

fram^

Fram Skandinavien AB (publ) 556760-2692

Annual Report 2023



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	Date of IPO	October 2017 at 20 SEK per share

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1. Chairman letter

Dear Shareholders,

As we continue to evolve and refine our strategic vision, our focus remains on the long-term maximization of shareholder value. It is in this spirit that we have arrived at the new strategic direction of realizing the liquid portfolio value over the mid term, which was announced in the middle of February this year. As you are aware, the current strategic shift was born out of a comprehensive review of our options to best maximize shareholder value, despite our struggles to generate adequate share trading liquidity in the current structure.

We are now embarking on a strategic path to liquidate our current portfolio in a manner that aims to distribute an aggregate value to our shareholders as close as possible to our current group net asset value (NAV). The initial steps, including the ongoing liquidation of our public equity portfolio and the divestiture of DragonLend, are indicative of this new direction.

In parallel, our initiative to optimize operational efficiency through a thoughtful reduction in overhead costs is a strategic measure designed to extend our financial resilience and runway, in turn to maximize our chances of palatable exit returns from our holdings. Good exits can not be pressed for time and it should also be reiterated that such processes, particularly in early stage companies, requires patience to succeed.

Apart from our significant cost reduction driving extended runway, our portfolio companies have also made meaningful progress towards their respective breakeven points. The renewed emphasis on profitable growth among our management teams is having a range of positive impacts on business fundamentals across the board, especially year-to-date 2024.

This strategic transition is a thoughtful step towards maximizing shareholder value as the current group structure with a First North listing is not suitable for early stage tech investments in Southeast Asia. We hope to be able to achieve our dual mid term goals of distributing liquid proceeds (cash and/or listed shares) at a value close to NAV, while also setting a foundation for investing into more mature companies in our portfolio going forward. Please also keep in mind that 2023 was a tough year in terms of reported P&L numbers as we de-consolidated the profitable IT development business, shifted Carmudi away from high-revenue-but-low-gross-profit transactions and our local auditors preferred a conservative approach to provisioning DragonLend's loans. On the other hand, as we are exiting Q1 2024, all our cost reductions are crystallizing and hence the cash flow and results improve meaningfully.

On behalf of the Board of Directors, I would like to express our gratitude to our shareholders, partners, and employees for their continued support and dedication to our vision. We remain focused on executing on our investment strategy and building a strong portfolio of high-potential companies. We are fram^.

Sincerely,

Christopher B. Beselin, Chairman, Fram Skandinavien AB

2. Market overview

Venture funding had a rough year in 2023, but green shoots in AI

- **Steady growth in Europe while global and US venture funding declines.** 2023 marked a significant downturn in global startup funding, reaching the lowest level in five years at 285 bnUSD, a -38% decline year over year from the 462 bnUSD invested in 2022. US investors injected 170 bnUSD into startups in 2023, a decrease of nearly -30% from the 242 bnUSD recorded in 2022. Despite a global downturn, Europe's venture capital markets experienced modest growth. This was largely fueled by a surge in investments in AI and fintech startups.
- **Corporate venture capital gains momentum:** Corporate venture capital (CVC) activity saw an uptick during the fourth quarter of 2023, accounting for 20% of all funding. The increase in both CVC-funded deals and the number of CVC investors, especially in AI-focused rounds, indicate a strategic shift towards leveraging corporate resources to drive innovation.
- **Generative AI attracts attention.** Generative AI startups defied broader investment trends with a significant upswing in funding. The sustained interest in generative AI, particularly in foundational technologies like large language models, underscores the sector's transformative potential across various industries.

Source: Bain & Company, Crunchbase, Economic Times

Overview – Southeast Asia (SEA)

- **SEA economies exhibited resilient performance.** GDP grew in all economies, with growth in Indonesia, Singapore, Thailand and Vietnam increasing during this period, while Malaysia and the Philippines recorded slower growth. The decrease was attributed to weakened global demand impacting the open and trade-dependent SEA economies. For the full year, GDP growth was a modest +3.7% for the region.
- **SEA venture funding surge in Q4.** After hitting a three-year low in the third quarter of 2023, equity funding volume grew by +10% in Q4. For the full year, private capital raised by startups in Southeast Asia nosedived as macroeconomic factors weighed heavily on investor sentiment. There was a -30% year-on-year decline in the number of equity funding rounds in 2023.
- **Significant events in SEA venture funding:** The venture funding landscape in Southeast Asia (SEA) in 2023 saw a mix of challenges and triumphs. Despite a decline in overall funding, the second half of the year offered a rebound, with a +65% surge in funding, compared to the first half. Key events included the emergence of new unicorns, such as Indonesia-based Mandy and Singapore-based TK Mall, which secured substantial equity deals.
- **Optimism around Vietnam.** Vietnam's GDP growth rate for 2023 was +5%, according to the GSO. Its industrial production index in 2023 rose +1.5% from the previous year, while inflation was relatively modest at +3.25%, and retail sales were up by +9.6%. Albeit these numbers are below the nation's targets, they still place Vietnam among the fastest-growing economies in the region and the world.

Source: McKinsey, DealStreet Asia, GSO, Reuters, CBInsights

3. Investment review

Share price and NAV
as of 31st December 2023

Share price (SEK)

29.7

NAV per share (SEK)

68

Number of shares

3,615,078

% upside NAV / share price

+130%

Market cap (mSEK)

107

NAV per share vs Dec 22

-12%

Total NAV (Net asset value, mSEK)

247

Share price discount to NAV per share

-57%

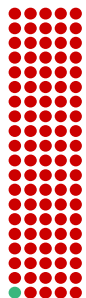
Allocation of portfolio

Based on the portfolio NAV

by GEOGRAPHY

Vietnam
99%

Southeast
Asia and
other
1%



by SECTOR

Marketplace
69%

HR tech
20%

Fintech
11%



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	GMV: 97	173 (2)	80%	23.6	139	5.9x
EveHR	1	55	83%	8.9	45	5.1x
DragonLend	7	34	70%	13.7	24	1.7x
Liven Technology	n.m	31	39%	3.8	12	3.1x
Private tech investments				50.0	219	4.4x
SEA (SE:US)		\$40.5 (3)	2,500	2.1	1.0	0.5x
Public tech investments				2.1	1.0	0.5x
Total portfolio				52	220	4.2x
Interest bearing instruments					13.7	
Net cash					13.3	
TOTAL NAV					247	

(1) Last 12 months revenue up to 31st December 2023.

(2) The LTM EV/GMV multiple used in NAV is 1.8x, ie. with a discount of 40% applied to the EV/GMV multiple of the listed peer group of 3.0x.

(3) Price per share.

3. Investment review

Portfolio at a glance

- As of the 31st of December 2023, the estimated total net asset value for Fram B shareholders amounted to **247 mSEK**, which corresponds to approximately **68 SEK per share**. The closing price for the B share was **29.7 SEK per share**.
- The NAV per share was approximately **+130%** above the closing price of the Fram B share on the same day and represented a decrease of **-12%** compared to 31st of December 2022. The closing price per share resulted in a discount of approximately **-57%** compared to the NAV/share.
- During the year 2023, Fram prioritized **enhancing the profitability of its portfolio companies, improving capital efficiency** by **implementing cost reduction measures**, both in the ventures and on the group level.
- Fram made additional investments into existing holdings (Carmudi, DragonLend and EveHR) with a total amount of 11.5 mSEK in 2023. Fram also sold its shares in **Bukalapak, Grab** and **Abaxx Technology**. The negotiation for the sale of **DragonLend** to Gologiq is still ongoing but pending the merger between RCRT and Gologiq. The transaction progress has been unusually slow and no SPA is yet signed.
- The current portfolio of Fram consists of **5 holdings**, including 4 private and 1 public tech company, with a total invested amount of 52 mSEK. The total NAV of these companies reached 247 mSEK, rendering a latent **return multiple of 4.2x** on the invested capital. |

Valuation of companies in the portfolio

- During 2023, **Carmudi** changed its valuation method from EV/revenue to EV/GMV, to better reflect Carmudi's current business model as a fully integrated marketplace for cars (sometimes acting as agent and sometimes as principal). The valuation is based on a valuation multiple derived from a new expanded group of relevant listed peer companies. The average EV/GMV multiple for the peer companies Openlane Inc, Carvana Co, Copart Inc, CarGurus Inc, Cars.com Inc, Carmax.com and Frontier Digital Ventures amounted to 3.0x as of 31st of December 2023. A discount of 40% was applied to the multiple of the peer group by 31 Dec 2023, resulting in a final valuation multiple of 1.8x EV/GMV applied to Carmudi. The total equity value of Fram's shares in Carmudi amounts to 139 mSEK.
- For **EveHR** and **DragonLend**, the valuation was based on the latest fundraising's valuation in 2021, resulting in 45 mSEK and 24 mSEK respectively for Fram's stakes.
- As of 31st December 2023, Fram holds an investment in **Sea Group**, a leading Southeast Asian e-commerce and gaming group. The valuation of this investment is marked to market, based on the closing price as of the 31st December 2023.

4. Portfolio – Carmudi

General information

Business description	Online car marketplace
Website	www.carmudi.vn
Location	Vietnam
Segment	Car marketplace
Asset class in portfolio	Private tech company
Management	Keshav Rustagi, CEO
Employees	10
Investment date	2017
Amount invested	23.6 mSEK
Ownership of Fram	80%
Governance influence	Chairman of the board
Investment thesis	Car penetration in a country is generally driven by income per capita. Vietnam has one of the fastest-growing GDP/capita ratios in the world and its car market growth hit an inflection point pre covid. Benchmarking vs other emerging economies' historical car penetrations vs GDP/capita, Vietnam is set to enjoy 15–20% car market growth p.a., for at least a decade ahead. Growth in value terms will be even higher as the consumers trade up in car prices. The digital car trading sector will grow faster as it increases in penetration.

Financial summary

<i>in mSEK</i>	2023	2022	2021	2020	2019
GMV	97	74	16	13	5
%YoY	+30%	+366%	+26%	+168%	N/A

Since Fram changed to the EV/GMV valuation method to better reflect Carmudi's growth in mid-2023, our primary focus for measuring growth is on the GMV.

Investment performance

Valuation method	Multiple of peer group	
Enterprise value (Dec 2023)	173 mSEK	
Total investment	23.6 mSEK	
Total value to Fram	139 mSEK	
Return multiple (Value/investment)	5.9x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	23.6 mSEK
	NAV	139 mSEK

Key events since investment

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

Later the company merged with classifieds group Otos.vn.

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

Significant events during the year

Despite the challenges in the car market of Vietnam (VAMA industry statistics indicated -25% y-on-y), Carmudi's GMV increased by +30% during the year. Carmudi continued to improve its gross profit, +44% in 2023 vs 2022. This improvement aligns with Carmudi's strategy to focus on unit economics.

In December 2023, Carmudi won contracts to provide media packages (onsite banners, other media exposure, qualified leads generation, etc) to the brands of BMW and Volvo. The company also secured the renewal of the media contract with Castrol for 2024.

In order to optimize operational performance, Carmudi implemented significant cost efficiency measures during the year.

4. Portfolio – EveHR

General information

Business description	Employee engagement and flexible benefit platform (SaaS)
Website	www.evehr.vn
Location	Vietnam
Segment	HR tech
Asset class in portfolio	Private tech company
Management	Bach Tuan Anh (James), CEO
Employees	9
Investment date	2019
Amount invested	8.9 mSEK
Ownership of Fram	83%
Governance influence	Chairman of the board
Investment thesis	Vietnam has a low penetration of SaaS in general. 98% of companies in the country are SMEs and only 5-7% of them use SaaS regularly (compared to ca. 70% in global). Global peers are Sodexo-sponsored, ADR, and Ten Lifestyle Group Plc, with valuations in the range of 10-15 bnUSD, which lends indication of what can be built as a market leader in this fast-growing tech vertical in Vietnam.

Financial summary

<i>in mSEK</i>	2023	2022	2021	2020	2019
Revenues	1.4	1	2.7	1.7	0.1
Adjusted revenues (*)	1.4	1	0.5	0.2	0.1
%YoY	+48%	+86%	+161%	+64%	N/A

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

Investment performance

Valuation method	Last round valuation	
Enterprise value (Dec 23)	55 mSEK	
Total investment	8.9 mSEK	
Total value to Fram	45 mSEK	
Return multiple (Value/investment)	5.1x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	8.9 mSEK
	NAV	45 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, PWC 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 the year

The revenue for the year 2023 increased by +48% y-on-y. This was primarily driven by new client acquisitions (e.g Viet Thai Group, PWC, Bosch, Ecotek).

EveHR has continuously improved its sales process as a result of customer acquisition campaigns. A new contract with a big multinational insurance company was recently concluded in January 2024.

Additionally, the company restructured its team in order to optimize costs and move towards profitability.

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	6
Investment date	2018
Amount invested	13.7 mSEK
Ownership of Fram	70%
Governance influence	Chairman of the board
Investment thesis	The SME client segment is overlooked and underserved by the traditional banks in VN and SEA. The segment is often hard to analyze due to the lack & ambiguity of credit data. Focused on simplifying the client journey with the help of tech & working with non-traditional credit scoring data opens up an attractive segment accessible with a digital approach.

Financial summary

<i>in mSEK</i>	2023	2022	2021	2020	2019
Revenues	7.5	3.2	3.3	0.4	0.2
Adjusted revenues (*)	2.6	3.2	1.2	0.4	0.2
%YoY	-19%	+172%	+181%	+151%	N/A

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

Investment performance

Valuation method	Valuation at cost	
Enterprise value (Dec 23)	34 mSEK	
Total investment	13.7 mSEK	
Total value to Fram	24 mSEK	
Return multiple (Value/investment)	1.7x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	13.7 mSEK
	NAV	24 mSEK

Key events since investment

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

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

Significant events during the year

The revenues for year 2023 decreased by -19% compared to last year (driven by maturities of loan capital to DragonLend's lenders). DragonLend continued the development of the new version of its online platform. This platform is expected to speed up internal processes and effectively manage customer data.

In August 2023, Fram signed a non-binding letter of intent to sell all of its shares in Fram Venture 7 to GoLogiq Inc., a US-listed global fintech and consumer data analytics provider. The negotiation for the sale of DragonLend to Gologiq is still ongoing, but pending the merger between RCRT and Gologiq, which has been slowed down by US regulatory and stock exchange approvals. Fram notes that the transaction progress has been unusually slow and no SPA is yet signed.

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	25
Investment date	Sep 2019
Amount invested	3.8 mSEK
Ownership of Fram	39%
Governance influence	Member of the board
Investment thesis	<p>The Vietnamese market for weddings, private celebrations and corporate events is estimated to be worth >2 bnUSD, growing at ca. +20% p.a.</p> <p>Liven Technology holds the leading market position online in this fast-growing sector that is rapidly migrating towards digital.</p>

Financial summary

<i>in mSEK</i>	2023	2022	2021	2020	2019
Revenues	4.2	3.5	0.3	0.5	0.2
%YoY	+21%	+1265%	-51%	+245%	N/A

Revenue figures include only Marry's revenues before 2022

Investment performance

Valuation method	Last round valuation	
Enterprise value (Dec 23)	31 mSEK	
Total investment	3.8 mSEK	
Total value to Fram	12 mSEK	
Return multiple (Value/investment)	3.1x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	3.8 mSEK
	NAV	12 mSEK

Key events since investment

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

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

Significant events during the year

The company posted healthy financial growth in 2023 despite the market slowdown, with revenues up +21% y-on-y at 4.2m SEK, and gross profit increasing by +11% y-on-y. The EBITDA loss was significantly reduced by -44% to 2.1 mSEK.

The company implemented new successful marketing strategies, including wedding fairs and referrals, reduced the customer acquisition cost from \$40 to \$18. International customer contribution grew from 5% to 15%.

4. Portfolio – Sea

General information

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

Financial summary

<i>in bnUSD</i>	2023	2022	2021	2020	2019
Revenues	13.1	12.5	9.9	4.4	2.9
%YoY	+5%	+25%	+128%	+101%	+263%

Investment performance

Valuation method	Mark to market	
Enterprise value (Dec 23)	23 bnUSD	
Total investment	2.1 mSEK	
Total value to Fram	1.0 mSEK	
Return multiple (Value/investment)	0.5x	
Realized	Acquisition cost	N/A
	Total proceeds	N/A
Current	Acquisition cost	2.1 mSEK
	NAV	1.0 mSEK

Key events since investment

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

Significant events during the year

SEA Group has achieved its first full year of annual profit in 2023 since its initial public offering (IPO), according to its CEO, Forrest Li.

4. Portfolio - Exits in 2023



Portfolio company	Grab Holdings Limited
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 (US)
Investment date	Jun 2022
Amount invested	1.2 mSEK
Ownership of Fram	<0.1%
Governance influence	No
Exit date	July 2023
Proceeds	1.4 mSEK
Multiple	1.23x



Portfolio company	Abaxx Technologies Inc.
Business description	First mover blockchain-based commodity exchange
Website	www.abaxx.tech
Location	Canada
Segment	Fintech, commodity exchange
Asset class in portfolio	Public tech company (CAD)
Investment date	Jan 2023
Amount invested	0.3 mSEK
Ownership of Fram	<0.1%
Governance influence	No
Exit date	Sep 2023
Proceeds	0.3 mSEK
Multiple	1.03x



Portfolio company	PT Bukalapak.com Tbk.
Business description	General ecommerce marketplace (focusing on micro-retailers)
Website	www.bukalapak.com
Location	Jakarta, Indonesia
Segment	Marketplace, ecommerce, fintech
Asset class in portfolio	Public tech company (IDX)
Investment date	Feb 2023
Amount invested	1.0 mSEK
Ownership of Fram	<0.1%
Governance influence	No
Exit date	Oct 2023
Proceeds	0.7 mSEK
Multiple	0.69x

5. Shareholders and corporate governance

Major shareholders

- As of December 31st, 2023, Christopher Brinkeborn Beselin owns 57,750 Class A shares and 1,020,784 Class B shares in Fram, directly and indirectly through his wholly owned holding company, Norsel Industries Ltd. This corresponds to 29.8% of the capital and 38.6% of the votes. Per Åhlgrén directly and indirectly holds 13.67% of the capital and 11.95% of the votes. The remainder of the ownership is divided into stakes of less than 10%.

Board

- Fram's board consists of three ordinary members, including the Chairman of the board. The section below shows the board when they were elected to the board and whether they are independent in relation to the Company and/or the Company's major shareholders.



Christopher B. Beselin, Chairman of the board

- Christopher is an entrepreneur and investor with previous experience e.g. from Cevian Capital (one of Europe's largest hedge funds) as well as CEO and Co-founder of former Kinnevik-owned company Lazada VN / MY. Lazada Group was sold to Alibaba Group in 2017 for 3.2 bnUSD. Christopher has also founded, is a partner and CIO, at Endurance Capital Advisors Ltd, an activist fund focusing on Vietnamese listed equities.
- Education: Stockholm School of Economics, Masters Degree in Financial Economics.
- Other current positions and/or shareholdings (owns more than five percent of the company): Chairman of Intrepid e-commerce services group, Founding Partner/CIO & Chairman of Endurance Capital Advisors Ltd, Board member / shareholder in the Norsel-group of companies. Board member of Nordstjernan Growth.
- Previous positions (past five years): CEO of Fram Skandinavien AB, Chairman of Pangara AB, CEO & Co-Founder at Recess Company Limited (Lazada Vietnam), President & Partner in Barnbutiken AB.
- Member of the board since 2014.
- Christopher owns 57,750 A shares and 1,020,784 B shares in Fram.
- Christopher is neither independent of the Company, its company management, nor its major shareholder, Norsel Industries Ltd.



Micael Steinbach, board member

- Micael has a broad set of experiences from a number of leading positions within Ericsson AB. For the last 20 years, Micael has been appointed vice president of various positions in Ericsson (e.g. Brazil, Panama, India and Russia) as well as Head of Operations for Ericsson in Thailand, Vietnam, Cambodia, Myanmar and Laos.
- Education: Educational programs at Ericsson Management Institute.
- Other current positions: Member of the management group of Ericsson AB's subsidiary in Vietnam, Ericsson AB Myanmar.
- Member of the board since 2017.
- Micael owns 47,500 B shares in Fram. Micael is independent of the Company and its major shareholders.



Philip Lindqvist, board member

- Philip has previous experience as a management consultant (BCG), in controlling and strategy (Bonnier Group) and as Strategy, M&A and distribution manager for Bonnier Broadcasting, before he in the autumn of 2019 became head of the Nordic streaming service C More. Today, Philip is CEO of Readly AB.
- Education: Stockholm School of Economics, BSc in Financial Economics.
- Other current positions: CEO of Readly, Board member of Yoik AB, KILOPOND AB and Advisory Partner at Eight Media Ventures.
- Previous positions (last five years): Managing Director of C More, Strategy, M&A and Distribution Manager for Bonnier Broadcasting (which included TV4, C More and Finnish MTV), member of the management team at Bonnier Broadcasting and member of Telia Companies' extended management team ("ELT").
- Member of the board since 2022.
- Philip owns 22,964 B shares in Fram. Philip is independent of the Company and its major shareholders.

5. Shareholders and corporate governance

Management team



Per Rundblom, CEO Fram^

- Serial founder and company builder with 20 years of experience starting, building, and scaling companies, apps and SaaS tools. Per has extensive experience with most things required in an early-stage startup from strategy, through sales, marketing, user acquisition and development.
- Education: History and Economics, Uppsala University.
- Other current positions: CEO of Foodnest, Board member at Jobtip, Owner/CEO of personal holding company.
- Previous positions (last five years): Founder of Jobtip and GreatPeople.
- Per Rundblom and related parties own 3,785 FRAMB shares. Per Rundblom has been part-time employee of Fram^ since March 2024 and thus cannot be considered independent of the company. However, Per is independent from the company's major shareholders.



Tuyet Phan, Group Finance Director Fram^

- Tuyet joined Fram^ in February 2024. Prior to joining Fram^, she held various leading positions within finance, accounting and auditing. Tuyet is working as Accounting and Outsourcing Manager in Mazars Vietnam. Prior to that, Tuyet was with Nexia STT for almost a decade as Audit Partner.
- Education: University of Economics HCMC, Bachelor in Accounting and Auditing, CPA Australia.
- Previous positions (last five years): Manager, Outsourcing Solutions – Mazars Vietnam; Partner, Audit and Assurance – Nexia STT.
- Tuyet is a part-time outsourced employee to Fram^ since 2024 and can not therefore be considered independent of the company. Tuyet is however independent of its major shareholders.

Management in Fram's core holdings



Max Bergman, CEO Fram^ Fintech

- Max has previously worked for SEB Enskilda, within Brunswick Group and at StockWell Group in London. After that, Max worked for Rocket Internet in Kuala Lumpur, and lastly as CEO and founder of Kinnevik's portfolio company Bima in Sri Lanka, providing mobile health and accident insurance. Education: Stockholm School of Economics, Degree in Economics.
- Other current positions: Board member and Partner in Lakemaki AB.
- Max owns 144,574 B shares in Fram^.



Keshav Rustagi, MD Carmudi Vietnam

- Keshav has extensive experience in automobile industry and has previously worked in leading roles in companies such as CAR24, OLX Autos, HCL Infosystems Ltd.
- Education: Bachelor's Degree in Maharaja Surajmal Institute of Technology, PGDM in Marketing in Lah Bahadur Shastri Institute of Management.
- Other current positions: No other current positions.
- Keshav owns 0 shares in Fram^.



James Bach, CEO EveHR

- James has previous experiences in Corporate Sales (Acer Computer), Operations (Microsoft), Marketing and Advertising (Facebook & Spotify) before he became Managing Director of Lalamove Vietnam from early 2020.
- Education: Diploma in Electronic & Computer Engineering at Ngee Ann Polytechnic Singapore, and Bachelor Degree in Marketing Management at Murdoch University (AU).
- Other current positions: No other current positions.
- James owns 0 shares in Fram^.

5. Shareholders and corporate governance

Other information regarding the board and management team

- None of the board members or management team has any family ties to another board member or management team (apart from Christopher Beselin's wife Annika Beselin, being alternate board member (*swedish "suppleant"*), representing their holding company, Norsel Industries Ltd). There are no conflicts of interest or potential conflicts of interest between the board members and management team's commitments to the Company and their private interests and/or other commitments.
- No board member or management team has been convicted of fraud-related cases in the past five years. No board member or management team has been involved in any bankruptcy, or bankruptcy administration in the past five years. During the past five years, none of the Company's board member or management team has been the subject of accusations or sanctions by authorities authorized by law or regulation or prohibited by a court from being a member of an issuer's administrative, management or control body or from having senior or overall functions of an issuer.
- To the best of the board's knowledge, there have been no special agreements with major shareholders, customers, suppliers or other parties, according to which board members or management team have been appointed. All board members and management team can be reached via the Company's headquarters at TNR Building, 20th floor, 180 Nguyen Cong Tru, District 1, Ho Chi Minh City, Vietnam.

Auditor

- BDO Mälardalen AB, org.nr 556291-8473, was elected auditor at the Annual General Meeting on May 12, 2023. The auditor in charge is Patrik Nygard (born 1985). Patriks Nygard is a chartered accountant and member of FAR since 2017.

6. Board of Directors' report

Business operations

Fram Skandinavien AB (publ) with registration number 556760-2692 and its subsidiaries are referred to in this report as Fram, Fram^, the Company or the Group. The Company's address is % S-ekonomi, Sylveniusgatan 2, 754 50 Uppsala, Sweden. The Company's website is fram.asia. Fram operates within investments in companies that are focused on digital consumer, blockchain & other tech in Southeast Asia.

Ownership structure

Since October 2017, the Company's shares have been listed on Nasdaq First North, Stockholm, with the short name FRAM B. The Company's Certified Adviser is SKMG.

As of the balance sheet date, Fram's share capital amounted to 1,204 kSEK, divided into 3,615,078 shares and votes.

The number of shareholders at 31st December 2023 was 702. The largest shareholder in Fram is Christopher Brinkeborn Beselin (owned through personal and his related party – Norsel Industries Ltd) which represented 29.8 percent of the share capital and 38.7 percentage of votes. The ten largest shareholders in the company controlled 73.3 percent of the share capital and 76.6 percentage of votes as of December 31st, 2023.

Significant event during the year

During 2023, Fram has put an articulated emphasis on cutting costs both on a group level and a venture level. As the venture funding markets have been relatively closed during the year (and might be so going forward as well), the board deems it critical to set its portfolio companies up for a successful path towards breakeven without the need for imminent capital raisings. Furthermore, as the First North listing is deemed long-term inappropriate for investing in early-stage tech companies in Southeast Asia, the board has further communicated its strategy to focus on liquidating its current portfolio holdings in order to be able to distribute cash and shares close to NAV per share to its shareholders (even if this might take several years to fully materialize) and shift its investment strategy towards more mature target companies, over the long term.

Research and development

During the year, additional investments into the investee companies' platforms have been made to further drive growth and operational efficiencies.

Financial instruments

Please refer to the NAV table on page 5 for a full overview of the holdings.

Group subsidiaries (including foreign subsidiaries)

The subsidiary of the Group is described below:

Name	Capital shares (%)	Quantity shares	Org number	Location	Operation subsidiary (corporate number)
Fram Skata AB	80	808	559154-8077	Stockholm	Car Classifieds Joint Stock Company ("Carmudi") - 0312648170
Fram Venture 7 AB	70	737,480	559165-4966	Stockholm	Dragon Wave Consultancy Co.,Ltd ("Dragonlend") - 0315597774
Fram Venture 9 AB	83	1,086	559165-8470	Stockholm	EveHR Ltd ("EveHR") - 0315693284
Fram Investments Limited Liability	100	100	0315688943	Ho Chi Minh City	n/a

All the operating subsidiaries have their headquarters in Ho Chi Minh City, Vietnam.

6. Board of Directors' report

Appropriation of net profit & statement by the Board of Directors

Proposal for disposition of the Company's net profit. Available at the Annual General Meeting: (in kSEK)

Last year's balance	53,849
Net profit for the year	2,154
Others	-
The board proposes to transfer to the new account	56,003

Future development

The Company continue to develop its employees and the business, target for profitability and growth. In addition, the Group has strong cash position without any concern about the Group's going concern in the next twelve months.

Sustainability disclosure

One of Fram's core philosophies is to create sustainable growth and through our investments contribute to a sustainable future. By focusing on innovative growth companies with sustainable business ideas, capital is added to the businesses that have a positive impact on people, the economy and the environment.

In the role of active investor, sustainability is a natural part of the work with our portfolio companies and in dialogue with new companies. By alerting companies to sustainability risks and challenges at an early stage, opportunities are created for sustainability to become a more integrated part of companies' business models.

To achieve the vision, Fram's sustainability work is focused on three areas: a) sustainable growth, b) good business ethics, and c) people, social and environmental aspects

a) Sustainable growth

Fram's efforts contribute to Vietnam's small and medium-sized enterprises having the opportunity to grow. The growth must be economically, environmentally and socially sustainable over time. How well Fram has succeeded is measured, among other things, by following the economic growth of the companies, as well as the companies' progress in terms of their social and environmental work.

b) Good business ethics

Fram must minimize the risk of supporting companies that conduct unethical or fraudulent activities. Furthermore, Fram's business relationships with customers and portfolio companies must be characterized by good business ethics.

Fram's companies handle and stores sensitive business information for the customer. It is incumbent on Fram's companies to ensure a high level of customer confidentiality and that information about customers or other company information is not at risk of being disclosed.

b) People, social and environmental aspects

We recognize that a diverse and inclusive workforce is crucial for sustainable growth, and we are taking proactive steps to create a welcoming and supportive environment for all employees. Additionally, we are committed to reducing our environmental impact by implementing sustainable practices such as reducing waste, conserving energy, and using eco-friendly materials in our products. We are continuously monitoring our progress towards these goals and welcome feedback from our stakeholders to ensure that we are operating in a socially and environmentally responsible manner.

6. Board of Directors' report

The Board of Directors and the CEO of Fram Skandinavien AB (publ), registration number 556760-2692 with its registered location in Stockholm, hereby submits the annual report and consolidated accounts for the financial year 2023.

The annual report is presented in Swedish kronor, SEK. Unless otherwise stated, all amounts are presented in thousands of SEK (kSEK).

The GROUP, kSEK	2023	2022	2021	2020	2019
Total revenues	35,654	86,205	47,774	40,123	34,805
Total revenues growth (%)	-59%	+80%	+19%	+15%	+84%
Net revenues	34,299	85,779	46,593	36,532	28,586
Net revenues growth (%)	-60%	+84%	+28%	+28%	+66%
EBITDA	-18,157	-7,715	-9,624	-17,971	-16,360
EBITDA margin	-53%	-9%	-20%	-45%	-47%
EBIT	-19,397	-11,604	-12,538	-20,620	-18,655
EBIT margin	-57%	-13%	-26%	-51%	-54%
Net profit for the year	-30,853	7,612	-13,061	-19,917	-18,263
Solidity (%)	59%	77%	67%	86%	93%
Total equity	19,606	49,958	38,982	38,351	62,638
Total assets	33,358	64,821	58,352	44,815	67,705
Earning per share	-7.67	2.20	-3.54	-5.51	-5.05
Number of shares	3,615,078	3,615,078	3,615,078	3,615,078	3,615,078

PARENT, kSEK	2023	2022	2021	2020	2019
Net revenues	0	0	81	104	688
Net profit for the year	2,154	-5,865	2,128	-14,508	-2,070
Solidity (%)	99%	99%	92%	99%	99%
Total assets	57,517	55,470	65,825	59,271	73,508
Total equity	57,207	55,053	60,796	58,668	73,034

Group results

- The Group's total revenues for the year 2023 amounted to 35,654 kSEK, representing a decrease of -59% compared to 2022. Net revenues decreased by -60% to 34,299 kSEK. The decline was primarily due to a decrease in revenues from Carmudi, which accounted for 73% of the Group's net revenues. This was primarily driven by Carmudi's focus on transactions with lower reported revenues, but better gross profit per transaction (while GMV per transaction remained largely unchanged) - i.e. this was mostly a disadvantageous revenue accounting effect originating from focusing on transactions with better gross profitability. Another ca. 18 mSEK of the revenue decline was attributed to the de-consolidation of the IT-development business in 2023 (divested mid 2022).
- EBITDA and EBIT margins shrank as a result of the profitable IT development business that was divested mid 2022, still being included in the first half of 2022 financials. The net profit for the year was negatively affected by a non-cash provision/writeoff in Dragonlend as local auditors of Dragonlend's operating company in Vietnam preferred to provision/writeoff ca. 2/3 of all receivables, even if the clients in question were still paying back the loan receivables on an extended timeline. It's a conservative booking and has no cash effects or effect on NAV. The Group's internal assessment is that the receivables at risk is only ca. 1/4th of the amount provisioned/written off.
- Both operational results and cash flows have improved meaningfully in Q1 2024 as the cost efficiency measures across the group are crystallizing.
- Total assets were 33,358 kSEK, and Fram had a cash position of 13,291 kSEK and net investments in financial assets worth 1,776 kSEK. Current assets decreased to 28,712 kSEK, mainly due to the decline of other receivables in Carmudi. Equity attributable to the parent was 18,928 kSEK, and the change is primarily due to the current year's net loss.
- As of December 31st, 2023, the total liabilities of the Group amounted to 13,752 kSEK, reflecting a decrease of -1,111 kSEK from previous year.

6. Board of Directors' report – significant events during the year

Q1:
January – March

6th March

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

During March

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

Q2:
April – June

11th April

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

31st May

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

Q3:
July – September

17th August

Fram^ signed a letter of intent to divest DragonLend to US-listed acquirer, Gologiq.

Q4:
October – December

During December

Carmudi won a media project to provide services for the car brands BMW and Volvo.

6. Board of Directors' report – 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.

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.

6. Board of Directors' report – significant risks and uncertainties

Ability to manage growth

As the organization grows, it needs to develop effective planning and management processes. 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 cases, the risk related to client concentration may be higher. 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 revenues 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 moves 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 changes in supply and demand, as well as economic 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 may 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.

6. Board of Directors' report – ownership and the fram^ share

Ownership structure as per Dec 31st, 2023

NAME	NUMBER OF A-SHARES	NUMBER OF B-SHARES	CAPITAL (%)	VOTES (%)
Christopher Brinkeborn Beselin (*)	57,750	1,020,784	29.83%	38.65%
Per Åhlgren		494,104	13.67%	11.95%
Lennart Johansson		359,000	9.93%	8.68%
Avanza Pension		173,260	4.79%	4.19%
Duy Vu		154,000	4.26%	3.72%
Max Bergman		148,574	4.11%	3.59%
Oscar Salén		74,353	2.06%	1.80%
Jan Skantze		60,000	1.66%	1.45%
Tomas Billing		59,750	1.65%	1.45%
Micael Steinbach		47,500	1.31%	1.15%
Total top 10	57,750	2,591,325	73.28%	76.64%
Others		966,003	26.72%	23.36%
Total number of shareholders		702		
Total number of shares		3,615,078		

Number of votes per share between Fram A and Fram B is 10:1

(*) direct and indirect (Source: Euroclear and fram.asia)

Share price performance in 2023 (FRAM B)



- Fram's B share has been traded on Nasdaq First North since the initial listing in October 2017. During 2023, the highest closing price was 38.9 SEK per share, which occurred on August 17th. The lowest price was 29.2 SEK per share, which occurred on December 21st. The share price closed at 29.7 SEK per share by the end of the year, reflecting a decrease of -20% compared to the price on December 31st, 2022 (37 SEK per share).

6. Board of Directors' report – ownership and the fram^ share

Development of share capital

EVENT	NUMBER OF SHARES		PAR VALUE (SEK)	SHARE CAPITAL	
	CHANGE	TOTAL		CHANGE (SEK)	TOTAL (SEK)
2008 New formation	1,000	1,000	100	100,000.00	100,000.00
2017 Split 2:1 ¹⁾	1,000	2,000	50	100,000.00	100,000.00
2017 New issue ²⁾	8,157	10,157	50	407,850.00	507,850.00
2017 Split 750:1 share number 1-2000 ³⁾	1,408,000	1,508,157	0.34		507,850.00
2017 Split 3064:1 share number 2001-10157 ⁴⁾	16,843	1,525,000	0.33		507,850.00
2017 New issue ⁵⁾	975,000	2,500,000	0.33	324,690.60	832,540.60
2018 New issue ⁶⁾	444,444	2,944,444	0.33	148,007.07	980,547.67
2019 New issue ⁷⁾	250,000	3,194,444	0.33	83,254.06	1,063,801.73
2019 New issue ⁸⁾	420,634	3,615,078	0.33	140,077.95	1,203,879.68

¹⁾ Split with a ratio of 2:1 (one share was divided into 2 new shares).

²⁾ New issue to Johan De Geer, former member of the Company's Investment Committee, of 8,157 series B shares against the background of increasing the Company's share capital prior to conversion from a private to a public company. The new series B shares were issued at a price of 61.2970454824 SEK per B share, which corresponds to the price per share after split 3.064852275:1.

³⁾ Split with the ratio 750:1 (one share was divided into 750 new shares) in order to achieve an appropriate number of shares.

⁴⁾ Split with the ratio 3.064852275:1 (one share was divided into 3.064852275 new shares). The reason for carrying out the division of shares with different conditions as above is that the purpose of the new issue of shares directed to Johan De Geer, which is divided in the ratio 3.064852275:1, was primarily to provide the Company with sufficient share capital to be public.

⁵⁾ New issue to the public of 975,000 shares at a subscription price of 20 SEK per share, corresponding to a total issue proceeds of 19.5 mSEK.

⁶⁾ New issue to a group of qualified long-term investors of 444,444 series B shares at a subscription price of SEK 45 per share, corresponding to a total issue proceeds of 20 mSEK.

⁷⁾ Private placement to Lennart Skoglund of 250,000 series B shares at a subscription price of SEK 60 SEK per share.

⁸⁾ Fully subscribed rights issue at a subscription price of 60 SEK per share.

Shares and share capital

- According to the Company's Articles of Association, the share capital may not be less than 500,000 SEK and not more than 2,000,000 SEK, and the number of shares may not be less than 1,500,000 and not more than 6,000,000. As of December 31st, 2023, the share capital of the Company amounted to 1,203,879.68 SEK and a total of 3,615,078 shares, divided into 57,750 Class A shares and 3,557,328 Class B shares. The total number of shareholders was 702 and each share has a par value of approximately 0.33 SEK. The shares in the Company have been issued in accordance with Swedish law. All issued shares are fully paid and freely transferable.

The parent company's profit distribution

Proposal for disposition of the Company's results. Available at the Annual General Meeting (in kSEK):

Last year's balance	53,849
Net profit for the year	2,154
Others	-
The board proposes to transfer to the new account	56,003

7. Financial statements – consolidated

Income statement

kSEK	NOTE	Group	
		2023	2022
Net revenues	2	34,299	85,779
Other operating income		1,355	426
Total revenues		35,654	86,205
Raw materials and supplies		-28,488	-61,015
Other external expenses		-5,696	-8,896
Personnel costs	4	-14,555	-23,999
Depreciation and amortisation of intangible and tangible fixed assets		-1,240	-3,889
Impairment of financial assets		-3,157	-
Other operating expenses		-1,915	-10
Operating profit		-19,397	-11,604
<i>Profit or loss from financial items</i>			
Other interest income and similar income	5	5,420	20,513
Other interest expenses and similar expense	6	-16,872	-1,020
Profit before tax		-30,849	7,889
Tax on profit for the year	7	-4	-277
Net profit for the year		-30,853	7,612
Attributable to the parent company's shareholders		-27,721	7,942
Attributable to non-controlling interests		-3,132	-330
Basic earnings per shares	19	-7.67	2.20
Diluted earnings per share	19	-7.67	2.05

7. Financial statements – consolidated

Balance sheet

kSEK	NOTE	Group	
		2023	2022
ASSETS			
Non-current assets			
<i>Intangible asset</i>			
Capitalized expenses for development work and similar work	8	683	746
Concession, patent, license, trademark and similar rights	9	–	1,006
Goodwill	10	–	–
<i>Financial assets</i>			
Investment in an associate	11	–	–
Investment in financial assets	12	1,776	3,458
Other long-term receivables		–	–
Total non-current assets		2,459	5,210
<i>Current assets</i>			
<i>Inventory</i>			
Prepared goods and goods for sale		339	193
<i>Receivables</i>			
Account receivables	13	7,887	8,294
Current tax receivables		741	694
Other receivables	14	8,402	24,464
Prepayments and accrued income		239	271
Cash and cash equivalent	15	13,291	25,695
Total current assets		30,899	59,611
TOTAL ASSETS		33,358	64,821

7. Financial statements – consolidated

Balance sheet (continued)

kSEK	NOTE	Group	
		2023	2022
EQUITY AND LIABILITIES			
Equity			
<i>Equity attributable to the parent company's shareholder</i>			
Share capital		1,204	1,204
Other contributed capital and share premium fund		85,359	86,487
Other equity including net profit for the year		-67,635	-40,865
Total equity attributable to the parent company's shareholders		18,928	46,826
<i>Non-controlling interest</i>			
Ownership of non-controlling interest		678	3,132
Total equity attributable to the non-controlling interest		678	3,132
Total equity		19,606	49,958
<i>Current liabilities</i>			
Account payables		1,819	2,650
Liabilities to credit institutions		13	-
Advances from customers		435	167
Current tax liabilities		596	595
Other payables	16	10,436	10,575
Accrued expenses and deferred revenues	17	453	876
Total current liabilities		13,752	14,863
TOTAL EQUITY AND LIABILITIES		33,358	64,821

7. Financial statements – consolidated

Changes in equity

GROUP, kSEK	SHARE CAPITAL	CONTRIBUTED CAPITAL	OTHER EQUITY INCLUDING PROFIT FOR THE YEAR	TOTAL	NON- CONTROLLING INTEREST	TOTAL EQUITY
Previous year 2022						
Equity at beginning of year	1,204	85,611	-48,247	38,568	414	38,982
Translation difference	-	-	-560	-560	-	-560
Capital contribution in a subsidiary	-	1,834	-	1,834	3,048	4,882
Preferred dividend payment in a subsidiary	-	-1,080	-	-1,080	-	-1,080
Others	-	122	-	122	-	122
Net profit for the year	-	-	7,942	7,942	-330	7,612
Equity at the end of the year	1,204	86,487	-40,865	46,826	3,132	49,958
Current year 2023						
Equity at beginning of year	1,204	86,487	-40,865	46,826	3,132	49,958
Transaction with Non-controlling interest	-	-	-	-	678	678
Translation difference	-	-	951	951	-	951
Capital contribution in a subsidiary	-	-	-	-	-	-
Preferred dividend payment in a subsidiary	-	-1,128	-	-1,128	-	-1,128
Others	-	-	-	-	-	-
Net profit for the year	-	-	-27,721	-27,721	-3,132	-30,853
Equity at the end of year	1,204	85,359	-67,635	18,928	678	19,606

7. Financial statements – consolidated

Cash flow

	Group	
	2023	2022
kSEK		
Operating activities		
Profit after financial items	-30,849	7,889
Adjustments for items not included in cash flow, etc.	5,624	3,473
Cash flow from operating activities before changes in working capital	-25,225	11,362
<i>Cash flow from changes in working capital</i>		
Change in inventories	-146	102
Change in trade receivables	-1,471	637
Change in short-term receivables	16,048	-18,521
Change in trade payables	-563	-963
Change in current liabilities	-1,527	-7,375
Cash flow from operating activities	-12,884	-14,758
Investment activities		
Disposal of subsidiaries (minus net cash at subsidiaries)	678	22,901
Investments in intangible assets	-203	-747
Disposals of financial assets	2,438	-
Investments in financial assets	-1,234	-4,062
Cash flow from investing activities	1,679	18,092
Financing activities		
Loans from credit institutions	13	-
Preferred dividend payment at a subsidiary	-1,128	-1,080
Repayment of loans	-	-675
Right issues and others	-	122
Cash flow from financing activities	-1,115	-1,633
Cash flow for the year	-12,320	1,701
Cash at the beginning of the year	25,695	23,788
Exchange difference	-84	206
Cash at the end of the year	13,291	25,695

7. Financial statements – parent

Income statement

	NOTE	Parent	
		2023	2022
kSEK			
Net revenues		-	-
Other operating income		-	-
Total revenues		-	-
Other external expenses		-1,644	-2,276
Personnel costs		-207	-162
Other operating expenses		-296	-
Operating profit		-2,147	-2,438
<i>Profit or loss from financial items</i>			
Other interest income and similar income	22	5,838	23,137
Other interest expenses and similar expense	23	-1,537	-26,564
Profit after financial items		2,154	-5,865
Group contribution		-	-
Profit before tax		2,154	-5,865
Tax on profit for the year	24	-	-
Net profit for the year		2,154	-5,865

7. Financial statements – parent

Balance sheet

kSEK	NOTE	Parent	
		2023	2022
ASSETS			
<i>Non-current assets</i>			
<i>Financial assets</i>			
Receivables from group companies	25	-	23,709
Shares in group companies	26	10,325	10,880
Investment in an associate	27	-	-
Investment in financial assets	28	1,776	3,458
Total non-current assets		12,101	38,047
<i>Current assets</i>			
<i>Receivables</i>			
Receivables from group companies	25	36,735	-
Current tax receivables		539	531
Other receivables		334	49
Prepayments and accrued income		29	33
Cash and cash equivalent	29	7,779	16,810
Total current assets		45,416	17,423
TOTAL ASSETS		57,517	55,470

7. Financial statements – parent

Balance sheet (continued)

kSEK	NOTE	Parent	
		2023	2022
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital		1,204	1,204
Unrestricted equity			
Retained earning		53,849	59,714
Net profit for the year		2,154	-5,865
Total equity		57,207	55,053
<i>Current liabilities</i>			
Account payables		-	114
Current tax liabilities		75	44
Other payables	30	-	135
Accrued expenses and deferred revenues	31	235	124
Total current liabilities		310	417
TOTAL EQUITY AND LIABILITIES		57,517	55,470

7. Financial statements – parent

Changes in equity

kSEK	SHARE CAPITAL	UNRESTRICTED EQUITY	TOTAL EQUITY
Previous year 2022			
Equity at beginning of year	1,204	59,592	60,796
Net profit for the year	-	-5,865	-5,865
Others	-	122	122
Equity at the end of year	1,204	53,849	55,053
Current year 2023			
Equity at beginning of year	1,204	53,849	55,053
Net profit for the year	-	2,154	2,154
Others	-	-	-
Equity at the end of year	1,204	56,003	57,207

7. Financial statements – parent

Cash flow	Parent	
	2023	2022
kSEK		
<i>Operating activities</i>		
Profit after financial items	2,154	-5,865
Adjustments for items not included in cash flow, etc.	-268	604
Cash flow from operating activities before changes in working capital	1,886	-5,261
<i>Cash flow from changes in working capital</i>		
Change in short-term receivables	-13,314	5,273
Change in trade payables	-115	-4,242
Change in current liabilities	818	-369
Cash flow from operating activities	-10,725	-4,599
<i>Investment activities</i>		
Disposal of subsidiaries	554	30,689
Investments in subsidiaries	-	-7,839
Disposals of financial fixed assets	2,438	-
Investments in financial assets	-1,234	-4,062
Cash flow from investing activities	1,758	18,788
<i>Financing activities</i>		
Right issues and others	-	122
Cash flow from financing activities	-	122
Cash flow for the year	-8,967	14,311
Cash at the beginning of the year	16,810	2,499
Exchange difference	-64	-
Cash at the end of the year	7,779	16,810

8. Further information & notes

NOTE 1: ACCOUNTING PRINCIPLES

General information

The annual report and consolidated accounts have been prepared in accordance with the Annual Accounts Act and BFNAR 2012:1 Annual Report and Consolidated Accounts (K3). Receivables have been valued at the lower of acquisition value and the amount by which they are expected to be settled. Other assets, liabilities and provisions have been valued at acquisition value unless otherwise stated. Receivables and liabilities in foreign currency have been valued at the exchange rate on the balance sheet date. Exchange rate gains and losses on operating receivables and operating liabilities are reported in operating profit, while exchange rate gains and losses on financial receivables and liabilities are reported as financial items. The accounting principles are unchanged compared with the previous year. The parent company and the group apply the same accounting principles unless otherwise stated below.

Revenue recognition

In the balance sheet, reported income is compared with the amounts invoiced to the customer during the same period. If the invoiced amounts exceed the reported income, the difference constitutes a liability, which is reported as deferred income. If the income exceeds the invoiced amounts, the difference constitutes a receivable which is reported as accrued but not invoiced income. Compensation in the form of interest, royalties or dividends is reported as income when it is probable that the company will receive the financial benefits associated with the transaction and when the income can be calculated in a reliable manner.

Revenue recognition for voucher (at EveHR)

The revenue of voucher is presented on a net basis between the voucher revenue and its cost in the consolidated statement.

Revenue recognition for lendings under supply chain model (at Dragonlend)

The revenue of lending activities under supply chain model is presented on net basis between the sale of goods minus cost of purchase for the same products in the consolidated statement.

Interest is reported as income according to the effective interest method. Royalty is accrued in accordance with the economic meaning of the current agreement. Dividends are reported as income when the company's right to collection is secured. If it is not probable that collection will be received for amounts that have already been reported as income, the amount that is unlikely to be received is reported as an expense.

Income tax

Current tax is income tax for the current financial year that refers to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been reported. Deferred tax is income tax for taxable profit for future financial years as a result of previous transactions or events.

Deferred tax is calculated on temporary differences. A temporary difference exists when the carrying amount of an asset or liability differs from the tax value. Temporary differences are not taken into account in differences attributable to investments in subsidiaries, branches, associated companies or joint ventures if the company can control the timing of reversal of the temporary differences and it is not obvious that the temporary difference will be reversed in the foreseeable future. Differences arising from the first recognition of goodwill or in the first recognition of an asset or liability unless the attributable transaction is a business combination or affects tax or reported profit also do not constitute temporary differences. Deferred tax assets relating to loss carry forwards or other future tax deductions are reported to the extent that it is probable that the deductions can be offset against future tax surplus.

Consolidated financial statements

Consolidation method

The consolidated financial statements have been prepared in accordance with the acquisition method. This means that the identifiable assets and liabilities of acquired operations are reported at market value in accordance with the prepared acquisition analysis. If the acquisition value of the business exceeds the estimated market value of the expected net assets according to the acquisition analysis, the difference is reported as goodwill.

8. Further information & notes

NOTE 1: ACCOUNTING PRINCIPLES (CONTINUED)

Subsidiary

The consolidated financial statements include, in addition to the parent company, all companies in which the parent company directly or indirectly has more than 50% of the voting rights or otherwise holds the controlling influence and thus has a right to formulate the company's financial and operational strategies. A subsidiary's revenues and expenses are included in the consolidated financial statements from the time of the acquisition up to and including the time when the parent company no longer has a controlling influence over the subsidiary.

Non-controlling interest is the part of the subsidiary's net profit and net assets in the consolidated accounts attributable to equity instruments that are not, directly or indirectly through subsidiaries, owned by the parent company. Non-controlling interest is reported in the consolidated balance sheet as a separate item within the group's equity. The report is based on the Group as a unit according to the so-called unit theory. All assets over which the Group has a controlling influence are included in the consolidated balance sheet, including those that partly have other owners. The non-controlling's share of the profit after tax is reported separately as a non-controlling share. Acquisitions and divestments of minority interests are reported within equity.

Transactions between group companies

Intra-group receivables and liabilities as well as transactions between Group companies as well as unrealized gains are eliminated in their entirety. Unrealized losses are also eliminated unless the transaction corresponds to an impairment loss. Changes in internal profit during the financial year are eliminated in the consolidated income statement.

Translation of foreign subsidiaries

The financial statements of foreign subsidiaries have been recalculated according to the current exchange rate method. All items in the balance sheet are translated at the closing day rate. All items in the income statement have been translated at the average exchange rate during the financial year.

Differences that arise are reported directly in equity. Loans to foreign subsidiaries have been classified in the parent company as a net investment in foreign operations and are reported against a fair value reserve.

Goodwill

Goodwill is the difference that arises if the acquisition value of the acquired unit is higher than the value of the acquired unit's net assets. At the time of acquisition, the goodwill incurred is reported as an asset in the balance sheet.

Accounting principles for balance sheet items

Intangible assets

The company reports internally generated intangible assets according to the capitalization model. This means that all expenses relating to the development of an internally generated intangible fixed asset are capitalized and depreciated during the asset's estimated useful life, provided that the criteria in BFNR 2012: 1 are met.

Fixed assets

Intangible and tangible fixed assets are reported at acquisition value less accumulated depreciation according to plan and any write-downs. Depreciation takes place on a straight-line basis over the expected useful life, taking into account significant residual value. The useful life is reconsidered on each balance sheet date. The following depreciation percentage is applied, taking into account the holding period for assets acquired and sold during the year:

Intangible assets

- Capitalized expenses for development work: 20%
- Concessions, patents, licenses, trademarks: 20%
- Goodwill: 20%

8. Further information & notes

NOTE 1: ACCOUNTING PRINCIPLES (CONTINUED)

Tangible fixed assets

- Machinery and other technical facilities: 12.5–33%
- Equipment, tools and installations: 6–7%

Financial instruments

Financial instruments are valued on the basis of acquisition value. The instrument is reported in the balance sheet when the company becomes a party to the instrument's contractual terms. Financial assets are removed from the balance sheet when the right to receive cash flow from the instrument has expired or been transferred and the company has transferred virtually all risks and benefits associated with ownership. Financial liabilities are removed from the balance sheet when the obligations have been settled or otherwise ceased.

Shares in subsidiaries

Shares in subsidiaries are reported at acquisition value after deductions for any write-downs. The acquisition value includes the purchase price paid for the shares and acquisition costs. Any capital injections are added to the acquisition value when they arise.

Accounts receivable / current receivables

Accounts receivable and current receivables are reported as current assets at the amount that is expected to be paid after deductions for individually assessed doubtful receivables.

Loan liabilities and accounts payable

Loan liabilities and accounts payable are initially reported at acquisition value after deduction of transaction costs. If the reported amount differs from the amount to be repaid at maturity, the difference is accrued as interest expense over the term of the loan using the instrument's effective interest rate. In this way, at the due date, the reported amount and the amount to be repaid correspond.

Impairment testing of financial assets

At each balance sheet date, it is assessed whether there are indications of a need for impairment of any of the financial fixed assets. Impairment occurs if the decline in value is judged to be permanent and is tested individually. All financial instruments are valued and reported at the lower value between acquisition and market value at the reporting date.

Leasing agreement

Operational leasing agreements are reported as an expense on a straight-line basis over the leasing period.

Remuneration to employees

Employee benefits refer to all forms of benefits that the company provides to employees. Short-term benefits consist of, among other things, salaries, paid holidays, paid absence, bonuses and post-employment benefits (pension). Short-term compensation is reported as an expense and a liability when there is a legal or informal obligation to pay compensation as a result of a previous event and a reliable estimate of the amount can be made.

Cash flow analysis

The cash flow analysis is prepared according to the indirect method. The reported cash flow only includes transactions that resulted in inflows or outflows. In addition to cash, the company classifies available receivables from banks and other credit institutions as well as short-term liquid investments that are listed on a marketplace and have a maturity of less than three months from the date of acquisition. Changes in these funds are reported in investing activities.

8. Further information & notes

NOTE 1: ACCOUNTING PRINCIPLES (CONTINUED)

Key figure definitions

- Net revenues: main sources of revenues, other revenues and revenue adjustments.
- EBITDA: earnings before interest, taxes, depreciation, and amortization.
- EBITDA margin (%): EBITDA as percentage of total net revenues.
- EBIT: earnings before interest and taxes.
- EBIT margin (%): EBIT as percentage of total net revenues.
- Profit after financial items: profit after financial income and expenses but before appropriations and taxes.
- Solidity or Equity ratio (%): adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of total assets.
- Total assets: the company's total assets.
- Equity: the company's net assets, i.e. the difference between assets and liabilities.
- Basic earnings per share: earnings for the year divided by the number of outstanding shares at the end of the year.
- Diluted earnings per share: earnings for the year divided by the number of outstanding shares (including warrants) at the end of the year.

Estimates and assessments

Financial statements are prepared based on management's assessments, estimates, and assumptions, which are considered reasonable at the time of preparation. These estimates and assessments are made based on historical experience and other relevant factors that are deemed reasonable under the prevailing circumstances. The reported values of assets and liabilities are assessed using the results of these estimates and assessments when there are no other clear sources of information. The actual outcome may differ from these estimates and judgments. Estimates and assumptions are reviewed regularly. The estimates and judgments that have a significant risk of causing an adjustment to the carrying amounts of assets and liabilities within the next financial period are outlined below.

Measurement of financial assets

The recoverable of financial assets is tested upon each close of books against estimated and assessed future selling prices. In the judgment of the group's management, necessary provision have been recognized based on the information available when the closing accounts were prepared.

Provision

The determination of the amount of the accruals requires judgment by the group's management based on available documentation and information on potential liabilities.

Net asset value (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/revenues or EV/EBIT(D)A is used depending on the level of maturity of the companies.
- Fram applies a discount of 20-40% 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).

8. Further information & notes

NOTE 2: NET REVENUES

in kSEK	Group	
	2023	2022
Net revenues by company		
Carmudi	24,872	63,367
DragonLend	7,473	3,181
EveHR	1,421	966
IT development business	-	17,923
Other companies	533	342
TOTAL	34,299	85,779
Net revenues by geography		
Vietnam	34,299	80,332
Sweden	-	5,447
TOTAL	34,299	85,779

NOTE 3: AUDITORS' FEE

The Group

Audit assignments refer to the audit of the annual report and accounting as well as the board's administration, other tasks that the company's auditor is required to perform and advice or other assistance that is caused by observations in such auditing or the implementation of such tasks.

Parent company

Audit assignments refer to the audit of the annual report and accounting as well as the board's and CEO's administration, other tasks that it is the company's auditor to perform and advice or other assistance that is prompted by observation in such auditing or implementation of such other tasks.

NOTE 3: AUDITORS' FEE (continued)

in kSEK	Group	
	2023	2022
BDO	452	174
RSM Vietnam	59	51
TOTAL	511	225

NOTE 4: EMPLOYEES AND PERSONNEL COST

	Group	
	2023	2022
Average number of employees		
Women	24	33
Men	26	40
TOTAL	50	73
Employees by countries		
Vietnam	50	73

8. Further information & notes

NOTE 4: EMPLOYEES AND PERSONNEL COST (continued)

in kSEK	Group	
	2023	2022
Salary and other remuneration		
Board of Director and CEO	1,427	475
Other employees	12,346	20,263
TOTAL	13,773	20,738
Social expenses		
Board of Director and CEO	91	57
Other employees	691	3,204
TOTAL	782	3,261
TOTAL PERSONNEL COST	14,555	23,999
Gender segregation among senior executives		
Proportion of women in the board	0%	0%
Proportion of men in the board	100%	100%
Proportion of women in management team	25%	50%
Proportion of men in management team	75%	50%
Salary and other remuneration to board members and CEO		
Christopher B. Beselin, Chairman of the board	53	39
Micael Steinbach, board member	53	39
Philip Lindqvist, board member	53	39
Hanh Mai, CEO Fram^	1,268	358
TOTAL	1,427	475

NOTE 5: OTHER INTEREST INCOME AND SIMILAR INCOME

in kSEK	Group	
	2023	2022
Gains from divestment of the IT development business	4,254	19,184
Results from the sale of securities and long-term receivables	74	-
Interest income, external	366	55
Other	726	1,274
TOTAL	5,420	20,513

NOTE 6: OTHER INTEREST EXPENSES AND SIMILAR EXPENSE

in kSEK	Group	
	2023	2022
Losses from shares in group companies	2,558	-
Losses from the sale of listed share	51	-
Loan interest expenses, external	2,283	416
Loss on revaluation of listed shares	427	604
Write-off of accounts receivable in DragonLend	10,997	-
Other	556	-
TOTAL	16,872	1,020

The local auditors of Dragonlend's operating company in Vietnam preferred to provision/writeoff ca. 2/3 of all receivables, even if the clients in question were still paying back the loan receivables on an extended timeline. It's a conservative booking and has no cash effects or effect on NAV. The Group's internal assessment is that the receivables at risk is only ca. 1/4th of the amount provisioned/written off.

8. Further information & notes

NOTE 7: TAXES

in kSEK	Group	
	2023	2022
Tax on profit for the year	4	277

Deferred tax assets relating to tax deficits (operational losses) have not been capitalized. Corporate income tax rate for Vietnamese companies is 20% and Swedish companies is 20.6%.

Reconciliation of effective tax rate:

in kSEK	Group	
	2023	2022
Profit before tax	-30,849	7,889
Tax at the applicable tax rate for the parent company	6,355	-1,625
Tax effect of:		
Non-deductible expenses	-14,690	-2
Non-taxable income	8,335	1,627
Tax for profit at subsidiary	4	277
Recognized effective tax	4	277
Effective tax rate	-0.01%	3.5%

NOTE 8: CAPITALIZED EXPENSES FOR THE DEVELOPMENT WORK

in kSEK	Group		
	Platform at Dragonlend	Application at EveHR	Total
Cost			
Beginning balance	223	693	916
Increase in year	203	-	203
Divestment and translation	-14	-41	-55
Ending balance	412	652	1,064
Depreciation			
Beginning balance	-	-170	-170
Depreciation during the year	-	-234	-234
Divestment and translation	-	23	23
Ending balance	-	-381	-381
Carrying amount			
Beginning balance	223	523	746
Ending balance	412	271	683

8. Further information & notes

NOTE 9: CONCESSION, PATENT, LICENSES, TRADEMARKS AND SIMILAR RIGHTS

in kSEK	Group	
	2023	2022
Cost		
Beginning balance	10,058	10,058
Purchase	-	-
Ending balance	10,058	10,058
Depreciation		
Beginning balance	-9,052	-7,041
Depreciation during the year	-1,006	-2,011
Ending balance	-10,058	-9,052
Carrying amount		
Beginning balance	1,006	3,017
Ending balance	-	1,006

The above balance refers to website license and trademark relating to Carmudi.

NOTE 10: GOODWILL

in kSEK	Group	
	2023	2022
Cost		
Beginning balance	271	11,035
Purchase	-	-
Divestment	-	-10,764
Ending balance	271	271
Depreciation		
Beginning balance	-271	-730
Depreciation during the year	-	-1,126
Divestment	-	1,585
Ending balance	-271	-271
Carrying amount		
Beginning balance	-	10,305
Ending balance	-	-

8. Further information & notes

NOTE 11: INVESTMENTS IN AN ASSOCIATE

in kSEK	Group			
	2023		2022	
	%share	Value	%share	Value
Nordic Coder	30	50	30	50
Provision		-50		-50
NET		-		-

Nordic Coder is a Vietnamese company. Its business model is based on offering high-quality courses in programming for course fees, both online and offline. Given relatively modest operational progress during recent past, Fram deems it prudent to provision Nordic Coder down to 0 SEK in the fair value. The following table illustrates the summarized financial information of Nordic Coder as of 31st December 2023.

in kSEK	Group	
	2023	2022
Current assets	30	112
Non-current assets	28	60
Current liabilities	-6,169	-6,612
Equity	-6,111	-6,440

NOTE 11: INVESTMENTS IN AN ASSOCIATE (continued)

The below table reports the movement in the investment in associate:

in kSEK	Group	
	2023	2022
Cost		
Beginning balance	50	-
Purchase	-	50
Ending balance	50	50
Provision		
Beginning balance	-50	-
Provision during the year	-	-50
Ending balance	-50	-50
Carrying amount		
Beginning balance	-	-
Ending balance	-	-

8. Further information & notes

NOTE 12: INVESTMENTS IN FINANCIAL ASSETS

in kSEK	Group			
	2023		2022	
	No. of shares	Value	No. of shares	Value
Listed shares:				
Sea Ltd (SE:US)	2,500	2,051	2,500	2,051
Grab Holdings Ltd (GRAB:US)	-	-	40,000	1,255
Other investments:				
Liven Technology		756		756
NET		2,807		4,062
Provision for listed shares		-1,031		-604
NET		1,776		3,458

The provision is for a mark-to-market reduction in value from the publicly listed shares (SEA) derived from their listed share prices as of 31st December 2023.

Liven Technology is a Singaporean company that operates in the wedding and events marketplace through its subsidiary in Vietnam. As per the merger agreement and shareholder agreement, the shareholders are in the process of registering their shareholder application in Liven. As of 31st December 2023, the registration process has not been completed. Fram holds a 38.6% ownership stake in this company and has a voting right of 14.3%.

NOTE 12: INVESTMENTS IN FINANCIAL ASSETS (continued)

The below table reports the movement in the investment in financial assets:

in kSEK	Group	
	2023	2022
Cost		
Beginning balance	4,062	-
Purchase	1,234	4,062
Divestment	-2,489	-
Ending balance	2,807	4,062
Provision		
Beginning balance	-604	-
Provision during the year	-427	-604
Ending balance	-1,031	-604
Carrying amount		
Beginning balance	3,458	-
Ending balance	1,776	3,458

8. Further information & notes

NOTE 13: TRADE RECEIVABLES

in kSEK	Group	
	2023	2022
Prepayments to supplier	3	-
Receivable from customers	10,822	8,294
Allowance for doubtful debt	-2,938	-
TOTAL	7,887	8,294
Other receivables by companies:		
Dragonlend	5,483	2,521
EveHR	1,829	1,586
Carmudi	504	4,158
Fram Investments Limited Liability	71	29
TOTAL	7,887	8,294

NOTE 14: OTHER RECEIVABLES

in kSEK	Group	
	2023	2022
Bank deposits for lending collaterals (Dragonlend)	1,366	23,824
Other	7,036	640
TOTAL	8,402	24,464
Other receivables by companies:		
Dragonlend	1,429	23,862
Fram Skandinavien AB	320	49
EveHR	266	239
Carmudi	6,257	194
Fram Investments Limited Liability	-	120
Other	130	-
TOTAL	8,402	24,464

8. Further information & notes

NOTE 15: CASH AND CASH EQUIVALENTS

in kSEK	Group	
	2023	2022
Cash in bank	13,291	25,695

NOTE 16: OTHER LIABILITIES

in kSEK	Group	
	2023	2022
Taxes and social insurance expenses	227	205
Liabilities to lenders in Dragonlend	9,311	10,370
Deposits received in EveHR	305	-
Other	593	-
TOTAL	10,436	10,575

NOTE 17: ACCRUED EXPENSES AND DEFERRED REVENUES

in kSEK	Group	
	2023	2022
Staff costs	124	613
Other	329	263
TOTAL	453	876

NOTE 18: TRANSACTIONS WITH RELATED PARTIES

in kSEK	Group		
	2023	2022	
Revenues from related parties			
Endurance Capital Adv. Ltd	Shared services revenues	268	55
Norsel Vietnam Ltd	IT development services	-	-
Pangara	Shared services revenues	-	52
Expenses paid to related parties			
Norsel Industries Ltd	Management & advisory svcs.	530	615

The transactions were carried out on arm's length and market-based terms. Norsel Industries Ltd and Endurance Capital Advisors Ltd are majority controlled by Christopher Brinkeborn Beselin and the expenses paid to Norsel Industries Ltd are for Christopher's work outside the board at the terms approved by the AGM.

8. Further information & notes

NOTE 19: EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

in kSEK	Group	
	2023	2022
Net profit a. tax attrib.to shareholder of the parent (kSEK)	-27,721	7,942
Weighted avg. no. of ordinary shares during the yr. (shares)	3,615,078	3,615,078
Warrants	-	264,966
(Basic) Earnings per share (SEK/share)	-7.67	2.20
Diluted earnings per share (SEK/share)	-7.67	2.05

NOTE 20: LEASE COMMITMENTS

The Group lease an office under an operating lease arrangement. The future commitments under the lease agreement is as follows:

in kSEK	Group	
	2023	2022
Less than 1 year	278	540
More than 1 year	119	100
TOTAL	397	640

NOTE 21: EVENTS AFTER THE BALANCE SHEET DATE

In January 2024, the Group changed its Group Finance Director role into being an outsourced resource. Son Ngo left his position and Tuyet Phan has been appointed new Group Finance Director as of 31 January 2024.

On the 13th of February 2024, the new strategic direction of the Group was announced, where the Group is focusing on liquidating the current stakes in earlier stage companies in Southeast Asia in order to distribute liquid proceeds to shareholders and reinvest into more mature companies going forward.

On the 1st of March 2024, Per Rundblom, became the new group CEO and took over from Hanh Mai, also on a part time basis. The Chairman of the board agreed to take over some previous responsibilities of the CEO and the Group Finance Director.

8. Further information & notes

NOTE 22: OTHER INTEREST INCOME AND SIMILAR INCOME

in kSEK	Parent	
	2023	2022
Gains from divestment of IT development business	4,254	21,375
Results from the sale of securities and long-term receivables	74	-
Interest income, internal	628	464
Other	882	1,298
TOTAL	5,838	23,137

NOTE 23: OTHER INTEREST EXPENSES AND SIMILAR EXPENSE

in kSEK	Parent	
	2023	2022
Losses from shares in group companies	538	-
Losses from the sale of listed share	51	-
Loss on revaluation of listed shares	427	604
Provision for diminution of investment, internal group	-	25,180
Other	521	780
TOTAL	1,537	26,564

NOTE 24: TAXES

in kSEK	Parent	
	2023	2022
Tax on profit for the year	-	-

Deferred tax assets relating to tax deficits (operational losses) have not been capitalized. Corporate income tax rate is 20.6%.

Reconciliation of effective tax rate:

in kSEK	Parent	
	2023	2022
Profit before tax	2,154	-5,868
Tax at the applicable tax rate for the parent company	-444	1,209
Tax effect of:		
Non-deductible expenses	-1,446	-1,209
Non-taxable income	1,890	-
Recognized effective tax	-	-
Effective tax rate	0.00%	0.00%

8. Further information & notes

NOTE 25: RECEIVABLES FROM GROUP COMPANIES

in kSEK	Parent	
	2023	2022
Beginning balance	23,709	54,806
Lendings	11,963	-11,950
Divestments and other changes	1,063	-19,147
Accumulated values	36,735	23,709
<i>Receivable by company:</i>		
Fram Skata AB	8,622	8,101
Carmudi	2,272	2,219
Dragonlend	-	5,518
EveHR	2,875	2,030
Fram Investments Limited Liability	17,456	5,841
Fram Venture 7 AB	5,510	-
TOTAL	36,735	23,709

NOTE 26: SHARES IN GROUP COMPANIES

in kSEK	Parent	
	2023	2022
Beginning balance	10,880	8,322
Additional fundings to subsidiaries	-	4,883
Closed or fully provision	-555	-2,325
Accumulated acquisition values	10,325	10,880

NOTE 26: SHARES IN GROUP COMPANIES (continued)

in kSEK	Parent	
	2023	2022
<i>By company:</i>		
Fram Skata AB	42	50
Fram Venture 7 AB	7,274	7,274
Fram Venture 9 AB	3,009	3,556
TOTAL	10,325	10,880

NOTE 27: INVESTMENT IN AN ASSOCIATE

in kSEK	Parent			
	2023		2022	
	%share	Value	%share	Value
Nordic Coder	30	50	30	50
Provision		-50		-50
NET		-		-

Nordic Coder is a Vietnamese company. Its business model is based on offering high-quality courses in programming for course fees, both online and offline. Given relatively modest operational progress during recent past, Fram deems it prudent to provision Nordic Coder down to 0 SEK in the fair value. The following table illustrates the summarized financial information of Nordic Coder as of 31st December 2023.

8. Further information & notes

NOTE 27: INVESTMENT IN AN ASSOCIATE (continued)

in kSEK

	2023	2022
Current assets	30	112
Non-current assets	28	60
Current liabilities	-6,169	-6,612
Equity	-6,111	-6,440

The below table reports the movement in the investment in associate:

in kSEK	Group	
	2023	2022
Cost		
Beginning balance	50	-
Purchase	-	50
Ending balance	50	50
Provision		
Beginning balance	-50	-
Provision during the year	-	-50
Ending balance	-50	-50
Carrying amount		
Beginning balance	-	-
Ending balance	-	-

NOTE 28: INVESTMENTS IN FINANCIAL ASSETS

in kSEK

	Parent			
	2023		2022	
	No. of shares	Value	No. of shares	Value
Listed shares:				
Sea Ltd (SE:US)	2,500	2,051	2,500	2,051
Grab Holdings Ltd (GRAB:US)	-	-	40,000	1,255
Other investment:				
Liven Technology		756		756
TOTAL		2,807		4,062
Provision for listed shares		-1,031		-604
NET		1,776		3,458

The provision is for a mark-to-market reduction in value from the publicly listed shares (SEA) derived from their listed share prices as of 31st December 2023.

Liven Technology is a Singaporean company that operates in the wedding and events marketplace through its subsidiary in Vietnam. As per the merger agreement and shareholder agreement, the shareholders are in the process of registering their shareholder application in Liven. As of 31st December 2023, the registration process has not been completed. Fram holds a 38.6% ownership stake in this company and has a voting right of 14.3%.

8. Further information & notes

NOTE 28: INVESTMENTS IN FINANCIAL ASSETS (continued)

The below table reports the movement in the investment in financial assets:

in kSEK	Group	
	2023	2022
Cost		
Beginning balance	4,062	-
Purchase	1,234	4,062
Divestment	-2,489	-
Ending balance	2,807	4,062
Provision		
Beginning balance	-604	-
Provision during the year	-427	-604
Ending balance	-1,031	-604
Carrying amount		
Beginning balance	3,458	-
Ending balance	1,776	3,458

NOTE 29: CASH AND CASH EQUIVALENTS

in kSEK	Parent	
	2023	2022
Cash in bank	7,779	16,810

NOTE 30: OTHER LIABILITIES

in kSEK	Parent	
	2023	2022
Taxes and social insurance expenses	-	135

NOTE 31: ACCRUED EXPENSES AND DEFERRED REVENUES

in kSEK	Parent	
	2023	2022
Staff cost	-	124
Estimated fee for audit	235	-
TOTAL	235	124

8. Further information & notes

NOTE 32: TRANSACTIONS WITH RELATED PARTIES

in kSEK	Parent	
	2023	2022
Expenses paid to related parties		
Norsel Industries Ltd Management & advisory svcs.	530	615

The transactions were carried out on arm's length and market-based terms.

NOTE 33: OUTLINE OF RESULTS

in kSEK	Parent
Last year's balance	53,849
Net profit for the year	2,154
The board proposes to transfer to the new account	56,003

8. Further information & notes

Financial Calendar

Date for AGM 2024: **17th of May 2024**

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

Contacts for further information

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The Board of Directors, the Chairman and the CEO certify that the consolidated and annual accounts provide a fair overview of the parent company's and group's operations, position and results and that the administration report provides a fair overview of the development of the parent company and group's operations, position and results and describe significant risks and uncertainties the group is facing.

Stockholm, 26th April 2024

Per Rundblom
CEO

Christopher B. Beselin
Chairman

Micael Steinbach
Board member

Philip Lindqvist
Board member

9. Auditor's report

To the general meeting of the shareholders of Fram Skandinavien AB (publ)
Corporate identity number 556760-2692

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Fram Skandinavien AB (publ) for the year 2023.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

A translation of the Swedish version of the annual accounts and the consolidated accounts includes Other information (so called front part) on page 1-15. This other information is not part of the Swedish version of the annual accounts and the consolidated accounts. This other information will be published on the company's website at the same time as the Swedish version is submitted. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

9. Auditor's report

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions. We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Fram Skandinavien AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

9. Auditor's report

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Uppsala 25th of April
BDO Mälardalen AB

8. Further information

Date for next AGM: 17th of May 2024

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

The annual report will be available on the company's website, 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.

Contacts for further information

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SKMG, Certified Advisor

<https://www.skmg.se>

The report is certified by:

2024