



Fram Skandinavien AB (publ) 556760-2692

Interim Report 2022 Q4



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	7 people based in Vietnam, including: — Hanh Mai, CEO — Son Ngo, Group Finance Director — Christopher B. Beselin, Chairman
Date of IPO	October 2017 at 20 SEK per share		

Key highlights, Q4 2022

Fram Skandinavien continues to develop its portfolio and sharpens its new strategy

- As of 31st of January 2023, the net asset value amounted to 301 mSEK (83 SEK per share), which was approximately **+125% above the closing price of the Fram B share** on the same day and represents an **increase of +4% compared to the previous quarter**.
- Since the shift towards the new strategy focusing on investments and the arrival of the inhouse investment team, Fram has engaged in **strengthening the profitability of the companies in its portfolio**, improving capital efficiency and sharpening its investment readiness. Fram has the ambition to become one of the leading pure-play tech investment companies in the SEA region over the coming years.
- The initial accumulation of a **new position in a publicly listed tech company (Abaxx Technologies)** was started early January 2023. This company is on a path to disrupt the commodity exchange industry by launching the first blockchain-based exchange and clearinghouse for LNG contracts in Singapore this year. The Abaxx management team, board and investor base come with unusually strong track records from the commodity trading industry.
- As of the 31st of January 2023, the current portfolio of Fram consists of **8 holdings**, of which 5 are private tech and 3 public tech companies. The total invested amount into these companies is 51 mSEK. The same holdings are presently valued at 264 mSEK, rendering a latent **return multiple of 5.2x on the invested capital**.
- During Q4 2022, **Carmudi** has remodeled its business towards higher profitability, while **EveHR, Dragonlend and Liven** have stayed on track for their Q4 revenues.

Southeast Asia, as a key alternative to China, is recognized by investors for its high growth potential

- 2022 was a **year full of nuances**, dominated by global macro uncertainties and the continuously rising tech disruptions which could wholly reshape the world over the coming years.
- Amidst the tumult, **Southeast Asia (SEA) region has been having a great momentum** by benefiting from the combination of Western companies' shift of manufacturing capacity out of China and China's growing demand post Covid. The SEA region also stands out as **one of the fastest growing economies** in the world, with +5% GDP growth in 2022 (ca. 2x higher than the global average). **Vietnam is the fastest growing country** in the region, with +8% GDP growth, and expecting the strongest investment inflows in the region over the next 3–5 years.
- From the investment perspective, **two trends** are likely to guide investors' behavior during 2023: **stronger focus on companies' fundamentals** (as opposed to over-emphasizing revenue growth at all costs in the past) and **higher pressure to deploy capital** as SEA investors' level of "dry powder" is now unusually high after 2022's hesitancy to invest.
- During 2022, in both public and private markets, a sharp **decline in number of IPOs and other transactions** was observed, especially during the second half of the year. However, **the SEA region and tech still outperformed** in terms of transaction activity level, on a relative basis.
- Investors' interest in the SEA region and its tech verticals still remains high and momentum in **transactions and IPOs is expected to increase** as both the region itself and China have opened up post Covid.

Table of Content

- 1. Market overview**
- 2. Significant events during 2022**
- 3. Investment review**
- 4. Portfolio**
- 5. Group consolidation**
- 6. Financial statements**
- 7. Further information**

1. Market Overview

Southeast Asia stands out as the most dynamic region

- **2022 was a year full of nuances.** The global macro environment was dominated by geopolitical tensions, rising inflation and interest rates, supply chain disruptions, energy crisis and Covid pandemic effects. Companies took steps to reduce costs in anticipation of future revenue decline (e.g significant tech jobs cuts across the globe). Amidst this context, **innovation and technology continued to disrupt** and reshape the way businesses function and people interact. Generative AI (with ChatGPT and Dall-e as the prime examples), IoT devices serving a hyperconnected world, quantum computing and green & sustainable energy solutions being some of **the most prominent tech trends, attracting significant capital.**
- **The Southeast Asia region has risen rapidly on global investors' radars** in this challenging and uncertain environment, for three main reasons: i) the SEA economy is benefiting from the accelerating shift of manufacturing capacity **out of China** since the pandemic – already today, companies like Apple have moved the assembly of several products to Vietnam and India. ii) **China's reopening** early 2023 reignites the consumption demand from one of the SEA countries' most important trade partners. iii) Finally, the SEA region offers investors some of the **highest economic growth rates** in the world (approx. 2x the global economy), with a relatively controlled inflation rate (e.g. Vietnam's 2022 inflation came in at 3.2%). **Vietnam** stands out as the region's fastest growing market, with +8% GDP growth in 2022 (also, it's one of the highest rates of growth globally).
- From the investment perspective, **two trends** are likely to guide investors' behavior during 2023: **stronger focus on companies' fundamentals** (as opposed to over-emphasizing revenue growth at all costs in the past) and **higher pressure to deploy capital** as SEA investors' level of 'dry powder' is now unusually high after 2022's hesitancy to invest.

Investment panorama

- In the **public markets**, the global **IPO volume fell** by -45% during 2022 and the IPO value fell by -61% during the same period. Despite the steep decline, deal volume is still +16% higher than the pre-pandemic year of 2019.
- Some industry sectors and regions have fared better than others. The **technology sector continued to lead** in volume terms (constituting ca. 23% of total deal volume), while the energy sector dominated in terms of proceeds (ca. 22% of total). The **SEA region produced 137 IPOs**, raising 6.5 bnUSD during 2022 (compared to 134 at and 13.2 bnUSD in 2021) – lead by Indonesia with 60 IPOs. The Vietnamese gaming tech giant (VNG) became the **first listed tech company in Vietnam** with a market cap of ca. 350m – marking a significant milestone for the tech sector in Vietnam.
- **Momentum and sentiment for transactions and IPOs are set to improve** in the region during 2023 as global interest rates are expected to peak some time during the year and the USD has already declined meaningfully from its 2022 peak.
- In the **private markets** for tech companies, **market headwinds continued to slow down** venture funding and acquisition volumes. Global venture funding reached 415 bnUSD in 2022, marking a -35% drop from 2021 (with more of the declines tilted towards H2 2022).
- Tech investment value in the SEA region hit ca. 19 bnUSD and ca. 1,600 funded deals during 2022. While the average ticket size increased +20% YoY, the number of deals declined by -40% in 2022 across all investment stages.
- In 2023, Southeast Asia's private equity and **venture capital investments are expected to rebound** as the region's macroeconomic fundamentals as well as potential for significant digital transformation stands out vs. other regions.

Source: EY, Crunchbase, Pitchbook, Techcrunch, Google, Bain & Company, Temasek

2. Significant events during 2022

Q1: January - March

8 February

Fram^ Board of Directors decided on further development of the Company's strategy

9 February

Fram^ implemented changes in the management team, CFO and COO.
In February 2022, the Company repurchased 33,334 non-vested warrants from outgoing CFO, Niklas Berglund.

Q2: April - June

5 April

Fram^ increased its ownership stake in Carmudi Vietnam from 67% to 82.6%

19 April

DragonLend signed term sheet with leading fintech financier in Southeast Asia

Fram^ published annual report and consolidated accounts for 2021

15 June

Fram^ entered into an agreement to merge Marry.vn and Vdes.vn

Q3: July - September

14 July

Fram^ divested the entire business area "IT Development" to the IT development group IPS Solutions

23 July

Board members Christopher Beselin and Philip Lindqvist increased their holdings in Fram Skandinavien

2 September

Fram^ appointed new group CEO, Hanh Mai

Fram^ shifted its strategy towards a pure-play tech inv. company

Q4: October - December

11 October

Fram^ began to release monthly NAV report starting from September 2022

13 November

Fram^ appointed new CEO for EveHR, Bach Tuan Anh

15 November

Carmudi redirected its development path towards focus on profitability and capital efficiency

3. Investment review

Key highlights
on the share price and NAV
as of 31st of January 2023

Share Price (SEK)

37.1

NAV per share (SEK)

83

Number of shares

3,615,078

% upside NAV / Share price

+125%

Market Cap (mSEK)

134

NAV per share vs Sep

-7%

Total NAV (Net Asset Value, mSEK)

301

Share price discount to NAV per share

-55%

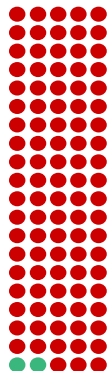
Allocation of portfolio

Based on the portfolio NAV

by GEOGRAPHY

Vietnam
98%

Southeast
Asia and
other
2%



by SECTOR

Marketplace
72%

HR Tech
19%

Fintech
9%



Portfolio

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.vn	63	261 (2)	67%	15.8	174	11.0x
EveHR	1	52	98%	7.7	51	6.6x
DragonLend	3	34	70%	13.9	24	1.7x
Liven Technology	4	31	39%	3.1	12	3.9x
Nordic Coder	n.m	0	30%	6.8	0	0x
Private tech investments				47.3	261	5.5x
SEA (SE:US)		\$64.5 (3)	2,500	2.1	1.7	0.8x
GRAB (GRAB:US)		\$3.8 (3)	40,000	1.3	1.6	1.3x
ABXX (ABXX.NE:CAD)		CAD2.9 (3)	14,000	0.3	0.3	1.1x
Public tech investments				3.6	3.6	1.0x
Blockchain-related Investments				0.1	0.1	0.9x
Total Portfolio				51	264	5.2x
Interest bearing Instruments					8.3	
Earn-out from IT Business					4.2	
Net cash					24.1	
TOTAL NAV					301	

(1) Last 12 months revenue up to 31 Dec 2022

(2) The multiple used in NAV is 4.1x with a discount of 40% applied to the multiple of peer group of 6.9x

(3) Price per share

3. Investment review

Portfolio at a glance

- As of the 31st of January 2023, the estimated total net asset value for Fram B shareholders amounted to **301 mSEK**, which corresponds to approximately **83 SEK per share**. The closing price for the B share was **SEK 37.1 per share**.
- The NAV per share was approximately **+125%** above the closing price of the Fram B share on the same day and represents an increase of **+4%** compared to the previous quarter. The closing price per share results in a discount of approximately **-55%** compared to the NAV per share.
- During the Q4 2022, Fram has **focused on strengthening the profitability** of companies in portfolio, shaping up the capital efficiency and sharpening its investment readiness. Fram has the ambition to become one of the leading pure-play tech investment companies in the SEA region over the coming years.
- The initial accumulation of a **new position in a publicly listed tech company (Abaxx Technologies)** was started early January 2023. This company is on a path to disrupt the commodity exchange industry by launching the first blockchain-based exchange and clearinghouse for LNG contracts in Singapore this year.
- Fram has made additional funding to **EveHR** and **Dragonlend** during the last quarter, with 0.6 mSEK and 2 mSEK respectively. **Wowmelo**, in the process of being liquidated, is removed from the NAV table.
- The current portfolio of Fram consists of **8 holdings**, including 5 private and 3 public tech companies, with a total invested amount of **51 mSEK**. The **total NAV of these companies reached 264 mSEK**, rendering a latent return multiple of **5.2x** on the invested capital. The largest position in the portfolio is **Carmudi** representing nearly 58% of the total NAV, followed by **EveHR** at 17% and **DragonLend** at 8%. In total, these 3 companies stand for 83% of the total NAV.

Valuation of companies in the portfolio

- For **Carmudi**, the valuation has been based on a valuation multiple derived from a relevant listed peer group. The average EV/Sales multiple for the peer companies Carsales.com, Copart Inc, Acv Auctions, Kar Auction Services Inc and Frontier Digital Ventures amounted to 6.9x EV/Sales as of 31st of December 2022. A discount of 40% has then been applied to the multiple of the peer group, resulting in a final valuation multiple of 4.1x EV/Sales applied to Carmudi. The total equity value of Fram's shares in Carmudi amounts to **174 mSEK**.
- **EveHR** and **DragonLend** successfully went through fundraising in 2021 and the valuations in these rounds have been used for the net asset value, resulting in values of 51 mSEK and 24 mSEK respectively.
- In Q2 2022, 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.
- A similar solution was developed for **Nordic Coder** in Q2 2022, where the majority ownership in the company was transferred to the former Vietnamese management team. Fram however retains a minority stake of 30% in the company. Given relatively modest operational progress during recent past, Fram deems it prudent to provision Nordic Coder down to 0 SEK in the NAV.
- Fram made three investments in public tech companies: **Sea group** (e-commerce and gaming), **Grab** (super app for mobility, food delivery and financial services), and most recently, **Abaxx Technology** (blockchain-based commodity exchange). The valuation is marked to market based on the closing price as of 31st of January of these companies' listed shares.

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	Vu Anh Duy, CEO
Employees	28
Investment date	2017
Amount invested	15.8 mSEK
Ownership of Fram	67%
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 hits an inflection point pre covid. Benchmarking vs other emerging economies' historical car penetrations vs GDP/cap, 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. The digital car trading sector will grow faster as it increases in penetration.

Financial summary

In mSEK	2022	2021	2020	2019
Revenues	63	16	13	5
YoY growth %	+294%	+26%	+147%	N/A

Investment performance

Valuation method	Multiple of peer group	
Enterprise Value (Jan 2023)	261 mSEK	
Total investment	15.8 mSEK	
Total Value to Fram	174 mSEK	
Return multiple (Value / Investment)	11.0x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	15.8 mSEK
	NAV	174 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 and thereby welcomed the country's largest offline car retailer, Savico, as shareholder.

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 Q4 2022

Following the shift of Carmudi's development path towards positive unit economics and profitable growth rather than focusing solely on growth, Carmudi's revenues have experienced a temporary slow down over the near term, in perspective of making it an attractive future investment opportunity for external investors.

Carmudi has been remodeling its business model and in plan to refresh its branding early 2023.

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, CEO
Employees	18
Investment date	2019
Amount invested	7.7 mSEK
Ownership of Fram	98%
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 12.5–15.1 bnUSD, which lends indication of what can be built as a market leader in this fast growing tech vertical in Vietnam.

Financial summary

In mSEK	2022	2021	2020	2019
Revenues	0.97	2.65	1.73	0.12
Adjusted revenues (*)	0.97	0.52	0.2	0.12
YoY growth %	+86%	+161%	+64%	N/A

(*) Adjustment for voucher revenues before 2022 which should be recorded in net basis (revenue minus direct cost) rather than gross basis (only revenue).

Investment performance

Valuation method	Last round valuation	
Enterprise Value (Jan 2023)	52 mSEK	
Total investment	7.7 mSEK	
Total Value to Fram	mSEK	
Return multiple (Value / Investment)	6.6x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	7.7 mSEK
	NAV	51 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 Q4 2022

The new CEO of the company, **Bach Tuan Anh** (ex–Country Head of Lalamove, same-day delivery & courier service provider and van hire platform originated from Hong Kong) joined mid Nov 2022.

EveHR has recently updated additional features in the platform and reshaped a more competitive pricing plan. The sale team has also been strengthened and there has been a promising increase in new customer pipelines.

EVE HR officially moved to a new office location end of 2022 in line with the team expansion and the growth projection.

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	13.9 mSEK (of which 5.5 mSEK is debt)
Ownership of Fram	70%
Governance influence	Member 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

In mSEK	2022	2021	2020	2019
Revenues	3.18	3.27	0.42	0.17
Adjusted revenue (*)	3.18	1.17	0.42	0.17
YoY growth %	172%	+181%	+151%	N/A

(*) Adjustment for supply chain revenues before 2022 that should be recorded in net basis (revenue minus direct cost) rather than gross basis (only revenue).

Investment performance

Valuation method	Last round valuation	
Enterprise Value (Jan 2023)	34 mSEK	
Total investment	13.9 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	13.9 mSEK
	NAV	24 mSEK

Key events since investment

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

From there, DragonLend developed in partnership with licensed banks in Vietnam in order to be able to build out its own direct loan book with profitable SMEs leveraging its proprietary digital platform and process.

Significant events during Q4 2022

The company continues to expand the credit capital to support the strong growth of its profitable SME client base. The Q4 2022 revenues reached 1 mSEK, the strongest quarter of the year.

Dragonlend has been working on new credit products based on their customers' needs and feedback, as well as building a new digital platform serving the credit analysis tasks and a smoother interaction with customers.

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	43
Investment date	Sep 2019
Amount invested	3.1 mSEK
Ownership of Fram	39%
Governance influence	Member of the Board
Investment thesis	<p>The Vietnam 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

In mSEK	2022	2021	2020	2019
Revenues (*)	3.5	0.26	0.52	0.15
YoY growth %	+1265%	-51%	+245%	N/A

(*) figures related to only Marry's revenues before 2022

Investment performance

Valuation method	Last round valuation	
Enterprise Value (Jan 2023)	31 mSEK	
Total investment	3.1 mSEK	
Total Value to Fram	12 mSEK	
Return multiple (Value / Investment)	3.9x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	3.1 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 (owner of Elle Magazine etc).

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 Q4 2022

The company completed the merger with Marry.vn and officially launched 2 other brands, Your Wedding Planner and Unlock, to complete the universe of Liven Technology. The company has been leading the traffic of wedding sectors (#1 SEO keywords in all research engines).

Q4 2022 revenues increased ca. 34% vs. Q3, driven by the wedding season at the year end. For the full year 2022, Liven grew by 13x vs the covid-impacted 2021.

4. Portfolio – Grab

General Information

Business description	Leading SEA super app including mobility, food delivery and financial services
Website	www.grab.com
Location	Singapore
Segment	Mobility, food delivery and fintech
Asset class in portfolio	Public tech company (GRAB:US)
Management	Anthony Tan, founder & CEO
Employees	8,834 in which 224 full -time headcounts
Investment date	Jun 2022
Amount invested	1.3 mSEK
Ownership of Fram	<0.1%
Governance influence	No
Investment thesis	Valuations of public tech companies have corrected significantly (Grab is down ca 90% from peak), which presents attractive long term entry opportunity into this group that offers exposure to market leading positions in the some of the largest SEA tech verticals (mobility, food delivery and financial services). The combination of mobility / ride hailing (similar to Uber) and other digital services offers a natural hedge for swings in online-to-offline consumer behaviors (e.g. mobility GMV goes up when offline movements increases and vice-versa). The cash pile of Grab (ca. 6-7 bnUSD or 50% of market cap at entry) offers an unusually long runway to weather the current market uncertainties. Furthermore, it's interesting to note that Uber serves as a role model for proving the business model's profitability potential.

Financial summary

<i>in mUSD</i>	3Q.2022	2021	2020
Revenues	932	675	469
YoY Growth %	+69%	+44%	+156%

Investment performance

Valuation method		Mark to market
Enterprise Value (Jan 2023)		14.6 bnUSD
Total investment		1.3 mSEK
Total Value to Fram		1.6 mSEK
Return multiple (Value / Investment)		1.3x
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	1.3 mSEK
	NAV	1.6 mSEK

Key events since investment

Ride-hailing witnessed strong growth of ca. +50% in Q2 2022, driven by post-pandemic reopening.

Digital financial services kept growing at ca. +30% q-o-q driven by the increasing in payments volumes.

Fram continues to expect the share price development in Grab to be volatile near term, presenting attractive accumulation opportunities.

Significant events during Q4 2022

Grab appointed Alejandro Osorio, former managing director of Grab Thailand, to lead the super app's operations in Vietnam. In addition, the company has recently appointed Philipp Kandal as Chief Product Officer early 2023.

Grab has expanded its partnership with local players:

- Integrated ZaloPay (one of its rivals in e-wallet in Vietnam) into its super app for user's cashless payment.
- Partnered with GHL Malaysia (leading payment providers in Malaysia) to extend the super app's "buy now, pay later" solution for offline merchants.

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	67,000
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

In bUSD	3Q.2022	2021	2020	2019
Revenues	8.2	9.9	4.4	2.91
YoY growth %	22%	128%	101%	263%

Investment performance

Valuation method		Mark to market
Enterprise Value (Jan 2023)		36.2 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

Fram continues to expect the share price development in Sea to be volatile near term, presenting attractive accumulation opportunities.

Significant events during Q4 2022

As global growth is slowing down and stock market sentiment is deteriorating, especially within the US and European investor bases, Sea has taken rapid actions to reduce staff and cost levels (ca. 10% of its total workforce), in pursuit of profitability.

Shopee has emerged as #1 live selling platform in SEA survey from Ninja Van, about 27% participant merchants use Shopee the most, over Facebook and Tiktok (respectively 25.5% and 22.5%).

The group now focuses its global expansion to Brazil and Malaysia, after its recent departure from Poland.

4. Portfolio – Abaxx Technology

General Information

Business description	First-on-the-market 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	67,000
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 the existing conventional exchanges and clearing houses.</p> <p>The liquefied natural gas market is expected to be worth ca. 260 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 in tech and commodity trading – backgrounds from Goldman Sachs, Singapore Stock Exchange and other relevant industry bodies.</p>

Financial summary

In mCAD	2022F	2023F	2024F	2025F
Revenues	-	14	24	46
YoY growth %			69%	88%

(*) As Abaxx is currently on pre-revenue stage, all figures above are based on our projection

Investment performance

Valuation method	Mark to market	
Enterprise Value (Jan 2023)	213 mCAD	
Total investment	0.3 mSEK	
Total Value to Fram	0.3 mSEK	
Return multiple (Value / Investment)	1.1x	
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 the first half of 2023.

Significant events during Q4 2022

Abaxx demonstrated the demo of its trading platform in Nov 2022 and expects the launch of its new exchange during Q1 2023, pending final approvals from the Monetary Authorities of Singapore.

5. Group consolidation

	Q4			Q1 – Q4		
	2022	2021		2022	2021	
Total income	16,715	20,712	-19%	86,226	47,774	+80%
Net sales 1)	16,598	20,365	-18%	85,779	46,593	+84%
Net sales (LFL basis)	16,598	9,333	+78%	67,856	21,613	+214%
Adjusted EBIT	-4,888	-1,635		-13,295	-10,607	
Adjusted EBIT-margin	-29%	-8%		-15%	-23%	
EBIT	-4,772	-3,080		-12,856	-12,539	
EBIT-margin	-29%	-15%		-15%	-26%	
Profit for the period	-7,460	-3,784		4,797	-13,061	
Solidity	83%	67%		83%	67%	
Equity	53,400	38,982		53,400	38,982	
Total assets	64,423	58,352		64,423	58,352	
Number of shares	3,615,078	3,615,078		3,615,078	3,615,078	
Earnings per share	-2.1	-1.0		1.3	-3.6	
Number of warrants 2)	298,300	115,000		298,300	115,000	
Earnings per share after dilution	-1.9	-1.0		1.2	-3.5	

1) Net sales Q1-Q4 includes the IT Development business until 30 June 2022. The Group does no longer consolidate figures from IT development business starting from 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.

	Q4			Q1 – Q4		
Like for like (LFL) basis	2022	2021		2022	2021	
Total income	16,715	9,398	+78%	68,147	17,613	+287%
Net sales	16,598	9,333	+78%	67,856	21,613	+214%
Adjusted EBIT	-4,888	-2,819		-16,926	-12,042	
Adjusted EBIT-margin	-29%	-30%	+1%	-25%	-68%	+43%
EBIT	-4,772	-3,129		-16,148	-12,137	
EBIT-margin	-29%	-33%	+4%	-24%	-69%	+45%

Significant events during Q4 2022

- The Group's net sales increased by **+78% on a like-for-like basis** ("LFL basis", excluding the impact of the IT Development divestiture as well as gross/net revenue effects in EveHR and Dragonlend)
- Both reported EBIT margin and adj. EBIT margin came in at -29%, constituting an improvement vs. the same period last year (-30% and -33% respectively).
- The divestment of the IT development business was completed in July 2022. As a result, the Group does no longer consolidate figures for the IT development business starting from this quarter.

5. Group consolidation – Revenue & earnings by business area

	Q4			Q1 – Q4		
	2022	2021		2022	2021	
Total income	16,715	20,712	-19%	86,226	47,774	+80%
Net sales	16,598	20,365	-18%	85,779	46,593	+84%
Net sales (LFL basis)	16,598	9,333	+78%	67,856	21,613	+214%
Digital Brands	16,598	11,848	+40%	67,856	20,743	+227%
IT Development	-	8,517	-100%	17,923	25,850	-31%
Other operating income	117	347	-66%	447	1,181	-62%
Digital Brands	3	1		40	533	
IT Development	-	282		157	73	
Group	114	64		251	575	

	Q4		Q1 – Q4	
	2022	2021	2022	2021
Net sales	16,598	20,365	85,779	46,593
Net sales (LFL basis)	16,598	9,333	67,856	21,613
Other external costs	-2,611	-1,646	-10,057	-7,109
Raw materials and consumables	-14,772	-9,914	-61,015	-19,535
Personnel cost	-3,535	-9,317	-24,112	-27,738
Depreciation and amortization	-569	-1,123	-3,889	-2,818
Adjusted EBIT	-4,888	-1,635	-13,295	-10,607
Adjusted EBIT-marginal (%)	-29%	-8%	-15%	-23%
Adjusted EBIT (LFL basis)	-4,888	-2,819	-16,926	-12,042
Adjusted EBIT-marginal (%) (LFL basis)	-29%	-30%	-25%	-68%
Other operating income	117	347	447	1,181
Other operating expenses	-	-1,728	-9	-2,234
Adjustment for non-recurring costs	-	-64	-	-880
EBIT	-4,772	-3,080	-12,856	-12,539
EBIT-marginal (%)	-29%	-15%	-15%	-26%
EBIT (LFL basis)	-4,772	-3,129	-16,148	-12,137
EBIT-marginal (%) (LFL basis)	-29%	-33%	-24%	-69%

Group consolidation – revenue

- The decrease of -19% was primarily driven by the divestiture of the IT development unit in 2022. On a like-for-like basis, the **group grew by +78% y-on-y** (equivalent to an increase of 7,265 kSEK). Majority of the increase in net sales came from Carmudi, accounting for 15,301 kSEK (increased by +93%), followed by the increase in Dragonlend and EveHR of +28% and +11% respectively.
- The Group no longer consolidates revenues from the IT development business. As a result, there was no revenue from IT development business in Q4 2022.

Earnings by business area

- Adjusted EBIT and EBIT for Q4 2022 were respectively -4,888 kSEK and -4,772 kSEK. Adjusted EBIT-margin and rep. EBIT-margin were both -29%, constituting an improvement vs. the same period last year (-30% and -33% respectively).

6. Financial statements

Income Statement

	Note	Q4		Q1 – Q4	
		2022	2021	2022	2021
Net sales		16,598	20,365	85,779	46,593
Other operating income		117	347	447	1,181
Total income		16,715	20,712	86,226	47,774
Raw materials and supplies		-14,772	742	-61,015	-8,879
Other external expenses		-2,611	-13,358	-10,057	-19,535
Personnel costs		-3,535	-9,557	-24,112	-27,978
Depreciation and amortisation of tangible and intangible fixed assets		-569	-1,118	-3,889	-2,915
Other operating expenses		0	-501	-9	-1,006
Operating result		-4,772	-3,080	-12,856	-12,539
Financial income		123	147	22,238	508
Financial expenses	5	-2,811	-138	-4,307	-318
Profit before tax		-7,460	-3,071	5,074	-12,249
Taxes	6	-	-713	-277	-713
Profit for the period		-7,460	-3,784	4,797	-13,061
Earning per shares		-2.1	-1.0	1.3	-3.6
Diluted earning per shares		-1.9	-1.0	1.2	-3.5

Income Statement

- Total income for Q4 2022 amounted to 16,715 kSEK and net sales to 16,598 kSEK which represented the revenue of Carmudi (15,301 kSEK or 92% of total net sale), Dragonlend (1,050 kSEK, equivalent to 6% of net sales) and EveHR (247 kSEK, equivalent to 1% of net sales).
- Carmudi's growth also naturally drives up the cost of raw materials and supplies in line with its sales – this cost item came in at 14,772 kSEK, representing 69% of total operating costs. The second largest cost item was personnel expenses, which amounted to 3,535 kSEK (16% of operating costs) during the quarter. The decrease in personnel expenses compared to last year was mainly due to the divestment of the IT development business in the previous quarter.
- Financial expenses amounted to 2,811 kSEK which was due to foreign exchange losses for revaluation during the period.
- Profit (loss) before tax and net profit for the period was -7,460 kSEK.

6. Financial statements

Balance Sheet

- Total assets as of 31st of December 2022 amounted to 64,423 kSEK.
- Non-current assets amounted to 5,814 kSEK, a decrease of 601 kSEK compared to the previous quarter, mainly due to depreciation of intangible assets.
- Short-term receivables amounted to 33,957 kSEK. The increase in this item of 1,917 kSEK was mainly due to additional lending in Dragonlend amounting to 7,127 kSEK, offset by a decrease in trade receivables in Carmudi amounting to -5,200 kSEK.
- Trade receivables amounted to 8,522 kSEK. Most of the trade receivables were derived from Carmudi (4,158 kSEK), Dragonlend (2,749 kSEK) and EveHR (1,587 kSEK).
- Other receivables of 25,164 kSEK sat mainly with DragonLend. Approximately 95% (equivalent to 23,862 kSEK) of other receivables originates from partner bank lending to Vietnamese SMEs. The remaining receivables are deposits for credits issued by partner banks, office rent and voucher suppliers.
- As of 31st of December 2022, cash and bank amounted to 24,459 kSEK.
- Shareholders' equity amounted to 53,400 kSEK.
- Current liabilities amounted to 11,023 kSEK, which mainly consist in the payables for voucher suppliers in EveHR amounting to 1,497 kSEK, car sellers in Carmudi amounting to 984 kSEK, and credit capital raised in Dragonlend amounting to 6,590 kSEK.

Balance Sheet

	Note	31/12/22	31/12/21	30/09/22	30/06/22
Assets					
<u>Intangible assets</u>					
Capitalized expenditure on development and similar works		746	1,071	835	828
Concessions, patents, licenses, trademarks and similar rights		1,006	3,017	1,509	2,012
Goodwill		-	10,305	9	9,202
<u>Property, plant and equipment</u>					
Fixtures, tools and installations		-	115	-	85
<u>Financial fixed assets</u>					
Investment in associates		756	-	756	473
Financial investments		3,306	1	3,306	396
Total non-current assets		5,814	14,510	6,415	12,996
<u>Current assets</u>					
Finished goods and merchandise		193	294	-	-
<u>Short-term receivables</u>					
Trade receivables	7	8,522	11,508	15,182	13,224
Other receivables	8	25,164	8,019	16,570	8,811
Prepaid expenses and accrued income		271	232	288	513
Cash and bank		24,459	23,788	30,145	18,081
Total current assets		58,609	43,842	62,185	40,629
TOTAL ASSETS		64,423	58,352	68,599	53,625
Equity and Liabilities					
<u>Own capital</u>					
Share capital		1,204	1,204	1,204	1,204
Other contributed capital		90,616	86,025	85,733	85,579
Retained earnings		-38,420	-48,247	-28,170	-49,190
Total equity, group		53,400	38,982	58,767	37,593
<u>Non-current liabilities</u>					
Other liabilities		-	2,197	-	2,166
Amounts owed to credit institutions		-	4,892	-	4,217
Total long-term liabilities		-	7,089	-	6,383
<u>Current liabilities</u>					
Accounts payable		2,627	1,790	3,932	1,009
Advances from customers		167	1,061	249	1,878
Other liabilities	9	7,170	5,105	4,936	3,591
Accrued expenses and deferred income		1,059	4,326	716	3,171
Total current liabilities		11,023	12,282	9,833	9,649
TOTAL EQUITY AND LIABILITIES		64,423	58,352	68,599	53,625

6. Financial statements

Change in Equity

	Q4		Q1 – Q4	
	2022	2021	2022	2021
Shareholders' equity at the beginning of the period	58,767	41,109	38,982	38,351
Right issues and other contributed capital	4,883	-	5,005	10,741
Translation difference	-2,790	1,252	4,617	2,951
Profit for the period	-7,460	-3,784	4,797	-13,061
Shareholders' equity at the end of the period	53,400	38,982	53,400	38,982

Cashflow

- Cash flow from operating activities before changes in working capital was 6,939 kSEK. Of this, -7,460 can be attributed to the pre tax loss. The remaining 522 kSEK is mainly driven by adjustments for non-cash depreciation and amortisation.
- Changes in working capital amounted to a cash inflow of 1,117 kSEK and total cash flow from operating activities amounted to -5,821 kSEK.
- The cash flow for the period was -5,790 kSEK and cash balance at the period end was 24,459 kSEK.

Cash Flow Statement

	Q4		Q1 – Q4	
	2022	2021	2022	2021
Current operations				
Result after financial items	-7,460	-2,960	5,074	-12,239
Adjustments for items not included in cash flow, etc.	522	1,022	2,346	2,106
Cash flow from operating activities before changes in working capital	-6,939	-2,651	7,420	-10,133
Cash flow from changes in working capital				
Change in inventories	-192	-287	102	-23
Change in trade receivables	6,659	-2,213	409	-5,791
Change in short-term receivables	-8,576	-1,442	-18,525	-2,050
Change in trade payables	-1,306	991	-988	990
Change in current liabilities	4,533	1,854	-5,842	2,805
Cash flow from operating activities	-5,821	-3,747	-17,424	-14,201
Investment activities				
Disposal of subsidiaries	-	-	22,901	-
Investments in subsidiaries/associated companies	-	-9,201	-756	-9,201
Investments in intangible assets	31	-755	-398	-991
Investments in tangible fixed assets	-	-	-	-136
Investments in financial assets	-	-	-3,306	135
Cash flow from investing activities	31	-9,955	18,441	-10,193
Financing activities				
Right issues and others	-	-432	122	9,905
Borrowing (repayment) of loans from credit institutions	-	5,200	-675	5,200
Cash flow from financing activities	-	4,768	-553	15,105
Cash flow for the period	-5,790	-8,935	464	-9,290
Cash and cash equivalents at the beginning of the period	30,202	32,649	23,788	30,968
Exchange difference	47	74	207	2,110
Cash at end of the period	24,459	23,788	24,459	23,788

7. Further information

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.

Company address:
Hälsingegatan 49, 4tr
SE-113 31 Stockholm, Sweden
Web: fram.asia

NOTE 2: ACCOUNTING PRINCIPLES

The quarterly report for the period 1 Oct – 31 December 2022 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 Accounts and Consolidated Accounts (K3), unless otherwise stated.

NOTE 3: TRANSACTIONS WITH RELATED PARTIES

During the quarter, transactions amounting to approximately 184 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 market terms.

NOTE 4: REVIEW OF THE INTERIM REPORT

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

NOTE 5: FINANCIAL EXPENSES

in kSEK	Q4	Q3
Foreign exchange losses	2,765	-
Interest expenses	-	1,080
Others	46	-
TOTAL	2,811	1,080

NOTE 6: TAX

Tax represents corporate tax calculated for the period at Exertus IT AB with a tax rate of 20.6%.

NOTE 7: TRADE RECEIVABLES

Trade receivables in kSEK	31 Dec 2022	30 Sep 2022
Carmudi	4,158	9,358
Dragonlend	2,749	4,013
EveHR	1,587	969
Other companies	28	842
TOTAL	8,522	15,182

NOTE 8: OTHER RECEIVABLES

Other receivables consist mainly of receivables related to DragonLend's lending. In addition, there are for example advances to suppliers, tax receivables (mainly in the parent company) and VAT receivables.

Other receivables in kSEK	31 Dec 2022	30 Sep 2022
Dragonlend	23,862	15,471
Carmudi	194	241
Other companies	1,108	858
TOTAL	25,164	16,570

7. Further information

NOTE 9: OTHER LIABILITIES

Other liabilities (current) include credit investments in DragonLend from external investors, advance payments from customers, liabilities to trade unions, pension provisions, statutory bonuses and social security contributions.

Other liabilities in kSEK	Q4	Q3
Dragonlend	6,590	4,528
Other companies	580	408
TOTAL	7,170	4,936

NOTE 10: ALLOCATION OF PROFIT

The group net result for 2022 will be carried forward and no dividend is proposed.

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 to market practice of using "12 months forward-looking").
- EV/Sales or EV/EBIT(D)A is 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) and an additional discount in relevant cases. This also constitutes a relatively conservative approach, as private companies in early phases are usually 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 +2.75% during the first 9 months of 2022.

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

Financial Calendar

Date for next AGM: **12 May 2023**

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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The report is certified by:



Hanh Mai
CEO

On 2 February 2023