



Fram Skandinavien AB (publ) 556760-2692

Interim Report

2023 Q2



General information

Ticker	FRAM B	Sector	Investments focused on publicly listed and private tech companies, as well as digital assets
Market	Nasdaq First North Stockholm	Geography	Southeast Asia
Activity	Investment company	Investment organization	9 people based in Vietnam, including: <ul style="list-style-type: none">— Hanh Mai, CEO— Son Ngo, Group Finance Director— Christopher B. Beselin, Chairman
Date of IPO	October 2017 at 20 SEK per share		

Key highlights, Q2 2023

Fram Skandinavien's strategic focus on driving profitability and cultivating a robust venture pipeline

- As of 31st of July 2023, the net asset value amounted to 303 mSEK (84 SEK per share), which was approximately **+180% above the closing price of the Fram B share** on the same day and represented an increase of +13% compared to 30th April 2023.
- Following the implementation of its new investment strategy, Fram has actively pursued **initiatives to enhance profitability, improve capital efficiency, and strengthen investment readiness** for the ventures within its portfolio. This strategic shift has allowed Fram to focus on driving growth and maximizing returns for its investments, ensuring that it remains well-prepared to seize investment opportunities and achieve long-term success.
- During Q2 and July 2023, additional fundings were made by Fram into **Carmudi** and **EveHR** for respectively 3.5 mSEK and 0.6 mSEK to support their business operations and to prepare their development for further value appreciation.
- Fram received an **earn-out payment from the divestiture of its IT development** business at the amount of 4.2 mSEK in June. In early July, Fram sold its shares in **Grab** and earned a gain of +23% on the invested value (sold at 1.4m SEK against cost of 1.2m SEK).
- The **current portfolio of Fram consists of 7 holdings**, including 4 private and 3 public tech companies, with a total invested amount of 52 mSEK. The total NAV of these companies reached 270 mSEK, rendering a latent **return multiple of 5.2x on the invested capital**.
- The Fram team has continuously **screened and done extensive research / due diligence on tech startups** in Vietnam and the Southeast Asia ("SEA") region in order to form a strong pipeline for future investments.

Tech sectors lead the equity market rebound

- **Positive growth in the equity market in H1 2023:** The equity market in H1 2023 has shown significant growth, particularly with the rebound of tech companies amidst ongoing challenges. Tech stocks, in form of Nasdaq 100, have performed exceptionally well, experiencing a rebound of approximately 37%. This growth has been driven by investors' increasing focus on artificial intelligence (AI) and its real-world applications, as well as advancements in long-hyped technologies.
- **Monetary policy to support the economy:** The SEA region has experienced slower-than-expected inflation, allowing central banks to refrain from tightening policies and instead focus on bolstering domestic consumption by accommodating monetary policies. For instance, the Vietnam central bank has cut interest rates by 50 basis points in the face of weak global demand and slower credit growth.
- **Increase in IPO activity in Southeast Asia:** IPO activity in Southeast Asia has slightly increased by approximately +16% YoY in terms of deal value. Although the startup funding environment in the region has slowed down, IPO activity has shone with 85 deals and proceeds amounting to 3.3 bnUSD.
- **Vietnam ranks second in startup funding:** The region as a whole secured 403 deals with a total of 4.2 bnUSD in proceeds, experiencing a decline of -56% YoY. Singapore remains the most active market, but Vietnam has outranked Indonesia in deal value in Q2 2023, demonstrating a deal volume resurgence.
- **Potential sectors in a post-pandemic world:** The sectors of AI, energy transition, health tech, and deep tech are expected to have significant potential in a post-pandemic world. The regional tech news site, Tech in Asia, states that spending on AI has increased by +76% YoY.

Table of content

- 1. Market overview**
- 2. Significant events during Q2 2023**
- 3. Investment review**
- 4. Portfolio**
- 5. Group consolidation**
- 6. Financial statements**
- 7. Further information**

1. Market overview

Tech sector resurgence in an uncertain market

- **Positive growth in equity market in H1 2023:** The equity market has experienced positive growth in the first half of 2023, particularly in the stock market. Despite facing critical challenges such as persisting inflation, the US debt ceiling difficulty, the collapse of major banks, and ongoing US-China political tensions, the tech sector has rebounded significantly. The Nasdaq 100, representing tech stocks, has seen a remarkable +37% increase in H1 2023. This growth can be attributed to investors' increasing focus on AI and its applications.
- **Monetary policy support for the economy:** many central banks in Southeast Asia have opted to maintain an accommodative monetary policy. This decision comes as the region's growth rate is expected to be 4.6% this year, slightly lower than the Asian Development Bank's previous projection of 5%. The central bank of Vietnam has cut interest rates by 50 basis points to stimulate growth.
- **Highest returns after market downturns:** Market downturns should not be seen as solely negative events. They also offer a silver lining for investors who are willing to embrace uncertainty and seize opportunities. By studying historical examples, such as the dotcom bubble burst and the 2008 financial crisis, we can learn that investing during uncertain times can lead to significant returns. Similarly, companies founded during these periods have delivered the highest returns for investors. The best time to invest is indeed when uncertainty is present, but it must be done wisely and with a long-term perspective in mind.
- **Promising sectors in a post-pandemic world:** certain sectors are expected to thrive, including AI, energy transition, health tech, and deep tech. The adoption of AI technology in Southeast Asia has seen a significant surge, increasing from 39% in 2020 and 2021 to 76% in 2022. The banking, financial services, and insurance (BFSI) sector, along with the manufacturing industry, are the top spenders, accounting for 27% and 17% of AI spending by vertical, respectively. These sectors hold great potential for growth and innovation in the coming years.

Investment panorama

- **Southeast Asia's IPO market experienced an increase** of around +16% YoY in terms of deal value, bucking the global trend of a decline in the number of listings and the amounts raised. In H1 2023, there were 85 IPOs in Southeast Asia, raising a total of 3.3 bnUSD in IPO proceeds, compared to 73 IPOs and 3.1 bnUSD in the same period last year.
- On the other hand, **VC fundraising activities in Southeast Asia witnessed a decline**, with only 11 funds closed during the period, raising a total of 3.7 bnUSD. This is less than half the amount raised during H1 2022. Singapore, the traditionally most active market, experienced a slowdown in fundraisings, with only 5 funds reaching a final close, compared to 8 during H2 2022. Limited partners are also more inclined to focus on established relationships rather than taking risks on new ones in the current environment
- **Vietnam surpassed Indonesia for the first time to become the second-largest recipient of VC funding in Southeast Asia during Q2 2023.** Despite a decline of -56% YoY in total proceeds, Southeast Asian startups secured 403 deals with 4.2 bnUSD. The median value of seed rounds also declined, indicating that early-stage funding is far from immune to the ongoing global liquidity crunch. Singapore remained the most active market, but Vietnam experienced a notable resurgence in deal volumes, outranking Indonesia in Q2 2023 in terms of deal value.
- There are over **50 unicorns in Southeast Asia**. Among them, the Temasek-backed Indonesian aquatech startup **eFishery** was the only Southeast Asian company to achieve unicorn status during the period, compared to two unicorns formed in H2 2022.

Source: Dealstreet Asia, Business Times, Deccanherald

2. Significant events during Q2 2023

Q1:

January – March

6th March

Fram^ appointed Keshav Rustagi, new Co-MD for Carmudi to drive the new direction for the company

During March

EveHR won new customers (Bosch and Amanotes) and continued to expand

Q2:

April – June

11th April

Fram^ released notice to Annual General Meeting 2023 and proposed share scheme to key managements at Fram Skata AB (Carmudi), and Fram Venture 9 AB (EveHR)

31st May

Duy Vu stepped down as Co-MD at Carmudi and continues in his new role as Senior Advisor.

3. Investment review

Share price and NAV as of 31st July 2023

Share price (SEK)

30

NAV per share (SEK)

84

Number of shares

3,615,078

% upside NAV / share price

+180%

Market cap (mSEK)

108

NAV per share vs April 23

+13%

Total NAV (Net asset value, mSEK)

303

Share price discount to NAV per share

-64%

Allocation of portfolio

Based on the portfolio NAV

by GEOGRAPHY

Vietnam
99%Southeast
Asia and
other
1%

by SECTOR

Marketplace
75%HR tech
16%Fintech
9%

Portfolio

	Revenues (mSEK, last 12 months) ⁽¹⁾	Enterprise value (mSEK)	% or # shares owned by FRAM	Invested amount (mSEK)	NAV (mSEK)	Return multiple (NAV / investment)
Carmudi	GMV: 82	233 ⁽²⁾	80% ⁽³⁾	22.7	187	8.2x
EveHR	1	53	83%	8.3	44	5.3x
Dragonlend	3	34	70%	13.7	24	1.7x
Liven Technology	n.m	31	39%	3.5	12	3.4x
Private tech investments				48.1	267	5.6x
SEA (SE:US)		\$63.5 ⁽⁴⁾	2,500	2.1	1.7	0.8x
ABXX (ABXX.NE:CAD)		CAD7.5 ⁽⁴⁾	4,666	0.3	0.3	1.0x
BUKA (BUKA:IDX)		IDR216 ⁽⁴⁾	5,000,000	1.0	0.8	0.8x
Public tech investments				3.4	2.7	0.8x
Blockchain-related investments				0.1	0.1	0.7x
Total portfolio				52	270	5.2x
Interest bearing instruments					16.0	
Net cash					17.4	
TOTAL NAV					303	

(1) Last 12 months revenue or GMV up to 30th June 2023.

(2) Multiple used in the NAV is 2.8x, i.e a discount of 40% applied to the multiple of the listed peer group of 4.7x.

(3) Fram's ownership increased to 80% following the repurchase of shares from ex-Co MD who recently left Carmudi.

(4) Price per share.

3. Investment review

Portfolio at a glance

- As of the 31st of July 2023, the estimated total net asset value for Fram B shareholders amounted to **303 mSEK**, which corresponds to approximately **84 SEK per share**. The closing price for the B share was **SEK 30 per share**.
- The NAV per share was approximately **+180%** above the closing price of the Fram B share on the same day and represented an increase of **+13%** compared to 30th of April 2023. The closing price per share resulted in a discount of approximately **-64%** compared to the NAV per share.
- In the past quarter, Fram has **prioritized enhancing the profitability of its portfolio companies, improving capital efficiency, and supporting the fundraising processes** for the ventures. The investment team at Fram has also been actively evaluating and conducting thorough research on technology startups in Vietnam and the Southeast Asia ("SEA") region to establish a **robust pipeline for future investment** opportunities.
- In June, Fram successfully received the full earn-out of 4.2 mSEK from the divestiture of its IT development business. Additionally, in early July, Fram made a profitable divestiture by selling its shares in Grab. The return on the invested amount was **+23%**, as the shares were sold at ca. 1.4m SEK.
- During Q2 and July 2023, Fram provided additional fundings to **Carmudi** and **EveHR**, at 3.5 mSEK and 0.6 mSEK respectively.
- The current portfolio of Fram consists of **7 holdings**, including 4 private and 3 public tech companies, with a total invested amount of 52 mSEK. The total NAV of these companies reached 270 mSEK, rendering a latent return multiple of 5.2x on the invested capital.

Valuation of companies in the portfolio

- During the last quarter, **Carmudi** changed its valuation method from EV/Revenue to EV/GMV, to better reflect Carmudi's current business model as a fully integrated marketplace for cars (sometimes acting as agent and sometimes as principal). The valuation is based on a valuation multiple derived from a relevant listed peer group. The average EV/GMV multiple for the peer companies Carsales.com, Copart Inc, Acv Auctions, Openlane Inc, Carvana Co, Kazoo Group Ltd and Frontier Digital Ventures amounted to 4.7x as of 31st of July 2023. A discount of 40% has then been applied to the multiple of the peer group, resulting in a final valuation multiple of 2.8x EV/GMV applied to Carmudi. The total equity value of Fram's shares in Carmudi amounts to **187 mSEK**.
- For **EveHR** and **Dragonlend**, the valuation is based on the latest fundraising's valuation in 2021, resulting in 44 mSEK and 24 mSEK respectively for Fram's stakes.
- In Q2 2023, Fram developed a new ownership constellation for **Marry** where the company merged with the industry colleague **Vdes.vn** and thereby created a new group, named **Liven Technology**. Post-merger, a net asset value of 12 mSEK is estimated for Fram's stake in Liven Technology.
- In Q1 2023, Fram made two new investments in public tech companies, **Abaxx Technologies** and **Bukalapak**, increasing the total public investments to 3 including **Sea Group** (an e-commerce and gaming company). The valuation of these investments is marked-to-market based on the closing price as 31 July 2023.

4. Portfolio – Carmudi

General information

Business description	Online car marketplace
Website	www.carmudi.vn
Location	Vietnam
Segment	Car marketplace
Asset class in portfolio	Private tech company
Management	Keshav Rustagi, MD
Employees	25
Investment date	2017
Amount invested	22.7 mSEK
Ownership of Fram	80%
Governance influence	Chairman of the board
Investment thesis	Car penetration in a country is generally driven by income per capita. Vietnam has one of the fastest growing GDP/capita ratios in the world and its car market growth hit an inflection point pre covid. Benchmarking vs other emerging economies' historical car penetrations vs GDP/capita, Vietnam is set to enjoy 15–20% car market growth p.a., for at least a decade ahead. Growth in value terms will be even higher as the consumers trade up in car price. The digital car trading sector will grow faster as it increases in penetration.

Financial summary

<i>in mSEK</i>	H1 2023	2022	2021	2020	2019
GMV	37	74	16	13	5
Revenues	28	63	16	13	5
%YoY GMV growth	+25%	+366%	+26%	+168%	N/A

Investment performance

Valuation method	Multiple of peer group	
Enterprise value (Jul 2023)	233 mSEK	
Total investment	22.7 mSEK	
Total value to Fram	187 mSEK	
Return multiple (Value/investment)	8.2x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	22.7 mSEK
	NAV	187 mSEK

Key events since investment

Fram executed a management buyout of Carmudi Vietnam from Rocket Internet end 2017.

Later the company merged with classifieds group Otos.vn.

Carmudi later transformed from a car classifieds business into an online car marketplace (similar to Carro & Carsome), leading the vertical in Vietnam.

Significant events during Q2 2023

Despite challenging market conditions during the first half of 2023, the GMV reached 37 mSEK, indicating a +25% increase compared to the corresponding period last year. The growth was attributed to Carmudi's strategic expansion beyond its traditional focus solely on car trading. Unlike previous years, Carmudi established close collaborations with car dealers, effectively diversifying its sources of customer leads. This collaboration not only deepened its available pool of cars but also expanded the set of offered services, including car inspections and brokerage, among others.

4. Portfolio – EveHR

General information

Business description	Employee engagement and flexible benefit platform (SaaS)
Website	www.evehr.vn
Location	Vietnam
Segment	HR tech
Asset class in portfolio	Private tech company
Management	Bach Tuan Anh (James), CEO
Employees	20
Investment date	2019
Amount invested	8.3 mSEK
Ownership of Fram	83%
Governance influence	Chairman of the board
Investment thesis	Vietnam has a low penetration of SaaS in general. 98% of companies in the country are SMEs and only 5–7% of them use SaaS regularly (compared to ca. 70% in global). Global peers are Sodexo-sponsored, ADR, and Ten Lifestyle Group Plc, with valuations in the range of 10–15 bnUSD, which lends indication of what can be built as a market leader in this fast growing tech vertical in Vietnam.

Financial summary

<i>in mSEK</i>	H1 2023	2022	2021	2020	2019
Revenues	0.62	0.97	2.65	1.73	0.12
Adjusted revenues (*)	0.62	0.97	0.52	0.20	0.12
%YoY growth	+32%	+86%	+161%	+64%	N/A

(*) Adjustment for voucher revenues before 2022 now recorded on a net basis (revenues minus direct cost) rather than gross basis (only revenues).

Investment performance

Valuation method	Last round valuation	
Enterprise value (Jul 2023)	53 mSEK	
Total investment	8.3 mSEK	
Total value to Fram	44 mSEK	
Return multiple (Value/investment)	5.3x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	8.3 mSEK
	NAV	44 mSEK

Key events since investment

EveHR has been developed from scratch in Fram's venture builder. The company was launched as a SaaS platform primarily targeting enterprise clients.

Already today, EveHR manages a wide range of top tier MNC clients, such as AIA, Nestle, Pepsi, DHL and many more. The next stage of EveHR's journey will be to successfully break into the SME segment with a self-service client acquisition and interaction approach.

Significant events during Q2 2023

The revenue increased by +72% compared to the same period last year (0.4 mSEK in Q2 2023 compared to 0.2 mSEK in Q2 2022). The main reason for this growth was the acquisition of new customers, including Viet Thai Group and PWC, and the execution of customized projects for these clients.

During this period, EveHR adopted a new customer approach by shifting from online marketing on platforms like LinkedIn and Google ads to organizing offline seminars, conferences, and workshops that focused on human resources topics. This strategic change resulted in encouraging outcomes, such as a significant increase in leads and improved brand recognition for EveHR.

4. Portfolio – Dragonlend

General information

Business description	Lending platform for SME
Website	www.dragonlend.vn
Location	Vietnam
Segment	Fintech
Asset class in portfolio	Private tech company
Management	Max Bergman, CEO
Employees	10
Investment date	2018
Amount invested	13.7 mSEK (of which 5.5 mSEK debt)
Ownership of Fram	70%
Governance influence	Chairman of the board
Investment thesis	The SME client segment is overlooked and underserved by the traditional banks in VN and SEA. The segment is often hard to analyze due to the lack & ambiguity of credit data. Focused on simplifying the client journey with the help of tech & working with non-traditional credit scoring data opens up an attractive segment accessible with a digital approach.

Financial summary

<i>in mSEK</i>	H1 2023	2022	2021	2020	2019
Revenues	1.94	3.18	3.27	0.42	0.17
Adjusted revenues (*)	1.94	3.18	1.17	0.42	0.17
%YoY growth	+89%	+172%	+181%	+151%	N/A

(*) Adjustment for supply chain revenues before 2022 have now been recorded on a net basis (revenues minus direct costs) rather than gross (only revenues).

Investment performance

Valuation method	Last round valuation	
Enterprise value (Jul 2023)	34 mSEK	
Total investment	13.7 mSEK	
Total value to Fram	24 mSEK	
Return multiple (Value/investment)	1.7x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	13.7 mSEK
	NAV	24 mSEK

Key events since investment

The company was launched through Fram's venture builder. Initially, Dragonlend operated as a broker that connected borrowers with lenders to perfect its internal credit scoring w. min. risk.

As it grew, Dragonlend established partnership with licensed banks in Vietnam, which enabled the company to expand its services and build out its own direct loan book with profitable SMEs. Dragonlend leverages its proprietary digital platform and process to offer loans to SMEs in Vietnam.

Significant events during Q2 2023

The revenues increased by +56% compared to the same period last year (0.9 mSEK in Q2 2023 compared to 0.6 mSEK in Q2 2022).

During this quarter, Dragonlend demonstrated its commitment to supporting the growth of its profitable SME client base by expanding its credit capital. This strategic move aimed to provide the necessary financial resources to fuel the company's expansion. Additionally, Dragonlend focused on enhancing its credit assessment procedures to effectively manage default risks and ensure a healthy lending portfolio. In line with its growth plans, Dragonlend also engaged with external investors to secure additional funding for further expansion and to tap into new opportunities in the market.

4. Portfolio – Liven

General information

Business description	Leading digital marketplace for weddings and events
Website	www.liven.asia
Location	Vietnam
Segment	Service marketplace
Asset class in portfolio	Private tech company
Management	Ngoc Nguyen, founder and CEO
Employees	28
Investment date	Sep 2019
Amount invested	3.5 mSEK
Ownership of Fram	39%
Governance influence	Member of the board
Investment thesis	<p>The Vietnamese market for weddings, private celebrations and corporate events is estimated to be worth >2 bnUSD, growing at ca. +20% p.a.</p> <p>Liven Technology holds the leading market position online in this fast-growing sector that is rapidly migrating towards digital.</p>

Financial summary

<i>in mSEK</i>	H1 2023	2022	2021	2020	2019
Revenues	1.92	3.5	0.3	0.5	0.2
%YoY growth	+30%	+1265%	-51%	+245%	N/A

Revenues figures include only Marry's revenues before 2022

Investment performance

Valuation method	Last round valuation	
Enterprise value (Jul 2023)	31 mSEK	
Total investment	3.5 mSEK	
Total value to Fram	12 mSEK	
Return multiple (Value/investment)	3.4x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	3.5 mSEK
	NAV	12 mSEK

Key events since investment

As part of its management buyout activities, Fram acquired the leading online wedding platform, Marry.vn, from the Swiss media conglomerate Ringier.

The wedding and events market came to a complete halt during the Covid lockdowns. Post covid, Fram restarted the business by merging it with Vdes.vn to create a leading online group in the sector.

Significant events during Q2 2023

Despite the contraction of the B2C sectors, during this quarter, the GMV increased by +27% to 3.6 mSEK, while revenues increased by +17% to 0.9 mSEK compared to the same period last year.

The gross margin also saw a significant increase of +23%-point, reaching at 51% compared to the same period last year. These figures reflect Liven's continued focus on profitability.

4. Portfolio – Sea

General information

Business description	Market leader in ecommerce in SEA and global leader in mobile games.
Website	www.sea.com
Location	Singapore
Segment	Gaming, ecommerce, fintech
Asset class in portfolio	Public tech company (SE:US)
Management	Forrest Li, Founder & group CEO
Employees	60,000
Investment date	Jun 2022
Amount invested	2.1 mSEK
Ownership of Fram	<0.1%
Governance influence	No
Investment thesis	Valuations of public tech companies have corrected significantly (SEA Group is down ca 90% from peak in Oct 2021), which presents attractive long term entry opportunity in this group that offers exposure to market leading positions in the some of the largest SEA tech verticals. The valuation at Fram valuation implied a fair value on the cash flow from the gaming alone, while offering the rest of the group (i.e. ecommerce leader Shopee) “for free”.

Financial summary

<i>in bnUSD</i>	Q1 2023	2022	2021	2020	2019
Revenues	2.9	12.5	9.9	4.4	2.9
%YoY growth	+5%	+25%	+128%	+101%	+263%

Investment performance

Valuation method		Mark to market
Enterprise value (Jul 2023)		32 bnUSD
Total investment		2.1 mSEK
Total value to Fram		1.7 mSEK
Return multiple (Value/investment)		0.8x
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	2.1 mSEK
	NAV	1.7 mSEK

Key events since investment

Sea posted a positive net income in Q4 2022 (423 mUSD) for the first time since it was founded in 2009, thanks to the reduction in sales & marketing expenses.

Significant events during Q2 2023

Sea has made a significant investment of 172.5 mUSD in its Singapore-based digital bank subsidiary, MariBank. This move comes as part of a series of strategic initiatives undertaken by Sea in response to competition from regional rivals.

Shopee, a subsidiary of Sea, has also ramped up its efforts in the areas of Environmental, Social, and Governance (ESG), focusing on supporting its social community. This includes launching donation programs, education funds, and scholarship programs in countries such as Indonesia, Malaysia, Thailand, and Brazil.

4. Portfolio – Abaxx Technology

General information

Business description	First mover blockchain-based commodity exchange
Website	www.abaxx.tech
Location	Canada
Segment	Fintech, commodity exchange
Asset class in portfolio	Public tech company (APXXF: CAD)
Management	Josh Crumb, Founder & CEO
Employees	42
Investment date	Jan 2023
Amount invested	0.3 mSEK
Ownership of Fram	<0.1%
Governance influence	No
Investment thesis	<p>The first blockchain-based commodity exchange which distinguishes it from conventional exchanges and clearing houses.</p> <p>The liquefied natural gas market is worth ca. 250 bnUSD and once the Singapore-based exchange and clearinghouse of Abaxx is launched, Abaxx is expected to gain up to 5% market share over the coming 5 years.</p> <p>The management team members are industry veterans who have proven track records of establishing multiple businesses, mostly within tech and commodity trading – backgrounds from Goldman Sachs, Singapore Stock Exchange and other relevant industry bodies.</p>

Financial summary

<i>in mCAD</i>	2022	2021	2020
Total assets	14.0	29.3	17.0
Total liabilities	3.2	1.4	3.2
Total equity	10.8	27.9	13.8

(*) Abaxx is currently in pre-revenue stage. The cash balance as of 31st Dec 2022 was 9.7 mCAD

Investment performance

Valuation method		Mark to market
Enterprise value (Jul 2023)		117 mUSD
Total investment		0.3 mSEK
Total value to Fram		0.3 mSEK
Return multiple (Value/investment)		1.0x
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	0.3 mSEK
	NAV	0.3 mSEK

Key events since investment

Open-source developer tools is expected to be launched in 2023.

Significant events during Q2 2023

Abaxx recorded its first revenues from the Company's royalty on base carbon sales.

Furthermore, Abaxx received conditional approval from the Cboe US Equity Exchange (the "Cboe US Exchange") to list the Company's common shares on Tier 1 of the Cboe US Equities Exchange, an innovative US securities exchange within the Cboe Global Listings Network, as announced on June 2nd, 2023.

4. Portfolio – Bukalapak

General information

Business description	General ecommerce marketplace (focusing on micro-retailers)
Website	www.bukalapak.com (BUKA)
Location	Jakarta, Indonesia
Segment	Marketplace, ecommerce, fintech
Asset class in portfolio	Public tech company (BUKA: IDX)
Management	Interim CEO – Willix Halim
Employees	2,236
Investment date	Feb 2023
Amount invested	1.0 mSEK
Ownership of Fram	<0.1%
Governance influence	No
Investment thesis	The Indonesian digital economy is approaching 77 bnUSD with the growth of ca. +22% p.a. Buka had growth of ca. +30% p.a over past 3 years and the valuation of Buka has dropped by ca. -75% from the IPO and is currently trading at 1.5x EV/revenues. BUKA had 1.5 bnUSD of cash and liquid investments as of 30 Sep 2022, which would secure an 8-year runway for operations. The company had positive contribution margin in Q3 2022 and expected to be breakeven by the end of 2023.

Financial summary

<i>in mUSD</i>	Q1 2023	2022	2021	2020
Revenues	70	230	131	95
%YoY growth	+28%	+75%	+38%	+26%

Investment performance

Valuation method	Mark to market	
Enterprise value (Jul 2023)	477 mUSD	
Total investment	1.0 mSEK	
Total value to Fram	0.8 mSEK	
Return multiple (Value/investment)	0.8x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	1.0 mSEK
	NAV	0.8 mSEK

Key events since investment

Bukalapak transforms the country's traditional stores into modern retailers and to build an ecosystem for 22 million micro-retailers and 110 million users across Indonesia from marketplaces, online to offline, gaming, e-groceries and other value-added services including finances and investments.

Significant events during Q2 2023

Bukalapak has strategically decided to streamline its operations by reducing certain services under its B2B2C segment. This move aims to prioritize profitability and enhance its core business offerings.

On the other hand, one of its major competitors, Tokopedia, has also exited the B2B2C arena, deeming it a non-core business segment.

This strategic decision places Bukalapak in a unique position in the market, allowing them to leverage their expertise and resources in the areas that drive the most value for their customers and stakeholders.

5. Group consolidation

	Q2		Q1-Q2	
The Group (kSEK)	2023	2022	2023	2022
Gross Merchandise Value (GMV)	24,611	28,807	42,192	51,190
Total revenues	14,594	27,129	30,386	47,958
Net revenues 1)	14,456	26,999	30,117	47,721
Adjusted EBIT	-4,298	-1,599	-8,158	-3,528
Adjusted EBIT-margin	-29%	-6%	-27%	-7%
EBIT	-4,696	-2,079	-8,425	-3,909
EBIT-margin	-32%	-8%	-28%	-8%
Profit for the period	-851	-2,555	-4,736	-4,511
Solidity	75%	70%	75%	70%
Equity	47,421	37,592	47,421	37,592
Total assets	63,558	53,626	63,558	53,626
Number of shares	3,615,078	3,615,078	3,615,078	3,615,078
Earnings per share	-0.24	-0.71	-1.31	-1.25
Number of warrants 2)	264,966	264,966	264,966	264,966
Earnings per share after dilution	-0.22	-0.66	-1.22	-1.16

1) Net sales and total revenues for Q2 2022 include revenue from IT development business. However, as the Group divested this business unit in July 2022, there is no longer any revenue from the IT development business starting in the third quarter of 2022.

2) 80,000 options of series 2022/2026:1 with a subscription price of 50 SEK per share, 60,000 options of series 2022/2026:2 with a subscription price of 50 SEK per share, and the remaining number of options of series 2020/2023 with a subscription price of 60 SEK per share.

EBIT-margin (%) is calculated as EBIT / total revenue while adjusted EBIT-margin (%) is calculated as adjusted EBIT / net sales. The reason is that adjusted EBIT does not take into account other operating incomes, other operating expenses and non-recurring costs.

	Q2			Q1-Q2		
Digital brands (like-for-like) (kSEK)	2023	2022		2023	2022	
GMV	24,611	19,428	+27%	42,192	33,267	+25%
Total revenues	14,594	17,667	-17%	30,386	29,878	+2%
Net revenues	14,456	17,620	-18%	30,117	29,797	+1%
Adjusted EBIT	-4,298	-3,889	-11%	-8,158	-7,159	-14%
Adjusted EBIT-margin	-29%	-22%		-27%	-24%	
EBIT	-4,696	-3,963	-18%	-8,425	-7,201	-17%
EBIT-margin	-32%	-22%		-28%	-24%	

Significant events during Q2 2023

- On a like-for-like basis (excluding the impact of the IT development business divestiture), the GMV for the period was 24,611 kSEK, representing a +27% increase compared to the same period last year. This growth in GMV can be attributed to the increased trading of individual cars at Carmudi, amounting to 22,131 kSEK, and the voucher sales at EveHR, amounting to 1,548 kSEK.
- Due to the redefinition of the business model at Carmudi, with a strong focus on profitability via its marketplace for cars (acting as an agent or principal), the Group's net revenues decreased to 14,594 kSEK (due to shift towards more profitable transactions that have net revenue recognition instead of gross – i.e. revenue herein becomes GMV, while gross profit increases).
- The decline in EBIT, compared to the same period last year, can be attributed to two factors, on top of the divestiture of IT-development. Firstly, there was an increase in personnel costs at EveHR and Carmudi. Secondly, there were additional costs related to the improvement of Saas products at EveHR and website functions at Carmudi.

5. Group consolidation – revenue & earnings by business area

The Group (kSEK)	Q2			Q1-Q2		
	2023	2022		2023	2022	
Total revenues	14,594	27,129	-46%	30,386	47,958	-37%
Net revenues	14,456	26,999	-46%	30,117	47,721	-37%
Digital brands	14,456	17,620	-18%	30,117	29,797	+1%
IT dev. business	-	9,379	-100%	-	17,924	-100%
Other operating income	138	130		269	237	
Digital brands	138	47		269	81	
IT dev. business	-	83		-	156	

Group consolidation – revenue

The decrease in the Group's net revenue compared to the same period last year can be attributed to two factors:

- The divestiture of the IT development business in July 2022. As a result, there were no reported revenues from the IT development business in 2023, as the Group divested this business unit in July 2022.
- A decrease in revenues from Carmudi, which usually accounted for more than 90% of the total Group revenues. This decrease in Carmudi's revenues was part of its strategy towards profitability, focusing on achieving higher gross margins in every car trading transaction by focusing on car transactions that needs to be recognized on a net basis instead of gross basis in terms of revenues (i.e. revenue herein becomes GMV, while gross profit increases).

Digital brands (like-for-like) (kSEK)	Q2			Q1-Q2		
	2023	2022		2023	2022	
GMV	24,611	19,428	+27%	42,192	33,267	+25%
Net revenues	14,456	17,620	-26%	30,117	29,797	+1%
Other external costs	-1,685	-1,997		-2,996	-3,607	
Raw materials and consumables	-12,544	-16,994		-26,690	-27,721	
Personnel cost	-3,962	-1,995		-7,465	-4,516	
Depreciation and amortization	-563	-523		-1,124	-1,112	
Adjusted EBIT	-4,298	-3,889	-11%	-8,158	-7,159	-14%
Adjusted EBIT-margin (%)	-29%	-22%		-27%	-24%	
Other operating income	138	47		269	81	
Other operating expenses	-536	-121		-536	-123	
EBIT	-4,696	-3,963	-18%	-8,425	-7,201	-17%
EBIT-margin (%)	-32%	-22%		-28%	-24%	

Earnings by business area

- The decline in EBIT, compared to the same period last year, can be attributed to two factors, on top of the divestiture of IT-development. Firstly, there was an increase in personnel costs at EveHR and Carmudi. Secondly, there were additional costs related to the improvement of Saas products at EveHR and website functions at Carmudi.

6. Financial statements

Income Statement

The Group (kSEK)	Note	Q2		Q1-Q2	
		2023	2022	2023	2022
Net revenues	5	14,456	26,999	30,117	47,721
Other operating income		138	130	269	237
Total revenues		14,594	27,129	30,386	47,958
Raw materials and supplies		-12,544	-16,097	-26,690	-26,824
Other external expenses		-2,221	-2,438	-3,532	-4,629
Personnel costs		-3,962	-8,925	-7,465	-17,537
Depreciation and amortisation of tangible and intangible assets		-563	-1,627	-1,124	-2,747
Other operating expenses		-	-121	-	-130
Operating result		-4,696	-2,079	-8,425	-3,909
Financial income		4,326	12	4,370	98
Financial expenses		-481	-356	-681	-423
Profit before tax		-851	-2,423	-4,736	-4,234
Taxes		-	-132	-	-277
Profit (loss) for the period		-851	-2,555	-4,736	-4,511
Earning per shares		-0.24	-0.71	-1.31	-1.25
Diluted earning per shares		-0.22	-0.66	-1.22	-1.16

Income statement

- In Q2 2023, the total revenues reached 14,594 kSEK, and the net revenues amounted to 14,456 kSEK. The net revenues comprised the following components: Carmudi's contributions were 13,130 kSEK, representing 91% of the total net revenues. Dragonlend's share contributed 945 kSEK, accounting for 7% of the net revenues. Additionally, EveHR's revenues amounted to 381 kSEK, making up 3% of the net revenues. The decline in revenues YoY is primarily due to the divestiture of the IT development business and the change in reporting from revenues to GMV for Carmudi.
- The cost of raw materials and supplies, which is primarily the cost of cars, varied in line with Carmudi's revenues. This cost item totaled 12,544 kSEK, accounting for 65% of the total operating costs. The second largest cost item was personnel expenses, which amounted to 3,962 kSEK, representing 21% of the operating costs for the quarter. The decrease in personnel expenses compared to the previous year was mainly attributed to the divestment of the IT development business in mid-2022.
- Financial income comprised two components: the earn-out from the divestiture of the IT business, which amounted to 4,254 kSEK, and bank deposit income totaling 72 kSEK.
- Profit (loss) for the the period was -851 kSEK.

6. Financial statements

Balance sheet

- As of June 30th, 2023, the total assets of the company amounted to 63,558 kSEK.
- Non-current assets decreased by -502 kSEK compared to March 31st, 2023, and amounted to 5,479 kSEK, mainly due to the depreciation of intangible assets during the period.
- Finished goods and merchandise represent the inventory of 4 cars that have been purchased but have not yet been sold as of the date of reporting, with a total value of 2,572 kSEK.
- Short-term receivables amounted to 37,336 kSEK, with a decrease of -605 kSEK, primarily attributed to a net decrease in the fluctuation between trade receivables and other receivables.
- Trade receivables amounted to 17,261 kSEK, where the majority came from direct lending by Dragonlend (8,909 kSEK) and car trading by Carmudi (7,116 kSEK).
- Other receivables of 19,085 kSEK were mainly with DragonLend. Approximately 96% (equivalent to 18,351 kSEK) of other receivables originated from partner bank lending to Vietnamese SMEs. The remaining receivables include deposits for credits issued by partner banks, office rent, and voucher suppliers.
- As of June 30th, 2023, the company's cash and bank balance amounted to 18,171 kSEK, while total equity amounted to 47,421 kSEK.
- Current liabilities amounted to 16,137 kSEK, mainly consisting of payables to car suppliers in Carmudi (3,741 kSEK), voucher suppliers in EveHR (811 kSEK), and credit capital raised in Dragonlend (9,396 kSEK).

Balance sheet

The Group (kSEK)	Note	30 Jun 2023	30 Jun 2022	31 Mar 2023	31 Dec 2022
Non-current assets					
<u>Intangible assets</u>					
Capitalized expenditure on development and similar works		689	914	688	746
Concessions, patents, licenses and similar rights		-	2,012	503	1,006
Goodwill		-	9,202	503	1,006
<u>Financial assets</u>					
Investment in a associate		-	-	-	-
Financial investments	6	4,790	869	4,790	3,458
Total non-current assets		5,479	12,997	5,981	5,210
Current assets					
Finished goods and merchandise		2,572	-	1,198	193
<u>Short-term receivables</u>					
Trade receivables	7	17,261	13,224	14,846	8,294
Current tax receivables		796	833	752	694
Other receivables	8	19,085	7,978	22,135	24,464
Prepaid expenses and accrued income		194	513	209	271
Cash and bank		18,171	18,081	21,519	25,695
Total current assets		58,079	40,629	60,658	59,611
TOTAL ASSETS		63,558	53,626	66,639	64,821
<u>Own capital</u>					
Share capital		1,204	1,204	1,204	1,204
Other contributed capital		86,487	85,579	86,487	86,487
Retained earnings		-40,270	-49,191	-41,350	-37,733
Total equity		47,421	37,592	46,341	49,958
Non-current liabilities					
Liabilities to credit institutions		-	4,217	-	-
Other liabilities		-	2,166	-	-
Total non-current liabilities		-	6,383	-	-
Current liabilities					
Accounts payable	9	4,617	1,059	6,681	2,650
Advances from customers		246	1,878	194	167
Current tax liabilities		543	-	550	595
Other liabilities	10	9,477	3,542	12,290	10,575
Accrued expenses and deferred income		1,254	3,172	583	876
Total current liabilities		16,137	9,651	20,298	14,863
TOTAL EQUITY AND LIABILITIES		63,558	53,626	66,639	64,821

6. Financial statements

Change in Equity

	Q2		Q1-Q2	
The Group (kSEK)	2023	2022	2023	2022
Shareholders' equity at the beginning of the period	46,341	37,617	49,958	38,982
Translation difference	1,931	2,530	2,199	3,121
Profit for the period	-851	-2,555	-4,736	-4,511
Shareholders' equity at the end of the period	47,421	37,592	47,421	37,592

Cash flow

- Cash flow from operating activities before changes in working capital was -474 kSEK. Of this amount, -851 kSEK was due to the pre-tax loss, while the remaining 377 kSEK was due to adjustments for non-cash items such as depreciation and amortization.
- Changes in working capital resulted in a cash outflow of -3,381 kSEK, bringing the total cash flow from operating activities to -3,855 kSEK.
- There was no investing and financing activities during the period.
- The cash flow for the period was -3,855 kSEK, and the cash balance at the end of the period was 18,171 kSEK.

Cash flow statement

	Q2		Q1-Q2	
The Group (kSEK)	2023	2022	2023	2022
Current operations				
Result after financial items	-851	-2,423	-4,736	-4,234
Adjustments for items not included in cash flow, etc.	377	1,699	1,006	2,838
Cash flow from operating activities before changes in working capital	-474	-724	-3,730	-1,396
Cash flow from changes in working capital				
Change in inventories	-1,374	0	-2,379	294
Change in trade receivables	-2,415	-2,734	-8,967	-1,716
Change in short-term receivables	3,021	1,890	5,355	-1,165
Change in trade payables	-2,064	-635	1,967	-781
Change in current liabilities	-549	1,495	1,054	-41
Cash flow from operating activities	-3,855	-708	-6,700	-4,805
Investment activities				
Investments in intangible assets	-	-469	-	-746
Investments in financial assets	-	-394	-1,331	-394
Cash flow from investing activities	-	-863	-1,331	-1,140
Financing activities				
Others	-	-463	-	-705
Cash flow from financing activities	-	-463	-	-705
Cash flow for the period	-3,855	-2,034	-8,031	-6,650
Cash at the beginning of the period	21,519	19,405	25,695	23,788
Exchange difference	507	710	507	943
Cash at end of the period	18,171	18,081	18,171	18,081

7. Further information – Notes

NOTE 1: COMPANY INFORMATION

Fram Skandinavien AB (publ) with registration number 556760-2692 and its subsidiaries are referred to in this report as Fram, Fram^, the Company or the Group. The Company's address is % Freja Ekonomi, Sollentunavägen 80, 191 40 Stockholm, Sweden. The Company's website is fram.asia. Fram operates within investments in companies that are focused on digital consumer, blockchain and other tech in Southeast Asia.

NOTE 2: ACCOUNTING PRINCIPLES

The quarterly report for the period 1 April to 30 June 2023 has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Standards Council's general guidance BFNAR 2012:1 Annual Report and Consolidated Accounts (K3), unless otherwise stated.

NOTE 3: TRANSACTIONS WITH RELATED PARTIES

During the quarter, transactions amounting to approximately 72 kSEK were carried out with related companies. Christopher Brinkeborn Beselin, Chairman of the Board of Directors, is co-owner of Endurance Capital, Pangara and Norsel Industries Ltd. The transactions were carried out on arm's length and market-based terms.

NOTE 4: REVIEW OF THE INTERIM REPORT

This interim report has not been audited by the company's auditors.

NOTE 5: NET REVENUES

in kSEK	Q2 2023	Q2 2022	Q1-Q2 2023	Q1-Q2 2022
Carmudi	13,130	16,701	27,561	27,959
Dragonlend	945	605	1,936	1,026
EveHR	381	222	620	469
Others	–	9,471	–	18,267
TOTAL	14,456	26,999	30,117	47,721

NOTE 6: INVESTMENTS IN FINANCIAL ASSETS

in kSEK	30 Jun 2023	31 Mar 2023
<i>Investments in listed shares:</i>		
– GRAB (GRAB:US)	1,255	1,255
– SEA (SE:US)	2,051	2,051
– ABXX (ABXX.NE:CAD)	285	285
– BUKA (BUKA:IDX)	1,047	1,047
<i>Investments in other company:</i>		
– Liven Technology	756	756
TOTAL	5,394	5,394
Provision for decrease in value of investment	–604	–604
NET	4,790	4,790

NOTE 7: TRADE RECEIVABLES

in kSEK	30 Jun 2023	31 Mar 2023
Carmudi	7,116	8,090
Dragonlend	8,909	5,037
EveHR	1,176	1,439
Others	60	280
TOTAL	17,261	14,846

7. Further information – Notes

NOTE 8: OTHER RECEIVABLES

in kSEK	30 Jun 2023	31 Mar 2023
Bank deposits for lending collaterals in Dragonlend	18,351	21,690
Others	734	445
TOTAL	19,085	22,135

NOTE 9: TRADE PAYABLES

in kSEK	30 Jun 2023	31 Mar 2023
Carmudi	3,741	5,468
EveHR	811	1,010
Dragonlend	9	23
Others	56	180
TOTAL	4,617	6,681

NOTE 10: OTHER CURRENT LIABILITIES

in kSEK	30 Jun 2023	31 Mar 2023
Liabilities to lenders in Dragonlend	9,396	12,208
Others	81	82
TOTAL	9,477	12,290

NAV VALUATION PRINCIPLES

- The main principle is to use a multiple valuation based on a group of listed comparable companies.
- Valuations are based on rolling "backward-looking" reported 12 months of turnover (i.e. a conservative approach compared to market practice of using "12 months forward-looking").
- EV/GMV, EV/Revenues or EV/EBIT(D)A are used depending on the level of maturity of the companies.
- Fram applies a discount of 40% compared to the valuation multiples that the listed comparison companies have because the companies Fram invests in are at an early stage (as long as they have a turnover of less than 250 mSEK). This also constitutes a relatively conservative approach, as private companies in early phases are many times valued at significantly higher valuation multiples than their listed benchmarks.
- In the case of a new capital raises with market-based pricing/valuation, this valuation is used instead of multiple valuation.
- Investments that are considered to entail significant uncertainty about whether they can be realized at their full valuation can also be taken up to an additional discount in the net asset value calculation (e.g. Nordic Coder).

7. Further information – Significant risks and uncertainties

The risks described below are not ranked in any particular order. The presentation below does not claim to be comprehensive, and for natural reasons not all risk factors can be predicted or described in detail. Therefore, each investor must make an overall assessment that also includes the information in the rest of the report as well as a general external assessment. The risks and uncertainties below could have a material adverse effect on the Company's business, financial condition and results of operations. They may also cause a decrease in the value of the Company's stock, which may result in investors losing all or part of their invested capital. Additional risks that are not currently known to the Company may also have a corresponding negative effect.

Inflation and geopolitical developments

Current geopolitical developments due to the Russia-Ukraine conflict and the elevated inflation rates in Europe and the United States do not directly affect the Group as the majority of the Company's activity is in Southeast Asia, centered around Vietnam. Inflation in Vietnam is still at a significantly lower level than in Europe and the US – the CPI for Vietnam only increased by +0.67% during the first 6 months of 2023.

The company's value development

The Company's value is essentially dependent on the development of the investments made by the Company, as well as the result of the Company's handling of cash and cash equivalents. There is a risk that the Company's assets do not increase in value, or that the value does not remain intact, which means that there is a risk that invested capital cannot be recovered in connection with a liquidation of the Company. It should be emphasized that the Company will almost exclusively invest in investment objects that are primarily aimed at investors who are particularly familiar with the venture capital industry and that in some cases these may have a risk picture that differs from the mutual funds that private individuals usually invest in, for example in that the underlying investment objects are fewer and that there is thus a more limited risk spread. There is a risk that the Company will fail to recover the invested capital in the investment object, which could have a negative impact on the Company's business, financial condition and results of operations.

Market

The investment objects may in some cases be highly dependent on the positive development of the markets in which they operate. Should these markets develop in a way that is negative for the Company, there is a risk that the value of individual investments will decrease, which could have a negative impact on the Company's operations, financial condition and results of operations.

Credit risk

Credit risk is defined as the risk that the Company's counterparties cannot meet their financial obligations to the Company. If this happens, there is a risk that the Company will fail to fulfill its own commitments, such as future payments. This entails a concrete credit risk in the event that counterparties have problems fulfilling their commitments to the Company, which may have a negative impact on the Company's operations, financial position and results of operations.

Liquidity risk

There is a risk that the Company will not be able to meet short-term payment commitments as a result of a lack of liquidity. Liquidity shortages could arise if, for example, one or more of the Company's customers do not pay their invoices to Fram on time or that one or more of the Company's customers suddenly terminate their long-term service agreements with Fram. Liquidity shortages could also occur in one or more of the Company's holdings. Failure by the Company or its holdings to meet short-term payment obligations could result in a negative impact on the Company's business, financial condition and results of operations.

Tax risk

The Company's operations, as well as transactions between group companies, are conducted in accordance with the Company's interpretation of tax laws. There is a risk that the Company's interpretation of applicable laws, regulations or of the relevant authorities' interpretation of these or of administrative practices is incorrect, which may adversely affect the Company's operations, financial condition and results of operations.

Dependence on key personnel

The company is dependent on a handful of key personnel in any given subsidiary within Digital brands. If key employees leave or cannot be employed by the Company in a satisfactory manner, this in turn could adversely affect the Company's operations, financial position and results of operations.

Risk related to the residence of senior executives

As parts of the Board of Directors resident outside the EEA, the Company has received an exemption from the Swedish Companies Registration Office regarding the requirements for the residence of the Board of Directors. A change in this could have a negative impact on the Company.

7. Further information – Significant risks and uncertainties

Ability to manage growth

As the organization grows, effective planning and management processes need to be developed. This risk is even higher in the early operations that the Company invests in. There is a risk that the Company will fail to manage a rapid growth rate, which could have a negative impact on the Company's business, financial condition and results of operations.

Client risk

The company's customer relationships are long-term and generate stable recurring monthly cash flows. It is common for companies in early phases, like the businesses in which the Group invests within the framework of its business area, to have a higher concentration in one or a couple of important clients. In such contexts, the client risk can be considered to be elevated. There is a risk that a customer for some reason chooses to terminate an agreement with the Company, which may have a negative impact on the Company's operations, financial position and results of operations.

Currency risk

The majority of the Group's revenue and cost base is in Vietnamese Dong (VND). The Vietnamese Dong is partly pegged against a basket of currencies where the USD is dominant. If the USD/VND currency ratio develops in an unfavorable direction for the Company (i.e., a strengthening of the VND against the USD), it could have an adverse effect on the Company's operations, financial condition and results of operations.

Economic developments

External factors such as supply and demand as well as recessions and booms can have an impact on operating expenses, selling prices and stock valuation. There is a risk that the Company's future revenues and share valuation may be affected by these factors, which are beyond the Company's control, which could have a negative impact on the Company's business, financial condition and results of operations.

Competition

In addition to this, there is the risk that the Company may have misjudged competition in one or more markets in which it becomes active in. A difficult competitive situation could result in the Company not achieving growth targets due to, among other things, price pressure or reduced order intake, which could have a negative impact on the Company's operations, financial position and earnings.

Political risks

The company's operations are managed and coordinated in Vietnam. Risks may arise from changes in legislation, taxation, duties and fees, exchange rates and other conditions that apply to companies operating in international markets. Government decisions can also have an impact on the Company's operations. The Company will also be affected by factors associated with the political and economic climate of the countries in which it conducts its business, primarily Vietnam, which may adversely affect the Company's operations, financial condition and results of operations.

Disputes

There is a risk that the Company will in the future be involved in court proceedings and/or arbitrations. These types of legal processes can be time- and cost-intensive and there is a risk that they cannot be resolved in a way that is beneficial to the Company. There is also a risk that, in the event of a loss in legal proceedings, the Company will be forced to reimburse the counterparty for litigation costs, which may have a negative impact on the Company's operations, financial position and results of operations.

Risk with the business model

The company has a business model based on cooperation with external actors and business partners. In the event of delays in market launch, or if market acceptance is lower than expected, there is a risk of adverse effects on the Company's or the Company's subsidiaries' operations, financial position and results of operations. Since many of the business models developed within the Group are relatively new and unproven in the markets addressed, there is an increased risk in the market acceptance of these business models during the early phases of the business's development.

Acquisition and sale of holdings

The company's operations mean that potential acquisitions and sales are evaluated on an ongoing basis. It cannot be ruled out that the Company will fail to find suitable acquisition targets in the future or to obtain the necessary financing for future acquisition targets on acceptable terms. Nor can it be ruled out that the Company will fail to divest individual holdings in the future or, if divestments are carried out, to receive a favorable purchase price. The above factors could have a negative impact on the Company's operations, financial condition and results of operations.

7. Further information

This report, as well as additional information, is available on the Fram's website: investors.fram.asia

This information is information that Fram Skandinavien AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was provided, through the agency of the contact person set out below, at the time indicated in the press release.

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SKMG, Certified Advisor

The report is certified by:

**Hanh Mai
CEO**

10 August 2023