



Flat Capital AB (publ)

Interim Report

January - June 2024



Highlights

Q2 2024

- **We invite all of our shareholders to our third AGM in May 2024,** and in addition to a successful AGM (with all the associated formalities), we welcomed +80 of our shareholders to our office, where we also offered good pizza and drinks. And as always, it was great to meet and talk to everyone!

Apr

- **We invest 11 MSEK in Elon Musk's new AI company xAI,** which was founded in 2023 by Elon and aims to develop and lead revolutionary AI technologies. The company announced on May 26 a 6 billion dollar funding round with participation from Sequoia Capital, Andreessen Horowitz and Valor Equity Partners, among others.
- **OpenAI presents its new AI model ChatGPT-4o (omni),** which now accepts input in any combination of text, audio, image & video and also allows output in any combination of text, audio & image.

May

- **We invest 11 MSEK in AI robotics company Physical Intelligence,** a research company recently founded by prominent scientists, roboticists and entrepreneurs with the ambition to integrate AI into the physical world. Other investors in the company include the OpenAI Startup Fund, Sequoia Capital, Khosla Ventures and Thrive Capital.
- **Perhaps not a "highlight", but we press release that we may have to write down the full value (30 MSEK) of our holding in Getir,** subsequent updated information on the company's current financial situation, which was also the case, as we now write down value to 1 SEK.

Jun

Financial information

KSEK	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
Net Asset Value (NAV)	370 267	402 175	412 759	438 422	318 637
- of which listed holdings	18 627	17 189	18 307	20 013	15 535
- of which unlisted holdings	226 651	243 130	231 862	251 336	284 053
- of which net cash	125 557	141 426	162 351	171 027	19 369
- of which other net assets/-liabilites	-568	431	239	-3 954	-319
Net Asset Value (NAV) per share, SEK	7.55	8.20	8.41	8.93	9.93
- of which net cash per share, SEK	2.56	2.88	3.31	3.49	0.60

KSEK	Q2, 2024	Q2, 2023	H1, 2024	H1, 2023	Full-year, 2023
Operating expenses	-1 679	-3 219	-2 894	-4 842	-7 598
Profit for the period	-31 907	-2 993	-42 491	-28 778	-83 358
Change in value of financial assets	-32 232	-233	-42 674	-25 299	-77 921
- of which realized	0	0	0	-7 227	-7 227
Investments	17 192	52 731	37 784	58 210	61 414
Divestments	0	0	0	4 830	4 830
Operating expenses in relation to the average NAV, annualized	1.74%	3.84%	1.48%	3.00%	2.00%



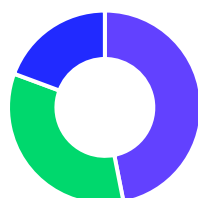
Net Asset Value (NAV)
as of 2024-06-30



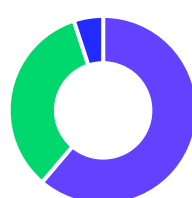
NAV per share
as of 2024-06-30



Change in NAV per share, Q2'24 / Q1'24



- Five largest holdings¹, 47%
- Net cash and other net assets/-liabilites, 34%
- All other holdings², 19%



- Unlisted holdings, 61%
- Net cash and other net assets/-liabilites, 34%
- Listed holdings, 5%



- Holdings in SEK, 59%
- Holdings in USD, 36%
- Other currencies, 5%

¹ Five largest holdings are: OpenAI, Instabee, Klarna, Truecaller and Harvey.

² For further specification of all other holdings, see Note 3.

Interim Report: January - June 2024

Period April - June 2024

(Comparable period: Q2-2023)

- During the quarter, Getir has been written down to 1 SEK. The write-down of 32 559 KSEK is due to the challenges that the company has faced, which Flat communicated in a press release dated June 20, 2024.
- Excluding the write-down of the holding in Getir, the change in value amounted to +327 KSEK, including the FX effect of approx. -1 120 KSEK. However, we note positive signals from several of our recent AI-related portfolio holdings, with substantial interest and indications of upcoming capital rounds at notable higher valuations, which we expect to know more about in the second half of 2024. For further comments on changes in value of financial assets, see Note 2.
- Investments during the period amounted to 17 192 KSEK (52 731), see "Investments and divestments during the quarter".
- Operating expenses for the period amounted to 1 679 KSEK (3 219) corresponding to 1.74% (3.84%) of average NAV during the period, annualized.
- Operating profit amounted to -33 911 KSEK (-3 452). The operating profit includes unrealized changes in value of -32 232 KSEK (-233).
- Profit after tax amounted to -31 907 KSEK (-2 993).
- Profit per share amounted to -0.65 SEK (-0.09).

Period January - June 2024

(Comparable period: H1-2023)

- Change in value of financial assets amounted to -42 674 KSEK (-25 299) and mainly consists of changes in the value of three major holdings; OpenAI of +41 145 KSEK, Getir of -61 338 KSEK and Instabee of -18 067 KSEK. For further comments on the change in value of financial asset, see Note 2.
- Investments during the period amounted to 37 784 KSEK (58 210).
- Operating expenses for the period amounted to 2 894 KSEK (4 842) corresponding to 1.48% (3.00%) of average NAV during the period, annualized.
- Operating profit amounted to -45 568 KSEK (-30 141). The operating profit includes unrealized changes in value of -42 674 KSEK (-18 072) and realized changes in value of 0 KSEK (-7 227).
- Profit after tax amounted to -42 491 KSEK (-28 778).
- Profit per share amounted to -0.87 SEK (-0.90).

Significant investments & divestments during the quarter

- During the quarter, two investments were made with a total value corresponding to approx. 17 192 KSEK;
- In May, Elon Musk's AI company xAI, which was founded in 2023, received an investment of approx. 11 MSEK. The company raised approx. 6 billion dollars in connection with the investment with the intention of developing and driving AI development. Other investors include Sequoia Capital, Andreessen Horowitz and Valor Equity Partners, among others.
- In June, an investment in the AI and robotics company Physical Intelligence was announced for a total of approx. 11 MSEK, divided into two sub-investments, of which the first of approx. 6.3 MSEK has been completed. The newly launched company has brought together some of the world's most prominent AI & robotics profiles with the ambition to integrate AI into the physical world. Other investors include OpenAI Startup Fund, Sequoia Capital, Khosla Ventures and Thrive Capital, among others.

Other significant events during the quarter

- On May 6, 2024, the Annual General Meeting of Flat Capital was held. At the AGM, the Board was re-elected. Also, BDO Mälardalen AB was elected as new auditor.
- The write-down requirement in Getir is a result of their extensive challenges to achieve profitability in most of their markets and their subsequent restructuring. Flat made its first investment in Getir of approx. 19 MSEK in April 2022. In May 2023, Flat made an additional investment of approx. 21 MSEK. The reported value at the end of the first quarter amounted to approx. 32.6 MSEK. That value is now adjusted downwards to 1 SEK as of June 30, 2024.

Significant events after the end of the quarter

- No significant events after the end of the quarter.

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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.

[Link to website](#)



CEO's comments

Hi dear shareholders and all interested readers,

You may already be off on a well-deserved summer vacation? Obviously, I will not equate my writing with any glamorous summer reading, but I am happy to share my and the Flat team's top book recommendations at the end of this quarter's CEO's comments.

The second quarter of the year ends seemingly with a disappointing total write-down of our holding in the Turkish logistics company Getir corresponding to -32.6 MSEK, which was the single largest change in value that brings down our NAV by about -7.9% to about 370.3 MSEK, corresponding to 7.55 SEK per share. This is of course a disappointing development. We know the founding team and had great confidence in their ability to succeed with their bold vision, and Flat invested alongside several other very prominent and experienced investors in April 2022. At the time of writing, we have not yet gained full insight, or understanding, of the full details of the sequence of events, but we recognize that their distressed situation is a result of excessive risk-taking in several areas and their aggressive expansion into new markets in Europe and the US, and that profitability ultimately failed to match their efforts. They are currently in the process of restructuring the company, where they will primarily focus on their Turkish core market (which is significantly closer to profitability than other markets), which also requires additional financing - a scenario where we believe (and fear) that the value of Flat's investment will be zeroed. We intend to decline to participate in the financing but await final terms, and until then write down the full value of Getir to 1 SEK (-32.6 MSEK).

With that said, it is really only to conclude that the investment in Getir was a failed one, which is of course extremely regrettable. Unfortunately, however, this is part of our reality, and an important reminder that investing in unlisted growth companies is very risky, something that we have tried to highlight and remind people of since our IPO - Flat has a high risk profile and we want to be able to take big risks in our investments, in order to generate attractive returns in the long term.

So for the quarter's performance, Getir is the only one of significant importance for our valuations, as our other portfolio holdings are basically unchanged (if we exclude FX effects) with a change in value of 0.3 MSEK. On a more positive note, I dare say that there is an overall positive noise in many of our portfolio companies. There are also signs of some upcoming IPOs for companies that demonstrate the attractive combination of profitability and growth, in the increasingly selective capital markets. We have a few candidates here, of which Klarna is certainly one. For other AI-related investments, the market is buzzing, and for those companies that have managed to show growth and so-called "product-market fit", higher valuations are rumored for upcoming funding rounds, which feels promising and positive - and something that we continue to follow with great enthusiasm.

With a well-filled cash position, no debt to worry about and with a significantly higher investment activity and continued strong deal flow, the future (despite the temporary gloom) feels very bright.

During the quarter, we were proud to announce new investments in two exciting companies:

- xAI: We invested about 11 MSEK in Elon Musk's big AI initiative and can thus state that we (Flat's shareholders) are now part of the action and are excited to see what Elon can create with 6 billion dollars(!). Other investors include Sequoia Capital, Andreessen Horowitz and Valor Equity Partners.
- Physical Intelligence: We had the opportunity to back one of the world's most prominent AI & robotics teams that will integrate AI into the physical world through two split investments, totaling about 11 MSEK. We think they have a strong chance of succeeding, given the attractive combination of a strong team, solid experience and prominent investors; such as OpenAI Startup Fund, Sequoia Capital, Khosla Ventures and Thrive Capital.

To summarize, this quarter was a tombola of challenges, lessons learned, pluses and minuses. On the plus side, there were exciting (both completed and ongoing) investment processes, strong signals from several portfolio holdings and, not least, various investor contacts. A clear plus memory is our own Annual General Meeting, which ended with pizza and refreshments, where we had the opportunity to meet more than eighty shareholders. We always appreciate feedback and staying in touch with our shareholders and encourage you all to keep in touch - we are an email or call away! But now I'm looking forward to taking a week or two to recharge my batteries with my family and keeping my fingers crossed for some better Sweden weather! Because after rain comes (hopefully) sunshine!

The Flat team's top book recommendations for the beach hammock:

- Mine (Hanna's): Here at home, the Bamse books are very popular bedtime stories. Otherwise, I think Fresh Water for Flowers by Valérie Perrin is easy to digest and cozy.
- Antonio (our CFO): Beneath a Scarlet Sky by Mark Sullivan - heavy, but worth reading!
- Sebastian (chairman of the Board): Meditations by Marcus Aurelius - which I have not read yet :)
- Amaury (member of the Board): Autobiography of a Yogi by Paramahansa Yogananda.
- Charlotte (member of the Board): Hillbilly Elegy, an autobiography by J.D. Vance.
- Marcelo (member of the Board): Mutant Massage Down Under by Marlo Morgan.

Wishing you all a continued wonderful summer.

Hanna



Description of activities

About Flat

Flat Capital AB ("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 26 companies, of which the largest holdings are: OpenAI, Instabee, Klarna, Truecaller and Harvey.

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.

Note: The Net Asset Value (NAV) of Flat largely includes valuations of unlisted holdings. Please remember these are assessed values according to our accounting principles and that the value may differ between different actors & investors, and that there is no "market price" as for listed companies.

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

Five largest

Company name ¹	Short description of the company	Flats initial investment (yr)	Webpage
 OpenAI	Pioneering AI research company	2023	OpenAI.com
Instabee	Technology company with logistics solution	2013	Instabee.com
Klarna.	Global bank, payment and shopping solutions	2021	Klarna.com
truecaller	Platform for telephony services	2013	Truecaller.com
 Harvey.	AI platform for advanced professional services	2024	Harvey.ai
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
 ODEN TECHNOLOGIES	Data & AI platform for the manufacturing industry	2024	Oden.io
 perplexity	AI-conversational search engine	2023	Perplexity.ai
 π	AI and robotics companies	2024	Physicalintelligence.com
 remote	Global payroll, HR and compliance solution	2022	Remote.com
 x.ai	AI company with aim to understand nature of universe	2024	x.ai
Other holdings:	Getir (2022), Lyst (2021), Nylas (2021), Omio (2015), Pangaia (2021), Prion (2016), Quartr (2022), Steven (2017), TrueAccord (2019), Uniplaces (2015)		

¹ Order: Five largest holdings (OpenAI, Instabee, Klarna, Truecaller and Harvey) in order of size, then alphabetical order.

Brief description of largest holdings (1/4)

OpenAI

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

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

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

More info: www.openai.com

Klarna.

- Global bank, payment and shopping solutions
- CEO & Co-founder: Sebastian Siemiatkowski
- Initial investment: 2021
- Total invested capital¹: 93 873 902 SEK

Since 2005 Klarna has been on a mission to accelerate commerce with consumer needs at the heart of it. With over 150 million global active users and 2.5 million transactions per day, Klarna's fair, sustainable and AI-powered payment and shopping solutions are revolutionizing the way people shop and pay online and in-store, empowering consumers to shop smarter with greater confidence and convenience.

More than 550,000 global retailers integrate Klarna's innovative technology and marketing solutions to drive growth and loyalty, including H&M, Saks, Sephora, Macy's, Ikea, Expedia Group, Nike and Airbnb.

More info: www.klarna.com

Instabee

- Technology company with logistics solution
- CEO & Co-founder: Alexis Priftis
- Initial investment: 2013
- Total invested capital¹: 7 476 746 SEK

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.

More info: www.instabee.com

truecaller

- Platform for telephony services
- CEO & Co-founder: Alan Mamedi
- Initial investment: 2013
- Total invested capital¹: 600 600 SEK

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 400 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 50 billion unwanted calls identified and blocked in 2022. Since 2021, the company is listed on Nasdaq Stockholm with Sequoia Capital as the largest investor, which like Flat invested early in the company.

More info: www.truecaller.com

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

Brief description of largest holdings (2/4)

Harvey.

- AI-plattform for advanced professional services
- CEO & Co-founder: Winston Weinberg
- Initial investment: 2024
- Total invested capital¹: 10 295 830 SEK

Harvey offers a generative AI platform for advanced professional services and has partnerships with several law firms as well as audit, advisory and private equity firms.

In collaboration with OpenAI, they have developed foundation models to address their clients' most complex needs, pushing the boundaries of applied AI for professional services. Examples of firms using Harvey's AI tools include the global auditing giant PwC, the global law firm Allen & Overy and the law firm Vinge, one of the leading law firms in the Nordics.

More info: www.harvey.ai

CDLP

- Fashion house based on innovative materials
- CEO & Co-founder: Andreas Palm
- Initial investment: 2018
- Total invested capital¹: 2 684 061 SEK

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.

More info: www.cdlp.com



- Translations through AI neural machine learning
- CEO & Founder: Jaroslaw Kutylowski
- Initial investment: 2023
- Total invested capital¹: 5 412 253 SEK

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.

More info: www.deepl.com



- VoIP and instant messaging social platform
- CEO & Co-founder: Jason Citron
- Initial investment: 2022
- Total invested capital¹: 19 887 774 SEK

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.

More info: www.discord.com

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

Brief description of largest holdings (3/4)



- Interactive design platform
- CEO & Co-founder: Dylan Field
- Initial investment: 2021
- Total invested capital¹: 4 571 221 SEK

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 owners includes many prominent investors, such as Sequoia Capital and Andreessen Horowitz.

More info: www.figma.com



- Digital grocery shopping in India
- CEO & Founder: Akanksha Hazari
- Initial investment: 2021
- Total invested capital¹: 18 030 682 SEK

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.

More info: www.lovelocal.in



- Combining physical and digital health centers
- CEO & Co-founder: Johannes Schildt
- Initial investment: 2021
- Total invested capital¹: 10 068 836 SEK

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.

More info: www.kry.se



- Data- & AI serving the manufacturing industry
- CEO & Co-founder: Willem Sundblad
- Initial investment: 2024
- Total invested capital¹: 10 295 825 SEK

Oden Technologies is a provider of AI-driven solutions, leveraging deep expertise to transform billions of complex manufacturing data points into action on the front-line.

Process AI, Oden's premier software offering, turns inexperienced operators into high performers in one click. With real-time prescriptive process recommendations and predicted outcomes served directly to operators, Process AI ensures front-line workers have the exact information they need – when they need it – to achieve peak production.

More info: www.oden.io

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

Brief description of largest holdings (4/4)



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

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

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

More info: www.perplexity.ai



- AI- and robotics company
- CEO & Co-founder: Karol Hausmann
- Initial investment: 2024
- Total invested capital¹: 6 328 298 SEK

Physical Intelligence (Pi) is a US-based research company run by some of the world's most prominent scientists and professionals who have been instrumental in pioneering projects in AI and robotics.

Their goal is to integrate AI into the physical world by combining techniques from large-scale language models (LLMs) with methods to control and instruct physical machines.

More info: www.physicalintelligence.company



- Global payroll, HR and compliance solution
- CEO & Co-founder: Job van der Voort
- Initial investment: 2022
- Total invested capital¹: 4 882 744 SEK

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.

More info: www.remote.com



- AI company aims to understand nature of universe
- CEO & Founder: Elon Musk
- Initial investment: 2024
- Total invested capital¹: 10 863 750 SEK

xAI is primarily focused on developing advanced AI systems that are truthful, competent and maximally beneficial to all humanity. The company's mission is to understand the true nature of the universe.

More info: www.x.ai

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

Our Board

Sebastian Siemiatkowski,
Chairman of the Board



Few people have made as many mistakes as this man. Few have also worked as hard to correct them and learn from them. From Burger King and telemarketing to elderly care and teaching. Serving the customer is his passion. He finally ended up in the banking world, an industry more obsessed with serving itself than its customers. So, together with friends from Stockholm School of Economics, he founded Klarna in 2005 and has been its CEO ever since. Over the years, Klarna has attracted the best and worst investors, and the mistakes and learnings from that, after long discussions with Nina (co-founder of Flat) and Amaury, resulted in Flat.

Holding in Flat:

4 259 329 class A-shares in person and 8 212 121 class B-shares through Double Sunday IV AB

Amaury de Poret,
Executive member of the Board

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



Holding in Flat:

650 000 class B-shares, 91 061 warrants of series 2021/2026:S and 80 194 of series 2023/2026:S

Charlotte Runius,
Member of the Board



With a Master's degree in Industrial Engineering and Management from KTH Royal Institute of Technology, Charlotte is an investor who became a striking entrepreneur. After seven years in the buyout team at international investment company 3i, she chose a new career path. When Charlotte's grandmother passed away, she identified a market opportunity in one of the world's oldest industries. Fenix is a fast growing platform for funeral planning, probates and estate administration. In addition to the board assignment in Fenix Begravning, Charlotte is a board member of STILRIDE and a deputy board member of Milkywire AB. Through her latest project Svenska Naturvinsten, she is revolutionizing the FMCG industry by making sustainable choices profitable for the retailer and easy, fun and accessible for us consumers!

Holding in Flat:

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

Dr. Marcelo Carvalho de Andrade,
Member of the Board

We have an Olympic rower on our board! With a medical degree from the Universidade Gama Filho in Rio de Janeiro, Marcelo has focused his career on bridging the gap between economic development and social sustainability. Marcelo founded the charity Pro-Natura International, then Terra Capital Investors Ltd, and Earth Capital—the world's largest private equity fund that only focuses on climate and sustainability. He has been responsible for large-scale projects in sustainable development for both global companies and governments and has participated in BHP Billiton's forum for corporate social responsibility, DuPont's World Wide Biotech Panel, and Procter & Gamble's Sustainability Council.



Holding in Flat:

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

Our team

Hanna Andreen (f.d. Wachtmeister), CEO



This is the world's first Flatist - no one has been with us longer than Hanna. After graduating with a degree in Finance & Economics from Cass Business School and a course in international relations at University of St. Andrews, Hanna joined SEB in London. There she worked on Nordic Equity Sales towards British institutions. In 2017 she moved home to Stockholm and joined SEB's Equity Capital Markets department. Since the summer of 2021, she is Flat's anchor in everyday life and our face outward. In addition to the CEO job, Hanna is a board member of Svenska Nyttobostäder.

Holding in Flat:

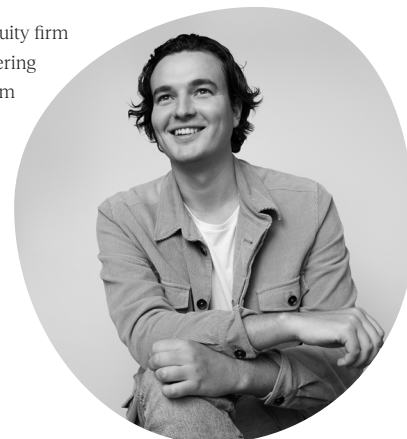
153 750 class B-shares, 364 243 warrants of series 2021/2025:A and 322 777 of series 2023/2026:A

Antonio Melani, CFO

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

Holding in Flat:

6 000 class B-shares and 322 777 warrants of series 2023/2026:A



Our "AI-colleagues"

- **DeepL**
Head of Translations
 - Working time: 300% (24 hours / day)
 - Salary: c. 80 SEK per month (7.5 USD)
- **ChatGPT**
Head of Communication
 - Working time: 300% (24 hours / day)
 - Salary: c. 100 SEK per month (10 USD)
- **Dall-E**
Art Director
 - Working time: 300% (24 hours / day)
 - Salary: c. 100 SEK per month (10 USD)
- **FigJam**
Head of Creativity
 - Working time: 300% (24 hours / day)
 - Salary: c. 30 SEK per month (3 USD)
- **Perplexity**
Head of Research
 - Working time: 300% (24 hours / day)
 - Salary: c. 200 SEK per month (20 USD)
- **Harvey**
Head of Legal
 - Working time: Consultancy basis
 - Salary: 0 (if required)

Other information

Group structure

As of 2024-06-30, 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 2024-06-30, 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 2 453 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 2024-06-30 to 14.48 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 1 577 897, which would mean 3.12% 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	382 455	23.8	Nov 2025
2021/2026:S	273 183	286 842	23.8	Nov 2026
2023/2026:A	641 554	660 801	14.0	Jul 2026
2023/2026:S	240 582	247 799	14.0	Jul 2026
Total	1 519 562	1 577 897		

:A relates to stock option plans for key employees

:S relates to stock option plans for members of the Board

* After recalculation for rights issues, in accordance with option conditions.

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 1.3% of the shares in the company. The lease agreement is set on market terms and amounts to approximately 18.75 KSEK per month, excluding VAT.

No other related party transactions incurred 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 2023 Annual Report. That description remains relevant.

Upcoming reporting dates

Interim report Jul-Sep	2024-10-29
Year-end report	2025-02-14

Shareholder as of 2024-06-30	# of A-shares	# of B-shares	Capital (%)	Votes (%)
Sebastian Siemiatkowski	4 259 329	-	8.7	48.7
Double Sunday IV AB ¹	-	8 212 121	16.7	9.4
Dusco AB	-	5 555 556	11.3	6.4
Nina Siemiatkowski	-	4 750 000	9.7	5.4
AltoCumulus Investment AB	-	3 789 071	7.7	4.3
Lyckebo Noterat AB	-	1 995 555	4.1	2.3
Avanza Pension	-	1 649 447	3.4	1.9
Cicero Fonder	-	1 302 247	2.7	1.5
Nordnet Pensionsförsäkring	-	1 270 775	2.6	1.5
Karolina Tham Von Heidenstam	-	1 111 111	2.3	1.3
Amaury De Poret	-	650 000	1.3	0.7
Other shareholders	-	14 521 829	29.6	16.6
Total	4 259 329	44 807 712	100.0	100.0

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

Review of auditors

The interim report has not been subject to review by the company's auditors.

Certified Adviser

The company's Certified Adviser is Augment Partners.
E-mail: info@augment.se, tel: +46 (0) 8 604 22 55

Declaration by the Board and the CEO

The Board and the CEO declare that the interim report 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 18, 2024

Sebastian Siemiatkowski
Chairman of the Board

Amaury de Poret
Executive member of the Board

Charlotte Runius
Member of the Board

Dr. Marcelo Carvalho de Andrade
Member of the Board

Hanna Andreen (f.d. Wachtmeister)
CEO



Income statement

KSEK	Note	Q2, 2024	Q2, 2023	H1, 2024	H1, 2023	Full-year, 2023
Operating income						
Change in value of financial assets	1-3	-32 232	-233	-42 674	-25 299	-77 921
Operating expenses						
Personnel costs	4	-806	-2 393	-1 550	-3 039	-4 273
Other external costs		-873	-809	-1 344	-1 785	-3 306
Depreciation		0	-1	0	-2	-2
Other operating expenses		0	-16	0	-16	-17
Total operating expenses		-1 679	-3 219	-2 894	-4 842	-7 598
Operating profit		-33 911	-3 452	-45 568	-30 141	-85 519
Profit from financial items	5	2 004	459	3 077	1 363	2 161
Profit after financial items		-31 907	-2 993	-42 491	-28 778	-83 358
Taxes		0	0	0	0	0
Profit for the period		-31 907	-2 993	-42 491	-28 778	-83 358
Profit per share before dilution, SEK		-0.65	-0.09	-0.87	-0.90	-2.35
Profit per share after dilution, SEK		-0.65	-0.09	-0.87	-0.90	-2.35
Number of shares outstanding at end of period		49 067 041	32 077 709	49 067 041	32 077 709	49 067 041
Average number of shares before dilution		49 067 041	32 077 709	49 067 041	32 077 709	35 450 734
Average number of shares after dilution ¹		49 102 133	32 077 709	49 102 133	32 077 709	35 450 734

¹ The dilutive effect on the warrants becomes effective only when the share price exceeds the respective subscription price for the various outstanding incentive programs.

Balance sheet

KSEK	Note	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
ASSETS				
Financial fixed assets	3			
Shares in listed companies		18 627	15 535	18 307
Shares in unlisted companies		226 651	284 053	231 862
Total fixed assets		245 278	299 588	250 168
Current assets				
Short-term receivables				
Other short-term receivables		2	0	0
Prepaid expenses and accrued income		274	298	1 509
Total short term receivables		276	298	1 509
Cash and cash equivalents		125 557	19 369	162 351
Total current assets		125 832	19 667	163 861
TOTAL ASSETS		371 110	319 255	414 029

KSEK	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	2 453	1 604	2 453
Total restricted equity	2 453	1 604	2 453
Non-restricted equity			
Share premium reserve	397 088	249 236	397 088
Accumulated profit	13 217	96 575	96 575
Profit for the period	-42 491	-28 778	-83 358
Total non-restricted equity	367 814	317 033	410 305
Total equity	370 267	318 637	412 759
Current liabilities			
Trade payables	81	344	425
Other liabilities	351	53	96
Accrued expenses and deferred income	410	221	749
Total current liabilities	842	618	1 270
TOTAL EQUITY AND LIABILITIES	371 110	319 255	414 029

Change in company equity

KSEK	Q2, 2024	Q2, 2023	H1, 2024	H1, 2023	Full-year, 2023
Opening equity	402 175	320 989	412 759	346 774	346 774
New share issue	0	0	0	0	152 904
Issuing costs	0	0	0	0	-4 202
Effect from long-term incentive program	0	641	0	641	642
Profit for the period	-31 907	-2 993	-42 491	-28 778	-83 358
Closing equity for the period	370 267	318 637	370 267	318 637	412 759

Cash flow statement

KSEK	Q2, 2024	Q2, 2023	H1, 2024	H1, 2023	Full-year, 2023
Profit after financial items	-31 907	-2 993	-42 491	-28 778	-83 358
Adjustments for items not included in cash flow	32 232	250	42 674	25 317	77 939
Cash flow from changes in working capital	997	-528	806	-590	-1 149
Cash flow from operating activities	1 323	-3 271	989	-4 051	-6 567
Investments in financial assets	-17 192	-52 731	-37 784	-58 210	-61 414
Divestments of financial assets	0	0	0	4 830	4 830
Cash flow from investing activities	-17 192	-52 731	-37 784	-53 380	-56 584
New share issue	0	0	0	0	152 904
Issuing costs	0	0	0	0	-4 202
Effect from long-term incentive program	0	641	0	641	642
Cash flow from financing activities	0	641	0	641	149 344
Cash flow for the period	-15 869	-55 361	-36 795	-56 790	86 192
Cash and cash equivalents at start of period	141 426	74 730	162 351	76 159	76 159
Cash and cash equivalents at end of period	125 557	19 369	125 557	19 369	162 351

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 2023.

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 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.

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 four different programmes, partly to the CEO and key personnel and partly to Board members. Two programs runs since 2021 and 2 programs since 2023. 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

Total operating costs include personnel costs, other external costs, depreciation and amortisation and other operating costs.

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, 2024	Q2, 2023	H1, 2024	H1, 2023	Full-year, 2023
Unrealized changes in value					
Changes in value of listed holdings	1 439	-462	320	-1 664	1 108
Changes in value of listed holdings	-33 671	229	-42 994	19 736	-71 802
Total unrealized change in value	-32 232	-233	-42 674	-18 072	-70 694
- of which FX	-1 120	5 043	7 860	4 750	-6 224
Realized changes in value	0	0	0	-7 227	-7 227
Total change in value of financial assets	-32 232	-233	-42 674	-25 299	-77 921

Comments:

- Change in value of listed holdings relates exclusively to Truecaller (525 000 shares), which is adjusted by +1 439 KSEK in the second quarter, approx. +8.4% based on the closing price of 34.87 SEK as of 2024-06-28. The change in value amounts to +320 KSEK for first half of the year.
- Change in value of unlisted holdings mainly relates to Getir, which was written down by -32 559 KSEK in the second quarter, which results in a total -61 338 KSEK for the first half of the year. The write-down to 1 SEK is due to the challenges the company has faced, as communicated in a press release on June 20, 2024.

Note 3 Categorization of financial assets	Invested capital (SEK)	Share (%)	Reported value (SEK)	Share (%)
Five largest holdings ¹	143 870 305	48.2%	173 648 998	70.8%
Other significant holdings ²	96 154 203	32.2%	67 599 876	27.6%
Other holdings ³	58 536 461	19.6%	4 028 686	1.6%
Total all holdings	298 562 372	100.0%	245 277 559	100.0%

1: OpenAI, Instabee, Klarna, Truecaller, Harvey

2: CDLP, DeepL, Discord, Figma, Kry, LoveLocal, Oden, Perplexity, Physical Intelligence, Remote, xAI (alphabetical order)

3: Getir, Lyst, Nylas, Omio, Pangaia, Prion, Quartr, Steven, TrueAccord, Uniplaces (alphabetical order)

Note 4 Operating expenses

KSEK	Q2, 2024	Q2, 2023	H1, 2024	H1, 2023	Full-year, 2023
Personell costs	806	2 393	1 550	3 039	4 273
Salary to the CEO (incl. social fees)	363	217	644	523	748
Board fees (incl. social fees)	89	-21	188	71	411
Salary to other personnel	354	511	718	759	1 428
Bonus related to option programmes (incl. social fees)	0	1 686	0	1 686	1 686
Other external costs	873	826	1 344	1 803	3 325
External management expenses	248	0	248	0	0
Consultancy costs	206	518	376	1 199	1 905
Costs of being listed	180	151	334	306	664
Office space costs	52	33	141	86	293
Other costs	187	124	245	212	463
Total	1 679	3 219	2 894	4 842	7 598
<i>Operating expenses in relation to the average NAV, annualized</i>	<i>1.74%</i>	<i>3.84%</i>	<i>1.48%</i>	<i>3.00%</i>	<i>2.00%</i>

Comments:

- External management expenses relate to costs incurred in connection with transactions where Flat invests through a structure that involves certain recurring management expenses. This currently includes the investments in Harvey, Physical Intelligence and xAI. The costs are considered to be in line with market practice and currently total annual expenses are estimated to be less than 0.1% of NAV.

Note 5 Result from financial items

KSEK	Q2, 2024	Q2, 2023	H1, 2024	H1, 2023	Full-year, 2023
Dividends from investments in other companies	1 169	0	1 169	1 004	1 004
Exchange rate effects from current assets	-171	383	-123	76	-794
Interest income	1 006	76	2 031	283	1 951
Total	2 004	459	3 077	1 363	2 161

Note 6 Significant events after the balance sheet date

No significant events have occurred after the balance sheet date.

Disclaimer

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

FLAT

Contact details:

Nybrogatan 8, Stockholm
+46 (0) 8 650 17 77
hello@flatcapital.com

