oneflow

Interim Report

January–June 2022

The period in summary

April–June 2022

- Net sales increased 59% to MSEK 16.5 (10.3). Share of Net sales outside Sweden increased to 24% (17) with paying users in 27 countries.
- EBIT was MSEK -13.4 (-7.1), with an EBIT margin of -81.3% (-69.1).
- Basic earnings per share amounted to SEK -0.58 (-0.39) and diluted to SEK -0.58 (-0.39).
- Total ARR increased 66% to MSEK 74.7 (45.1). Net New ARR for the second quarter increased 28% to MSEK 9.0 (7.0).
- Opened an office in the UK in May, and started the process of opening offices in the Netherlands and France.
- On 8 April 2022 Oneflow successfully got listed on First North, and raised a total of MSEK 290 including the over-allotment.

January–June 2022

- Net sales increased 62% to MSEK 31.0 (19.2). Share of Net sales outside Sweden increased to 23% (16) with paying users in 27 countries.
- EBIT was MSEK -24.3 (-14.7), with an EBIT margin of -78.5% (-76.7).
- Basic earnings per share amounted to SEK –1.22 (-0.81) and diluted to SEK -1.22 (-0.81).
- Total ARR increased 66% to MSEK 74.7 (45.1). Net New ARR for the first six months increased 43% to MSEK 17.6 (12.3).
- Opened an office in the UK in May, and started the process of opening offices in the Netherlands and France.
- On 8 April 2022 Oneflow successfully got listed on First North, and raised a total of MSEK 290 including the over-allotment.

Net sales
16.5
MSEK

Total ARR
74.7
MSEK

Total ARR
66%
growth

(MSEK)	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20	Q3 20	Q2 20
Net sales	16.5	14.5	12.8	11.6	10.3	8.8	8.0	6.6	6.2
Recurring revenues	15.9	13.8	12.4	11.2	9.9	8.4	7.5	6.3	5.9
Gross margin (%)	94.5	94.8	96.4	96.4	96.3	96.5	96.2	95.1	96.2
EBITDA	-8.7	-6.7	-5.0	-3.2	-4.3	-5.0	-4.3	-2.2	-2.4
EBITDA margin (%)	-52.7	-46.1	-39.2	-27.6	-41.8	-56.9	-53.6	-32.8	-38.9
EBIT	-13.4	-11.0	-8.9	-6.7	-7.1	-7.6	-6.5	-4.2	-4.3
EBIT margin (%)	-81.3	-75.4	-70.0	-57.6	-69.1	-85.5	-80.9	-63.3	-68.9
ARR, Annual Recurring Revenue	74.7	65.7	57.1	50.1	45.1	38.1	32.8	27.8	25.3
ARR growth (%)	65.6	72.5	74.0	80.5	78.3	65.8	55.7	51.7	47.0
NNARR, Net New ARR	9.0	8.6	7.0	5.0	7.0	5.3	5.1	2.5	2.3
NNARR growth (%)	28.0	63.6	38.2	102.9	201.9	177.0	82.7	125.6	18.5

CEO's comments

New all-time-high in sales and focus on European expansion

Oneflow continued to deliver strong sales numbers during the second quarter. The ARR increased with an all-time-high of MSEK 9.0, ending at a total of MSEK 74.7, representing a year-over-year growth of 66%. We expect to continue our fast-paced growth going forward.

The market for digital contract management has an extremely large potential. According to our own calculations, it might even become larger than the CRM market during the next ten years. We are in a product race, and having a great user experience is one of the preconditions to win. We build a product with the purpose to challenge the status quo so that it's so smart and automated that people simply are surprised and love using it.

Since we went public on 8 April, we have accelerated our expansion plan by investing in the Oneflow contract experience, the team and the international expansion.

- We made several important product releases during the second quarter, including a new editor, which not only gives an amazing user experience when creating contracts, but also opens the door to developing further features that support our purpose in making contract experience magic in the coming quarters.

- Hiring more top talents is a key component in the equation, alongside keeping our strong company culture. Our eNPS (employee "happiness score") ended at an all-time-high of 83 for the second quarter, a solid proof that Oneflow is one of the best places to work!

- International expansion is another big focus for us. We established a team in the UK that was up and running in May this year, and we have signed our first colleagues in France and the Netherlands. Hiring more talent to these subsidiaries is a high priority during the third quarter, and we expect to open both these offices early September.

With the ongoing tragic war in Ukraine, the pandemic, problematic supply chains, high inflation rates, and an overall negative global sentiment, it's easy to be a pessimist. Up until now we have not had any negative effects on our operations from any of these events, but the macro-economics may have negative long-term effects that we are currently not able to foresee.

In a potentially more challenging general economic environment, companies will have to put more focus on productivity. Recent Gartner research has shown that "winners spur innovation, change strategy and take risks, while others are eaten away by conservatism and cost-cutting". Oneflow is very well positioned to help our customers to streamline all processes involving contracts. We are not slowing down! But, despite our hunger for growth, we will never compromise our strong financial position, always be humble, and strive to make sound long-term business decisions.

We maintain our medium term financial target to increase ARR to at least MSEK 600 by the end of the financial year 2026, and achieve an EBIT margin of at least 20% in that same year.

Say contract, think Oneflow!

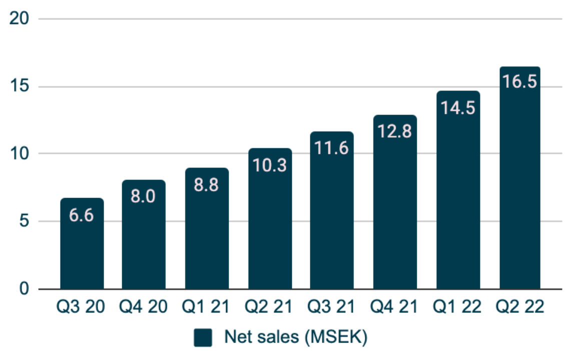
Anders Hamnes
CEO & Founder

Oneflow in summary

Net sales

Net sales during the second quarter was MSEK 16.5 (10.3), representing a growth of 59% compared to the first quarter last year.

Net sales during the first six months was MSEK 31.0 (19.2), representing a growth of 62% compared to the same period last year.

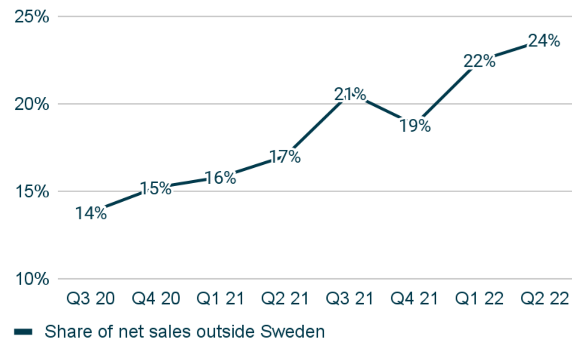


Software related recurring revenues represented 96% (95) of Net sales during the second quarter. During the first six months, software related recurring revenues represented 96% (95). Other revenues are professional services.

Oneflow is an “ARR first” company, and one-off professional services are only sold when we believe it will ease the customer onboarding and adoption, without compromising the ARR. The ARR/Net sales ratio was at a healthy and strong 135% (134) level for the second quarter, demonstrating that we don’t trade quick wins for long-term profitability, and that we have an intuitive and self-serve product platform where professional services are not strictly needed to onboard new customers. Scalability is central in our business model.

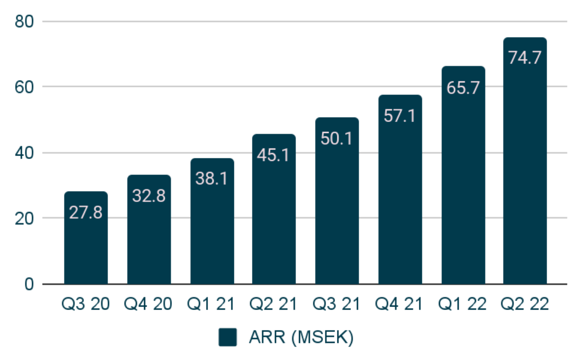
Globalization is another main focus area. The share of Net sales outside of Sweden continued to grow during the second quarter, ending at 24% (17).

The share of Net sales outside Sweden during the first six months was 23% (16). We currently have paying users in 27 countries.

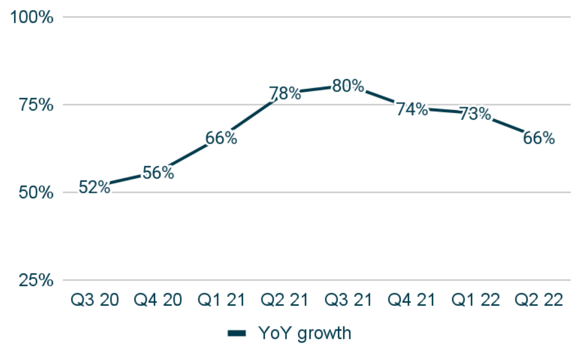


ARR

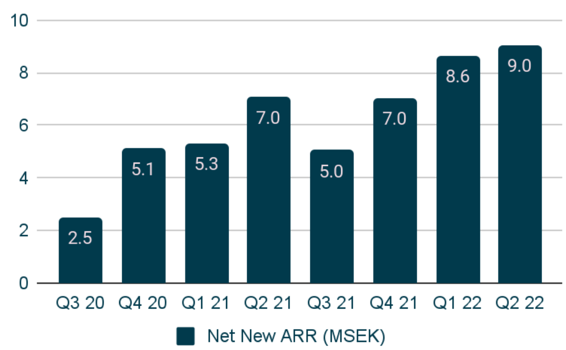
Total ARR (Annual Recurring Revenue) ended the quarter at MSEK 74.7 (45.1), a growth of 66% compared to the second quarter last year.



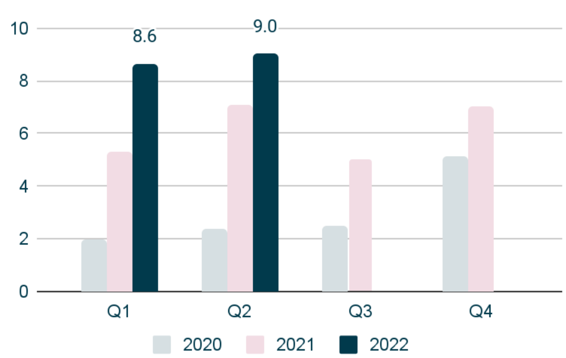
The ARR growth has always been high, and we expect to continue maintaining strong growth going forward.



Net New ARR closed at MSEK 9.0 (7.0) for the second quarter, up 28% since the same quarter last year. Net New ARR amounted to MSEK 17.6 (12.3) during the first six months, an increase of 43% compared to the corresponding period last year.

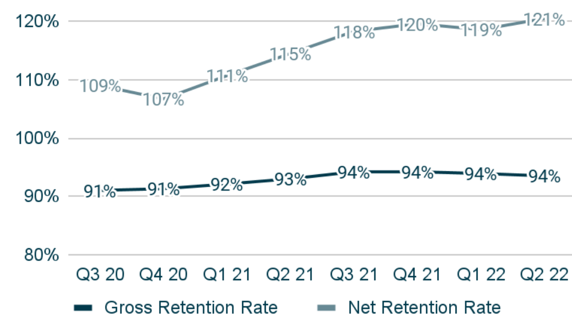


Due to seasonal variations, the second and fourth quarters are usually the strongest in software, with the third quarter being the weakest, and the first quarter somewhere “in between”.



Revenue retention

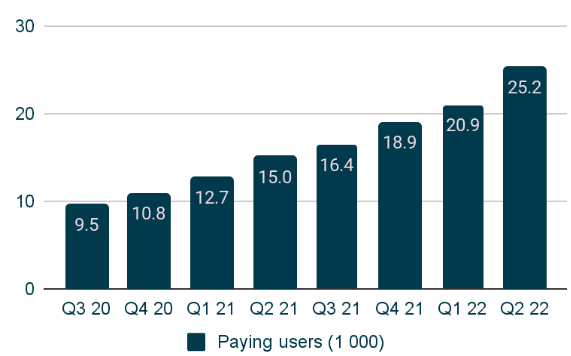
Gross Retention Rate was 94% (93) for the second quarter of 2022, and the average rate for the first half of the year was also 94% (93). Some churn is inevitable due to normal and healthy market dynamics, and we are already close to levels where further improvements may be challenging. Gross Retention Rate includes churn and downgrades, but not expansion sales.



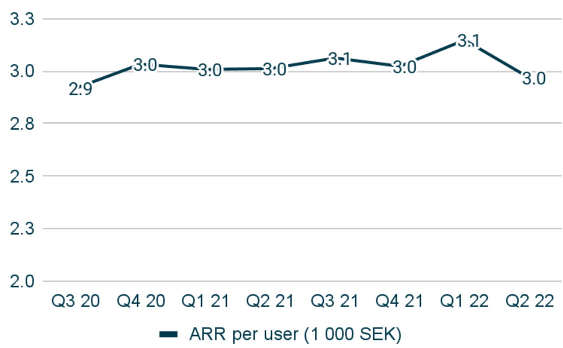
Net Retention Rate ended the second quarter at 121% (115), demonstrating a strong sales growth within the existing customers base, driven by increased usage of digital contracts across the customers’ organizations. The average rate for the first half of the year was 120% (113). Net Retention Rate includes churn, downgrades and expansion sales.

Users

Number of paying users was 25.2k (15.0k) at the end of the second quarter, up 68% since the second quarter last year (not including freemium users or counterparty users).

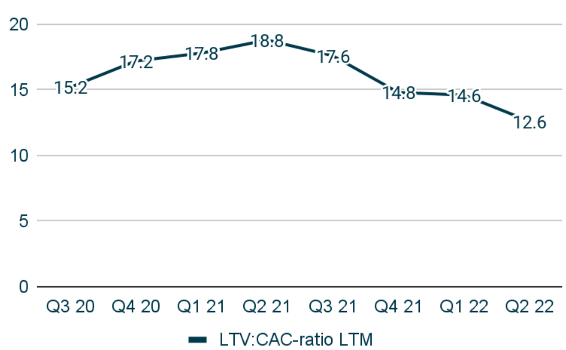


Average ARR per (paying) user was TSEK 3.0 (3.0) during the second quarter, down almost 2% since the same quarter last year. The apparent decline in the average ARR per user is related to some larger expansion deals within the existing customer base where the agreed price per seat is lower (due to high volume). Average ARR per user was TSEK 3.1 during the first half of 2022, up almost 2% from TSEK 3.0 during the corresponding period last year.



LTV:CAC

The LTV:CAC-ratio LTM (Last Twelve Months) ended the second quarter at 12.6, down from 18.8 the second quarter a year earlier, but still very strong. For every SEK we invest, we get SEK 13 back. The LTV:CAC-ratio was 13.6 during the first half of the year, down from 18.3 compared to the corresponding period last year.

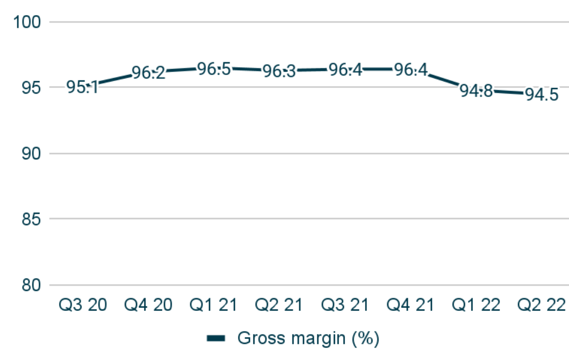


Calculating the Lifetime Value (LTV), we have for simplicity reasons not included any growth assumptions in the average revenue per account going forward. This is of course not correct, since the Net Retention Rate always has been and is expected to remain positive and strong going forward. The LTV would have been significantly higher if we included this element into the formula. However, to be conservative and also not to over complicate the calculations, we decided to stick with the simpler version.

Customer Acquisition Cost (CAC) includes sales and marketing related expenses divided by the number of new customers.

Gross margin

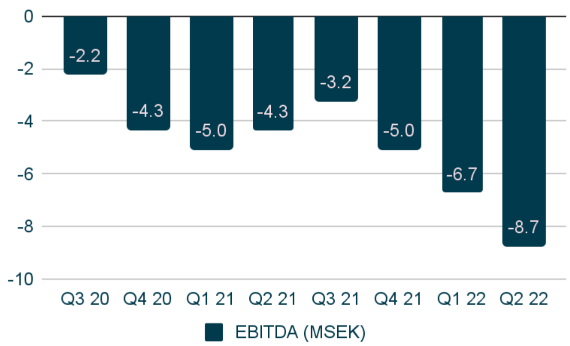
Gross margin was 94.5% for the second quarter of 2022, down from 96.3% during the same quarter last year. Gross margin for the first half of 2022 was 94.6%, a slight decline compared to 96.4% in the corresponding period last year. The largest cost of service sold related expense is sales commission to partners. Hosting related expenses are also included in the cost of service sold.



EBITDA

EBITDA for the second quarter was MSEK -8.7 (-4.3), with an EBITDA margin of -53% (-42).

EBITDA for the first six months was MSEK -15.4 (-9.4), with an EBITDA margin of -50% (-49).



The company is still in an early stage with a heavy focus on product development, and our goal is to take a position as global thought leader of digital contract handling.

Increased costs mainly consist of higher employee costs with an average of 112 employees during the second quarter compared to 77 during the second quarter last year. This is completely in line with the company's plan to invest in both product development and in new markets.

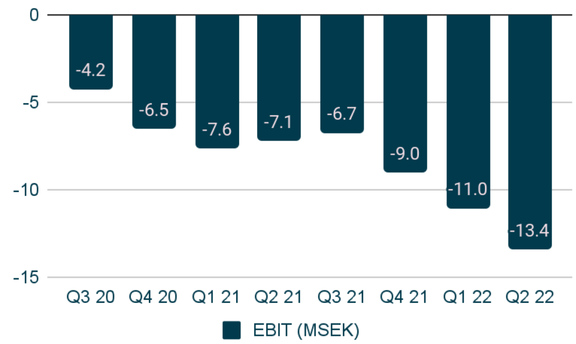
During the second quarter, three new offices outside the Nordics have been established which has furthermore entailed higher costs.

EBIT

EBIT for the first quarter was MSEK -13.4 (-7.1), with an EBIT margin of -81% (-69).

EBIT for the first six months was MSEK -24.3 (-14.7), with an EBIT margin of -77% (-70).

Except for cost increases described above, depreciation increased compared to the same period last year as a result of increased investments in capitalized development work when the company has a heavy focus on product development.



Cash flow and investments

During the second quarter cash flow from current operations amounted to MSEK -4.0 (-1.3).

During the first six months cash flow from current operations amounted to -5.1 (-2.0)

During the second quarter investments in tangible non-current assets amounted to MSEK -0.7 (-0.3), excluding right-to-use assets. Investments in intangible non-current assets amounted to MSEK -8.7 (-4.5) and consisted of capitalization of development costs relating to the technical platform. Investments in financial non-current assets amounted to MSEK -0.5 (-0.0) and consisted of deposits for new offices in new markets outside Nordic.

During the first six months investments in tangible non-current assets amounted to -1.0 (-0.4), excluding right-to-use assets. Investments in intangible non-current assets amounted to MSEK -16.5 (-9.5) during the same period. Investments in financial non-current assets was –0.5 (-0.0) and consisted of deposits for new offices in new markets outside Nordic.

In the second quarter, depreciation of capitalized development costs amounted to

MSEK -3.1 (-1.9) and amortization of right-to-use assets amounted to MSEK -1.4 (-0.5) .

During the first six months, depreciation of capitalized development costs amounted to MSEK -5.9 (-3.7) and amortization of right-to-use assets amounted to MSEK -2.9 (-1.0) .

Equity and liabilities

The Group's equity amounted to MSEK 270.2 (27.2) by the end of the second quarter.

The Group's interest-bearing liabilities excluding lease amounted to MSEK 0.0 (3.3) at the end of the period. A total of MSEK 32.4 (0.2) of the Group's interest bearing liabilities have been repaid during the quarter. No new liabilities excluding lease were added during the quarter. Cash and cash equivalents amounted to MSEK 260.0 (25.2) at the end of the period. The Group's net debt amounted to MSEK -249.3 (-22.0).

Oneflow AB's share

On 8 April 2022 Oneflow AB successfully completed an initial public offering (IPO) on the Nasdaq First North Premier Growth Market, trading under the ticker "ONEF". The price per share in the IPO was SEK 45, corresponding to a total value of all the outstanding shares in Oneflow AB of approximately MSEK 824 upon completion of the Offering. The Offering, excluding the over-allotment option, comprised 6,111,111 newly issued shares, corresponding to approximately MSEK 275 before transaction costs.

In November 2021, the Company raised a bridge loan of MSEK 30 in total. Pursuant to the terms of the bridge loans, each lender could set off its claim against new shares in the Company in connection with the Company's IPO. A total of approximately MSEK 17.6 was set off against new shares, which meant that the Company issued 391,782 new shares to these lenders, entailing an increase in the share capital of SEK 11,753.46. Following the IPO, the Company has also repaid the claims that were not set off. The bridge loan is thus repaid in its entirety.

On 5 May 2022, the board of directors resolved to issue a total of 327,680 shares as part of the over-allotment option provided to Danske Bank in connection with the IPO.

Oneflow AB is listed on Nasdaq First North Premier Growth Market. Total number of shares issued was 25,142,528 at the end of the period. The company does not own any of its own shares.

Financial goals

Growth

Increase ARR to at least MSEK 600 by the end of the financial year 2026.

Profitability

Achieve an EBIT margin of at least 20 percent by the end of the financial year 2026 while maintaining a strong focus on growth.

Dividend policy

The Board of Directors of Oneflow does not intend to propose any dividends in the foreseeable future, but instead strives to reinvest cash flows in growth initiatives.

Employees

The Group had 124 (84) employees at the end of the second quarter. The average number of employees was 112 (77) during the second quarter. During the first six months the average number of employees was 106 (76).

On top of that the company had a team of 11 (3) developers in Sri Lanka by the end of the second quarter. From a legal standpoint these are consultants. However, they are considered and treated as any other Oneflow employee, and the consultant model is to mitigate administrative tasks.

Annual General Meeting 2022

The Annual General Meeting (AGM) on May 6, 2022 decided to re-elect Lars Appelstål as Chair of the Board as well as board members Anders Hamnes, Bengt Nilsson and Finn Persson. Rosie Kropp was elected as a new board member.

At the subsequent statutory board meeting Lars Appelstål (Chair) and Finn Persson were elected as members of the Remuneration Committee until the next statutory board meeting.

Authorized public accountant Daniel Forsgren from Grant Thornton Sweden AB was elected as the Company's auditors for a term of one year.

The AGM also decided to authorize the Board, on one or several occasions up to the 2023 AGM, to decide on issuing new shares for cash, in-kind or offset payment and, in doing so, be able to deviate from the shareholders' preferential rights. This authorization is limited to a maximum of 10% of the total number of shares in Oneflow at the time the authorization is exercised.

The 2022 AGM voted in favor of the Board's proposal to pay no dividend to the shareholders for the 2021 financial year.

Other events during the reporting period

During the second quarter Oneflow opened subsidiaries in the UK, France and in the Netherlands. The office in the UK was up and running with a team in May, and Oneflow is in the process of building teams in France and the Netherlands, scheduled to start working during the third quarter this year.

We do not expect a significant contribution to our ARR growth from the three new subsidiaries outside of the Nordics before 2023.

No other material or important events have taken place during the reporting period not already reflected in the report.

Other events after the reporting period

No material or important events have taken place after the reporting period not already reflected in the report.

Forward-looking information

This report may contain forward-looking information based on management's current expectations. Although management believes the expectations expressed in such forward-looking information are reasonable, there are no assurances that these expectations will be correct. Consequently, future outcomes may vary considerably compared to the forward-looking information due to, among other things, changed market conditions for Oneflow's products and more general changes to economic, market and competitive conditions, changes to regulatory requirements or other policy measures and exchange rate fluctuations.

Upcoming reporting dates

- 11 Nov 2022: Interim Report Q3 2022
- 10 Feb 2023: Year-end Report 2022

Stockholm, 12 August 2022

Anders Hamnes
CEO & Founder

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The Interim Report has been published in both English and Swedish.

This Interim Report has not been reviewed by the company's auditors.

Key ratios for the Group

	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Financial key ratios defined according to IFRS					
Net sales (MSEK)	16.5	10.3	31.0	19.2	43.6
EBIT (MSEK)	-13.4	-7.1	-24.3	-14.7	-30.3
EBIT margin (%)	-81.3	-69.1	-78.5	-76.7	-69.6
Earnings per share, non-diluted (SEK)	-0.58	-0.39	-1.22	-0.81	-1.70
Earnings per share, diluted (SEK)	-0.58	-0.39	-1.22	-0.81	-1.70
Alternative financial key ratios					
Net sales growth (%)	59.2	65.7	61.6	60.3	63.9
Gross profit (MSEK)	15.6	10.0	29.3	18.5	42.0
Gross margin (%)	94.5	96.3	94.6	96.4	96.4
EBITDA (MSEK)	-8.7	-4.3	-15.4	-9.4	-17.6
EBITDA margin (%)	-52.7	-41.8	-49.6	-48.8	-40.3
Operational key ratios					
ARR, Annual Recurring Revenue (MSEK)	74.7	45.1	74.7	45.1	57.1
ARR growth (%)	65.6	78.3	65.6	78.3	74.0
ARR / Net sales (%)	134.8	133.9	134.8	133.9	131.0
NNARR, Net New ARR (MSEK)	9.0	7.0	17.6	12.3	24.3
NNARR growth (%)	28.0	201.9	43.2	190.7	106.6
Paying users (in thousands)	25.2	15.0	25.2	15.0	18.9
ARPU, Annual Revenue Per User (TSEK)	3.0	3.0	3.0	3.0	3.0
GRR, Gross Retention Rate (%)	93.5	93.0	93.7	92.6	94.2
NRR, Net Retention Rate (%)	120.5	114.5	119.6	112.6	119.6
LTV:CAC-ratio LTM	12.6	18.8	13.6	18.3	14.8
Average number of employees (RTM)	112	77	106	76	83
Number of employees, end of period	124	84	124	84	105

For definition of key ratios, see pages 27-29.

Consolidated income statement in summary

(TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net sales	16,454	10,336	30,999	19,180	43,583
Other revenues	-	6	20	22	35
Gross income	**16,454**	**10,342**	**31,019**	**19,202**	**43,618**
Operating expenses					
Compensation to employees	-24,299	-15,534	-47,746	-30,983	-66,365
Capitalized development work by own employees	6,799	4,250	13,592	8,321	18,392
Depreciation	-4,695	-2,823	-8,959	-5,350	-12,765
Other expenses	-7,632	-3,378	-12,248	-5,896	-13,221
Total operating expenses	**-29,827**	**-17,485**	**-55,361**	**-33,908**	**-73,959**
Operating income	**-13,373**	**-7,143**	**-24,342**	**-14,706**	**-30,341**
Financial net	-891	-97	-1,678	-182	-580
Income after financial net	**-14,264**	**-7,240**	**-26,020**	**-14,888**	**-30,921**
Taxes	-38	70	-56	87	-183
Net income	**-14,302**	**-7,170**	**-26,076**	**-14,801**	**-31,104**
Net income attributed to:					
Shareholders of the Parent Company	-14,302	-7,170	-26,076	-14,801	-31,104
Other Information					
Earnings per share, non-diluted (SEK)	-0.58	-0.39	-1.22	-0.81	-1.70
Earnings per share, diluted (SEK)	-0.58	-0.39	-1.22	-0.81	-1.70

Consolidated statement of other comprehensive income

(TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net income	**-14,302**	**-7,170**	**-26,076**	**-14,801**	**-31,104**
Other comprehensive income					
Items that may be reclassified to the income statement:					
Translation adjustments	-10	16	18	12	-14
Other comprehensive income for the period, net of tax	-10	16	18	12	-14
Comprehensive income for the period	**-14,312**	**-7,154**	**-26,058**	**-14,789**	**-31,118**
Comprehensive income for the period attributed to:					
The shareholders of the Parent Company	**-14,312**	**-7,154**	**-26,058**	**-14,789**	**-31,118**

Consolidated balance sheet in summary

(TSEK)	2022-06-30	2021-06-30	2021-12-31
ASSETS			
Capitalized development cost	46,004	27,161	35,285
Other non-tangible non-current assets	456	692	574
Right-of-use assets	13,010	3,719	14,890
Tangible non-current assets	2,508	1,287	1,955
Other financial non-current assets	1,486	129	1,000
Total non-current assets	**63,464**	**32,988**	**53,704**
Trade receivables	5,381	7,171	9,281
Current contract assets	2,865	309	31
Current tax assets	339	277	332
Other current receivables	889	244	293
Prepaid expenses and accrued income	4,060	3,088	3,902
Cash and cash equivalents	259,984	25,200	35,212
Total current assets	**273,518**	**36,289**	**49,051**
Total assets	**336,982**	**69,277**	**102,755**
EQUITY AND LIABILITIES	270,227	27,184	11,866
Total equity	**270,227**	**27,184**	**11,866**
LIABILITIES			
Non-current liabilities			
Interest-bearing non-current liabilities	-	2,111	1,528
Non-current leasing liabilities	7,023	3,046	9,164
Deferred tax liabilities	179	15	190
Total non-current liabilities	**7,202**	**5,172**	**10,882**

(TSEK)	2022-06-30	2021-06-30	2021-12-31
Current liabilities			
Interest-bearing current liabilities	-	1,238	31,167
Current leasing liabilities	5,122	604	4,807
Trade payables	5,785	1,196	2,596
Current contract liabilities	32,905	19,914	27,808
Other current liabilities	6,330	8,056	7,788
Accrued expenses and deferred income	9,411	5,913	5,841
Total current liabilities	**59,553**	**36,921**	**80,007**
Total equity and liabilities	**336,982**	**69,277**	**102,755**

Consolidated statement of changes in equity

(TSEK)	Attributable to the Parent Company's shareholders			
	Share capital	Additional paid-in capital	Retained earnings	Total equity
Opening balance January 1, 2022 according to adopted balance sheet	**366**	**64,121**	**-52,621**	**11,866**
Net income for the period			-26,076	-26,076
Other comprehensive income for the year			18	18
Total comprehensive income	**366**	**64,121**	**-78,679**	**-14,192**
Transactions with owners				
Share-based payment	-	993	-	993
Bonus issue	183	-	-183	-
Share issue	205	307,171	-	307,376
Costs related to Share issue	-	-23,950	-	-23,950
Total transactions with owners	**388**	**284,214**	**-183**	**284,419**
Closing balance March 31, 2022	**754**	**348,335**	**-78,862**	**270,227**
Opening balance January 1, 2021 according to adopted balance sheet	**366**	**61,861**	**-21,503**	**40,724**
Net income for the period			-31,104	-31,104
Other comprehensive income for the year			-14	-14
Total comprehensive income	**366**	**61,861**	**-52,621**	**9,606**
Transactions with owners				
Premium for stock options	-	134	-	134
Share-based payment	-	2,126	-	2,126
Total transactions with owners	**-**	**2,260**	**-**	**2,260**
Closing balance December 31, 2021	**366**	**64,121**	**-52,621**	**11,866**
Opening balance January 1, 2021 according to adopted balance sheet	**366**	**61,861**	**-21,503**	**40,724**
Net income for the period			-14,801	-14,801
Other comprehensive income for the year			12	12
Total comprehensive income	**366**	**61,861**	**-36,292**	**25,935**

(TSEK)	Attributable to the Parent Company's shareholders			
	Share capital	Additional paid-in capital	Retained earnings	Total equity
Transactions with owners				
Premium for stock options	-	134	-	134
Share-based payment	-	1,115	-	1,115
Total transactions with owners	**-**	**1,249**	**-**	**1,249**
Closing balance March 31, 2021	**366**	**63,110**	**-36,292**	**27,184**

Consolidated cash flow analysis

(TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Cash flow from current operations					
Operating income	-13,373	-7,143	-24,342	-14,706	-30,341
Adjustments for non-cash items	5,190	3,379	9,952	6,540	14,891
Interest received	133	4	138	9	19
Interest paid	-1,432	-55	-1,475	-99	-196
Taxes paid	-101	-65	-55	-134	-334
Cash flow from operating activities before changes in working capital	**-9,583**	**-3,880**	**-15,782**	**-8,390**	**-15,961**
Cash flow from changes in working capital	**5,612**	**2,548**	**10,650**	**6,472**	**12,009**
Cash flow from current operations	**-3,971**	**-1,332**	**-5,132**	**-1,918**	**-3,952**
Cash flow from investing activities					
Investment in intangible non-current assets	-8,734	-4,481	-16,525	-9,526	-22,222
Investment in tangible non-current assets	-696	-311	-974	-451	-1,473
Sales of tangible non-current assets	-	-	-	-	17
Investment in financial non-current assets	-486	-	-486	-	-1,000
Sales of financial non-current assets	-	-	-	-	124
Cash flow from investing activities	**-9,916**	**-4,792**	**-17,985**	**-9,977**	**-24,554**
Cash flow from financing activities					
Share issue	307,376	-	307,376	-	-
Costs for Share issue	-23,950	-	-23,950	-	-
Premium for stock options	-	134	-	134	134
Proceeds from borrowings	-	-	-	-	30,000
Amortization of leasing liabilities	-1,451	-519	-2,853	-1,038	-3,836
Amortization of borrowings	-32,403	-234	-32,695	-413	-1,067
Cash flow from financing activities	**249,572**	**-619**	**247,878**	**-1,317**	**25,231**
Net cash flow	**235,685**	**-6,743**	**224,761**	**-13,212**	**-3,275**
Net change in cash flow					
Cash and cash equivalents, beginning of the period	24,296	31,956	35,212	38,429	38,429
Exchange rate changes on cash	3	-13	11	-17	58
Cash and cash equivalents, end of period	**259,984**	**25,200**	**259,984**	**25,200**	**35,212**

Parent company income statement in summary

(TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net sales	16,375	10,302	30,841	19,146	43,349
Other income	-	6	20	22	35
Gross income	**16,375**	**10,308**	**30,861**	**19,168**	**43,384**
Operating expenses					
Compensation to employees	-22,149	-14,547	-43,572	-28,560	-59,970
Capitalized development work by own employees	6,799	4,250	13,592	8,321	18,392
Depreciation	-3,353	-2,104	-6,326	-3,983	-9,005
Other expenses	-11,306	-4,988	-19,378	-9,530	-23,523
Total operating expenses	**-30,009**	**-17,389**	**-55,684**	**-33,752**	**-74,106**
Operating income	**-13,634**	**-7,081**	**-24,823**	**-14,584**	**-30,722**
Financial items	-726	-46	-1,335	-89	-142
Income after financial items	**-14,360**	**-7,127**	**-26,158**	**-14,673**	**-30,864**
Taxes	-9	-	-17	-	-24
Net income for the period	**-14,369**	**-7,127**	**-26,175**	**-14,673**	**-30,888**

Parent company statement of other comprehensive income

(TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net income	**-14,369**	**-7,127**	**-26,175**	**-14,673**	**-30,888**
Other comprehensive income					
Items that may be reclassified to the income statement:					
Translation adjustments					
Other comprehensive income for the period, net of tax					
Comprehensive income for the period	**-14,369**	**-7,127**	**-26,175**	**-14,673**	**-30,888**
Comprehensive income for the period attributed to:					
The shareholders of the Parent Company	**-14,369**	**-7,127**	**-26,175**	**-14,673**	**-30,888**

Parent company balance sheet in summary

(TSEK)	2022-06-30	2021-06-30	2021-12-31
ASSETS			
Non-current assets			
Intangible non-current assets	46,460	27,852	35,859
Tangible non-current assets	2,391	1,231	1,896
Shares in subsidiaries	45	33	33
Other financial non-current assets	1,157	-	1,000
Total non-current assets	**50,053**	**29,116**	**38,788**
Current assets			
Trade receivables	5,284	7,171	9,024
Receivables group companies	-	435	-
Current contract assets	2,727	237	30
Current tax assets	410	304	404
Other current assets	733	112	277
Prepaid expenses and accrued income	4,354	3,216	5,292
Cash and cash equivalent	258,940	24,894	34,757
Total current assets	**272,964**	**36,369**	**49,784**
Total assets	**323,017**	**65,485**	**88,572**
EQUITY AND LIABILITIES			
Restricted equity			
Equity	270,294	27,291	12,044
Total equity	**270,294**	**27,291**	**12,044**
LIABILITIES			
Non-current liabilities			
Interest-bearing non-current liabilities	-	2,111	1,528
Total non-current liabilities	**-**	**2,111**	**1,528**

(TSEK)	2022-06-30	2021-06-30	2021-12-31
Current liabilities			
Current Interest-bearing liabilities	-	1,238	31,167
Account payables	4,886	1,096	2,425
Current contract liabilities	32,828	19,914	27,808
Current liabilities group companies	-	7,993	989
Other current liabilities	6,123	5,842	7,601
Accrued expenses and deferred income	8,886	-	5,010
Total current liabilities	**52,723**	**36,083**	**75,000**
Total equity and liabilities	**323,017**	**65,485**	**88,572**

Notes

1. General information

Oneflow AB (publ) (the “Parent Company”) and its subsidiaries (together the “Group”) are a software company that develops, sells and implements user-friendly digital systems for contract management. In June the Group had offices in Sweden, Norway, Finland and the UK where Oneflow AB primarily conducts its business operations through its wholly owned subsidiaries. During the second quarter Oneflow AB established subsidiaries in the Netherlands and France, expecting to start operations during the third quarter this year.

The Parent Company is a limited company registered in Sweden, corporate registration number 556903-2989, with its head office in Stockholm. The address of the main office is Gävlegatan 12 A, SE 113-30 Stockholm, Sweden.

2. Accounting policies

Oneflow prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS). The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. New items in reporting standards that entered force on 1 January 2022 have not had any material impact on the consolidated report as of 30 June 2022. The Group applies the same accounting policies as those in the annual report as of 31 December 2021.

The Parent Company prepares its report in according to RFR 2 Accounting for Legal Entities as well as the Swedish Annual Accounts Act, and applies the same accounting policies and measurement methods as in the latest annual report.

Estimates and assessments

Preparing reports according to IFRS requires the use of a number of key estimates for reporting purposes. Moreover, it requires management to make certain assessments in conjunction with the application of the Group’s accounting policies. Estimates and assumptions are based on historical experience and are reviewed regularly. The actual outcome may deviate from these estimates and assessments.

3. Financial risk management

3.1 Financial risk factors

Through its activities, the Group is exposed to both business-related and financial risks. These risks have been described in detail in the company’s Annual Report for 2021.

The COVID-19 pandemic in 2020 and 2021 caused a downturn in economic activity, which impacted the activity of our operations even though the impact was minor. In the first quarter of 2022, the company has noted increased activity in the market after the restrictions were largely removed.

The macroeconomic uncertainty caused by the war in Ukraine could have an impact on our operations. At present, we have not noted any direct impact on operations but the long-term effects are difficult to assess, and negative consequences cannot be ruled out.

4. Revenue

(TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021
The Group Company				
Subscription revenue	15,807	9,869	29,655	18,291
One-time fees	647	467	1,344	889
Net sales	**16,454**	**10,336**	**30,999**	**19,180**
Parent Company				
Subscription revenue	15,807	9,869	29,655	18,291
One-time fees	568	433	1,186	855
Net sales	**16,375**	**10,302**	**30,841**	**19,146**

(TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021
The Group Company				
Sweden	12,564	8,575	23,841	16,023
Other countries	3,890	1,761	7,158	3,157
Net sales	**16,454**	**10,336**	**30,999**	**19,180**
Parent Company				
Sweden	12,564	8,575	23,841	16,023
Other countries	3,811	1,727	7,000	3,123
Net sales	**16,375**	**10,302**	**30,841**	**19,146**

5. Earnings per share

Non-diluted

Earnings per share before dilution is calculated by dividing the earnings attributable to the Parent Company's shareholders by the weighted average number of ordinary shares outstanding.

Non diluted	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net income attributed to Shareholders of the Parent Company, TSEK	-14,312	-7,154	-26,058	-14,789	-31,118
Weighted average number of ordinary shares outstanding, prior to bonus issue, pcs	4,900,171	3,660,412	4,284,700	3,660,402	3,661,399
Weighted average number of ordinary shares outstanding, after bonus issue, pcs	24,500,856	18,302,060	21,423,502	18,302,010	18,306,995
Earnings per share, non-diluted, SEK	**-0.58**	**-0.39**	**-1.22**	**-0.81**	**-1.70**

Diluted

For calculation of earnings per share after dilution, the weighted average number of shares outstanding is adjusted for the dilution effect of all potential ordinary shares. Since the Group has posted negative earnings, potential ordinary shares do not give rise to dilution.

Diluted	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net income attributed to Shareholders of the Parent Company, TSEK	-14,312	-7,154	-26,058	-14,789	-31,118
Weighted average number of ordinary shares outstanding, prior to bonus issue, pcs	4,900,171	3,660,412	4,284,700	3,660,402	3,661,399
Weighted average number of ordinary shares outstanding, after bonus issue, pcs	24,500,856	18,302,060	21,423,502	18,302,010	18,306,995
Earnings per share, diluted, SEK	**-0.58**	**-0.39**	**-1.22**	**-0.81**	**-1.70**

The Group has three employee stock option programmes described in the company's Annual Report for 2021 and the interim report for Q1 2022. Provided that all warrants for all outstanding incentive plans are exercised to subscribe for shares, this will result in an increase of a total of 929,450 shares, representing a potential dilution of 3.56% of shares and votes.

6. Related-party transactions

Apart from the shareholder loan (bridge loan) as of 31 December 2021 described in Note 29 of the Annual Report, where related parties provided a bridge loan totalling MSEK 19.5, no material transactions with related parties took place that have materially impacted the Group's earnings or financial position.

Where applicable, transactions with related parties have been on market terms.

7. Intangible fixed assets

Intangible assets that have an indefinite life, or intangible assets that are not ready for use, are not amortized but are tested yearly as regards any need for impairment. The impairment testing carried out at year-end showed no need for impairment.

Capitalized production costs

Operating costs pertaining to development of the technical platform were reduced by MSEK 6.8 (4.3) in the second quarter of 2022. Operating costs for the first six months 2022 were reduced by MSEK 13.6 (8.3).

Definitions of key ratios

Definitions of alternative key ratios

Key ratio	Definition
Net sales, %	Annual growth in net sales calculated in relation to the preceding year, expressed as a percentage.
Gross profit [1)]	Net sales less cost of services sold.
Gross margin, %	Gross profit as a percentage of net sales.
EBIT	EBIT consists of earnings for the year less financial costs and income taxes, meaning the operating profit that is presented in profit and loss.
EBIT margin, %	Operating profit as a percentage of net sales.
EBITDA	EBITDA (earnings before interest, taxes, depreciation and amortization) is operating profit before depreciation, amortization and impairment.
EBITDA margin, %	EBITDA as a percentage of net sales.

1) Direct variable costs that arise in the delivery of services are recognized in Cost of services sold. These costs consist of factors such as storage in server rooms, variable costs for signing agreements and commissions for partners who supply the company's services. The item does not include depreciations, amortizations or personnel costs.

Reconciliation tables for alternative key ratios

Reconciliation growth in net sales (TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net sales, same period previous year	10,336	6,238	19,180	11,968	26,591
Net sales, period	16,454	10,336	30,999	19,180	43,583
Organic growth in net sales (%)	**59.2**	**65.7**	**61.6**	**60.3**	**63.9**

Reconciliation gross profit and gross margin (TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net sales, period	16,454	10,336	30,999	19,180	43,583
Cost of services	-909	-380	-1,667	-692	-1,578
Gross profit	**15,545**	**9,956**	**29,332**	**18,488**	**42,005**
Gross margin (%)	**94.5**	**96.3**	**94.6**	**96.4**	**96.4**

Reconciliation EBITDA and EBITDA margin (TSEK)	Q2 2022	Q2 2021	Q1-Q2 2022	Q1-Q2 2021	2021
Net sales, period	16,454	10,336	30,999	19,180	43,583
Operating income	-13,373	-7,143	-24,342	-14,706	-30,341
Depreciation	4,695	2,823	8,959	5,350	12,765
EBITDA	**-8,678**	**-4,320**	**-15,383**	**-9,356**	**-17,576**
EBITDA margin (%)	**-52.7**	**-41.8**	**-49.6**	**-48.8**	**-40.3**

Definitions of operational key ratios

Key ratio	Definition
Annualized recurring revenue (ARR)	ARR is defined as contractual revenue over the coming 12 months. These revenue streams are invoiced and distributed across 12 months, for which reason the ARR may be higher than the figure for net sales.
Growth in ARR, %	Annual growth in ARR calculated in relation to the preceding year, expressed as a percentage.
ARR/Net sales, %	ARR on the last date of a twelve-month period as a percentage of net sales during the corresponding period.
Net New ARR (NNARR)	The net change in ARR between two periods.
Growth in NNARR, %	The change, as a percentage, in NNARR during one period in relation to the preceding period.
Paying users	Defined as all paying users among Oneflow's existing customers.
Average Revenue Per User (ARPU)	ARR per user. Defined as ARR divided by the number of paying users.
Churn	Churn is the ARR value of the subscriptions that are canceled, not renewed or downgraded during a given period of time.
Gross retention rate (GRR), %	GRR shows the proportion of customer loss, and is defined as the ARR of existing customers at a specific point in time divided by the ARR of the same customers, excluding expansion revenue, from 12 months earlier. GRR therefore does not take into account cross sales and added sales, only loss of revenue from existing customers.
Net retention rate (NRR), %	NRR is defined as the ARR of existing customers at a specific point in time divided by the ARR of the same customers from 12 months earlier. NRR takes into account expansion revenue, which entails cross sales and added sales to existing customers, and loss of revenue from existing customers.
LTV:CAC ratio, x	The lifetime value of the customer is calculated by dividing ARR for the period by the number of customers, multiplying the result by the estimated length of the customer relationship as calculated from the customer loss for the period, and then multiplying that result by the gross margin for the period. The cost of acquiring customers is calculated by dividing the cost of acquiring new customers in sales and marketing by the number of new customers that were added for the period. The calculation of customer lifetime value does not include future expansion sales.

Oneflow in brief

Contract experts

Oneflow is one of the leading SaaS contract automation providers on the Nordic market. We help organizations grow faster with less risks, better workflows, smarter decisions that lead to quicker deals.

Oneflow develops, sells and implements an end-to-end platform for all contracts with a simple, easy-to-use tool with broad data usage capabilities. The platform is equally loved and trusted by enterprise teams and startups for its ability to keep work flowing, overcoming everyday's friction and the complexity of a contract process.

Everything that Oneflow does hinges on its value proposition: Oneflow saves time and money by tearing down the silos in communication, manual processes, and between systems.

We aspire to take the pain out of working with contracts - and make it secure and delightful. In addition to making significant savings, Oneflow users have experienced more creative freedom at work, leading to more happiness in life.

Our sustainable business model

Oneflow offers a SaaS application with a subscription-based pricing model without any big investments upfront. Pricing plans are based on the features included in the plan, the number of users, and value-added services.

Oneflow's go-to-market strategy is a combination of direct sales, inbound sales, partner sales, self-service sales and viral sales (product led growth). A large chunk of revenue comes from upselling and cross-selling because Oneflow can be used in all departments. The platform has features that help businesses to structure their contracts and workspaces according to their departments, entities, and so on.

This means that for every new customer, we have the potential to increase user volume. Our customers often find additional use cases for Oneflow once they start using the platform.

Our mission and vision

Oneflow's mission is to "move business from friction to flow, creating a world where people can be their best". Our vision is to become synonymous with contracts, hence "Say contract, think Oneflow".

Go-to-market strategies

Continued innovation and self-service growth

Since inception, Oneflow set out to transform the way that contracts are written, signed, and managed by reinventing the workflow rather than simply recreating the analog process in a digital space. It was never our intention to create an e-signing tool. E-signing is a commodity.

We believe that contracts contain information that defines a business. Contracts are assets, liabilities and obligations. Our goal is to build a superior end-to-end product that leads the innovation to define the future of contracts.

Self-service product led growth is a key aspect to our organic growth plan. Contracts are at the heart of any business and we believe that anyone across the globe should be able to easily buy Oneflow within a few steps on their own.

Marketing and network sales

Say contract, think Oneflow! Oneflow believes that brand drives demand. We believe in creating positive experiences with contracts for the users to increase the word-of-mouth and generating referrals for our brand and product.

We constantly improve the counterparty experience, enabling counterparties to instantly sign up to Oneflow and showcasing our unique value proposition to guests during their brief visit. Both strategies have high virality potential contributing to what we call "network sales".

While we increase growth from our organic channels, we will continue to scale growth through performance marketing and paid media as long it returns a positive ROI.

Sales and partnerships

Our sales strategy is to land, expand and extend. Oneflow is not only a sales or HR tool. It's designed for contracts, for the entire organization. Our primary strategy is to "get in early", then expand usage in volume and in other departments or entities.

With partnerships, our goal is to increase partner sales. Our strategy is to focus and penetrate into our strategic commercial and technical partners' organization as well as ecosystems while building a strong and highly engaged partner community.

New market expansion

In order to meet the increasing global demand for cloud-based applications that support automation of essential tasks such as the contracting process, Oneflow will enter into new markets through a mix of partnerships and marketing strategies. Offices will be set up with local sales teams combined with Nordic staff to help establish the Oneflow culture.

The magic of flow

Our world is undergoing a huge digital transformation. But contracts are stuck in the dark ages: a frustrating mess of legacy systems, paper, and PDFs.

We imagined a better contract workflow. One free from friction that flows seamlessly. Where contracts are effortless, free from admin, and progress made at the tap of a button. So we built just that, making contracts smarter and an experience so delightful, it feels like magic.

From friction to flow...

From friction to flow is the core organizing thought that positions Oneflow as the brand that helps move businesses from a world of legacy systems, frustration and distraction, to one full of focus, energy, freedom and control.

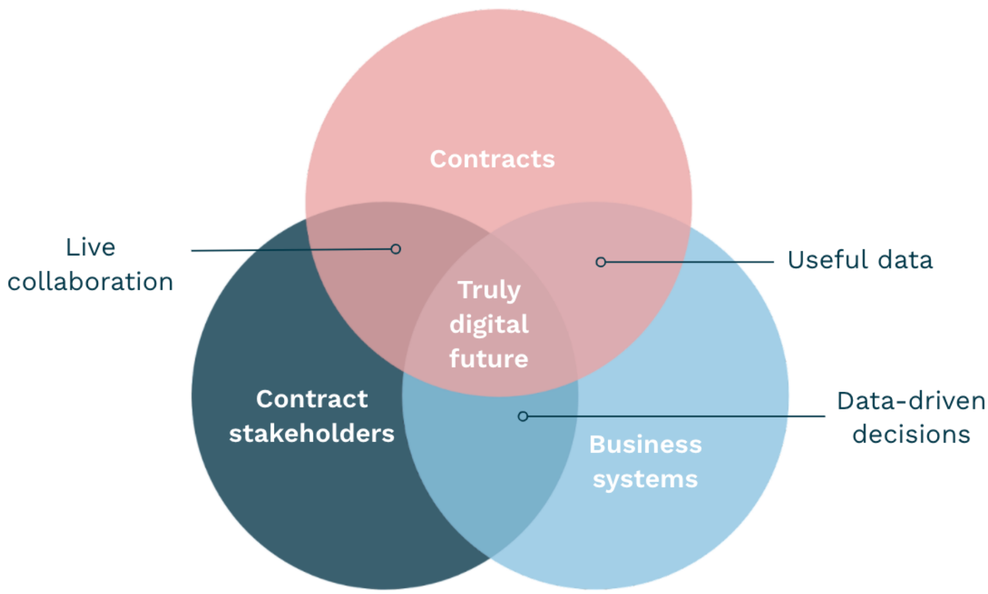
In Oneflow's world of flow, contracts are effortless, admin is non-existent, and progress is made at the tap of a button. Processes are faster, decisions are smarter, and deals are quicker. It's where everything is smooth and surprisingly delightful. An experience so good, it feels like magic.

... and a truly digital future

Move from printed papers, handwritten signatures and physical archives to truly digital contracts that are secure and data-driven — breaking down the silos of communications, processes and systems — ultimately giving you the freedom to focus on what matters most and be your best.

Trusted and loved by the most demanding customers

Our customers range from the largest global enterprises to sole proprietorships, across industries, around the world. They include DHL, Bravida, Tele2, Northvolt, ManpowerGroup, Budbee, and more on our website.



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