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Flat Capital carries out rights issue of SEK 300 million, secured to 76 %, is backed by some of Sweden's most prominent investors

The board of directors of Flat Capital AB (publ) ("Flat" or the "Company") has today resolved on a new share issue with preferential rights for existing holders of B shares of up to approximately SEK 300 million at a subscription price of SEK 16 per B share (the "Rights Issue"). Subscription undertakings of SEK 228 million, corresponding to 76% of the Rights Issue, have been secured from existing shareholders and prominent new investors. Flat, which since 2021 has built a unique portfolio of world leading AI and tech companies, has so far delivered an impressive annual return of approximately 17%, and over 85% on investments made from 2023, including investments such as OpenAI, xAI, Perplexity, SpaceX, and ElevenLabs. The positive development in the portfolio, in combination with a strong pipeline of investment opportunities, is the basis for the board of director's decision to further strengthen Flat's position through the Rights Issue. If the Rights Issue is oversubscribed, the Board of Directors may decide to increase the issue amount through an overallotment issue of up to SEK 130 million (the "Overallotment Issue").

Sebastian Siemiatkowski, chairman, comments:

"Since the start, we have proven that our investing model works. Through experience, our broad network and analysis, we identified investment opportunities in companies like OpenAI and Perplexity at an early stage. Now our pipeline is more exciting than ever. It's the perfect time to step up and take Flat to the next level."

CEO Hanna Andreen adds:

"We are (humbly) proud of the strong support we have received from some of Sweden's most prominent entrepreneurs and investors. With this share issue, we strengthen our financial capacity to be able to take larger positions and further accelerate our positive momentum. We have also opened up to the possibility of expanding from being passive to active investors and broadening into more exciting areas."

Summary

- Rights Issue of up to 18,669,604 B shares, corresponding to, at full subscription, proceeds of approximately SEK 300 million, with the possibility to increase the issue amount by an additional SEK 130 million through the Overallotment Issue.



- The Rights Issue is carried out by exercise of the issue authorization granted by the extraordinary general meeting on 4 April 2025, while the Overallotment Issue is conditional upon the annual general meeting on 12 June 2025 resolving to renew the issue authorization for the board of directors. Shareholders representing more than 50% of the capital and more than 70% of the votes in the Company have stated that they intend to vote in favor of the issue authorization at the annual general meeting.
- Existing holders of B shares will receive one (1) subscription right for each held B share in Flat. Three (3) subscription rights entitle the holder to subscribe for one (1) new B share.
- The subscription price has been set at SEK 16.00 per new B share, a premium to Flat's net asset value as of 31 March 2025 of approximately 49% and a discount to the volume-weighted average price during the period from and including 19 May 2025 up to and including 2 June 2025 (approximately SEK 20.20) of approximately 21%.
- The purpose of the Rights Issue is to further strengthen Flat's cash position in order to continue to capitalize on the investment opportunities offered by its portfolio and network. Flat is open to making larger investments in the future, where an active ownership role could be considered.
- The shareholders Dusco AB, Altocumulus Investment AB, Frankenius Noterat AB, Cicero Fonder and Karolina Tham von Heidenstam have undertaken to subscribe for their respective pro rata shares or more in the Rights Issue, corresponding to in total SEK 128 million. In addition, the new investors Iliakos AB, wholly owned by Mathias Kamprad, Tuesday Invest AB, wholly owned by Karl-Johan Persson, William Olsson and Sofia and Märta Schörling have undertaken to subscribe for shares of in total SEK 100 million. Consequently, a total of SEK 228 million is secured through subscription undertakings, corresponding to approximately 76% of the Rights Issue.
- The record date for the Rights Issue is 10 June 2025.
- The subscription period in the Rights Issue runs from and including 12 June 2025 until and including 26 June 2025.

Background and reasons

Since its listing in 2021, Flat has maintained a high pace and pursued its strategy of investing in attractive but hard-to-reach global companies to deliver maximum returns to its shareholders. Flat's strong network and reputation has resulted in investments in prominent companies such as OpenAI, SpaceX, DeepL, Perplexity, xAI, Physical Intelligence, Figma and ElevenLabs. By being listed, Flat enables exposure to otherwise inaccessible companies and without the costly fee model of traditional VC funds, which provides conditions for a more attractive return. The strategy has been successful so far, with significant growth in several of the portfolio companies and a number of successful divestments. One example is the sale of Flat's holding in Truecaller during the year for a value of approximately SEK 41.5 million, corresponding to a return of approximately 3.8x or an annual return (IRR) of +51% for shareholders who have participated since the listing. These results demonstrate Flat's ability to identify the right companies early and create significant value.

Flat's unique network of world-class investors and entrepreneurs generates a strong pipeline of investment opportunities. Flat is actively evaluating new opportunities and is open to looking at larger investments going forward, safeguarding the flexible investment mandate. Against this background, the purpose of the Rights Issue is to further strengthen Flat's cash position with the support of new and existing shareholders to be able to quickly act on investment opportunities in the portfolio and network.



The price in the Rights Issue, as well as in the potential Overallotment Issue, has been determined based on discussions with the investors who have provided subscription commitments and in consultation with the Company's financial advisor based on current market conditions as further described under the section "Overallotment Issue" below. The Rights Issue and the potential Overallotment Issue will increase the Company's net asset value per share while providing Flat with access to additional capital for value-creating investments, which the board of directors believes benefits all shareholders. The fact that the issue can be carried out at a premium to the net asset value (as of 31 March 2025) of 49% is considered by the board of directors of Flat to be a clear sign that the market has great confidence in the Company's portfolio and strategy

Preliminary timetable

Below are certain important dates in connection with the Rights Issue:

Last day of trading in the share including the right to receive subscription rights	5 June 2025
First day of trading in the share excluding the right to receive subscription rights	9 June 2025
Record date	10 June 2025
Subscription period	12 June 2025 – 26 June 2025
Trading in subscription rights	12 June 2025 – 23 June 2025
Expected day of publication of preliminary issue outcome	27 June 2025
Expected date of decision on allotment	1 July 2025

Undertakings to subscribe for shares in the Rights Issue and the potential Overallotment Issue

The shareholders Dusco AB, Altocumulus Investment AB, Frankenius Noterat AB, Cicero Fonder and Karolina Tham von Heidenstam have undertaken to subscribe for their respective pro rata shares or more in the Rights Issue, corresponding to in total SEK 128 million. In addition, Iliakos AB, wholly owned by Mathias Kamprad, Tuesday Invest AB, wholly owned by Karl-Johan Persson, William Olsson and Sofia and Märta Schörling, who are not currently shareholders, have undertaken to subscribe for shares of in total SEK 100 million. Consequently, a total of SEK 228 million is secured through subscription undertakings, corresponding to approximately 76% of the Rights Issue (excluding the Overallotment Issue). No consideration will be paid for the subscription undertakings. The subscription commitments have not been secured by, for example, bank guarantees, blocked funds, pledges or similar arrangements.



The Rights Issue

The Board of Directors of Flat has, by exercise of the issue authorization granted by the extraordinary general meeting on 4 April 2025, resolved to carry out a new issue of shares with preferential rights for existing holders of B shares of up to 18,669,604 B-shares. If the Rights Issue is fully subscribed, the Company will receive approximately SEK 300 million before issue costs. If the Rights Issue is fully subscribed, the Company's share capital will increase by SEK 933,480, from SEK 3,013,407 to SEK 3,946,887. The dilution for shareholders who choose not to participate in the Rights Issue will amount to a maximum of approximately 23.7% (excluding any dilution through the Overallotment Issue). Holders of B shares who choose not to participate in the Rights Issue have the opportunity to financially compensate themselves for the dilution by selling their subscription rights during the period from 12 June 2025 to 23 June 2025.

The Company's principal shareholders Sebastian Siemiatkowski and Nina Siemiatkowska (the "Principal Shareholders") together hold B shares entitling them to subscribe for approximately 23% of the Rights Issue. The Principal Shareholders have declared their intention to not exercise the subscription rights that they receive for subscription of new shares. As the Rights Issue comprises only B shares, no subscription rights will be issued for holding of A shares, which are all held by Sebastian Siemiatkowski.

For each existing B share held on the record date, one (1) subscription right is received in the Rights Issue. Three (3) subscription rights entitle the holder to subscribe for one (1) new B share at a subscription price of SEK 16.00 per share. The subscription period runs from 12 June 2025 to 26 June 2025.

In the event that not all B shares are subscribed for by exercising subscription rights, the board of directors shall, within the scope of the maximum amount of the Rights Issue, resolve on the allotment of B shares subscribed for without subscription rights in accordance with the following:

- Firstly, B shares shall be allotted to those who have subscribed for B shares with subscription rights (regardless of whether or not they were shareholders on the record date) and who have notified their interest in subscribing for B shares without subscription rights (subsidiary preferential right), and in case of oversubscription, allotment shall be made pro rata in relation to the number of subscription rights that each of those who have notified their interest in subscribing for B shares without subscription rights have exercised for subscription of B shares and, insofar as this is not possible, by drawing lots.
- Secondly, B shares shall be allotted to those who have subscribed for B shares without subscription rights, and in case of oversubscription, allotment shall be made pro rata in relation to the number of B shares that the subscriber has notified for subscription and, insofar as this is not possible, by drawing lots.
- Thirdly, any remaining shares shall be allotted to those parties who have entered into subscription undertakings.

The Company will prepare a disclosure document by reason of the Rights Issue in accordance with Article 1.4 db of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**"). The disclosure document, prepared in accordance with Annex IX to the Prospectus Regulation, is expected to be published around 9 June 2025.



The Overallotment Issue

Through the Overallotment Issue, Flat may increase the issue amount by up to SEK 130 million if the Rights Issue is oversubscribed, in order to meet a stronger demand than originally estimated as well as demand from investors who in advance have entered into subscription undertakings that exceed their respective preferential right in the Rights Issue. The completion of the Overallotment Issue is conditional upon the annual general meeting on 12 June 2025 resolving to approve the proposed renewed issue authorization for the board of directors under item 12 of the agenda. Shareholders representing more than 50% of the capital and more than 70% of the votes in the Company have stated that they intend to vote in favor of the issue authorization at the annual general meeting.

The Overallotment Issue will technically be carried out as a directed share issue in connection with the outcome of the Rights Issue based on the above-mentioned issue authorization, provided that it is granted. The subscription price in the potential Overallotment Issue will correspond to the subscription price in the Rights Issue. In the event of oversubscription, allotment in the Overallotment Issue shall firstly be made to investors who in advance have entered into subscription undertakings that exceed their respective preferential right to new shares in the Rights Issue, and secondly to others who have notified their interest of subscribing for shares without primary or subsidiary preferential rights in the Rights Issue, and in the event of oversubscription, allotment shall be made pro rata in relation to their notified interest and, insofar this cannot be done, by drawing lots.

The reason for a possible deviation from the shareholders' preferential rights in the Overallotment Issue is to accommodate the subscription interest of the investors whose subscription undertakings made in advance have been a prerequisite for being able to carry out the Rights Issue on current terms. The board of directors has carefully considered various options to meet the interest from the investors and makes the assessment that it is beneficial for the shareholders, who are also given the opportunity to subscribe for new B shares in the Rights Issue, that the Company carries out the Rights Issue and, in the event of oversubscription in the Rights Issue, has the possibility to satisfy the strong interest of the investors who have entered into subscription commitments exceeding their preferential rights as well as others who have notified their interest of subscription without preferential rights, by increasing the issue amount by way of the Overallotment Issue to an attractive and market-based valuation for the Company. In this regard, the board of directors has particularly taken into account that the subscription price in the share issues entails a premium of 49% in relation to Flat's net asset value as of 31 March 2025 and that the subscription price has been determined based discussions on arms' length between the Company and the investors whose subscription undertakings can be met through the possibility of increasing the issue amount by way of the Overallotment Issue.

In the event that the Company increases the issue amount through the Overallotment Issue, the number of B shares in Flat will increase by a maximum of 8,125,000 additional B shares and the share capital will increase by a maximum of SEK 406,250. The maximum possible dilution for shareholders who do not participate in the Rights Issue would then, at full subscription in the Overallotment Issue, amount to approximately 30.8%. Upon full subscription in the Rights Issue and the Overallotment Issue, the number of shares will increase by 26,794,604 B shares and the share capital will increase by SEK 1,339,730, from SEK 3,013,407 to SEK 4,353,137.



Termination of commitment to WRLD Foundation

Sebastian Siemiatkowski has previously undertaken to, in the event that the number of shares in the Company increases as a result of a share issue and WRLD Foundation's shareholding as a result falls below 1%, donate B shares to the foundation so that its holding returns to at least 1%.

Since entering into the undertaking in 2021, Sebastian Siemiatkowski has donated over 600,000 Flat B shares to WRLD Foundation. As Flat today operates under changed conditions, where flexibility and speed are crucial for continued growth, and in light of the significant donations already made, Sebastian Siemiatkowski and WRLD Foundation have now agreed to terminate the commitment. This means that no further B shares will be donated to WRLD Foundation under the commitment.

Interim report for the period January–June 2025

Due to the Rights Issue, the Company has decided to postpone the publication of the interim report for the period January-June 2025. The previously communicated date was 8 July 2025. New date for publication is 19 August 2025.

Advisors

ABG Sundal Collier AB is acting as financial advisor and KANTER Advokatbyrå is acting as legal advisor in connection with the Rights Issue. Aqurat Fondkommission is issuing agent.

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About Flat Capital

Flat Capital is an investment company that focuses on companies with prominent entrepreneurs in leadership positions and primarily makes investments through its network of world-class investors and entrepreneurs. The company was founded in 2013 by entrepreneurs Nina and Sebastian Siemiatkowski (founders and CEO of Milkywire and Klarna, respectively). Flat aims to contribute to long-term and successful company building and has a flexible investment mandate. Portfolio companies include OpenAI, Klarna, Perplexity, SpaceX and ElevenLabs. More information is available at www.flatcapital.com

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This press release does not constitute a prospectus within the meaning of the Prospectus Regulation and has not been approved by any regulatory authority in any jurisdiction. No prospectus will be prepared in connection with the Rights Issue. The Company will prepare and publish a disclosure document in the form prescribed by Regulation (EU) 2024/2809 (the "Listing Act") Annex IX.

To the extent this press release contains forward-looking statements, such statements do not represent facts and are characterized by words such as "will", "expect", "believe", "estimate", "intend", "should", "assume" and similar expressions. Such statements express the Company's intentions, opinions or current expectations or assumptions. Such forward-looking statements are based on current plans, estimates and projections that the Company has made to the best of its ability but which the Company does not claim will be accurate in the future. Forward-looking statements involve risks and uncertainties that are difficult to predict and generally cannot be influenced by the Company. It should be kept in mind that actual events or outcomes may differ materially from those contemplated or expressed in such forward-looking statements.

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

This information is information that Flat Capital AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-06-02 19:45 CEST.

Attachments

[Flat Capital carries out rights issue of SEK 300 million, secured to 76 %, is backed by some of Sweden's most prominent investors](#)