

# H1 2024 Report

2024-06-30

## Chairman's statement

Dear Investors,

I am pleased to report that the first half of the year has been a period of significant progress and robust performance for Dahlgren Capital. We have achieved strong profitability, driven by the exceptional development within our portfolio, particularly the notable success of Evolute IQ.

Our philosophy is to invest in companies with scalable and disruptive business models primarily within AI and automation. We combine our portfolio of hypertechnology growth with investments in capital-light business models generating cash flow to balance the risk embodied in high growth, thus enabling stability. We aim for long-term value creation where we invest in great entrepreneurs, to whom we give active support as an owner.

One important milestone during the first half of the year was the launch of Dcap Select, a daily traded multi-asset fund. This fund is designed to offer investors diversified exposure across various asset classes, providing both stability and growth potential including exposure to the portfolio companies of Dahlgren Capital.

Another key highlight was the establishment of Dahlgren Capital Private Equity, marking a new chapter in our growth strategy and expanding our capabilities to act on emerging opportunities in the market. The first investment was done via a directed share issue of 10 MSEK in Westpay where we now are lead owner. This investment reflects our confidence in Westpay's future growth prospects and our commitment to driving value creation within the fintech space.

In April, we successfully completed a refinancing of the company through the issuance of a new bond and repayment of all other outstanding debt. This financial maneuver not only strengthens our balance sheet but also provides us with the flexibility to pursue further investments and growth initiatives in the coming months.

The progress we have made during this period reflects the strength of our strategy and the dedication of our team. We remain committed to identifying and investing in opportunities that drive long-term value creation. As we move forward, I am confident that Dahlgren Capital is well-positioned to continue its growth trajectory and achieve new milestones in the months ahead.

Thank you for your continued trust and support.



**Peter Dahlgren**  
Owner and chairman of  
Dahlgren Capital

## Key highlights in H1

### **Refinancing of the group and entering the capital market**

Dahlgren Capital successfully refinanced the group with a senior secured bond of 35 MSEK. The transaction involved a complete repayment of all other existing debt and bank loans. This refinancing strengthens our balance sheet, providing us with enhanced financial flexibility to pursue future growth opportunities and solidify our market position. Dahlgren Capital is committed to a growth strategy that emphasizes financial prudence by maintaining a conservative net debt level, capped at a maximum of 20% of the company's total assets. This approach ensures that while the company continues to pursue expansion and new investments, it does so with a focus on long-term financial stability and risk management. By keeping net debt low, Dahlgren Capital aims to safeguard its financial health and maintain flexibility in its capital structure, allowing it to navigate market fluctuations and seize growth opportunities as they arise.

### **Dcap Select**

The first half of the year saw the successful launch of Dcap Select, a daily traded multi-asset fund. This fund is designed to offer investors diversified exposure across various asset classes, providing both stability and growth potential including exposure to the portfolio companies of Dahlgren Capital. The fund is based in Luxemburg and available to investors on platforms such as Nordnet and SEB.

### **EvoluteIQ**

Evolute IQ, an AI-driven platform company, has demonstrated impressive growth, currently achieving an Annual Recurring Revenue (ARR) of 157 MSEK. With gross margins of 90+% this development underscores Evolute IQ's strong market position and the growing demand for its advanced AI solutions, which streamline and enhance business processes across various industries. The company continues to leverage its innovative platform to drive further growth and expand its global footprint. Market cap of Evolute IQ increased 33% to 1 365 MSEK.

## Key highlights in H1 cont

### **Phyron**

Phyron has successfully completed a financing round of EUR 10 million at pre money valuation of 375 MSEK, securing the capital necessary for its continued growth and expansion. With this round, Phyron is now fully financed, and we look forward to their next steps in revolutionizing their industry. Phyron's ARR per 30/6 amounts to 51,2 MSEK and market valuation increased 20% to 448 MSEK.

### **Centiglobe**

Centiglobe successfully completed a financing round, raising 7 MSEK at a valuation of 210 MSEK, lead by Dahlgren Capital. This new funding will support Centiglobe's continued expansion and further development of their pioneering payment solutions.

### **ZebraIn – New Strategic Investment**

Dahlgren Capital made a strategic investment of 4.8 MSEK in ZebraIn, securing a 34% ownership stake in the company. This strategic move reinforces our commitment to backing innovative companies with strong growth potential, and we are excited to play a key role in ZebraIn's future development.

*ZebraIn is a Swedish company that operates a digital platform specializing in employee development through personalized coaching. Founded in 2020, ZebraIn offers services aimed at enhancing personal and professional growth within organizations by utilizing a combination of human coaching and advanced digital tools. Their platform provides tailored coaching programs that support leadership development, work-life balance, stress management, and overall mental well-being, making it easier for companies to track and measure the impact of these initiatives over time.*

## Key highlights in H1 cont

### **Establishment of Dahlgren Capital Private Equity**

During the first half of 2024 Dahlgren Capital announced the establishment of Dahlgren Capital Private Equity, marking a significant expansion of our investment capabilities in the private equity space. This new venture allows us to capitalize on emerging market opportunities and further diversify our investment portfolio. We will act as activists driving forward our value-creation plans with precision and focus. We are committed to delivering on our strategies, ensuring that we unlock the full potential of each investment. However, should we determine that greater value can be realized through other means, we are prepared to take the investments private. This flexibility allows us to pursue the best path forward, always with the goal of maximizing returns and creating long-term value.

### **Westpay**

As part of our private equity strategy, Dahlgren Capital Private Equity made the first investment in a listed company Westpay, positioning us as the lead owner of the company via a directed share issue of 10 MSEK in June at a price of 0,5 SEK per share. This investment underscores our confidence in Westpay's future growth prospects and our ongoing commitment to driving innovation and value within the fintech sector.

*Westpay is a Swedish fintech company specializing in providing innovative payment solutions for both physical and digital commerce. The company offers a range of services including point-of-sale (POS) systems, payment terminals, and mobile payment solutions that cater to various industries such as retail, hospitality, and e-commerce. Westpay is recognized for its focus on secure, user-friendly technology that enhances the payment experience for businesses and their customers. The company's solutions are designed to be scalable and adaptable, meeting the evolving needs of businesses in a rapidly changing market.*

## INCOME STATEMENT

	2024-01-01 2024-06-30 (6 month)	2023-01-01 2023-12-31 (12 month)
Amount in SEK		
<b>Operating revenues</b>		
Net turnover	801 427	2 425 868
Other operating income	2 437 558	3 620 622
	<b>3 238 985</b>	<b>6 046 490</b>
<b>Operating costs</b>		
Other external costs	-6 895 784	-8 969 881
Personnel costs	-2 492 990	-2 511 760
Other operating expenses	-9 706	-6 071
	<b>-9 398 480</b>	<b>-11 487 712</b>
<b>Operating profit/loss</b>	<b>-6 159 495</b>	<b>-5 441 222</b>
<b>Profit/loss from financial items</b>		
Profit/loss from participations in group companies	-	-
Profit/loss from participations in associated companies and jointly controlled entities	36 054 843	56 959 133
Profit/loss from other securities and receivables that constitute fixed assets	-455 394	326 081
Other interest income and similar profit/loss items	10 962	69 938
Interest expense and similar profit/loss items	-1 623 241	-2 572 838
	<b>33 987 170</b>	<b>54 782 314</b>
<b>Profit/loss after financial items</b>	<b>27 827 675</b>	<b>49 341 092</b>
<b>Pre-tax profit/loss</b>	<b>27 827 675</b>	<b>49 341 092</b>
Tax on profit for the financial year	-	1 502 482
<b>Net profit/loss for the year</b>	<b>27 827 675</b>	<b>50 843 574</b>

## BALANCE SHEET

Amount in SEK	2024-06-30	2023-12-31	EQUITY AND LIABILITIES	2024-06-30	2023-12-31
<b>ASSETS</b>			<b>EQUITY</b>		
<b>Fixed Assets</b>			<b>Restricted equity</b>		
<b>Tangible fixed assets</b>			Share capital	500 000	50 000
Art and other non-depreciable assets	2 047 794	2 047 794	Unregistered share capital	-	450 000
<b>Financial assets</b>			<b>Total restricted equity</b>	<b>500 000</b>	<b>500 000</b>
Participations in group companies	3 643 976	3 513 494	Retained earnings or losses	221 297 361	171 953 786
Participations in associated companies and jointly controlled companies	217 592 917	194 662 159	Profit/loss for the year	27 827 675	50 843 575
Other long-term securities	38 493 598	38 270 442	<b>Total non-restricted equity</b>	<b>249 125 036</b>	<b>222 797 361</b>
Deferred tax assets	2 102 014	2 102 014	<b>Total equity</b>	<b>249 625 036</b>	<b>223 297 361</b>
Other long-term receivables	5 400 000	900 000	<b>Long-term liabilities</b>		
<b>Total fixed assets</b>	<b>269 280 299</b>	<b>241 495 903</b>	Bond and debenture loans	22 915 109	-
<b>Current assets</b>			Liabilities to credit institutions	-	5 381 032
Accounts receivable	1 813 735	1 267 848	<b>Total long-term liabilities</b>	<b>22 915 109</b>	<b>5 381 032</b>
Receivables from group companies	3 498 047	32 989	<b>Current liabilities</b>		
Receivables from other companies in which a participation is held	59 848	59 848	Liabilities to credit institutions	-	8 861 783
Other receivables	3 225 402	2 169 209	Accounts payable	2 688 239	1 726 005
Deferred expenses and accrued income	2 048 365	2 149 499	Liabilities from other companies in which a participation is held	-	-
Cash on hand and in bank	6 592 763	133 944	Other liabilities	10 620 552	7 420 315
<b>Total current assets</b>	<b>17 238 160</b>	<b>5 813 337</b>	Accrued expenses and deferred income	669 523	622 744
<b>TOTAL ASSETS</b>	<b>286 518 459</b>	<b>247 309 240</b>	<b>Total current liabilities</b>	<b>13 978 314</b>	<b>18 630 847</b>
			<b>TOTAL EQUITY AND LIABILIT</b>	<b>286 518 459</b>	<b>247 309 240</b>

## CASH FLOW ANALYSIS

Amount in SEK	2024-01-01	2023-01-01
	2024-06-30	2023-12-31
	(6 month)	(12 month)
<b>Current activities</b>		
Profit/loss before financial items	-6 159 495	-5 441 222
Adjustments for items not affecting cash	-	-
	-6 159 495	-5 441 222
Interest received	15 514	65 522
Interest paid	754 779	-2 572 838
Dividends received	-570 583	1 004 470
Income tax paid	-	-
<b>Cash flow from operating activities before change in working capital</b>	<b>-5 959 785</b>	<b>-6 944 068</b>
<b>Cash flow from change in the working capital</b>		
Change in current receivables	-4 966 005	-811 721
Change in current liabilities	1 609 251	-1 485 797
<b>Cash flow from operating activities</b>	<b>-9 316 539</b>	<b>-9 241 586</b>
<b>Investment activities</b>		
Investments in tangible fixed assets	-	-1 254 127
Acquisition value subsidiary	-130 482	-138 924
Cashflow from sale of subsidiaries	-	-
Acquisition value associates and joint ventures	-33 334	-116 794
Cashflow from sale of associates and joint ventures	12 398 088	-
Investments in other financial assets	-9 766 150	-1 677 247
Sale of other financial assets	4 587 600	16 933
<b>Cash flow from investment activities</b>	<b>7 055 722</b>	<b>-3 170 159</b>

## Financing activities

New bond loans	21 862 451	-
Repayment of bond loans	-	-
New external loan	-	19 891 740
Repayment of external loans	-11 642 815	-7 228 018
Dividends paid	-1 500 000	-611 000
<b>Cash flow from financing activities</b>	<b>8 719 636</b>	<b>12 052 722</b>
<b>Cash flow for the period</b>	<b>6 458 819</b>	<b>-359 023</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>133 944</b>	<b>492 967</b>
<b>Cash and cash equivalents at end of period</b>	<b>6 592 763</b>	<b>133 944</b>