



Flat Capital AB (publ)

Interim report

January - June 2023



Highlights

Q2 2023

- **Flat invited all shareholders to the AGM 2023**, following the AGM, an investor meeting was held, where pizza, soft drinks and other light refreshments were served, with the opportunity to mingle and network with the management and the Board of Flat and other shareholders.

Apr

- **Flat invested 32 MSEK in OpenAI**, the research company that has pioneered AI development with platforms such as ChatGPT and Dall-E, which has led to a large number of collaborations with leading global companies where OpenAI has integrated its AI technology.
- **Flat invested an additional 21 MSEK in Getir**, one of the world's leading logistics & technology companies offering hyper-fast deliveries.

May

- **Hanna (CEO) got the opportunity to participate in DI börsdag**, where a panel debate was held together with Kinnevik and Ferd AS.
- **Hanna (CEO) visited her fourth podcast in a short time**, in recent weeks Hanna has visited Upplyst, Onoterat & Ofiltrerat, Nordnet Live and the BBD podcast (together with Sebastian after the AGM).

Jun

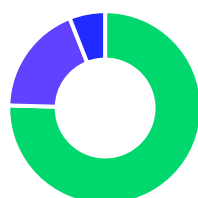
Financial information

KSEK	Jun 30 2023	Mar 31 2023	Dec 31 2022	Sep 30 2022	Jun 30 2022
Net Asset Value (NAV)	318 637	320 989	346 774	361 316	366 893
- of which Listed holdings	15 535	15 997	20 871	24 813	29 280
- of which Unlisted holdings	284 053	231 092	250 659	259 010	257 778
- of which Net cash	19 369	74 730	76 159	77 539	79 659
- of which Other net assets/-liabilites	-319	-830	-915	-46	176
Net Asset Value (NAV) per share, SEK	9.93	10.01	10.81	11.26	11.44
- of which Net cash per share, SEK	0.60	2.33	2.37	2.42	2.48

KSEK	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Operating expenses	-3 219	-1 498	-4 842	-2 552	-5 389
Profit for the period	-2 993	-23 132	-28 778	-44 529	-64 648
Change in value of financial assets	-233	-23 040	-25 299	-48 648	-66 235
- of which realized	0	12 080	-7 227	12 080	24 160
Investments	52 731	13 066	58 210	52 301	54 347
Divestments	0	13 597	4 830	13 597	13 597
Operating expenses in relation to average NAV	0.96%	0.39%	1.5%	0.72%	1.57%



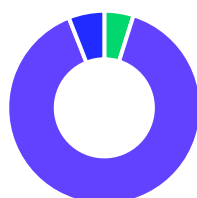
Net Asset Value (NAV)
as of 2023-06-30



- 5 largest holdings¹ 2023-06-30, 75%
- Other holdings, 19%
- Net cash and other net assets/-liabilites, 6%



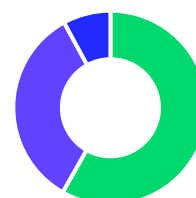
NAV per share
as of 2023-06-30



- Listed holdings, 5%
- Unlisted holdings, 89%
- Net cash and other net assets/-liabilites, 6%



Change in NAV per share, Q2'23 / Q1'23



- Holdings in SEK, 58%
- Holdings in USD, 34%
- Other currencies, 8%

¹ The 5 largest holdings include; Instabee, Getir, OpenAI, Truecaller and Klarna.

Period April - June 2023 (Comparable period: Q2-2022)

- Change in value of financial assets amounted to -233 KSEK (-23 040). The change in value includes an adjustment of the value of Instabee of -6 974 KSEK and FX effects of +5 043 KSEK. For a specification of the calculation of the change in value of financial assets, see Note 2.
- Investments during the period amounted to 52 731 KSEK (13 066).
- Operating expenses for the period amounted to 3 219 KSEK (1 498) corresponding to 0.96% of average NAV during the period. Out of the total operating expenses, costs related to the stock option programs (bonus and social fees) amounted to 1 762 KSEK. Excluding this non-recurring cost, the costs amounted to the equivalent of 0.43% of average NAV over the period.
- Operating profit amounted to -3 452 KSEK (-24 538).
- The operating profit includes unrealized changes in value of -233 KSEK (-35 121) and realized changes in value of 0 KSEK (12 080).
- Profit after tax amounted to -2 993 KSEK (-23 132).
- Profit per share amounted to -0.09 SEK (-0.72).

Period January - June 2023 (Comparable period: H1-2022)

- Change in value of financial assets amounted to -25 299 KSEK (-48 660). The change in value includes an adjustment of the value of Instabee of -31 523 KSEK. For a specification of the calculation of the change in value of financial assets, see Note 2.
- Investments during the period amounted to 58 210 KSEK (52 301).
- Operating expenses for the period amounted to 4 842 KSEK (2 552) corresponding to 1.5% of average NAV during the period. Out of the total operating expenses, costs related to the stock option programs (bonus and social fees) amounted to 1 762 KSEK. Excluding this non-recurring cost, the costs amounted to the equivalent of 0.95% of average NAV over the period.
- Operating profit amounted to -30 141 KSEK (-51 212).
- The operating profit includes unrealized changes in value of -18 072 KSEK (-60 740) and realized changes in value of -7 227 KSEK (12 080).
- Profit after tax amounted to -28 778 KSEK (-44 529).
- Profit per share amounted to -0.90 SEK (-1.48).

Investments and divestments during the quarter

- During the quarter, the company made a new investment in OpenAI, the company behind the Chat-GPT platform. The investment amounted to 3 MUSD corresponding to 31 623 KSEK.
- In May, an additional investment was made in the existing portfolio company Getir, one of the world's leading logistics and technology companies offering hyper-fast deliveries. The investment amounted to 2 MUSD corresponding to 21 108 KSEK.

Other significant events during the quarter

- On May 4, 2023, Flat's Annual General Meeting decided to re-elect Sebastian Siemiatkowski, Amaury de Poret, Charlotte Runius and Marcelo Carvalho de Andrade as members of the Board. Sebastian Siemiatkowski was re-elected as Chairman of the Board.

Significant events after the end of the quarter

- No significant events have occurred after the end of the quarter.

Subscribe to our mailing list
& always be up-to-date with our latest news!

[Link to website](#)

How: Click on the link on the right (or scan the QR code) to access the "news" tab on our website, then press the "subscribe" button and fill in the form.

Why: By subscribing to our emails, you as a Flat shareholder will receive updates and insights directly to your inbox, keeping you informed about our latest press releases, new investments, exciting events in our portfolio companies, upcoming events and other important news.



CEO's comments

Dear shareholders and all other interested readers,

The second quarter of 2023 has just ended and for Flat it has been an exciting and, to say the least, eventful quarter. After a nervous and hesitant start of the year, optimism hit the capital markets and stock markets around the world ended Q2 on a high note. This may seem strange as the fundamentals have not necessarily changed: we still have an ongoing war in Europe, high inflation, rising interest rates and with that, significantly increased costs. The consensus on the short-term future seems brighter than previously feared and many are now looking to the horizon, although with trepidation, at the potential technology shift that is arriving at a rapid pace. I am of course talking about artificial intelligence ('AI'). It's a clear and almost inevitable theme for the year, let alone this quarter, raising big questions and, in our case, curiosity about the opportunities it could bring.

That investment activity has generally been lower as a result of the global economic turmoil has not gone unnoticed, and as a result investors have prioritized profitability over growth. However, we feel that valuation levels have stabilized (although at new levels) and this may be one of the reasons why we see a cautiously more active investment climate during the quarter. As we are not - and will never pretend to be - macro experts, our ambition is to maintain a stable pace of investment over time. However, this can be challenging in bad times when capital rounds tend to reduce in size, due to lower valuations, and companies open up to fewer investors. Flat's unique network means we can participate in these rounds alongside the world's leading investors. Leading companies and teams, exposed to structural trends with world-leading investors behind them, is something we believe in for the long-term.

The NAV development over the quarter has been relatively undramatic and ended up at 319 MSEK or 9.93 SEK/share, which corresponds to a -0.7% decrease from Q1. We have had a tailwind in FX (mainly USD) due to the weak Swedish krona, and a positive adjustment due to our investment in Getir during the quarter. Costs for the quarter ended up at 3.2 MSEK, which is higher than the historical average and our ambition of being around 1.5 MSEK per quarter. However, this is largely explained by the non-recurring costs that arose in connection with the long-term incentive program that was introduced and approved at the AGM in 2023. Regarding valuations of our portfolio holdings, we have had two minor negative adjustments, as a result of more conservative assumptions combined with new data points from the market

and comparable peers. We continue to be impressed by our portfolio companies' ability to adapt to the new economic situation, which has meant a greater focus on profitability, and we can see that the companies have also managed to deliver on these. Most of our companies have leading positions in global markets, and it is not self-evident that large organizations can be quickly transformed. We therefore follow our portfolio companies with continued long-term optimism and great respect.

Speaking of leading companies exposed to structural trends - we are very proud and happy to have had the opportunity to invest 32 MSEK in OpenAI during the quarter. We are not alone in having immersed ourselves in ChatGPT and have in our recent discussions with the board enthusiastically exchanged experiences, tips and stories. There is no doubt that OpenAI is at the forefront of developments within AI, and it is simply too promising and interesting not to be involved on a small ticket, if you get the unique opportunity, we think.

Investment opportunities are also a result of our unique network and relationships with the founders, teams and investors who lead and invest in these prominent companies, and we hope to share more similar investments in the near future.

During the quarter, we also had the opportunity to invest in the existing portfolio company Getir through a convertible loan alongside other prominent investors. Despite a challenging market, the company has shown that it has a leading position and that there are opportunities to acquire companies and take advantage of the challenging market in the future.

As mentioned, the quarter has been exciting and eventful. In addition to these extremely exciting investments, during the quarter we have had the opportunity to participate in various investor forums, including DI börsdag, Nordnet Live and several podcasts. But most fun of all was probably still our own AGM, which ended with pizza and refreshments where we had the opportunity to meet more than eighty shareholders.

On a personal note, this quarter has also been both overwhelming and beautiful. Because in addition to the high activity in Flat, our family has had the pleasure of welcoming a third daughter who arrived in mid-June. A perfect little Ellen who we love endlessly. I am therefore looking forward to enjoying the family bubble extra much this summer!

Wishing you all a wonderful summer,

// *Hanna Wachtmeister, CEO*



Description of activities

About Flat

Flat Capital ("Flat") is an investment company that stands out in three 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, allowing for passive investments and a low-cost base.

Flat was founded in 2013 by the 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 portfolio currently consists of 21 companies, of which the largest holdings are Instabee, Getir, OpenAI, Truecaller and Klarna.

The aim is to simplify and improve the path to successful company building and to give more people the opportunity for maximum return on their investment.

Global network of world-leading investors and entrepreneurs

Through its founders and the Board, Flat has access to a global network of world-leading venture capital investors 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. The network also provides unique access to cross-border knowledge exchange for business enhancing collaboration.

Genuinely long-term investments

Flat provides long-term capital to entrepreneur-led companies that may otherwise rely on investors with a shorter time horizon. Long-term commitment is based on supporting dedicated entrepreneurs in both good and bad times, and is possible by not having a fund structure with a determined life cycle and not using conventional, short-term methods of selling holdings.

Trust in the entrepreneur and our network

In essence, Flat is a passive minority shareholder, a strategy and positioning based on the belief that the dedicated entrepreneur is best positioned to build their own company in the smoothest way possible. In addition, there is strong confidence in Flat's network and their ability and experience to find these future global leaders and entrepreneurs. Despite its essentially passive ownership, Flat's experience and network are available to the extent the entrepreneur wishes. The structure allows for low costs and an efficient organization.

Broad investment mandate

Flat has a broad investment mandate, with each decision made based on an assessment of what maximizes long-term shareholder value. Flat has the opportunity to invest in a variety of ways, ranging from being involved in the creation of new companies to investing in already listed companies. 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 aims to have a well-balanced portfolio over time.

Investment strategy



Prominent entrepreneurs

Flat invests in prominent entrepreneurs who have a leading position in their companies.



Attractive markets

Flat invests in markets, where company growth is driven by underlying structural trends.



Unlisted growth stage companies

Flat will primarily invest in unlisted companies that are in a growth phase.



Passive minority-owner



Flat is mainly a passive investor and is seeking minority stakes in its portfolio holdings.



Global investments

Flat invests globally.

Our holdings

Company name ¹	Short description of the company	Initial investment (yr)	Website
Instabee	Technology company with logistics solution	2013	Instabee.com
 OpenAI	Pioneering AI research company	2023	OpenAI.com
 getir	Tech and hyper-fast delivery company	2022	Getir.uk
truecaller	Platform for telephony services	2013	Truecaller.com
Klarna.	Global bank, payment and shopping solutions	2021	Klarna.com
CDLP	Fashion house based on innovative materials	2018	CDLP.com
 DeepL	Translations through AI neural machine learning	2023	DeepL.com
 Discord	VoIP and instant messaging social platform	2022	Discord.com
 Figma	Interactive design platform	2021	Figma.com
kry	Physical and digital healthcare provider	2021	Kry.se
 LoveLocal	Digital grocery shopping in India	2021	LoveLocal.in
LYST	Global fashion search platform	2021	LYST.com
 Nylas	Software for productivity infrastructure	2021	Nylas.com
omio	Travel planning platform	2015	Omio.se
PANGAIA	Material science fashion company	2021	Pangaia.com
Prion	Platform for preschool activities	2016	PrionApp.com
 Quartr	Digital platform for IR-solutions	2022	Quartr.com
 remote	Global payroll, HR and compliance solution	2022	Remote.com
steven	Shared economy platform	2017	GetSteven.com
 TrueAccord	Debt management platform for consumers	2019	TrueAccord.com
 uniplaces	Platform for booking accommodation	2015	Uniplaces.com

¹ Sorting: Largest 5 holdings (Instabee, Getir, OpenAI, Truecaller and Klarna), thereafter alphabetical order.

Brief description of our holdings (1/6)

Instabee

Instabee was founded in 2022 after combining Budbee and Instabox - two leading last-mile delivery companies. Instabee is present in seven countries, serving thousands of online merchants, including ASOS, Zalando, Inditex and H&M. Instabee is on track to become the most admired European e-commerce enabler.

Since the start, Instabee has focused on consumer-centric and sustainable solutions, offering deliveries to boxes and homes using muscle power, electricity, renewable diesel and biofuels. Through bespoke technical solutions, Instabee can guarantee optimal fill-rates and routing, minimizing any unnecessary transports. Instabee is backed by Kinnevik, Creades and EQT among others.

CEO & Co-founder: Fredrik Hamilton

Headquarters: Stockholm, Sweden

More info: www.instabee.com



Getir offers hyper-fast grocery delivery, with the vision to build the world's fastest on-demand delivery ecosystem.

Consumers can order everything from transport to food, and the aim is for goods to be delivered to their door within 10 minutes of ordering. Through its platform, the company collects data and insights that are used to streamline and optimize all flows. Getir has quickly become one of Europe's leading delivery platforms and has recently been launched in the U.S. In 2022, Getir acquired the European competitor Gorillas. Getir was co-founded and is run by Nazim Salur, and its ownership list includes prominent investors such as Silicon Valley-based Sequoia Capital, New York-based Tiger Global and Michael Moritz, who is Chairman of Klarna, among others.

CEO & Co-founder: Nazim Salur

Headquarters: Istanbul, Turkey

More info: www.getir.com

OpenAI

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.

CEO & Co-founder: Sam Altman

Headquarters: San Fransisco, U.S.

More info: www.openai.com

truecaller

Truecaller is the leading global platform for verifying contacts and blocking unwanted communications. The app helps the user categorize the caller and warns the user of fraud attempts, spam or sales pushes, both through calls and text.

The platform now has over 330 million active users, helping to make their communication experience safer and more efficient. Users can also use the app to look up numbers in Truecaller's vast identity database with half a billion downloads since launch and around 38 billion unwanted calls identified and blocked in 2021. Since 2021, the company is listed on Nasdaq Stockholm with Sequoia Capital as the largest investor, which like Flat invested early in the company.

CEO & Co-founder: Alan Mamedi

Headquarters: Stockholm, Sweden

More info: www.truecaller.com

Brief description of our holdings (2/6)

Klarna.

Since 2005, Klarna has been working to revolutionize the banking industry. With more than 150 million active users globally on 45 markets, Klarna meets the rapidly changing needs of consumers by helping them save time and money while making informed decisions and taking control of their finances.

More than 500 000 global retail partners, including H&M, Saks, Sephora, Macy's, IKEA, Expedia Group and Nike, have integrated Klarna's innovative technology to deliver a seamless shopping experience both online and in-store.

CEO & Co-founder: Sebastian Siemiatkowski

Headquarters: Stockholm, Sweden

More info: www.klarna.com



DeepL is a German-based AI company that aims to eliminate language barriers worldwide using artificial intelligence. DeepL offers multilingual automatic translation through its platform using AI neural machine learning that can be used via browser, mobile app, browser extension or through integrated API.

Currently DeepL offers its software globally to users and corporate clients with translations used in a wide range of fields, from technical and legal documents to customer support, marketing and product descriptions. DeepL's software has continuously been described as the most accurate AI translation technology in multiple language pairs and multiple industries. The company's ownership list includes well-known players such as IVP, Atomico and Benchmark.

CEO & founder: Jaroslaw Kutylowski

Headquarters: Cologne, Germany

More info: www.deepl.com

CDLP

Un Cadeau de la Providence (CDLP) is a Swedish manufacturer of underwear, swimwear and basic garments in innovative and sustainable materials.

Designed and developed in Sweden, the collections are produced by small-scale European manufacturers, with a special focus on craftsmanship and quality.

CEO & Co-founder: Andreas Palm

Headquarters: Stockholm, Sweden

More info: www.cdlp.com



Discord is a voice, video and text communication service used by more than a hundred million people who want to hang out and talk with their friends and community.

CEO & Co-founder: Jason Citron

Headquarters: San Fransisco, U.S.

More info: www.discord.com

Brief description of our holdings (3/6)



Figma offers an outstanding design tool that allows users to work interactively and simultaneously.

The tool makes the design process faster and more efficient, while allowing users to see each other's contributions in real time. Through its licensing model, which works on various operating systems, the company has customers in prominent global companies such as Microsoft, Google, Oracle, Slack and Spotify and a large number of smaller entrepreneurial companies. The company's ownership list includes many prominent investors, such as Sequoia Capital and Andreessen Horowitz.

Note: US-listed Adobe announced a bid for Figma in 2022 at a valuation of around USD 20 bn (Flat invested earlier that year at a USD 10 bn valuation). Subject to regulatory approval, the acquisition is planned to be completed in 2023.

CEO & Co-founder: Dylan Field

Headquarters: San Francisco, U.S.

More info: www.figma.com



LoveLocal aims to digitize the 1.1 trillion USD local retail industry in India through its platform that enables local retailers to digitize their stores and thereby streamline their operations through increased insights and better customer relationships.

For customers, the platform means, among other things, that they get an overview of their local supply and can shop more efficiently, whether in person or online. The company's list of owners includes Vulcan Capital and Alumni Ventures Group.

CEO & Founder: Akanksha Hazari

Headquarters: Mumbai, India

More info: www.lovelocal.in



Kry is Europe's largest digital healthcare provider, with the vision to contribute to more equal and accessible healthcare for all.

Since its launch in 2015, Kry's doctors, nurses and psychologists have helped over 7 million patients across Europe. In addition to digital care meetings, Kry also has over 28 physical care centers in Sweden, and is currently also present in the UK, Norway and France.

CEO & Co-founder: Johannes Schildt

Headquarters: Stockholm, Sweden

More info: www.kry.se



Lyst was founded on the concept that consumers should be able to efficiently find the fashion they are looking for.

The platform allows you to search through thousands of fashion stores at once, bringing together over eight million products from over 17 000 leading brands and retailers in one place. Lyst is now the largest fashion search platform with over 160 million shoppers per year. The business model is based on a commission on the sales made through the platform. The company's list of owners includes the world's leading luxury brand company LVMH and Balderton Capital.

Co-founder: Chris Morton

Headquarters: London, U.K.

More info: www.lyst.com

Brief description of our holdings (4/6)



Nylas has a strong vision to make the world more productive through smarter and better software solutions.

Through the company's various programming interfaces, customers can build integrations with different functions, for smarter and automated workflows. Since its inception, the company has distinguished itself on various prominent lists in the US, including as one of the fastest-growing unlisted companies and as one of the most attractive employers.

CEO & Co-founder: Gleb Polyakov

Headquarters: San Fransisco, U.S.

More info: www.nylas.com



With world-leading travel planning company Omio, it facilitates travel planning through its platform, which brings together more than 1 000 travel providers for train, bus, ferry, air and car rental in one place.

The technology has a large amount of data and can present the best travel option according to the customer's search, collecting the tickets on the same platform, and is available in several countries worldwide. The list of owners includes Kinnevik, Temasek and Kleiner Perkins.

CEO & Co-founder: Naren Shaam

Headquarters: Berlin, Germany

More info: www.omio.com

PANGAIA

Pangaia designs and produces fashion and accessories through the use of innovative technical and biotechnological materials.

The company aims to work sustainably throughout the product life-cycle, including through the use of responsibly produced fabrics and packaging. For example, the company creates vegan leather from grapes, down jackets filled with wildflowers or ink for garment printing from air pollution. Pangaia's goal is to operate a climate-neutral business by 2025, part of its strategy to achieve a fully climate-positive business model.

CEO: Krishna Nikhil

Headquarters: London, U.K.

More info: www.pangaia.com

Prion

Prion offers a holistic platform for preschool activities.

The platform can be used to efficiently send information to caregivers and document the child's development, and the company supports the preschool curriculum, which means that documentation can be linked to the curriculum objectives. The platform also offers a web-based service through which educators and managers can access statistics, which facilitates monitoring of activities and future planning.

CEO & Co-founder: Fredrika Bernadotte

Headquarters: Stockholm, Sweden

More info: prionapp.com

Brief description of our holdings (5/6)



Quartr is a software company that provides a range of financial services. Millions of private investors, journalists, analysts and fund managers are reached daily with first-hand information on listed companies via Quartr's distribution network.

Quartr provides seamless and easy access to earnings calls, company presentations, searchable transcripts with smooth text-to-audio transitions, reports and financial data.

CEO & Co-founder: Sami Osman

Headquarters: Stockholm, Sweden

More info: www.quartr.com



Remote Technology, Inc. has the vision to simplify the way companies hire and manage global talent. The company's platform provides HR services including payroll systems and ensures compliance with local laws, benefits, taxes and more.

Remote enables companies of all sizes to pay and manage full-time and contract employees around the world. Remote makes it easy to manage international payroll, benefits, taxes, stock options and compliance in over 50 countries.

CEO & Co-founder: Job van der Voort

Headquarters: London, U.K.

More info: www.remote.com



Steven is a financial services platform focusing on joint expenditure management. In the Steven app, users create groups where they enter expenses to be shared, for example for a household or a trip with friends.

Debt payments are made through the app, which also keeps track of who has and has not paid. The business model is based on a freemium model where revenues are generated from premium subscriptions, among other things. Steven is growing mainly organically with thousands of new users a month.

Co-founder: Jens Saltin

Headquarters: Stockholm, Sweden

More info: www.getsteven.com



TrueAccord provides a service that enables the efficient collection of debt digitally with the vision of restoring hope and financial stability to those who have lost it.

The service is based on machine learning and has a patented algorithm. Through the platform, debt repayment can be carried out automatically, and over 90 percent of fundraising is done without human interaction.

CEO & Co-founder: Ohad Samet

Headquarters: San Fransisco, U.S.

More info: www.trueaccord.com

Brief description of our holdings (6/6)



Uniplaces is an online marketplace for booking accommodation for longer periods.

The platform thus acts as an intermediary for tenants and landlords. Uniplaces has offices in London, Lisbon, Berlin, Barcelona, Madrid and Milan. The business model is based on a commission fixed from the rent due to the landlord.

CEO: Cyril Jessua

Headquarters: London, U.K.

More info: www.uniplaces.com

Other information

Group structure

As of 2023-06-30, the company had no active subsidiaries and no associated companies. The company has established a subsidiary in the US, which may be used for the implementation of future investments.

Personnel

As of 2023-06-30, the company had one employed CEO and one CFO. In addition, the company has no other employees.

Dividend policy

Flat's dividend policy is based on the principle that up to 25% of the realized gain on disposals may be distributed to the company's shareholders. The remainder will be reinvested. The company seeks steadily increasing dividends over time.

The share

At the end of the reporting period, the share capital amounted to 1 604 KSEK (1 604).

The company's share has been listed on the Nasdaq First North Growth Market since 20 October 2021. The issue price was SEK 10.0 per share. The share price as of 2023-06-30 amounts to 11.4 SEK.

Long-term incentive programs

The company has issued a total of 1 519 562 warrants, within four incentive programs. Upon full exercise of all warrants, the number of shares would increase by 1 532 311, which would mean 4.56% in total dilution. Out of the total number of warrants, 1 005 797 warrants are held by the company's management and 513 765 warrants have been issued to members of the Board.

The company has the right, with certain exceptions, to repurchase the warrants if the participants' assignment with the company ends during the defined vesting period or if the participants wish to transfer the warrants. The company's repurchase right expires proportionally to the number of years that have elapsed since the warrants were issued.

Outstanding LTIP:s	Number of warrants	Number of shares	Subscription price	Subscription period
2021/2025:A	364 243	371 528	24,40	Nov 2025
2021/2026:S	273 183	278 647	24,40	Nov 2026
2023/2026:A	641 554	641 554	14,40	Jul 2026
2023/2026:S	240 582	240 582	14,40	Jul 2026
Total	1 519 562	1 532 311		

:A relates to stock option plans for key employees.

:S refers to stock option plans for members of the Board.

Related party transactions

Flat sublets an office space from Naccess Partners AB, a company controlled by Amaury de Poret. Amaury de Poret is a board member of Flat and owns approximately 2% of the shares in the company. The lease agreement is set on market terms and amounts to approximately SEK 18.75 KSEK per month, excluding VAT.

There were no other related party transactions during the period.

Risks and uncertainties

Flat is, through its business activity, exposed to certain risks and uncertainties. For information on the company's risks and uncertainties, please see the 2022 Annual Report. That description remains relevant.

Upcoming reporting dates

Interim report Jul-Sep	2023-10-25
Year-end-report	2024-02-15

Audit

The financial statements have not been reviewed by the company's auditors.

Certified Adviser

The company's Certified Adviser is Augment Partners AB. Email: info@augment.se, Tel: +46 (0) 8 604 22 55

Shareholders as of 2023-06-30

Shareholders	# of A-shares	# of B-shares	Capital (%)	Votes (%)
Sebastian Siemiatkowski	4 429 222	-	13.8	61.6
Double Sunday IV AB ¹	-	8 212 121	25.6	11.4
Nina Siemiatkowski	-	4 750 000	14.8	6.6
Försäkringsaktiebolaget Avanza Pension	-	1 428 521	4.5	2.0
Cicero Fonder AB	-	895 304	2.8	1.2
Nordnet Pensionsförsäkring	-	872 380	2.7	1.2
Amaury de Poret	-	650 000	2.0	0.9
Lyckebo Noterat AB	-	640 000	2.0	0.9
Stiftelsen WRLD Foundation	-	320 778	1.0	0.4
Svenska Handelsbanken AB for PB	-	249 717	0.8	0.3
Other shareholders	-	9 629 666	30.0	13.4
Total	4 429 222	27 648 487	100.0	100.0

¹ Double Sunday IV AB is owned by Sebastian Siemiatkowski, Chairman of the Board.

Declaration by the Board and the CEO

The Board and the CEO declare that the financial statements give a true and fair view of the development of the company's business, position and results and describe the principal risks and uncertainties that the company faces.

Stockholm July 19, 2023

Sebastian Siemiatkowski
Chairman of the Board

Amaury de Poret
Member of the Board

Charlotte Runius
Member of the Board

Dr. Marcelo Carvalho de Andrade
Member of the Board

Hanna Wachtmeister
CEO



Income statement

KSEK	Note	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Operating income						
Change in value of financial assets	1-2	-233	-23 040	-25 299	-48 660	-66 235
Total operating income		-233	-23 040	-25 299	-48 660	-66 235
Operating expenses						
Personnel costs	3	-2 393	-576	-3 039	-849	-2 162
Other external costs		-809	-922	-1 785	-1 703	-3 225
Depreciation		-1	0	-2	0	-2
Other operating expenses		-16	0	-16	0	0
Total operating expenses		-3 219	-1 498	-4 842	-2 552	-5 389
Operating profit		-3 452	-24 538	-30 141	-51 212	-71 624
Profit from financial items		459	0	1 363	0	292
Profit after financial items		-2 993	-24 538	-28 778	-51 212	-71 332
Taxes		0	1 406	0	6 684	6 684
Profit for the period		-2 993	-23 132	-28 778	-44 529	-64 648
Profit per share before dilution, SEK		-0,09	-0,72	-0,90	-1,48	-2,08
Profit per share after dilution, SEK		-0,09	-0,72	-0,90	-1,48	-2,08
Number of shares outstanding at end of period		32 077 709	32 077 709	32 077 709	32 077 709	32 077 709
Average number of shares before dilution		32 077 709	32 077 709	32 077 709	30 158 199	31 125 930
Average number of shares after dilution		32 077 709	32 077 709	32 077 709	30 158 199	31 125 930

Balance sheet

KSEK	Jun 30 2023	Jun 30 2022	Dec 31 2022
ASSETS			
Fixed assets			
Inventory and tools	0	0	18
Financial fixed assets			
Shares in listed companies	15 535	29 280	20 871
Shares in unlisted companies	284 053	257 778	250 659
Other long-term receivables	0	61	0
Total fixed assets	299 588	287 119	271 548
Current assets			
Prepaid expenses and accrued income	298	305	111
Cash and cash equivalents	19 369	79 659	76 159
Total current assets	19 667	79 963	76 270
TOTAL ASSETS	319 255	367 082	347 818
KSEK	Jun 30 2023	Jun 30 2022	Dec 31 2022
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	1 604	1 604	1 604
Non-restricted equity			
Share premium reserve	249 236	249 236	249 236
Accumulated profit	96 575	160 582	160 582
Profit for the period	-28 778	-44 529	-64 648
Total equity	318 637	366 893	346 774
Current liabilities			
Trade payables	344	82	66
Other liabilities	53	56	93
Accrued expenses and deferred income	221	52	886
Total current liabilities	618	189	1 044
TOTAL EQUITY AND LIABILITIES	319 255	367 082	347 818

Change in company equity

KSEK	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Opening equity	320 989	390 175	346 774	337 544	337 544
New share issue	0	0	0	77 212	77 212
Issuing costs	0	-150	0	-3 334	-3 334
Effect from long-term incentive program	641	0	641	0	0
Profit for the period	-2 993	-23 132	-28 778	-44 529	-64 648
Closing equity for the period	318 637	366 893	318 637	366 893	346 774

Cash flow statement

KSEK	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Profit after financial items	-2 993	-24 538	-28 778	-51 212	-71 332
Adjustments for items not included in cash flow	250	23 040	25 317	48 660	66 233
Cash flow from changes in working capital	-528	-3 196	-590	-641	470
Cash flow from operating activities	-3 271	-4 964	-4 051	-3 194	-4 628
Investments in financial assets	-52 731	-13 066	-58 210	-52 301	-54 347
Divestments of financial assets	0	13 597	4 830	13 597	13 597
Investments in tangible assets	0	0	0	0	-19
Cash flow from investing activities	-52 731	531	-53 380	-38 704	-40 769
New share issue	0	0	0	77 212	77 212
Issuing costs	0	-150	0	-3 334	-3 334
Effect from long-term incentive program	641	0	641	0	0
Cash flow from financing activities	641	-150	641	73 878	73 878
Cash flow for the period	-55 361	-4 313	-56 790	31 980	28 481
Cash and cash equivalents at beginning of period	74 730	83 972	76 159	47 678	47 678
Cash and cash equivalents at end of period	19 369	79 659	19 369	79 659	76 159

Accounting policies and notes

Note 1 Accounting and valuation principles

General information

The interim report has been prepared in accordance with Chapter 9, Sections 3-4 of the Swedish Annual Accounts Act (ÅRL). The interim report has been prepared in accordance with the accounting principles applied in the Annual Report 2022.

Financial instruments

Shares in listed and unlisted companies

The company measures its holdings at fair value on an ongoing basis in accordance with Chapter 12, K3 accounting standards. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. Changes in fair value are recognized in the income statement under the heading "Change in value of investments". The holdings referred to are available for sale.

Preferably, the value of the investments is determined according to the market value in terms of quoted prices in an active market. An active market exists when trade is in similar instruments, there are interested buyers and sellers, and price information is widely available. As the company invests mainly in private, unlisted companies, this method is not normally applicable to the unlisted portfolio companies, which means that additional valuation methods need to be used.

If there are no quoted prices in an active market, the fair value is primarily based on recent transactions. If the fair value is based on recent transactions, the valuation is usually retained for 12 months, after which time the company switches to one of the other valuation methods. However, transaction based values are adjusted at each reporting date if the company determines that the fair value has changed.

If the company considers that there have been significant changes since the transaction was carried out, the company estimates fair value using another valuation method instead. These are based primarily 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 been proven in the past to provide reliable estimates of prices.

In shorter periods of time, during significant market movements, the reliability of both quoted and unquoted valuations decreases. For such individual extreme events, adjusting the valuations for general stock market movements may be a more accurate valuation method. Similarly, such significant market movements may in some cases justify a value adjustment for holdings valued under the "Recent valuation" method as a means of reflecting significant changes in the liquid quoted market also in the more illiquid unquoted market.

In 2022, the company's investment portfolio has been affected by the turmoil in the global economy and the changing investment climate. This has led to market-related adjustments of several of the portfolio companies. To estimate fair value, a number of factors have been analyzed, of which weighted price development for comparable listed companies and relevant indices have been the main basis for the adjustment.

The fair value of assets is restated at each reporting date. If the range of reasonable fair value estimates is significant, or the probabilities of the estimates are not reasonably estimable, the assets are measured at their most recently reported fair value.

Flat's portfolio companies are typically early stage growth companies. Against this background, it is natural that there are significant variations in the fair value of the portfolio between reporting dates. The company will only report the aggregate value of the holdings, and thus no individual valuation of each holding will be disclosed.

Short-term receivables

Current receivables are recorded as current assets at the amount expected to be collected, less individually assessed doubtful debts.

Loans and trade payables

Loans and trade payables are initially recognized at cost less transaction costs. If the amount recognized differs from the amount to be repaid at maturity, the difference is amortized as an interest expense over the life of the loan using the effective interest rate of the instrument. As a result, at maturity, the amount recognized and the amount to be repaid are the same.

Long-term incentive programmes

Since 2021, there are long-term incentive programmes in the form of warrants. The warrants have been offered in two different programmes,

partly to the CEO and partly to Board members. The warrants have been subscribed for at fair value and cash payment of the warrants has been made. In the case of acquisition of warrants by the employee, the payment received is entered against other contributed capital. Upon exercise of the warrants, the share capital is increased by the quota value of each newly issued share and the associated premium is added to other contributed capital.

The company is entitled, with certain exceptions, to repurchase warrants if the participant's assignment in the company is terminated or if the participant wishes to transfer warrants before four years have elapsed since the participant received the warrants. The company's repurchase right expires with respect to one quarter of the warrants each year during the four-year vesting period.

Employee benefits

Short-term remuneration in the company consists of salary, social security contributions and paid holidays. Short-term remuneration is recognised as an expense and a liability when there is a legal or informal obligation to pay remuneration. There are no long-term benefits.

Pension plans are defined as contribution plans.

Tangible fixed assets

Tangible fixed assets are recognised at cost less depreciation. Depreciation takes place over five years.

Corporate income taxes

The company invests mainly in conditional shares. Profits and losses on conditional shares are not taxable. When a holding goes from being unlisted to listed, gains are taxable. A deferred tax is therefore calculated on unrealized changes in value only for quoted holdings. Current expenses are tax deductible, but since the utilization of tax losses is uncertain, no deferred tax asset is recognized on tax loss carryforwards.

Cash flow analysis

The cash flow analysis is prepared using the indirect method. The reported cash flow includes only transactions involving receipts or payments. Cash and cash equivalents include, in addition to cash on hand, available deposits with banks and other credit institutions and short-term liquid investments that are quoted on a marketplace and have a maturity of less than three months from the date of acquisition.

FX-conversion

The company reports in Swedish kronor (SEK). The company values its holdings to their respective functional currency, which is translated quarterly into the company's reporting currency (SEK). Conversions are made at the Riksbank's exchange rates on the last business day of each reporting period.

Key ratio definitions and alternative key ratios

Alternative key ratios are financial measures that are not defined or disclosed in the applicable financial reporting framework. The starting point for the selection of alternative key ratios is that they are used by management and are therefore considered to provide valuable information to shareholders and other stakeholders.

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, SEK

Net Asset Value divided by number of shares.

Net cash

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

Net cash per share

Net cash divided by number of shares.

Operational costs

Operating expenses minus non-recurring 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 costs divided by average Net Asset Value.

Note 2 Change in value of financial assets

KSEK	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Unrealized changes in value					
Change in value Instabee	-6 974	94 605	-31 523	94 605	91 669
Change in value Klarna	0	-80 046	0	-80 046	-80 046
Change in value Truecaller	-462	-8 358	-1 664	-33 977	-42 545
Change in value other holdings	7 203	-41 322	15 115	-41 322	-59 473
Total unrealized change in value	-233	-35 121	-18 072	-60 740	-90 395
- of which FX	5 043	0	4 750	0	5 253
Realized changes in value	0	12 080	-7 227	12 080	24 160
Total change in value of financial assets	-233	-23 041	-25 299	-48 660	-66 235

During the quarter, two portfolio companies have been adjusted down, as a result of more conservative assumptions combined with new data points from the market and comparable peers. In addition, Getir has been adjusted upwards in connection with the investment announced on May 25, 2023.

Note 3 Personnel costs

Personnel costs includes bonuses and social security contributions on bonuses and benefits related to long-term incentive programs totalling 1 762 KSEK, of which social security contributions amount to 478 KSEK. Payment for acquired warrants amounts to 641 KSEK.

FLAT

Contact details:

Box 5855, 102 45 Stockholm
Nybrogatan 6, Stockholm
+46 (0) 8 650 17 77
hello@flatcapital.com

