to interest rate risk through the interest-bearing bank financing that its subsidiary Double Sunday AB has raised. Changes in the interest rate market may also affect Flat's financial position indirectly through effects on the capital market, valuations, and investors' risk appetite. Periods of high interest rates and increased risk aversion reduce the opportunities for growth companies to attract capital, which has a negative impact on Flat's portfolio. Higher interest rates can also reduce market values and willingness to invest and increase the financing costs of portfolio companies.

Currency risk

Flat has limited direct transaction risk exposure. Flat has a global investment mandate and exposure to several currencies, primarily USD, EUR, INR, and GBP. Fluctuations in exchange rates can affect the value of investments and dividends. As the company's accounts are reported in SEK, exchange rate fluctuations can lead to variations in earnings that do not correspond to actual changes in the value of underlying assets. For holdings valued at fair value, exchange rate fluctuations are reported as part of the change in fair value in the income statement.

Capital risk

Flat finances its operations primarily through equity. Since the majority of the portfolio companies do not generate dividends, the company may need to rely on divestments of investments and/or seek alternative financing opportunities such as new share issues. If the company is unable to secure sufficient financing, this may limit the company's ability to make new investments, participate in capital raising or meet its payment obligations. The company is also dependent on the capital market for future new share issues. Difficult access to external financing, for example in the event of high interest rates or weak investor sentiment, may reduce Flat's financial flexibility. Flat is also exposed to the risk that the company will fail to refinance the bank financing raised by its subsidiary Double Sunday AB, or that refinancing can only be obtained at increased costs or unfavorable terms.

Credit risk

Credit risk is considered limited as Flat does not engage in lending activities. However, there is an indirect credit risk associated with the portfolio companies in which Flat has invested. These companies are exposed to credit risk in their operations which, if the risk materializes, could cause difficulties for the companies to meet their financial commitments, especially in early development phases or under unfavorable market conditions. In the event of liquidation or bankruptcy, Flat may lose all or part of its investment, especially since the company is often a minority owner with low priority in the distribution of assets.

Liquidity risk

Flat faces a direct liquidity risk through the interest-bearing bank financing that its subsidiary Double Sunday AB has taken out. There is a risk that the company will not have access to liquid funds to cover its payment obligations under the bank financing or otherwise to be able to carry out investments in line with the company's investment strategy. Flat has an indirect liquidity risk in that the company invests largely in unlisted companies, which means limited opportunities to quickly sell holdings without negatively affecting the price. The secondary market for such assets is limited. If financing is needed, Flat may therefore be forced to sell on unfavorable terms or at a loss. A lack of liquidity in the portfolio companies may also lead to a need for capital injections or delays in planned divestments, which affects Flat's ability to finance new investments or ongoing operations.

Note 11 Classification of financial instruments

Flat's classification of its financial assets and liabilities is shown in the following matrix. Cash and cash equivalents, accounts receivable, and accounts payable have short maturities and are considered to have an amortized cost that does not differ significantly from fair value. At the time of reporting, the investment company has neither interest-bearing liabilities nor accounts receivable.

Financial assets and liabilities as of 2025-12-31, by measurement category in accordance with IFRS 9:

Assets, KSEK	Financial assets	Financial assets	Financial liabilities	Sum of reported value	Sum of fair value
	measured at fair value through the income statement	measured at amortized cost	measured at amortized cost		
Shares in portfolio companies	6 784 712	-	-	6 784 712	6 784 712
Other long-term receivables	-	70	-	70	70
Other receivables	-	114	-	114	114
Cash and cash equivalents	-	144 075	-	144 075	144 075
Sum of financial assets	6 784 712	144 259	-	6 928 971	6 928 971
Accounts payable	-	-	764	764	764
Other liabilities	-	-	1 356	1 356	1 356
Sum of financial liabilities	-	-	2 120	2 120	2 120

Financial assets and liabilities as of 2024-12-31, by measurement category in accordance with IFRS 9:

Assets, KSEK	Financial assets	Financial assets	Financial liabilities	Sum of reported value	Sum of fair value
	measured at fair value through the income statement	measured at amortized cost	measured at amortized cost		
Shares in portfolio companies	504 206	-	-	504 206	504 206
Other receivables	-	141	-	141	141
Cash and cash equivalents	-	158 832	-	158 832	158 832
Sum of financial assets	504 206	158 973	-	663 179	663 179
Accounts payable	-	-	790	790	790
Other liabilities	-	-	4 449	4 449	4 449
Sum of financial liabilities	-	-	5 239	5 239	5 239

Classification into hierarchical levels

Assets and liabilities measured at fair value through profit or loss are classified, in accordance with IFRS 13, into three hierarchical levels depending on the input used for the measurement.

- Level 1: Fair value determined based on quoted prices in an active market for the same instrument.
- Level 2: Fair value determined using valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.
- Level 3: Fair value determined using valuation techniques with significant elements of input data that are not observable in the market.

Transfers between levels

Transfers between levels in the fair value hierarchy occur when there has been a change in the availability of market data or in market activity for the current holding.

At the end of each reporting period, the company assesses whether there are circumstances that require an asset to be reclassified between levels. Transfers are considered to have taken place on the date when the event or change in circumstances that led to the reclassification occurred.

Transfers from Level 3 to Level 1 occur when a holding is listed on an active market and an unadjusted quoted price is available on the balance sheet date. Transfers from Level 1 to Level 3 occur when the market for an instrument is no longer considered active or when quoted prices are no longer representative of fair value, for example in the case of limited trading or significant transaction spread.

During the year, transfers from Level 3 to Level 1 amounted to 31,327 KSEK and relate to the holding in Klarna after the company was listed on the stock exchange on September 10, 2025 and the holding in Figma after the company was listed on the stock exchange on July 31, 2025.

Valuation method

Level 1: Fair value of financial instruments traded on an active market where there are observable market transactions, based on listed market prices. The market price used on the balance sheet date is the latest closing price, unless it deviates significantly from the last bid price.

Level 2: Fair value of financial instruments that are not traded on an active market, but where the valuation is based on observable market data.

DSAB is valued according to Level 2 based on net asset value (NAV), based on the fair value of the listed holding in Klarna and net debt.

Level 3: If there are no quoted prices on an active market, the fair value is primarily based on recent transactions. If the value of a holding is based on a recent transaction, the valuation is usually retained for 12 months. However, transaction-based values may be adjusted at each reporting date if the company assesses that the fair value has changed.

If the company assesses that there have been significant changes since the last transaction, the company estimates the fair value using another valuation method. These are primarily based on the use of market information, and if this is not feasible, the value is based on company-specific information. The company uses commonly used valuation methods that have previously proven to provide reliable estimates of prices. For minority holdings, where the company generally has limited access to forecasts and detailed financial information and no systematic ongoing information sharing with the portfolio companies, the valuation is primarily based on observable market data, including recent transactions and comparable multiples, rather than discounted cash flow models.

During shorter periods of greater market volatility, the reliability of both listed and unlisted valuations decreases. In such individual extreme events, valuation by adjustment based on general stock market developments may be a more accurate valuation method. Similarly, rapid or significant market movements may in some cases justify an adjustment to the value of holdings valued using the "Latest Transaction" method, in order to reflect significant changes in the liquid listed market even in the more illiquid unlisted market.

The fair value of the assets is recalculated at each reporting date. If the range between reasonable estimates of fair value is significant, or the probabilities of the estimates cannot be assessed in a reasonable manner, the assets are valued according to the most recently reported fair value.

Cont'd. Note 11 Classification of financial instruments

The investment company and parent company

Tables below provide information on how fair value is determined for Flat's financial instruments, for the period and at the end of last financial year.

Shares in portfolio companies				Sum				Sum
	Level 1	Level 2	Level 3	2025-12-31	Level 1	Level 2	Level 3	2024-12-31
<i>Listed holdings (as of 2025-12-31)</i>								
Klarna (indirectly through DSAB, including net debt)	-	5 449 973	-	5 449 973	-	-	-	-
Klarna	23 255	-	-	23 255	-	-	34 853	34 853
Figma	8 072	-	-	8 072	-	-	5 988	5 988
Truecaller	-	-	-	-	26 854	-	-	26 854
Sum of listed holdings	31 327	5 449 973	-	5 481 300	26 854	-	40 841	67 695
<i>Unlisted holdings (as of 2025-12-31)</i>								
Sum of unlisted holdings	-	-	1 303 412	1 303 412	-	-	436 511	436 511
Total	31 327	5 449 973	1 303 412	6 784 712	26 854	-	477 352	504 206

Changes in financial assets in Level 3

KSEK	Jan-Dec, 2025	Jan-Dec, 2024
Opening balance	477 352	231 862
Investments	624 736	145 853
Divestments	-8 141	0
Changes in fair value	240 791	99 637
Move to (-) / from (+) Level 1	-31 327	0
Closing balance	1 303 412	477 352

Sensitivity analysis

For unlisted holdings, a change in valuation per valuation group would have the following impact on Flat's Net Asset Value as of 2025-12-31:

Change in value of unlisted holdings	+/- 5%	KSEK	+/- 10%	KSEK	+/- 15%	KSEK
Defensor Group	+/-	22 875	+/-	45 750	+/-	68 625
Unlisted holdings valued at the last transaction within the last 12 months ³	+/-	22 543	+/-	45 087	+/-	67 630
Externally managed unlisted assets, valued at fair value ⁴	+/-	15 411	+/-	30 821	+/-	46 232
Other unlisted holdings ⁵	+/-	4 342	+/-	8 683	+/-	13 025

Distribution of reported value & invested capital, as of December 31, 2025	Fair value (KSEK)	Share (%)	Invested capital (KSEK)	Share (%)	Return, MOIC ⁶ (x)
<i>Listed holdings</i>					
Total listed holdings (including indirect holdings in Klarna and indirect net debt through DSAB) ¹	5 481 300	81%	8 069 194	90%	0,68x
<i>Unlisted holdings</i>					
Sum of unlisted majority holdings ²	457 500	7%	457 500	5%	1,00x
Unlisted holdings valued at the last transaction within the last 12 months ³	450 867	7%	175 807	2%	2,56x
Externally managed unlisted assets, valued at fair value ⁴	308 213	5%	144 300	2%	2,14x
Other unlisted holdings ⁵	86 832	1%	147 174	2%	0,59x
Total holdings	6 784 712	100%	8 993 975	100%	0,75x

1: Klarna through DSAB (24,564,396 shares), Klarna directly owned in Flat (87,420 shares), Figma (23,476 shares). See Note 12 for more information on valuation of DSAB.

2: Defensor Group

3: Alpaca, BrindleChute, CDLP, Cerebras, ElevenLabs, Lovable, Magic, Nexos, OpenAI, Perplexity, Pieces, Quarr, Talentium, Talk2Me

4: AI-portfölj 1 (Cursor, Chai, i.o Products/OpenAI, Speak), AI-portfölj 2, Harvey, Physical Intelligence, SpaceX, xAI

5: DeepL, Discord, Even (Steven), Getir, Hemla, Instabee, LoveLocal, Nylas, Oden, Omio, Opal, Pangaia, Prion, Project Europe (fund), Remote, TrueAccord, Uniplaces

6: MOIC (Multiple on Invested Capital) measures the total return on capital invested, without regard to time.

Note 12 Flats' holdings in DSAB

Valuation of DSAB (KSEK)	Dec 31, 2025	Dec 31, 2024	Change, %
Holdings in Klarna (24,564,396 shares)	6 534 386	0	n/a
Net debt	-1 084 413	0	n/a
Sum	5 449 973	0	n/a

Note 13 Other long-term receivables

The investment company and parent company KSEK	2025-12-31	2024-12-31
Deposits made	70	0
Total	70	0

Note 14 Prepaid expenses and accrued income

The investment company and parent company KSEK	2025-12-31	2024-12-31
Prepaid rent	52	60
Prepaid insurance	11	12
Other prepaid expenses	51	69
Total	114	141

Note 15 Cash and cash equivalents

The investment company and parent company KSEK	2025-12-31	2024-12-31
Reported cash and cash equivalents	144 075	158 832
Total	144 075	158 832

Cash and cash equivalents consist of cash and bank balances and amounted to 144,075 KSEK (158,832) on the balance sheet date.

Note 16 Share capital

	Share capital, SEK	Quota value SEK / share	Number A shares	Number B shares	Total number of shares
Opening balance	3 013 407	0,05	4 259 329	56 008 813	60 268 142
New issue	1 870 980	-	-	37 419 604	37 419 604
Contribution in kind	20 006 899	-	136 657 667	263 480 304	400 137 971
Options	820	-	-	16 404	16 404
Opening balance	24 892 106	0,05	140 916 996	356 925 125	497 842 121

A shares are entitled to voting rights at the Annual General Meeting with 10 votes per share, and B shares are entitled to voting rights with 1 vote per share. The change in equity is presented in the statement of changes in equity, which follows immediately after the statement of financial position.

Note 17 Accrued expenses and deferred income

The investment company and parent company KSEK	2025-12-31	2024-12-31
Vacation pay liability incl. social security contributions	384	207
Other accrued expenses	785	881
Total	1169	1088

Note 18 Adjustment for items not included in cash flow

The investment company and parent company KSEK	2025-12-31	2024-12-31
Change in value of financial assets	2 287 238	-108 185
Capital gains ¹	-14 923	-
Total	2 272 315	-108 185

¹ Refers to capital gains on the sale of Truecaller of 14,675 KSEK and Lyst of 248 KSEK.

Note 19 Shares in subsidiaries

Subsidiaries owned by the parent company 2025-12-31

Company name	Number of shares	Share of capital %	Share of votes %	Book value 2025-12-31
Double Sunday AB	47 418	100	100	5 449 973 388
Defensor Group AB ²	152 500	62,5	62,5	457 500 000

² Flat's ownership in the subsidiary Defensor Group AB also includes indirect ownership in: Defensor AT Holding AB (44%), ArmaTech i Kungsbacka Aktiefbolag (44%), Auxilium i Kungsbacka AB (44%), ArmaTech Finland Oy (44%), SAFE4U Holding AB (44%), SAFE4U Security Of Sweden AB (44%)

Company name	Organization number	Location	Result	Equity
Double Sunday AB	556806-3506	Stockholm	-1 084 556 289	85 894 554
Defensor Group AB ³	559529-1211	Stockholm	32 993 636	690 572 636

³ Preliminary figures and refer only to the parent company Defensor Group AB.

Subsidiaries owned by the parent company 2024-12-31

As of December 31, 2024, the parent company did not own any subsidiaries.

Note 20 Contingent liabilities

Flat has a potential commitment to the SPV Open AI fund of up to approximately 928 KUSD.

However, the company assesses that the probability of this resulting in an outflow is low, which is why no provision has been made for this.

Note 21 Pledged assets

The Group has no pledged assets.

Note 22 Related-party transactions

- During January and February 2025, Flat sublet office space from Naccess Partners AB, a company controlled by Amaury de Poret. Amaury de Poret is a member of Flat's board of directors and owns approximately 0.1% of the company's shares (as of 2025-12-31). The lease was set at market terms and amounted to approximately 24 KSEK, excluding VAT. From March to August, Flat changed office premises and instead sublet a space to Naccess Partners AB. The lease agreement was set on market terms and amounts to approximately 19.7 KSEK. The subletting arrangement was terminated at the end of August.
- On October 17, 2025, the extraordinary general meeting decided to acquire all shares in Double Sunday AB (DSAB), a company indirectly wholly owned by Sebastian Siemiatkowski that owns 24,564,396 ordinary shares in Klarna. The meeting's decision meant that two new share issues were carried out totaling 400,137,971 shares, of which 136,657,667 were Class A shares and 263,480,304 were Class B shares, with payment in the form of a non-cash contribution consisting of all shares in DSAB.
- During the fourth quarter, Double Sunday AB repaid a debt of 658 KSEK to Sebastian Siemiatkowski.
- On October 22, 2025, CEO Hanna Andreen exercised all 364,243 warrants of Series 2021/2025:A and subscribed for 16,404 B shares.
- During the fourth quarter, the company had a related party transaction totaling 950 KSEK for compensation for operational work in 2025 to board member Amaury de Poret. See also salaries and compensation to management and the board in Note 5.

Note 23 Proposed appropriation of profits

The following retained earnings shall be appropriated by the Annual General Meeting:

Retained earnings	121 166 962
Share premium account	9 071 232 917
Results for the year	-2 290 441 408
Sum	6 901 958 471

The Board of Directors proposes that the retained earnings of SEK 6,901,958,471 be carried forward.

Note 24 Events after the balance sheet date

On January 12, 2026, Flat announced that Rickard El Tarzi will take over as the company's new CEO in April 2026. The board has appointed Amaury de Poret, executive board member at Flat, to be acting CEO from February 6, 2026, until Rickard takes over.

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.

The contents of the annual report were finalized: Stockholm 2026-02-26

2026-02-26
Sebastian Siemiatkowski
Chairman of the Board

2026-02-26
Amaury de Poret
Executive member of the Board and
Interim CEO

2026-02-26
Charlotte Runius
Member of the Board

2026-02-26
Dr. Marcelo Carvalho de Andrade
Member of the Board

Our audit report was submitted 2026-02-26
BDO Mälardalen AB

2026-02-26
Tomas Näsfeldt
Certified Public Accountant





Auditor's report

To the Annual General Meeting of Flat Capital AB (publ) Corporate Identity Number 556941-0110

Report on the Annual Report and the Financial Statements for the Investment Entity

Opinions

We have audited the annual report and the financial statements for the investment entity of Flat Capital AB (publ) for the financial year 2025. The annual report and the financial statements for the investment entity are presented on pages 16-37 of this document.

In our opinion, the annual report has been prepared in accordance with the Annual Accounts Act and gives a true and fair view, in all material respects, of the parent company's financial position as of 31 December 2025, and of its financial performance and cash flows for the year in accordance with the Annual Accounts Act.

The financial statements for the investment entity have been prepared in accordance with the Annual Accounts Act and give a true and fair view, in all material respects, of the investment entity's financial position as of 31 December 2025, and of its financial performance and cash flows for the year in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the Annual Accounts Act.

The administration report is consistent with the other parts of the annual report and the financial statements.

We therefore recommend that the Annual General Meeting adopt the income statements and balance sheets for the parent company and the investment entity.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are described in the section Auditor's Responsibilities. We are independent of the parent company and the investment entity in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the Annual Report and the Financial Statements

This document also contains other information than the annual report for the parent company and the financial statements for the investment entity, found on pages 2-15. The Board of Directors and the CEO are responsible for this other information.

Our opinions regarding the annual report and the financial statements do not cover this information, and we express no assurance conclusion on it.

In connection with our audit, it is our responsibility to read the information identified above and consider whether it is materially inconsistent with the annual report and the financial statements, or if it otherwise appears to contain material misstatements. Based on the work performed, we have nothing to report in this regard.



Responsibilities of the Board of Directors and the CEO

The Board of Directors and the CEO are responsible for preparing the annual report and the financial statements and ensuring that they provide a true and fair view in accordance with the Annual Accounts Act and, for the financial statements of the investment entity, in accordance with IFRS as adopted by the EU and the Annual Accounts Act. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial reports that are free from material misstatement, whether due to fraud or error.

In preparing the annual report and the financial statements, the Board of Directors and the CEO are responsible for assessing the company's and the investment entity's ability to continue as a going concern. They must disclose, when applicable, matters that may affect the ability to continue operations and apply the going concern basis of accounting unless they intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the annual report and the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but not a guarantee that an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement.

Misstatements may arise from fraud or error and are considered material if they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual report and the financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We:

- identify and assess the risks of material misstatement in the annual report and the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- we obtain an understanding of those parts of the company's internal control that are relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- evaluate the appropriateness of the accounting policies used and the reasonableness of the estimates made by the Board of Directors and the CEO, as well as the related disclosures.
- conclude on the appropriateness of the Board of Directors' and the CEO's use of the going concern basis of accounting in preparing the annual report and the financial statements. We also conclude, based on the audit evidence obtained, whether there is any material uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual report and the financial statements or, if such disclosures are inadequate, to modify our opinion on the annual report and the financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.



- evaluate the overall presentation, structure and content of the annual report and the financial statements, including the disclosures, and whether the annual report and the financial statements represent the underlying transactions and events in a manner that provides a true and fair view.
- obtain sufficient and appropriate audit evidence regarding the financial information of the entities within the investment entity in order to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We are solely responsible for our opinions.

We communicate with the Board of Directors regarding the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control identified during the audit.

Report on Other Legal and Regulatory Requirements

Opinions

In addition to our audit of the annual report and the financial statements, we have also audited the administration of the Board of Directors and the CEO of Flat Capital AB (publ) for the financial year 2025, as well as the proposed appropriation of the company's profit or loss.

We recommend that the Annual General Meeting:

dispose of the profit in accordance with the proposal in the administration report, and grant discharge from liability to the members of the Board of Directors and the CEO for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. We are independent of the parent company and the investment entity and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the CEO

The Board of Directors is responsible for the proposal regarding the appropriation of the company's profit or loss. When proposing a dividend, this includes assessing whether the dividend is justifiable considering the company's and the investment entity's operations, scope, risks, liquidity, financial position, and capital needs. The Board of Directors is responsible for the company's organization and the management of its affairs. This includes continuously assessing the financial situation and ensuring that the company's organization is designed so that accounting, asset management, and financial affairs are controlled in a reliable manner. The CEO manages the day-to-day operations in accordance with the Board's guidelines.

Auditor's Responsibilities

Our objective regarding the audit of the administration, and thereby our opinion on discharge from liability, is to obtain reasonable assurance about whether any member of the Board of Directors or the CEO has:

- undertaken any action or been guilty of any omission that may result in liability for damages to the company, or
- in any other way acted in contravention of the Companies Act, the Annual Accounts Act, or the Articles of Association.

Our objective regarding the audit of the proposed appropriation of the company's profit or loss, and thereby our opinion on this matter, is to obtain reasonable assurance as to whether the proposal is consistent with the



Swedish Companies Act. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that may give rise to liability for damages to the company, or that a proposed appropriation of the company's profit or loss is not inconsistent with the Swedish Companies Act. As part of an audit conducted in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriation of the company's profit or loss is primarily based on our audit of the accounts. Any additional audit procedures performed are based on our professional judgment, taking into account risk and materiality. This means that we focus our examination on actions, areas and circumstances that are significant for the business and where deviations or breaches would be of particular importance for the company's situation. We review and assess decisions made, supporting documentation, actions taken and other relevant circumstances for our opinion on discharge from liability. As the basis for our opinion on the Board of Directors' proposal for the appropriation of the company's profit or loss, we have examined whether the proposal is consistent with the Swedish Companies Act.

Stockholm, 26 February 2026
BDO Mälardalen AB

Thomas Näsfeldt
Authorized Public Accountant

FLAT

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