Annual Report 2023

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2023 in brief

Total ARR
129.3
MSEK

Total ARR
43%
growth

Over
41.2k
paying users

Customers in
33
countries

- We ended the year with 41.2k paying subscribers in 33 countries, up 41% since the previous year.
- We invested long-term in the development of our brand.
- We explored entry into new markets in the USA, Spain, Portugal, Germany, and India through strategic pilot initiatives.
- The company recruited 16 new employees during the year.
- Oneflow appointed Natalie Jelveh as the new CFO.
- We strengthened the Oneflow Management team with a new Chief Product & Development Officer.
- Oneflow maintains the financial target to increase ARR to MSEK 500 by the end of the financial year 2027 and achieve an EBIT margin of at least 20% that same year.

Significant product highlights during the year

Enable smarter contracts

- Introduced AI Assist that helps improve the content of agreements and get inspiration for writing specific clauses with AI.
- Launched a new feature, section rules, which allows users to create dynamic contract templates that hide or show content based on set rules.
- Launched embedded comments that enable users to leave a comment directly in the document.
- Added new features for formatting font, text size, and color in the agreement.
- Implemented a new PDF reader that gives users the ability to highlight and search text.

Broaden market reach

- Expanded electronic ID signing with iDIN, .beID, itsme, Estonian eID, Smart-ID, and Freja eID.
- Added Italian as a language option in Oneflow.

Increase automation through integrations

- Our Hubspot integration became the first contract solution on Hubspot to offer bi-directional synchronization.
- Launched new integrations with Microsoft 365, the HR platform HiBob, and expanded features with existing integrations including Hubspot, Pipedrive, SuperOffice, Zapier, Microsoft Dynamics, Power Automate and Azure.

The all-in-one platform for digital contracts

Oneflow develops, sells, and implements digital contract management and automation systems. Oneflow believes that contract processing today, both in Europe and globally, is primarily characterized by manual, paper, or file-based contract management, which results in an extensive time and resource-intensive administrative work and high exposure to human errors.

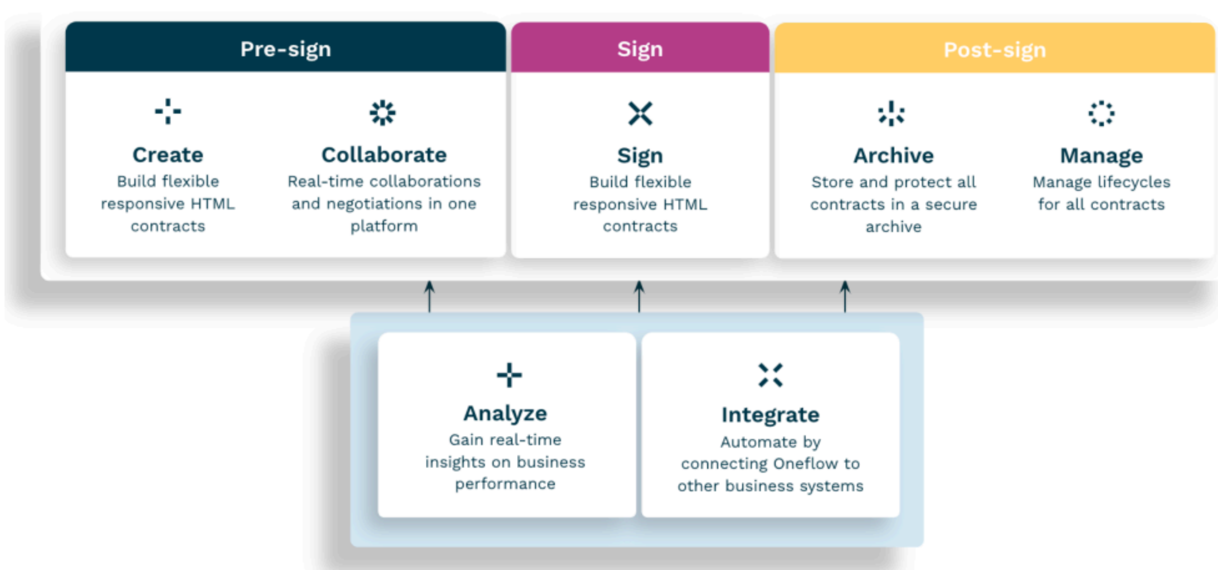
Signing is just a minor part of a bigger issue

While the world is undergoing huge digital transformation, contracts are stuck in the dark ages: a frustrating mess of legacy systems, paper, and PDFs—stuck together with an e-signature. Through the Oneflow software platform, companies are able to digitally handle contracts before, during, and after signing within one single platform—speeding up the cycles of getting contracts created, signed, and managed.

Overview of the Oneflow concept

There are three differentiators of Oneflow:

- An end-to-end platform for the contract management process
- Contracts created in Oneflow are built in a dynamic, structured data format
- Highly scalable platform from one-person company to large enterprise



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.

Oneflow's product offering can be divided into seven different steps during the three phases of the contract management process—Pre-sign, Sign, and Post-sign:

1. Create (Pre-sign)
2. Collaborate (Pre-sign)
3. Sign (Sign)
4. Archive (Post-sign)
5. Manage (Post-sign)
6. Analyze (Across all phases)
7. Integrate (Across all phases)

CEO's comments

We're doing great even in tough times

Oneflow continued to deliver strong sales numbers during 2023. The ARR increased with an all-time-high of MSEK 38.7, ending at a total of MSEK 129.3, representing a year-over-year growth of 43%.

The market has been turbulent and challenging during the year, with higher churn than normal, and less expansion sales. Considering the financial climate and uncertainty, it feels extraordinarily satisfying that we're still one of the fastest growing listed software companies in Sweden, continuing to reach all-time high sales numbers. We have executed well in our way to reach our long term objectives.

During the fall of 2023, we made the strategic decision to reduce our workforce by approximately 5%, to further improve efficiency and optimize our organization and performance. During 2024 you'll see a steady improvement of our EBIT losses, quarter by quarter. Considering our current ARR and growth rate, our cost base - that now will be more or less fixed throughout 2024 - we'll maintain a sufficient cash position, and steer towards profitability with our current cash reserve.

The market for digital contract management has an extremely large potential. Contracts are the foundation of doing business. The potential, combined with a highly competent team, strong company culture, a scalable product that meets the requirements from large enterprises as well as small business needs, positions Oneflow for sustainable growth in the years to come. Our long-term goal is to establish Oneflow as a global key player in our industry.

Oneflow offers a critical product that is proven to reduce costs and increase productivity, delivering high value for money and a quick payback. We will never compromise our financial position and strive to make sound long-term business decisions. We maintain our financial targets of reaching an ARR of MSEK 500 and an EBIT margin of 20% during 2027.

Say contract, think Oneflow!

Anders Hamnes
CEO & Founder

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.

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 organizations 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.

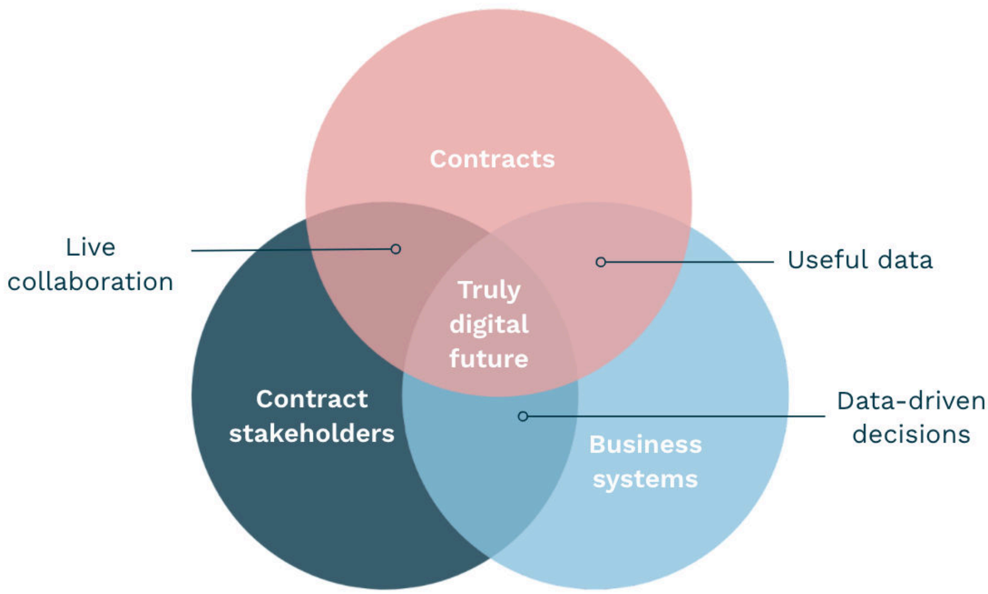
In Oneflow's world of flow, contracts are effortless, admin is non-existent, and progress is made at the tap of a button. Processes are faster, decisions are smarter, and deals are quicker. It's where everything is smooth and surprisingly delightful. An experience so good, it feels like magic.

... 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. DHL, Bravida, Tele2, Northvolt, ManpowerGroup and Budbee are just some of the companies that have chosen to entrust their contracts to Oneflow.



Principles of corporate governance

In addition to the rules set by law or other regulations, Oneflow AB applies the Swedish Code of Corporate Governance (below the “Code”).

Oneflow AB applies the Code without deviations.

System for internal control and risk management in financial reporting

The responsibility of the Board of Directors and the CEO for internal control is regulated by the Swedish Companies Act. The responsibility of the Board is also regulated by the Swedish Code of Corporate Governance. According to the Code, the Board should describe how the internal control for financial reporting is organized, which is done through the annual corporate governance report.

The purpose of internal control is primarily to ensure that the company's goals are achieved with regard to effective and efficient operations, reliable reporting, and compliance with applicable laws and regulations. Internal control for financial reporting aims to provide reasonable assurance and reliability regarding external financial reporting, and that external financial reporting is prepared in accordance with applicable laws and accounting standards. This report on internal control for financial reporting has not been audited by the company's auditors.
The starting point for the internal control process is the framework for internal control issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Control environment

The Board has overall responsibility for the internal control for financial reporting. In order to create and maintain a functioning control environment, the Board has established a number of basic documents of importance for financial reporting, including in particular the Board's working order and the CEO's instructions.

The Board acts as the audit committee to ensure the quality of the financial reporting and to monitor the company's internal control and risk management. The work of maintaining an effective control environment and the ongoing work of internal control for financial reporting is delegated to the CEO and Chief Financial Officer, who regularly report to the Board based on established procedures. In addition, reporting is provided by the company's auditors.

The internal control structure is based on a management system based on Oneflow's organization with clear financial roles, responsibilities and delegation of authority. Operational decisions are made at the company level, while decisions on strategy, overall financial issues, acquisitions and major investments are made by Oneflow's Board.

The governing documents concerning accounting and financial reporting are the most important parts of the control environment regarding financial reporting. These documents are updated continuously in the event of changes in, for example, accounting standards and legislation.

Risk assessment

In order to identify significant risks related to financial reporting within the Group, ongoing risk assessments are conducted. Risk management is an essential part of Oneflow's operations and is integrated into every process.

With regard to financial reporting, the risk is primarily assessed to lie in significant errors in the accounting, such as the booking and valuation of assets, liabilities, revenues and expenses or other deviations. Fraud and loss through embezzlement is another risk. Risk management is integrated into every process.

Oneflow uses various methods to assess, limit and manage the risks that Oneflow is exposed to and is managed in accordance with established policies, instructions and established follow-up procedures.

Control activities

The risks identified regarding financial reporting are managed and limited as far as possible through necessary and appropriate routines, processes and control activities. For example, this is done through authorization controls in IT systems, authorization restrictions in IT systems and certification controls.

The control structure consists of clear roles in the organization that enable effective allocation of responsibility for specific control activities aimed at detecting or preventing the risk of errors in reporting.

The company's continuous analysis, undertaken both at company and group level, of financial reporting is of utmost importance to ensure that financial reporting does not contain any material misstatements. The group's finance function has a central and essential role in the internal control process as well as ensuring that each financial reporting from each unit is accurate, complete and timely.

Information and communication

Oneflow provides ongoing information about the group's development and financial position to the market through relevant channels. Policies, guidelines, and internal instructions regarding financial reporting ensure good quality in external communication. Regular updates and notifications about changes in accounting principles, reporting requirements or other disclosures are made available and known to relevant employees in group-wide channels.

Follow-up

The CEO is responsible for organizing and following up on internal control according to the guidelines set by the board. Furthermore, the CEO is responsible for conducting independent and objective reviews to systematically evaluate and propose improvements to the group's processes for governance, internal control, and risk management. Financial management and control are carried out by the group's finance function.

The company prepares a monthly summary of relevant financial key figures and a forecast for the current year. The monthly summary also includes performance tracking, including an analysis of deviations from the annual financial forecast and previous year's relevant results. Financial data is reported along with a forecast for the current year. Oneflow's management conducts a monthly performance review with an analysis of deviations from financial plan and the previous year. Any deviations are investigated, evaluated, and followed up.

The board is provided with monthly financial reports, and financial reporting is followed up at every board meeting. Before publishing the annual report and interim reports, the board and management go through the financial reporting. Review of the annual accounts is conducted for the period January-September, known as a review, as well as for the annual accounts. The company's auditors report their observations to the board. The external auditors' task also includes annually monitoring the internal control in the group's subsidiaries.

Internal audit

Oneflow has established control and internal control systems to ensure that the company's operations are conducted effectively and with sufficient control. The board follows up Oneflow's assessment of internal control, among other things, through contacts with Oneflow's auditors. Based on the above, the board has chosen not to establish a separate internal audit function.

We have taken steps to ensure that internal controls work without a separate internal audit function. This includes continuous training and development of our staff and clear work instructions and procedures. Should it become necessary in the future, we will consider establishing a separate internal audit function.

Direct or indirect shareholdings

The following shareholders have a direct or indirect shareholding in Oneflow AB, representing at least one-tenth of the voting rights for all shares in Oneflow AB:

Shareholder	Type of holding	Shareholding
Anders Hamnes	Indirect	20.7%
Lars Appelstål	Direct	18.8%

Voting restrictions

Oneflow AB's articles of association do not contain any restrictions on how many votes each shareholder can cast at a general meeting.

Certain provisions of the articles of association

Oneflow AB's articles of association do not have specific provisions regarding the appointment and dismissal of board members and amendment of the articles of association.

Authorizations granted by the General Meeting

The general meeting has authorized the board to decide that Oneflow AB shall issue new shares or acquire its own shares, see Annual General Meeting 2023.

The function of the Annual General Meeting

Oneflow AB does not apply any special arrangements regarding the general meeting's function, either due to provisions in the articles of association or, to Oneflow AB's knowledge, shareholder agreements.

Composition and working methods of the Board of Director

Annual General Meeting 2023

The Annual General Meeting decided to authorize the Board to, until the next Annual General Meeting, on one or more occasions, resolve on the issuance of shares, warrants and/or convertible bonds, with or without deviation from the shareholders' pre-emptive rights, to a number corresponding to a maximum of ten (10) % of the total number of shares in the Company at the time when the authorization is first utilized, to be paid in cash, by way of contribution in kind and/or by way of set-off. The authorization shall be valid until the next Annual General Meeting.

The issuance of new shares, warrants or convertible bonds pursuant to the authorization shall be made on market terms in accordance with prevailing market conditions. If the Board considers it appropriate in order to enable the delivery of shares in connection with an issue as set out above, this may be done at a subscription price corresponding to the quota value of the shares.

Further information on outstanding incentive programs is available on the company's website, oneflow.com.

Composition of the Board of Directors

According to the Articles of Association, the Board of Oneflow AB shall consist of three to ten members, elected by the Annual General Meeting for a term of one year or until the end of the next Annual General Meeting. Other officers in the Group may participate in the Board's meetings, for example as presenters or board secretaries.

The Board of Oneflow AB consists of:

- Lars Appelstål, Chairman of the Board
- Bengt Nilsson, Board Member
- Rosie Kropp, Board Member
- Finn Persson, Board Member
- Anders Hamnes, Board Member

At the Annual General Meeting the 12th of May 2023, the following were re-elected:

- Lars Appelstål, Chairman of the Board
- Bengt Nilsson, Board Member
- Rosie Kropp, Board Member
- Finn Persson, Board Member
- Anders Hamnes, Board Member

Anders Hamnes works as CEO in Oneflow AB.

Information on the remuneration of the board members approved by the Annual General Meeting 2022 can be found in the annual report, Note 7.

Requirements for independence

The Board meets the independence requirements set out in the Swedish Code of Corporate Governance. Anders Hamnes is considered dependent in relation to the Company. Lars Appelstål and Anders Hamnes may be considered dependent in relation to major shareholders. The other proposed Board members are considered independent in relation to the Company, the executive management and to major shareholders.

Name	Independent of Oneflow AB/ Executive Management	Independent of Major Shareholders
Lars Appelstål	Yes	No
Bengt Nilsson	Yes	Yes
Rosie Kropp	Yes	Yes
Finn Persson	Yes	Yes
Anders Hamnes	No	No

Oneflow AB meets the requirements of the Swedish Code of Corporate Governance that a majority of the Board members elected by the Annual General Meeting shall be independent of Oneflow AB and the executive management, and that at least two of these shall be independent of major shareholders.

Work of the Board

According to the board's working order, six regular meetings are held each year in addition to the constitutive meeting. In addition, the board can hold extra meetings when circumstances require. Board meetings should always be held in connection with the submission of financial reports, including interim reports. During 2023, the board held a total of 11 meetings. All meetings have been regular meetings.

The board annually adopts a working order, an instruction regarding the distribution of work between the board and the CEO, and an instruction for financial reporting to the board.

During the past fiscal year, the board has worked to achieve an efficient distribution of work and a structured work process. The board has divided responsibilities among members to ensure that each member can contribute with their unique expertise and experience in relevant areas.

The following main areas have been prioritized by the board during the year:

Strategy

The board has actively worked to formulate and follow up on the company's overall strategy, ensuring that it is adapted to market changes and long-term trends.

Financial control

The board has carefully monitored the company's financial performance and ensured that resources are allocated in an efficient manner to achieve set goals.

Risk management

The board has identified and monitored potential risks to the company and taken proactive measures to minimize and manage these risks.

Organization and management

The board has ensured that the company has a strong and efficient organization and competent management that can lead the company towards future success.

Sustainability and ethics

The board has worked to integrate sustainability and ethics into the company's strategy and operations, as well as monitor compliance with laws, regulations, and internal guidelines.

Through these efforts, the board has ensured an efficient distribution of work and a structured work process that contributes to Oneflow's long-term success.

The board has held 11 meetings during the past fiscal year. Attendance at board meetings has been high, reflecting the members' engagement and responsibility. Informal meetings and working groups have also been organized as needed to further strengthen collaboration and communication within the board. The following attendance statistics for each member are presented below:

Board member	Board meetings	Remuneration committee
Lars Appelstål	11/11	3/3
Finn Persson	11/11	3/3
Rosie Kropp	10/11	N/A
Bengt Nilsson	10/11	N/A
Anders Hamnes	11/11	N/A

Board evaluation

The board's work has been evaluated in 2023 in order to develop the board's working methods and efficiency through a detailed questionnaire to the board. The results of the survey, as well as comparative results against other similar companies, have been discussed in the board and the results have also been presented to the nomination committee. In addition, the board's chairman and members of the nomination committee have had individual conversations with all board members regarding board work and the results of the survey.

Remuneration Committee

Oneflow has a remuneration committee responsible for designing and monitoring the company's compensation policy for the CEO and other senior executives. The remuneration committee consists of Lars Appelstål and Finn Persson, members with relevant expertise and experience in areas such as compensation, financing, and corporate governance.

The remuneration committee sets salary levels, bonuses, and other forms of compensation to attract, motivate, and retain competent personnel. The remuneration committee also works to ensure that the compensation policy is in line with the company's strategic goals and values.

The remuneration committee regularly reports to the board on its work and any decisions made. This is to create transparency and transparency around the company's compensation.

The Nomination Committee and its composition

A nomination committee shall be formed annually at the initiative of the Chairman of the Board, and the rules for the composition of the nomination committee shall be adopted by the annual general meeting. The nomination committee shall consist of four members, of whom one member shall be the Chairman of the Board. As soon as reasonably possible after the end of the third quarter, the Chairman of the Board shall contact, in an appropriate manner, the three largest shareholders in terms of votes in the shareholder register maintained by Euroclear Sweden AB at that time and request that they, within a reasonable period of time not exceeding 30 days under the circumstances, in writing name the person whom the shareholder wishes to appoint as a member of the nomination committee. If one of the three largest shareholders declines to exercise its right to appoint a member of the nomination committee, the next shareholder in turn shall be offered the right to appoint a member of the nomination committee. In the event that several shareholders decline their right to appoint members of the nomination committee, the Chairman of the Board shall not be required to contact more than eight shareholders, unless necessary to form a nomination committee consisting of at least three members.

The Chairman of the Nomination Committee shall convene the Nomination Committee for its first meeting. Unless otherwise agreed among the members, the member appointed by the shareholder with the largest number of votes shall be appointed Chairman of the Nomination Committee. The Chairman of the Board shall never be Chairman of the Nomination Committee. If a member of the Nomination

Committee resigns before the Nomination Committee has completed its task, the shareholder who appointed such member shall have the right to independently and at its sole discretion appoint a replacement member. If the Chairman of the Board resigns from the Board, the replacement for such Chairman shall also replace the Chairman of the Nomination Committee.

When preparing its proposals, the Nomination Committee shall take into account that the Board shall have a composition appropriate to the Company's operations, stage of development, and other circumstances, characterized by diversity and breadth in terms of the competence, experience, and background of the members. Gender equality shall be sought.

The Nomination Committee shall provide the Company with proposals for Board members in such good time that the Company can present such proposals in the notice of the general meeting at which the election shall take place.

In connection with the issuance of the notice of the general meeting, the nomination committee shall provide a reasoned statement on its proposals regarding the composition of the board of directors on the company's website. The nomination committee shall particularly motivate its proposal with respect to the requirement of achieving gender equality. The statement shall also include a brief account of the work of the nomination committee. If the outgoing CEO is proposed as the chairman of the board of directors shortly after his or her departure from the position of CEO, this shall be particularly motivated. The statement shall also include a brief account of the work of the nomination committee and the gender equality policy that the nomination committee has applied in preparing its proposal. The nomination committee shall submit proposals to the annual general meeting on the chairman of the meeting, the number of board members, the board, the chairman of the board, the auditor, the remuneration of the board (divided between the chairman and other board members, as well as compensation for committee work), the auditor's fees, and, to the extent deemed necessary, proposals for amendments to these instructions for the nomination committee.

The nomination committee shall present its reasoned statement on its proposals to the annual general meeting. Shareholders who wish to submit proposals to the nomination committee may send an email to valberedningen@oneflow.com no later than two months prior to the meeting.

The members of the nomination committee shall not receive any remuneration from the company for their work on the nomination committee.

Before the annual general meeting of Oneflow AB on May 8, 2024, it was announced that in addition to the Chairman of the Board, Lars Appelstål, the following shareholder representatives have been appointed as members of Oneflow AB's nomination committee:

Finn Persson, appointed by Spintop Investment Partners III Sweden AB

Caroline Sjösten, appointed by Swedbank Robur Fonder AB

Mattias Ståhlgren, appointed by Hamnes Invest AB

Violation

Oneflow AB has not committed any violations of the regulations at the marketplace (NASDAQ First North) where Oneflow AB's shares are listed for trading.

Stockholm April 2024, according to the date indicated by the electronic signature.

Lars Appelstål
Chairman

Anders Hamnes
Managing Director

Rosie Kropp
Director

Bengt Nilsson
Director

Finn Persson
Board Director

Auditor's report on the corporate governance statement

To the general meeting of the shareholders in Oneflow AB, corporate identity number 556903-2989.

Engagement and responsibility
It is the board of directors who is responsible for the corporate governance statement for the year 2023 on pages 10-17 and that it has been prepared in accordance with the Annual Accounts Act

The scope of the audit
Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion
A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act

Stockholm, according to the date indicated by the electronic signature.

Grant Thornton Sweden AB

Daniel Forsgren
Authorized Public Accountant

Board of Directors & Auditors

Lars Appelstål

Elected board member: 2015
Born: 1959
Education: Master of Science in Engineering, Linköpings University. MSc, Case Western Reserve University, Ohio.
Current assignments: Chairman of the Board at Waybler AB. Board member at Myloc AB, Myloc Holding AB, SecureAppbox AB, Lars Appelstal Consulting AB, Lars Appelstal Holding AB, and Kinexit Nordic AB. Deputy board member at Utor AB and Utor Invest AB.
Previous assignments (last five years): Board member at Neptune Software AS.
Holdings in the Company (including related parties): Appelstål owns 4,742,772 shares.

Bengt Nilsson

Elected board member: 2016
Born: 1955
Education: Studies in industrial economics, Linköping University.
Current assignments: CEO and board member of Pagero AB, Pagero Group AB (publ) and Greentrade Aviation AB. Chairman of the Board of Norelia AB, GJL Group AB and Ides AB. Board member of Hikkadua Investments AB, Greentrade AB, Payer Financial Services AB, Vilja Solutions AB, Wint Group AB and Beamwallet Nordic AB. Deputy board member of Bommin Investment Group AB, Artis Sverige AB, Jur kand Cecilia Hermansson AB and Juridiska Byrån Familjejuridik i Göteborg AB.
Previous assignments (last five years): CEO and Chairman of the Board of Pagero Sverige AB. Board member of Wint AB, Wint Accounting AB, Primelog Software AB, Primelog Holding AB, Touchtech AB, Payer Tec AB and Plejd AB. Deputy board member of Accensus AB, Qfunds AB and Bommin Sverige AB.
Holdings in the Company (including related parties): Bengt Nilsson owns, indirectly via Greenfield AB, 1,480,372 shares.

Rosie Kropp

Elected board member: 2022
Born: 1966
Education: Master of Science from Stockholm School of Economics, major in Marketing.
Current assignments: Senior Advisor & Executive Coach, Board Director at Löfbergs, Board Director at Scrintal, Board Director at Collabodoc, Board Director at Oneflow.
Previous assignments (last five years): Previously held positions include Vice President, Global Head of Brand Marketing på Ericsson, Senior Advisor & CEO at Lavandel, Chairman of the Board at Animech, Chairman of the Board at Medpeople, Board Director at Winningtemp.
Holdings in the Company (including related parties): 0

Finn Persson

Elected board member: 2018
Born: 1967
Education: Master of Science in Physics, The Faculty of Engineering, Lund University.
Current assignments: Chairman of the Board at Crosser Technologies AB, Spintop Holding AB, Spintop Private Service AB, Spintop II GP AB, Spintop Investment Partners II AB, Spintop III GP AB, Spintop Investment Partners III AB, Spintop Investment Partners III Sweden AB, Spintop IV GP AB, and Spintop Investment Partners IV AB. CEO and board member at PNP Venture Capital AB. Board member at Elastisys AB, Freska Group Oy, IndyRIOT AS, Reclaimit AB, Sift Lab AB, and Univid AB.
Previous assignments (last five years): Board member at Defentry AB and Modcam AB.
Holdings in the Company (including related parties): Finn Persson is a board member and participates in the management of the fund Spintop Investment Partners III Sweden AB, which owns 2,431,871 shares. Finn Persson does not own any shares personally.

Anders Hamnes

Elected board member and CEO: 2012
Born: 1974
Education: Master of Science in Naval Architecture, Norwegian University of Science and Technology
Current assignments: Chairman and CEO of Hamnes Invest AB and Hamnes Invest Ltd NUF.
Holdings in the Company (including related parties): Anders Hamnes owns, via Hamnes Invest AB, 5,263,570 shares.

Daniel Forsgren

Authorized auditor, Grand Thornton
Auditor in charge of Oneflow since: 2021-09-03

Directors Report

The Board of Directors and the Chief Executive Officer of Oneflow AB, corporate registration number 556903-2989, submit the following annual report and consolidated accounts for the 2023 financial year.

Business operations

Oneflow AB develops, sells and implements user-friendly digital systems for contract management. Oneflow is a full-service provider of digital contract management and operates primarily in the European market, whilst the offering has a global reach.

The business model of Oneflow is primarily built to offer long-term subscription agreements of products, which are customized for different types of customer needs and requests through a so-called SaaS model (Software as a Service).

Group structure

Oneflow AB is the Parent Company of a Group consisting of, in addition to the Parent Company, wholly owned subsidiaries of: Oneflow Norge AS (922 750 378) in Norway, Oneflow England Ltd (14 114 623) in the UK, Oneflow B.V. (86 067 982) in the Netherlands and Oneflow SAS (913 702 957) in France. The Company also has a branch in Finland, Oneflow AB (3182863-6).

External impact

The company notes that the geopolitical situation in the world continues to be challenging. At present, it is difficult to determine how the company's operations are financially impacted. However, the fact that the company does not conduct business in either Russia, Ukraine, or Israel minimizes potential risks of business influence, although it may have an indirect negative effect.

Furthermore, the company acknowledges that inflation in the markets where the group operates continues to reach high levels and that the currencies the company trades in have experienced unfavorable developments. Overall, these macroeconomic effects may impact the company's operations and growth.

Sustainability

Oneflow sustainability report can be found on Oneflows webpage.

Multi-year review

TSEK	2023 Group	2022 Group	2021 Group	2020 Group	2019 Group
Net sales	99,666	69,126	43,583	26,591	17,203
EBIT	-98,117	-65,750	-30,341	-20,007	-14 831
EBITDA	-69,067	-45,954	-17,576	-12,223	-9,278
Balance sheet total	245,625	309,809	102,755	69,961	46,063
Average number of employees	161	122	83	52	37

Income statement disclosures

Revenue

Net sales increased by 44% (2022: 59%) from the previous year and amounted to TSEK 99,666 (2022: TSEK 69,126). The entire revenue increase was organic and is related to an increase in subscription revenues.

Expenses

Operating expenses for the year increased by 45% (2022: 76%) from the previous year and amounted to TSEK 234,756 (2022: TSEK 162,455).
The company has a heavy focus on product development, and our goal is to take a position as a global thought leader of digital contract management. The cost increase in 2023 is mainly related to the company's investment in growth in the new markets UK, France and the Netherlands and to the increase of the number of employees.

The main part of the Group’s operating costs is related to staff. Personnel costs for the year amounted to TSEK 152,778 (107,338), up 42% (2022: 62%). The number of employees at year-end amounted to 171 (2022: 155), and the average number of employees during the year was 161 (2022: 122). The breakdown of staff and salaries and allowances is shown in Note 7.

Other costs amounted to TSEK 52,937 (2022: TSEK 35,321), where the increased costs are mainly explained by the Groups investment in growth in the new markets UK, France and the Netherlands.

Capitalized development work for own account during the year amounted to TSEK 49,491 (36,664). Depreciation during the year amounted to TSEK 29,050 (2022: TSEK 19,796). Depreciation increases compared to 2022 due to increased investments in own development. During the year, we have, among other things, introduced AI Assist, expanded electronic ID signing, and launched and developed several integrations.

Net financial items amounted to TSEK 3,022 (2022: TSEK -1,369) and consisted mainly of interest income from investment accounts.

Profit/loss

During the period, the Company has mainly focused on developing its product offering and increasing growth, which has contributed to an operating loss. Basic and diluted earnings per share amounted to SEK -3.80 (2022: SEK -2.89) and SEK -3.80 (2022: SEK -2.89), respectively. Since the Group has posted negative earnings, potential ordinary shares do not give rise to dilution.

Balance sheet disclosures

Intangible assets

Oneflow continuously invests resources in the development of new and existing applications in its platform.

Continuous product development has occurred throughout the year, including the introduction of AI Assist, expanded electronic ID signing, and the launch and development of several integrations.

Property, plant and equipment

Investment in tangible assets was mainly made up of computer equipment.

Financing and liquidity

Cash and cash equivalents

Cash and cash equivalents amounted to TSEK 100,603 (2022: TSEK 211,651) at the end of the period.

Financing

The company is currently in a growth phase, and loss for the financial year 2023 was TSEK -95,511 (2022: TSEK -67,292). Historically, the company has not been able to finance its business operations solely from its own cash flow and has therefore been dependent on external financing. During the year, Oneflow was successfully listed on First North, and raised a total of MSEK 290 including the over-allotment. The conditions for Oneflow's further development and expansion look promising for the years ahead, and currently no further financing is deemed necessary.

The prospects for Oneflow's further development and expansion look promising for the coming years, and currently, there is no need for additional financing. During the year, the company has taken measures to secure its financial position by reducing its cost base. In the final quarter of the year, the company chose to reduce its workforce to lower costs and increase efficiency.

If the company does not have sufficient capital to finance its operations in accordance with its growth plans, it may be forced to halt or delay planned development work, undertake restructuring of all or parts of the business, or operate at a lower pace than desired, which could result in delayed or missed sales revenues and prolong the time it takes for the company to become profitable. If the company cannot finance its operations without external financing or if it needs external financing but such financing cannot be obtained, or only obtained on terms unfavorable to the company, it may have a significant negative impact on the company's results, financial position, and growth prospects.

If issuances cannot be carried out to a sufficient extent, the business may regulate cost and development levels and be financed by owners and the business.

Deferred tax asset

At the end of the period, the Group has accumulated loss carry-forwards that have not been capitalized, since it is uncertain when the Group will be able to offset these against future taxable profits. At year-end, these amounted to TSEK 251,709 (2022: TSEK 156,633).

Equity

Equity at year-end amounted to TSEK 136,923 (2022: TSEK 230,607), corresponding to SEK 5,43 (2022: SEK 9.17) per outstanding share. During the year, the company has issued a share option program. For more information, please refer to Note 22.

As of 31 December 2023, the amount recognized in equity for employee share options amounts to TSEK 8,893 (2022: TSEK 7,498).

Interest-bearing liabilities

At year-end lease liabilities amounted to TSEK 8,135 (2022: TSEK 4,491).

Comments on the consolidated statement of cash flows

Cash flow from operating activities totaled TSEK -52,729 (2022: TSEK -28,893). The change from the previous year is explained by lower operating profit, which is mainly related to the increase in the number of employees and the company's investment in product development. Increased costs can also be largely attributed to the company's investments in growth in new markets in the United Kingdom, France, and the Netherlands.

Cash flow is also positively affected by our customers paying in advance. Pricing is subscription-based with the majority being of annual subscriptions and 96% of revenues are recurring.

Cash flow from investment activities for the year amounted to TSEK -52,316 (2022: TSEK -39,471) Investments in intangible assets totaled TSEK -49,491 (2022: TSEK -36,664) and investments in tangible assets totaled TSEK -1,730 (2022: TSEK -1,893).

Cash flow for the year from financing activities amounted to TSEK -5,954 (244,785) and consists of payments of option premiums of TSEK 520 and lease amortization of TSEK -6,476 (2022: TSEK -5,946).

The Group's total cash flow for the year amounted to TSEK -110,999 (2022: TSEK 176,421).

Significant risks and uncertainties

Oneflow’s most significant risk is that sales do not increase according to plan, which in turn might lead to desired growth and profitability not being reached, as well as that the Group fails to retain and attract skilled staff.

Risk of Oneflow being unable to manage growth and achieve profitability

Oneflow is a SaaS (Software as a Service) company undergoing growth, typically characterized by significant initial investment costs in the startup phase and a long payback period on investments (ROI, Return On Investment).

Risks related to competition

The market for digital contract management in which Oneflow operates is competitive, with competition coming partly from larger global players and partly from local players in specific parts of the value chain. Also, the current market is in an early development phase, which entails a risk that a number of new players can enter, and thus further increase the competition.

Credit and counterparty risk

There is a risk that Oneflow’s customers cannot fulfill their payment obligations, and therefore cause a loss for the company. Oneflow's exposure to credit risk is mainly related to trade receivables. In 2023, credit losses amounted to TSEK 772.

Liquidity risk

Liquidity risk is the risk that the Group will have insufficient cash and cash equivalents available to discharge its obligations in respect of financial liabilities. The Group has no unutilized credit facilities.

Cash flow forecasts are prepared on a regular basis. At Group level the rolling forecasts for the Group’s liquidity reserves are monitored carefully to ensure that the Group has sufficient cash funds to meet the requirements of the ongoing operations.

Other future strain on liquidity pertains to the payment of salaries, taxes and accounts payable, as well as other current liabilities and repayment of loans.

As of 31 December 2023, the Group's current liabilities exceed its current assets. The Group's current liabilities largely comprise of prepaid subscription fees from customers, which does not lead to an outflow of liquidity.

The Board assesses that the company has the ability to continue as a going concern and has the ability to fund operations for 12 months. If no significant issue is performed, the Group has the ability to regulate the investment level and adapt its costs.

Risk of Oneflow not being able to recruit or retain key personnel

For the continued growth of the company, it is important that the key personnel with specialized knowledge of the business and market remain in their respective positions or that, should such persons terminate their employment, the company can replace them at short notice. Recruitment competition for highly qualified staff is high for several of the company's staff categories, in particular software developers and senior managers.

Risk due to the macroeconomic situation

As mentioned in External impact, the outbreak of war in Ukraine and Israel has drastically changed the external environment. Oneflow's operations have very limited exposure to Ukraine, Russia and Israel but are exposed to the effects of the war in the form of a deteriorating macroeconomic situation with rising inflation and interest rates and reduced economic growth. The main risks arising from the current uncertain situation due to the war in Ukraine and Israel are;

Revenue: As a result of the macroeconomic uncertainty, there is a risk that the demand for the company's products will decline, which may have a negative impact on the company's operations and growth opportunities.

Profitability: We have seen an increased rate of customer churn and an increased risk of customer loss. Actions are continuously taken to ensure timely and effective monitoring of outstanding accounts receivable. Furthermore, measures are taken to reduce costs that are not considered critical to operations in the short term.

Development

Oneflow develops software in the form of user-friendly digital systems for contract management. The work performed consists of development and maintenance of software products and testing.

Board Activities

The Board of Oneflow AB comprises five ordinary members. The Rules of Procedure for the Board of Directors, which is determined for one year at a time, contains, inter alia, disclosures of the allocation of responsibilities between the Board of directors and the CEO.

The Board's work follows an annual presentation plan, with a fixed agenda for each meeting. Meetings of the Board of Directors are attended by the CEO and company officials as rapporteurs and minute takers.

During the year, the Board held 11 meetings.

Nomination Committee

The company will adopt policies for its Nomination Committee at an Annual

General Meeting after the signing of the Annual Report.

Events after the end of the reporting period

No other significant events have occurred after the reporting period.

Outlook

Oneflow assesses the underlying demand for the solutions that the company markets as good, and therefore regards the conditions for earnings improvements and continued growth as positive.

Parent Company

Operations in Sweden are conducted in the Parent Company. As of 31 December 2023, Oneflow AB owns 100% of the shares in Oneflow Norge AS (922 750 378), Oneflow England Ltd (14 114 623), Oneflow B.V. (86 067 982) and Oneflow SAS (913 702 957). The company also has a branch in Finland, Oneflow AB (3182863-6).

Share Structure

Oneflow AB's share capital at the end of 2023 amounted to SEK 754,276 divided into 25,217,528 shares.

Oneflow is listed on Nasdaq First North Premier Growth Market, trading under the ticker “ONEF”.

Proposal for the appropriation of profits

Share premium reserve	321,540,295
Other unrestricted equity	9,410,225
Retained earnings	-187,071,274
Net loss	-96,629,776
Total	**47,249,470**

The board proposes that:	
Carried forward to retained earnings	47,249,470
Total	**47,249,470**

Consolidated income statement

TSEK	Note	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Net sales	5	99,666	69,126
Capitalized development work by own employees	13	36,147	27,526
Other revenues		835	53
Gross income		**136,648**	**96,705**
Operating expenses			
Compensation to employees	7	-152,778	-107,338
Depreciation	13, 14	-29,050	-19,796
Other expenses	6, 8, 11	-52,937	-35,321
Total operating expenses		**-234,765**	**-162,455**
Operating income		**-98,117**	**-65,750**
Financial income	9	3,731	741
Financial expenses	9	-709	-2,110
Income after financial net		**-95,095**	**-67,119**
Taxes	10	-416	-173
Net income		**-95,511**	**-67,292**
Net income attributed to:			
Shareholders of the Parent Company		-95,511	-67,292
		-95,511	**-67,292**
Earnings per share, based on income attributed to shareholders of the Parent during the year (SEK / share)			
Earnings per share	12		
Earnings per share, non-diluted		-3.80	-2.89
Earnings per share, diluted		-3.80	-2.89

Consolidated statement of other comprehensive income

TSEK	Note	2023-01-01– 2023-12-31	2022-01-01– 2022-12-31
Net income		-95,511	-67,292
Items that may be reclassified to the income statement:			
Translation adjustments		-88	46
Other comprehensive income for the period, net of tax		-88	46
Comprehensive income for the period		**-95,599**	**-67,246**
Comprehensive income for the period attributed to:			
The shareholders of the Parent Company		-95,599	-67,246

Consolidated balance sheet

TSEK	Note	2023-01-01–2023-12-31	2022-01-01–2022-12-31
ASSETS			
Intangible fixed assets	13		
Capitalized development cost		87,382	58,882
Other intangible non-current assets		103	338
Total intangible fixed assets		**87,485**	**59,220**
Tangible fixed assets	14		
Tangible non-current assets		3,100	2,831
Right-of-use assets		14,267	10,151
Total tangible fixed assets		**17,367**	**12,982**
Financial assets	15		
Other financial non-current assets		3,009	1,914
Total financial assets		**3,009**	**1,914**
Total fixed assets		**107,861**	**74,116**
Trade receivables	18	24,771	15,385
Current tax assets		663	453
Other current receivables		2,229	1,360
Prepaid expenses and accrued income	5, 19	9,498	6,844
Cash and cash equivalents	20	100,603	211,651
Total current assets		**137,764**	**235,693**
Total assets		**245,625**	**309,809**
EQUITY AND LIABILITIES			
Net income attributed to Shareholders of the Parent Company			
Share capital	21	756	754
Other contribution capital	22	351,817	349,904
Retained earnings including net income for the year		-215,650	-120,051
Total equity		**136,923**	**230,607**

TSEK	Note	2023-01-01– 2023-12-31	2022-01-01– 2022-12-31
LIABILITIES			
Non-current liabilities			
Non-current leasing liabilities	8, 23	8,135	4,491
Deferred tax liabilities	24	192	167
Total non-current liabilities		**8,327**	**4,658**
Current liabilities			
Current leasing liabilities	8, 23	5,480	4,851
Trade payables		8,174	5,365
Other current liabilities	25	10,914	9,712
Accrued expenses and deferred income	5, 26	75,807	54,616
Total current liabilities		**100,375**	**74,544**
Total equity and liabilities		**245,625**	**309,809**

Consolidated statement of changes in equity

TSEK	Note	Share capital	Additional paid-in capital	Retained earnings	Total equity
		Attributable to the Parent Company's shareholders			
Opening balance January 1, 2022		**366**	**64,121**	**-52,621**	**11,866**
Net income for the period				-67,292	-67,292
Other comprehensive income for the year				45	45
Total comprehensive income		**366**	**64,121**	**-119,868**	**-55,381**
Transactions with owners					
Bonus issue		183	-	-183	-
Share issue	21	205	307,171	-	307,376
Costs related to Share issue		-	-23,950	-	-23,950
Share-based payment	22	-	2,562	-	2,562
Total transactions with owners		**388**	**285,783**	**-183**	**285,988**
Closing balance December 31, 2022		**754**	**349,904**	**-120,051**	**230,607**
Opening balance January 1, 2023		**754**	**349,904**	**-120,051**	**230,607**
Net income for the period				-95,511	-95,511
Other comprehensive income for the year				-88	-88
Total comprehensive income		**754**	**349,904**	**-215,650**	**135,008**
Transactions with owners					
Exercised warrants	21	2	-	-	2
Warrants		-	518	-	518
Share-based payment	22	-	1,395	-	1,395
Total transactions with owners		**2**	**1,913**	-	**1,915**
Closing balance December 31, 2023		**756**	**351,817**	**-215,650**	**136,923**

Consolidated statements of cash flow

TSEK	Note	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Cash flow from current operations			
Operating income		-98,117	-65,750
Depreciation of tangible and intangible assets		29,050	19,796
Other adjustments for non-cash items	22	1,395	2,562
Interest received		4,274	742
Interest paid		-28	-1,480
Taxes paid		-1,062	-307
Cash flow from operating activities before changes in working capital		**-64,488**	**-44,437**
Change in accounts receivable		-9,386	-6,104
Change in other short-term operating receivables		-4,066	-3,978
Change in accounts payable		2,810	2,769
Change in other short-term operating liabilities		22,401	22,857
Total change in working capital		**11,759**	**15,544**
Cash flow from current operations		**-52,729**	**-28,893**
Cash flow from investment activities			
Investment in intangible non-current assets	13	-49,491	-36,664
Investment in tangible non-current assets	14	-1,730	-1,893
Investment in financial non-current assets	15	-1,095	-914
Cash flow from investing activities		**-52,316**	**-39,471**

TSEK	Note	2023-01-01– 2023-12-31	2022-01-01– 2022-12-31
Cash flow from financing activities	28		
Share issue		-	307,376
Costs for Share issue		-	-23,950
Premium for stock options		520	-
Amortization of leasing liabilities		-6,474	-5,946
Amortization of borrowings		-	-32,695
Cash flow from financing activities		**-5,954**	**244,785**
Net cash flow		**-110,999**	**176,421**
Net change in cash flow			
Cash and cash equivalents, beginning of the period		211,651	35,212
Exchange rate changes on cash		-49	18
Cash and cash equivalents, end of period		**100,603**	**211,651**

Parent company income statement

TSEK	Note	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Net sales	5	99,502	68,810
Capitalized development work by own employees	13	36,147	27,526
Other income		486	53
Gross income		**136,135**	**96,389**
Operating expenses			
Compensation to employees	7	-121,142	-92,474
Depreciation	13, 14	-22,545	-14,263
Other expenses	6, 8	-92,731	-56,734
Total operating expenses		**-236,418**	**-163,471**
Operating income		**-100,283**	**-67,082**
Financial income	9	3,731	741
Financial expenses	9	-25	-1,478
Income after financial net		**-96,577**	**-67,819**
Closing dispositions			
Income before taxes		**-96,577**	**-67,819**
Taxes	10	-53	-37
Net income for the period		**-96,630**	**-67,856**

Parent company balance sheet

TSEK	Note	2023-12-31	2022-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	13		
Capitalized development cost		87,484	59,220
		87,484	**59,220**
Tangible fixed assets	14		
Tangible fixed assets		2,499	2,547
		2,499	**2,547**
Financial assets	15		
Shares in subsidiaries		45	45
Other financial non-current assets		1,164	1,164
		1,209	**1,209**
Total fixed assets		**91,192**	**62,976**
Current assets			
Short-term receivables			
Trade receivables	18	24,771	15,385
Receivables group companies		463	-
Current tax assets		893	615
Other current assets		877	551
Prepaid expenses and accrued income	5, 19	8,973	7,473
		35,977	**24,024**
Liquid funds			
Cash and cash equivalent	20	99,609	210,072
Total current assets		**135,586**	**234,096**
Total assets		**226,778**	**297,072**

TSEK	Note	2023-12-31	2022-12-31
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	21	756	754
Fund for development expenses		87,484	59,220
		88,240	**59,974**
Unrestricted equity			
Share premium reserve		321,540	321,357
Other unrestricted equity		9,410	7,497
Retained earnings		-187,069	-90,779
Net income for the year		-96,630	-67,856
		47,251	**170,219**
Total equity		**135,491**	**230,193**
LIABILITIES			
Current liabilities			
Account payables		7,667	4,881
Current liabilities group companies		-	388
Other current liabilities	25	10,186	9,073
Accrued expenses and deferred income	5, 26	73,434	52,537
Total current liabilities		**91,287**	**66,879**
Total equity and liabilities		**226,778**	**297,072**

Parent company statement of changes in equity

Attributable to the Parent Company's shareholders

TSEK	Note	Share capital	Restricted equity	Unrestricted equity	Share premium reserve	Retained earnings	Total equity
Opening balance January 1, 2022		**366**	**35,858**	**4,935**	**38,319**	**-67,434**	**12,044**
Net income for the period						-67,856	-67,856
Translation differences						17	17
Fund for development expenses			23,362			-23,362	0
Total comprehensive income		**366**	**59,220**	**4,935**	**38,319**	**-158,635**	**-55,795**
Transactions with owners							
Bonus issue		183	-	-	-	-183	-
Share issue	21	205	-	-	307,171	-	307,376
Costs related to Share issue		-	-	-	-23,950	-	-23,950
Share-based payment		-	-	2,562	-	-	2,562
Total transactions with owners		**388**	**-**	**2,562**	**283,221**	**-183**	**2,562**
Closing balance December 31, 2022		**754**	**59,220**	**7,497**	**321,540**	**-158,818**	**230,193**
Opening balance January 1, 2023		**754**	**59,220**	**7,497**	**321,540**	**-158,818**	**230,193**
Net income for the period						-96,630	-96,630
Translation differences						13	13
Fund for development expenses			28,265			-28,265	-
Total comprehensive income		**754**	**87,485**	**7,497**	**321,540**	**-283,700**	**133,576**
Transactions with owners							
Share issue	21	2	-	-	-	-	2
Costs related to Share issue		-	-	518	-	-	518
Share-based payment		-	-	1,395	-	-	1,395
Total transactions with owners		**2**	**-**	**1,913**	**-**	**-**	1,915
Closing balance December 31, 2023		**756**	**87,485**	**9,410**	**321,540**	**-283,700**	**135,491**

Parent's statement of cash flows

TSEK	Note	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Cash flow from current operations			
Operating income		-100,283	-67,082
Depreciation of tangible and intangible assets		22,545	14,263
Other adjustments for non-cash items	22	1,395	2,562
Interest received		4,274	741
Interest paid		-25	-1,478
Taxes paid		-570	-234
Cash flow from operating activities before changes in working capital		**-72,664**	**-51,228**
Change in accounts receivable		-9,386	-6,361
Change in other short-term operating receivables		-2,554	-2,425
Change in accounts payable		2,786	2,456
Change in other short-term operating liabilities		21,622	20,581
Total change in working capital		**12,468**	**14,251**
Cash flow from current operations		**-60,196**	**-36,977**
Cash flow from investment activities			
Investment in intangible non-current assets	13	-49,491	-36,664
Investment in tangible non-current assets	14	-1,259	-1,610
Investment/refunds in financial non-current assets	15	-	-164
Cash flow from investing activities		**-50,750**	**-38,438**

TSEK	Note	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Cash flow from financing activities	28		
Share issue		-	307,376
Premium for stock options		520	-23,950
Amortization of borrowings		-	-32,695
Cash flow from financing activities		**520**	**250,731**
Net cash flow		**-110,426**	**175,316**
Net change in cash flow			
Cash and cash equivalents, beginning of the period		210,072	34,757
Exchange rate changes on cash		-37	-1
Cash and cash equivalents, end of period		**99,609**	**210,072**

Notes

1. General information

Oneflow AB (publ) (the “Parent Company”) and its subsidiaries (together the “Group”) develops, sells and implements user-friendly digital systems for contract management. The Group has sales offices in Sweden, Norway and Finland, United Kingdom, France and the Netherlands where Oneflow AB primarily conducts its business operations through its wholly owned subsidiaries and branches.

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 headquarters is Gävlegatan 12 A, 113 30 Stockholm, Sweden.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements for the Group and the Parent Company are presented below These standards have been consistently applied for all the years presented, unless otherwise stated.

2.1 Basis of preparation

Group

This interim report has been prepared pursuant to the Swedish Annual Accounts Act.

The Group applies the International Financial Reporting Standards (IFRS) as endorsed by the EU, and interpretations of these standards (IFRIC). In addition, the Group applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 1 Supplementary Accounting Rules for Groups.

These statements have been prepared on a historical cost basis.

Parent Company

The Annual Report for the Parent Company was prepared in accordance with RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act.

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. The areas involving a high degree of assessments, that are complex or such areas where assumptions or estimates are of significant importance for the consolidated statements are presented in Note 4.

New standards and interpretations not yet applied by the Group

None of the changes in standards that come into effect during the fiscal year 2023 have any significant effect on the financial reports. The amendment to IAS 1, Presentation of Financial Statements, has led the group to review the disclosures of accounting policies, and now only presents the policies deemed to be essential. The group focuses on describing company-specific information and thus avoids providing standardized paragraph texts where they are not considered vital for understanding the financial statements.

Significant estimates and judgments, as well as significant accounting policies, are disclosed alongside each note in the report to provide a better understanding of each accounting area.

2.2 Consolidated statements

Subsidiaries are all entities in which the Group has a controlling interest. The Group controls an entity when it is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power over the entity.

2.3 Translation of foreign currencies

The Group's presentation currency is Swedish Krona (SEK), which is the functional and presentation currency of the Parent entity. Items included in the financial statements of each of the Group's companies are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Transactions in foreign currency are converted to the functional currency at the exchange rates prevailing on the transaction date. Foreign exchange gains and losses arising from the settlement of such transactions and upon conversion of monetary assets and liabilities in foreign currency at closing rates are recognized in operating profit or loss in the income statement. Foreign exchange gains and losses attributable to loans and cash and cash equivalents are recognized in the income statement as financial income or expense.

2.4 Segment reporting

An operating segment is defined as business activities which generate income and incur costs, whose operating profit is regularly followed up by the Group's chief operating decision maker and for which independent financial information is available. In Oneflow, the CEO is defined as the chief operating decision maker. This person makes decisions regarding the allocation of resources, and regularly monitors and assesses the results.

Currently, all customer contracts are managed and underwritten by the Swedish company. The Group's internal reporting is built in such a way that the CEO can monitor performance and results. As results are only monitored for one business area, the whole Group is composed of one single operating segment, subscription agreements.

Segment information is not presented on the basis that the Group has determined that the entire business comprises one segment. Additional disclosures according to IFRS 8 are presented in Note 5.

2.5 Revenue recognition

The Group recognizes revenue from the following major sources: Revenue recognition is done in accordance with the five-step process that is presented in IFRS 15.

2.5.1 Contracts

Oneflow sells software subscriptions for contract management processes. The software is controlled and run by Oneflow and is offered to customers as a cloud-based service. Services are delivered according to a SaaS model (Software-as-a-service) and can be used via the customer's browser on a laptop, tablet or mobile phone. The contracts can be divided into two contract types.

- Software subscriptions (SaaS)
- Integration services

2.5.2 Performance obligation

Most contracts comprise a number of performance obligations that are recognized separately. The following separate performance obligations have been identified in the contracts:

- Software-as-a-service (SAAS), software subscription
- Onboarding (online education, a certain number of customized templates, a certain level of configuration)
- Customer Success Manager – Support
- Integration service, access to integration / access to another system
- Customized templates (in addition to those included in the onboarding service)

2.5.3 Transaction price

The transaction price consists mainly of a fixed price for the SAAS service per user and month (including customer success manager/support). Fixed prices are also charged for onboarding (including configuration and templates) and for additional customized templates. The transaction price for the integration service also consists of a fixed price per user and month. In the contracts, there are no significant financing components, upfront fees or prepayments.

2.5.4 Allocation of the transaction price to the performance obligation

The transaction price for the subscription agreements is allocated to the Group's performance obligations, based on its stand-alone sales prices. In such cases where there are no observable prices, an estimation has been made of the stand-alone sales price. The Group's assessment is that the agreed price per performance obligation in all material respects represents its stand-alone sales price. No separate allocation has been made to the support performance obligation, as this revenue is reported over the same time period as the SaaS solution.

No allocation of the transaction price is made for the integration service agreements, as these only comprise one performance obligation.

2.5.5 Revenue recognition

The Group recognizes revenue for software subscriptions (SaaS), onboarding, support and integration agreements over time. Revenue for SaaS, support and integration is recognized on a straight-line basis over the contract period. In those cases where further templates are sold and when a customer pays extra for a specific E-signature, revenue is recognized at a point in time when these products/services have been transferred to the customer.

The Group applies the exemption which entails that no disclosures are provided for the remaining performance obligations related to agreements with a term of less than one year.

Costs directly attributable to obtaining a customer contract (such as sales commissions) are capitalized in the balance sheet, recognized as prepaid costs and amortized throughout the contract term.

2.6 Financial income and expenses

Interest income and expenses are recognized in the profit and loss account using the effective interest method. Financial expenses consist of interest and other costs associated with borrowing. Financial income consists of interest income from investment accounts.

2.7 Employee benefits

Employee benefits such as salaries and social security costs, vacation and paid sick leave are recognized as the employees render services. Commitments for employees are secured through defined contribution pension plans.

2.8 Share-based payments (employee stock options)

The Group’s share option program is classified as an equity-settled program. The share options are measured at fair value on the date when the Group enters into agreements of share-based payments. Fair value at the grant date is recognized as a cost with a corresponding adjustment in equity allocated over the vesting period, based on the Group’s estimation of the number of share options that are expected to be redeemable. The fair value is calculated by using the Black-Scholes valuation model.

2.9 Current and deferred tax

The tax expense for the period comprises current tax and deferred tax. The current tax expense is calculated with application of the tax regulations that have been enacted or substantively enacted on the balance sheet date.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets on tax losses are recognized to the extent that it is probable that future taxable profits will be available against which the losses can be utilized.

2.10 Intangible assets

2.10.1 Acquired through internal earnings – capitalized development expenditure

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets where the following criteria are met:

- It is technically feasible to complete the intangible fixed asset such that it can be utilized or sold,
- The Group's intention is to complete the asset
- There are prerequisites in place to utilize or sell the intangible asset,
- The asset is expected to generate future economic benefits
- Necessary and adequate technical, economic and other resources are available to complete the
- Expenditure can be reliably estimated

Directly attributable costs that are capitalized include expenses for employees, compensation for development services received and direct materials.

Other development costs that do not meet these criteria are recognized as an expense as incurred.

The Group monitors, in a separate system, resource allocation at an individual level as regards product development versus ongoing maintenance. In the last years, the share of product development of the time available has been 80% on average. The Group aims to continue with significant investments in product development in the next few years, and therefore foresee that capitalized work on its own account will continue to the same extent as earlier.

Capitalized work on own account is recognized as a revenue in the consolidated income statement.

After initial recognition, internally accrued intangible fixed assets are recognized at cost less accumulated depreciation and any accumulated impairment. Amortization begins when the asset can be used. Capitalized expenditure is amortized on a straight-line basis over an estimated useful life of 5 years.

2.10.2 Review of useful lives

Estimated total useful lives and depreciation methods are reviewed if there is an indication that these have changed compared with the estimate made on the previous balance sheet date. The effect of any changes in estimates and judgements are recognized prospectively. Amortization begins when the asset can be used.

2.11 Tangible assets

Tangible fixed assets are recognized at cost, less accumulated depreciation and any impairment. Cost comprises the purchase price, expenditure that is directly attributable to the asset to bring it to its place. The Group's tangible fixed assets consist of equipment, tools and installations and their estimated useful economic life is 3-5 years.

2.12 Impairment of intangible and tangible fixed assets

On every balance sheet date, the Company analyzes the carrying amount of property, plant and equipment and intangible assets to determine whether there are any indications that the value of these items has decreased. When this is the case, the asset’s recoverable amount is calculated to establish the value of any impairment. When it is not possible to measure the recoverable amount for an individual asset, the Company calculates the recoverable amount of the cash-generating unit to which the asset belongs. An impairment test is performed annually regarding capitalized expenditure for development work that is yet to be finished.
Refer to note 13 for a more detailed description.

2.13 Leases where the Group is the lessee

The Group has leases for premises and recognizes all leases (with a few exceptions that are presented below) in the statement of financial position as a leasing liability for the obligation to pay future fixed lease payments and a right-of-use asset as an expression of the right to use an underlying asset. The lease liability is valued at the present value of the lease payments.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. For all leases, the Group has applied the incremental borrowing rate when calculating the lease liability.

The right-of-use asset is measured at cost and is recognized at an amount equal to the initial measurement of the lease liability after adjusting for prepaid lease payments and initial direct costs, and costs to restore the asset to the condition stipulated in the terms of the lease. Right-of-use assets are depreciated in subsequent periods over the shorter of the asset’s useful life and the lease term on a straight-line basis.

When the Group enters into lease agreements, an assessment is made as to whether it is reasonably certain that the option to extend will be exercised. In the assessment, all relevant facts and circumstances that offer economic incentives are considered.

In the financial years 2023 the Group entered short time agreements in Norway, Finland, UK and France. All of these agreements have a duration of less than 12 months.

2.14 Financial instruments

The Group's financial instruments consist of:

- Accounts receivable, customers
- Cash and cash equivalents
- Liabilities to credit institutions
- Other non-current liabilities (loans)
- Accounts payable, suppliers

The Group does not have any derivatives and there is no hedge accounting.

2.15 Financial assets

Financial assets measured at amortized cost

The assets in this category mainly occur from the providing of goods and services to customers (e.g., accounts receivable), but also include other types of financial assets, such as contract receivables. All financial assets are recognized at the amortized cost.

2.16 Impairment of financial assets

Impairment of accounts receivable is recognized based on the simplified method with the use of the expected credit losses for the entire remaining term of the contract. At confirmation that the customer will not be able to pay the account receivable, the gross value of the asset is written off against the related provision. For detailed information, refer to section 3 - Credit and Counterparty Risks.

Cash and cash equivalents

Cash and cash equivalents include cash funds, disposable balances with banks and short-term investments. Cash and bank balances are recognized at nominal value.

2.17 Financial liabilities

The financial liabilities are classified and measured as liabilities measured at amortized cost.

Financial liabilities include the following items:

- Accounts payable are commitments to pay for goods or services which have been purchased in the course of the day-to-day operations. Accounts payable are classified as current liabilities if they are due within one year (or within a normal operating cycle if longer).

2.18 Statement of cash flows

The cash flow statement has been prepared using the indirect method.

2.19 Parent Company accounting policies

In cases where the Parent Company applies other accounting policies than the Group, this is stated separately below.

Shares and participations in subsidiaries

Holdings in subsidiaries are valued at cost, which includes acquisition-related expenses. Where the carrying amount of the investment exceeds its recoverable amount, an impairment loss is recognized. Dividends from subsidiaries are recognized as income when the right to receive dividends is deemed to be certain and can be reliably calculated.

Financial instruments

The Parent Company applies the exception in RFR 2. For this reason, the rules on financial instruments in IFRS 9 are not applied in the Parent Company. In the Parent Company, financial assets are measured at cost less any impairments, and current financial assets in accordance with the lower of cost and net realizable value. In accordance with the rules in IFRS 9, the Group applies a simplified method for impairment testing of trade receivables.

Leases

The Parent Company does not apply IFRS 16 in the stand-alone financial statements in accordance with the exception in RFR 2. Lease payments are recognized as costs straight-line over the lease term.

Reserve for development costs

Reserve for development costs A transfer from non-restricted equity to the reserve for development expenditure in restricted equity is done for an amount corresponding to what was capitalized during the year.

Branches

The branches are part of the Parent Company from a reporting standpoint, and their income statement and balance sheet are added line by line. Exchange-rate differences that occur at the recognition of foreign branches are recognized directly in Parent Company equity.

3. Financial risk management

3.1 Financial risk factors

The Group is exposed to a number of different financial risks through its business activities: market risk (currency and interest-rate risk), credit risk and liquidity risk. The Group's overall risk-management policy focuses on the unpredictability of the financial markets and endeavors to minimize potential unfavorable effects on the Group's financial earnings. Risk management is handled in accordance with policies approved by the Board. The Board of Directors prepares written policies, both in terms of the overall risk management and within areas, such as currency risk, credit risk, use of derivatives and financial instruments which are not derivatives, as well as regards the investment of surplus liquidity.

Risks related to Oneflow's liquidity, long-term financing and capital requirements

The company is in a growth phase, and loss for the period for the financial year 2023 was TSEK -95,511, and before that, for the financial year 2022, it was TSEK -67,292 Historically, the company has not been able to finance its business operations solely from its own cash flow and has therefore been dependent on external financing. During 2022, Oneflow was successfully listed on First North, and raised a total of MSEK 290 including the over-allotment. The conditions for Oneflow's further development and expansion look promising for the years ahead, and currently no further financing is deemed necessary.

If the company has insufficient capital to fund the operations according to the company's growth plans, the company might be forced to halt or delay planned development work, conduct restructuring of all or part of the operations or be forced to conduct its business at a slower pace than desired, which might lead to delayed or lost sales revenue, and the time it takes for the company to be profitable is postponed. If the company cannot fund its operations without external funding, or if the company requires external funding but it is not available or is only available on terms and conditions that are unfavorable for the company, it might have a significant adverse effect on the company's profit, financial position and growth opportunities.

If share issues cannot be carried out to a sufficient degree, the operations might need to regulate the cost and development level.

Currency risk

Currency risk is the risk that fair value or future cash flows will fluctuate because of changes in the foreign exchange rates. Exposure to currency risk arises primarily from payment flows in foreign currencies and at translation of the balance sheets and income statements of foreign subsidiaries to the Group's reporting currency, which is Swedish kronor (SEK).

Translation exposure

Translation exposure is the risk that the value of the Group's net investments is adversely affected by changes in the foreign exchange rates. The Group consolidates net assets in SEK on the balance sheet date.

Transaction exposure

Transaction exposure is the risk that the results will be adversely affected by fluctuations caused by changes in the foreign exchange rates for cash flows in a foreign currency.

The Group has payment flows in local currencies in the countries where purchases, even more important, sales are conducted, including NOK, GBP and EUR. If Oneflow's sales abroad should increase, which is in line with the company's business plan, payment flows in local, non-Swedish currencies will also increase.

Furthermore, there is a risk that fluctuating foreign exchange rates will make the company's products seem more expensive compared to their foreign equivalents, which might lessen the competitiveness of the company's products. Generally, the company's customer contracts do not include any specific provisions regarding the effects of changes in foreign exchange rates, neither does the company have any currency hedging. If foreign exchange rates become subject to fluctuations and high volatility, it might have an adverse effect on the Company's result. The table below presents outstanding funds in foreign currency at the balance sheet date

The Group's outstanding currency risk as of 31 December 2023 as shown in the table below.

Parent company

Per 31 December 2023 TSEK	NOK	EUR	GBP	USD	Total outstanding currency risk	Total
Accounts receivable	3,360	4,931	545	210	9,046	24,771
Cash and cash equivalent	1,630	1,085	-	-	2,715	100,603
Accounts payable	-122	-1,453	-27	-1,949	-3,551	-8,174
Total	**4,868**	**4,563**	**518**	**-1,739**	**8,210**	**117,200**

Per 31 December 2022, TSEK	NOK	EUR	GBP	USD	Total outstanding currency risk	Total
Accounts receivable	2,621	2,312	230	75	5,238	15,385
Cash and cash equivalent	265	5	-	270	540	211,651
Accounts payable	-9	-505	-28	-1,018	-1,560	-5,365
Total	**2,877**	**1,812**	**202**	**-673**	**4,218**	**221,671**

Cash and cash equivalents in cash and bank refer to foreign currency accounts. The above accounts receivable and accounts payable pertain to receivables and liabilities in a currency other than SEK. Since foreign exchange risk in the Group only occurs in the Parent Company, there is only one common table.

Credit and counterparty risk

There is a risk that Oneflow's customers cannot fulfill their payment obligations, and therefore cause a loss for the company. Oneflow's exposure to credit risk is mainly attributable to accounts receivable-trade. As of 31 December 2023, this amounted to TSEK 24,771. The risk that Oneflow's customers cannot fulfill their payment obligations due to financial difficulties can be affected by the current economic climate and other macroeconomic factors. Due to the deteriorated economic climate, the Group has noted an increase in companies with payment difficulties, which has led to a higher number of provisions for credit losses. In 2023, credit losses amounted to TSEK 772. Historically, the Group has recognized low customer losses, as there is a possibility to exclude customers from the platform. Furthermore, customers are invoiced in advance, which has the benefit of being able to exclude a customer from the service at an early stage, and thus lessen the risk of losses.

In the current economic climate in the market with increased interest rates combined with high inflation, there is a risk that smaller companies with a weak balance sheet will terminate their licenses, and larger companies might have had to issue layoffs, with a downgrade of the number of licenses as a result.

Liquidity risk

Liquidity risk is the risk that the Group will have insufficient cash and cash equivalents available to discharge its obligations in respect of financial liabilities. The goal of the company's liquidity management is to minimize the risk that the Group will have insufficient cash and cash equivalents available to meet its commercial obligations.

Cash flow forecasts are prepared on a regular basis. At Group level the rolling forecasts for the Group's liquidity reserves are monitored carefully to ensure that the Group has sufficient cash funds to meet the requirements of the ongoing operations. As of 31 December 2023, the Group's cash and cash equivalents amounted to TSEK 100,603. The Group has no unutilized credit facilities.

Other future liquidity pressures relate to the payment of accounts payable and other current liabilities as well as salary costs. The table below shows the contractual undiscounted cash flows including interest from the Group's financial liabilities that constitute financial liabilities, broken down by the time remaining on the balance sheet date until the contractual maturity date.

Liquidity risk- Group

Per 31 December 2023, TSEK	Less than 3 months	Between 3 months and 1 year	Between 1 to 2 years	Between 2 to 5 years	Total
Borrowing	-	-	-	-	-
Liabilities- leasing	1,335	4,145	8,135	-	13,615
Accounts payable and other liabilities	8,174	-	-	-	8,174
Total	**9,509**	**4,145**	**8,135**	**-**	**21,789**

Per 31 December 2022, TSEK	Less than 3 months	Between 3 months and 1 year	Between 1 to 2 years	Between 2 to 5 years	Total
Borrowing	-	-	-	-	-
Liabilities- leasing	1,428	3,423	3,994	497	9,342
Accounts payable and other liabilities	5,365	-	-	-	5,365
Total	**6,793**	**3,423**	**3,994**	**497**	**14,707**

Management of capital

The Group's targets regarding its capital structure are to secure the Group's capability to carry on its business so that it can continue to generate both a yield to shareholders and benefit to other stakeholders, as well as maintain an optimal capital structure to keep the cost of capital as low as possible. In order to maintain or adjust the capital structure, the Group can change the dividend paid to shareholders, repay capital to the shareholders, issue new shares or sell assets to reduce debts. The Group monitors the capital structure on the basis of the loan-to-value ratio and equity ratio.

4. Critical accounting estimates and judgments

4.1 Key accounting assessments estimates and assumptions

The Group undertakes estimates and assumptions regarding future developments. The resulting accounting estimates will, by definition, seldom correspond to the actual results. Estimates and assumptions which involve a significant risk of material adjustments to the carrying amounts of assets and liabilities in the coming financial year are described below.

4.1.1 Capitalized development expenditure

The Group has capitalized expenditure on development costs that are recognized as intangible assets. The Group performs ongoing assessments of which costs can be capitalized in the balance sheet based on the criteria that must be met in order for capitalization to occur (see section 2.10.2 Accounting policies). Important criteria for the Group to continuously assess are whether the new products are technically and commercially viable and whether the company has sufficient resources to continue development. To date, the Group has concluded that these criteria are met (see section 3.1 on the Group's financing risk).

The company makes assessments regarding the distinction between research and development. Costs that are deemed to comprise research, such as looking for new technology, new know-how and evaluation of different alternatives are recognized directly in profit or loss. The Group's costs in this phase (the research phase) are rather limited, as most of the development work relates to development of the technology platform which is already in place. Costs in the development phase are capitalized in case the costs pertain to further development which complements the existing platform with new features and integrations that significantly enhance the products and processes. The Group monitors costs related to the development projects at the project level. Directly attributable costs that are capitalized include costs for employees, fees for consultants who work with development and directly related material. In the last years, the share of product development of the time available for the staff has been 80% on average. The Group estimates that product development will continue at approximately the same level in the coming years. However, this assessment may be adjusted and imply a higher or lower level of capitalizable costs in the future.

The Group also makes assessments regarding the distinction between development and ongoing maintenance. The monitoring is based on what resources work with administration and bug fix, and what resources work with new development. The costs of routine maintenance are expensed in the income statement in the period in which they arise.

After the initial recognition, the asset is tested for impairment whenever there is an indication that the asset might be impaired. At initial recognition, the Group makes assessment of the useful life of the asset. The useful life is assessed annually and adjusted if necessary. The Group's capitalized development costs are currently amortized over five years. Capitalized expenditure for development activities for which no depreciation has yet not started, are tested for impairment annually. Determining impairment involves a certain degree of judgment. An assessment of the asset's recoverable value relative to its carrying amount. In relation to this, an assessment is made of the Group's expected future economic benefits of the asset relative to its carrying amount (note 13).

As of 31 December 2023, capitalized expenditure for development activities amounted to MSEK 87,382 (2022: MSEK 58,882).

The Board of Directors makes the assessment that the Group fulfills the demands to capitalize development costs and the further development which is made of the software.

4.1.2 Share-based payments

The Group’s share option program is classified as an equity-settled program. When calculating the cost, the Group shall estimate how many share options will be vested. This assessment is then updated at each balance sheet date. The Group has estimated that 80% of the share options will be vested.

Accrued income is measured at fair value on the date when the Group enters into agreements of share-based payments. Fair value at the grant date is recognized as a cost with a corresponding adjustment in equity allocated over the vesting period, based on the Group’s estimation of the number of share options that are expected to be redeemable. The fair value is calculated by using the Black-Scholes valuation model.

4.1.3 Going concern

The Board assesses that the company has the ability to continue as a going concern and has the ability to fund operations for 12 months. If no significant issue is performed, the Group has the ability to regulate the investment level and adapt its costs.

4.1.4 Other judgments

For other assessments regarding revenue recognition and leasing, see section 2.5 Revenue recognition, section 2.13 Group as lessee and tax losses, Note 2.9. For assessment regarding Segment, see section 2.4.

5. Net sales

	Group		Parent company	
TSEK	**2023-01-01– 2023-12-31**	**2022-01-01– 2022-12-31**	**2023-01-01– 2023-12-31**	**2022-01-01– 2022-12-31**
Subscription revenue	95,915	65,865	95,915	65,865
Other	3,751	3,261	3,587	2,945
Total net sales	**99,666**	**69,126**	**99,502**	**68,810**

Oneflow sells software through long-term subscription agreements that are invoiced in advance, mainly annually but also monthly, which means a high proportion of recurring revenue. In the financial year ending 31 December 2023, subscription revenue represented 96.2% of the company's total revenue. Non-recurring income relates mainly to one-off services in the form of customer specific consultancy services such as setting up customized templates or exporting data.

No single customer has a share of more than 10% of the company's net sales.

Net sales, Sweden and other countries

	Group		Parent company	
TSEK	2023-01-01–2023-12-31	2022-01-01–2022-12-31	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Sweden	69,670	51,818	69,670	51,818
Norway	13,044	9,362	12,888	9,362
Other countries	16,952	7,946	16,944	7,630
Total net sales	**99,666**	**69,126**	**99,502**	**68,810**

Contractual balances

Contract assets are primarily related to the Group's right to receive payment for work performed but not invoiced at the balance sheet date.

	Group		Parent company	
TSEK	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Current contract assets	904	363	904	363
Current leasing liabilities	61,667	44,260	61,667	44,260

Contract assets are primarily related to the Group's right to receive payment for work performed but not invoiced at the balance sheet date. There is no impairment of contract assets on 31 December 2023 or 2022. Contract assets are transferred to receivables when the rights become unconditional. This is usually when the Group issues an invoice. Contract liabilities are primarily related to advances from customers, prepaid income in the form of right-of-use already sold, for which revenue is recognized over time. TSEK 44,260, which was recognized as a contract liability at the beginning of the period, was recognized as revenue in 2023, and TSEK 61,667, which was recognized as a contract liability at the end of 2023, pertains to revenue that will be recognized in 2024.

6. Remuneration to the auditors

	Group		Parent company	
TSEK	2023-01-01–2023-12-31	2022-01-01–2022-12-31	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Grant Thornton				
- Audit	1,253	1,122	1,066	1,016
- Auditing advice other than statutory audit services	211	1,539	211	1,539
Total	**1,464**	**2,661**	**1,277**	**2,555**

The audit engagement refers to the fee for the statutory audit, that is, the work necessary to produce the audit report, and the audit advice provided in connection with the audit engagement.

7. Employee benefits

Salaries and other remuneration for all employees

	Group		Parent company	
TSEK	**2023**	**2022**	**2023**	**2022**
Salaries, and other remunerations	109,532	74,603	85,136	63,454
Social security expenses	30,987	21,281	25,300	19,321
Pension costs / defined contribution plans	7,951	5,272	7,304	4,950
Total	**148,470**	**101,156**	**117,740**	**87,725**

Salaries and remuneration of senior managers benefits

2022-01-01–2022-12-31, TSEK	Base salary/ fee	Variable pay	Social security expenses	Of which pension costs	Total
Lars Appelstål	268	-	83	-	351
Bengt Nilsson	133	-	42	-	175
Rosie Kropp	133	-	42	-	175
Finn Persson	133	-	42	-	175
CEO/Anders Hamnes	1,306	89	826	388	2,221
Other senior executives, 7	5,873	4,116	2,590	613	12,579
Group total	**7,846**	**4,205**	**3,625**	**1,001**	**15,676**

2023-01-01–2023-12-31, TSEK	Base salary/ fee	Variable pay	Social security expenses	Of which pension costs	Total
Lars Appelstål	400	-	125	-	525
Bengt Nilsson	200	-	63	-	263
Rosie Kropp	200	-	63	-	263
Finn Persson	200	-	63	-	263
CEO/Anders Hamnes	1,372	3	848	416	2,223
Other senior executives, 7	8,016	13	3,089	880	11,118
Group total	**10,388**	**16**	**4,251**	**1,296**	**14,655**

Number of employees (average)

	Group		Parent company	
	2023	**2022**	**2023**	**2022**
Number of employees (average)	161	122	130	107
Whereof men	107	74	90	63
Breakdown per country				
Sweden	123	101	123	101
Norway	7	8	-	-
Finland	7	6	7	6
UK	7	3	-	-
France	9	2	-	-
Netherlands	8	2	-	-
Total	**161**	**122**	**130**	**107**

Gender distribution in the Group for board members

	Group		Parent company	
	2023	**2022**	**2023**	**2022**
Women	1	1	1	1
Men	4	4	4	4
Total	**5**	**5**	**5**	**5**
Executive management, CEO incl.				
Women	4	4	4	4
Men	5	4	5	4
Group total	**9**	**8**	**9**	**8**

Guidelines for the remuneration of senior executives

Fees are payable to the Chairman and other members of the Board in accordance with a resolution of the Annual General Meeting. At the Annual General Meeting on 12 May 2023, it was decided that the remuneration to the members of the Board of Directors shall amount to a total of MSEK 1, on an annual basis. It was also decided that additional fees for committee work should not be paid. Members of the company's board of directors are not entitled to any benefits after their resignation as members of the board.

Employment conditions for the CEO and other senior managers

The CEO of the company is, according to the employment contract, entitled to a fixed remuneration that the company considers to be on market terms. In addition to fixed remuneration, the CEO is also entitled to an individual occupational pension insurance corresponding to the ITP 1 pension plan. Agreed benefits will also apply during the notice period.

Other senior executives are employed by the company and receive what the company considers to be market-based remuneration and other benefits, including occupational pensions. Variable remuneration in the form of a target-based bonus is paid to all senior executives. In addition to this, free qualified employee share options have been granted to senior executives with 65,440 share options in 2020, corresponding to 327,000 after the brokerage, none in 2021 and 35,000 in 2022. In 2023, 57,000 warrants were granted to senior executives. For a description, please refer to Note 22.

The notice of termination for other senior executives in the event of termination by the company is three months, or the longer notice of termination pursuant to the Act on protection of employees. The notice of termination for other senior executives in the event of termination by the senior executive is three months. Agreed benefits will also apply during the notice period. The senior executives are not entitled to any benefits in the event that their employment is terminated, with the exception of salary and other benefits in accordance with their employment contract during the notice period.

Defined contribution pensions

The Group only has defined contribution pension plans. Pension cost refers to the cost that affected the result for the year. Pensionable salary refers to basic salary. The pension agreement states that the pension premium is determined in accordance with the Group's pension policy. No pension obligations have been entered into for Board members who are not permanently employed by one of the Group companies.

Severance pay

The company and the CEO have a reciprocal notice period of six months. In the case of other senior executives, employment is subject to a mutual notice of termination of three months. Apart from the payment of salary during the notice period, the employment contracts do not provide for any severance pay.

For information on Transactions with related parties, see Note 29.

8. Leases

The Group's right-of-use assets consist of office premises. Right-of-use assets added during the year relate to new premises in the Netherlands. In addition to the leasing contracts, the Group has a number of rental contracts that are not identified as leases as they relate to office hotels and workplace rental, and the rental period is less than 12 months.

The group as lessee	2023-12-31	2022-12-31
Right-of-use assets		
Opening balance	10,151	14,890
Purchases	11,983	734
Early terminated contracts	-1,563	-
Depreciations	-6,304	-5,473
Closing balance	**15,830**	**10,151**
Lease liabilities		
Opening balance	**9,342**	**13,971**
Purchases	11,676	685
Early terminated contracts	-1,695	-
Interest costs	681	631
Amortization of leasing debt	-6,389	-5,945
Closing balance	**13,615**	**9,342**
Cost relating to short-term leasing agreements	6,464	3,035
Total cash flow for lease agreements	-6,474	-5,946
Right-of-use assets per asset type		
Premises	14,267	10,151
Total	**14,267**	**10,151**
Lease liabilities per asset type		
Premises	13,615	9,342
Total	**13,615**	**9,342**

The parent company's leasing as the lessee	2023-12-31	2022-12-31
Future minimum lease payments for non-cancelable leases due as follows:		
Within 1 year	6,255	4,596
Between 2 and 5 years	8,610	3,447
Later then 5 year	-	-

9. Financial income and expenses

	Group		Parent company	
TSEK	2023-01-01–2023-12-31	2022-01-01–2022-12-31	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Financial income				
- Interest income*	3,731	615	3,731	614
- Other financial income	–	127	–	127
Financial income	**3,731**	**742**	**3,731**	**741**

*The group's excess liquidity has been placed in short-term investment accounts.

	Group		Parent company	
TSEK	2023-01-01–2023-12-31	2022-01-01–2022-12-31	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Financial expenses				
- Interest cost loans	–	-1,466	–	-1,466
- Interest cost leasing	-681	-631	–	-
- Other financial expenses	-28	-14	-25	-12
Financial expenses	**-709**	**-2,111**	**-25**	**-1,478**
Net financial income and expenses	**3,022**	**-1,369**	**3,706**	**-737**

10. Income tax

	Group		Parent company	
TSEK	2023-01-01–2023-12-31	2022-01-01–2022-12-31	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Current income tax:				
Current income tax for the year	-390	-196	-53	-37
Total current income tax	-390	-196	-53	-37
Deferred tax	-26	23	–	-
Total deferred tax	**-26**	**-88**	**-**	**-**
Income tax	**-416**	**-173**	**-53**	**-37**

Income tax on the Group's income before tax differs from the theoretical amount which would have been produced with the use of the Swedish tax rate on income in the consolidated companies, according to the following:

	Group		Parent company	
TSEK	2023-01-01–2023-12-31	2022-01-01–2022-12-31	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Income before tax	-95,095	-67,119	-96,577	-67,819
Income tax calculated based on national tax rates applicable on income in respective country	19,590	13,827	19,895	13,971
Tax effect of:				
- Effect of foreign tax rates	-4	-2	-	-
- Non-taxable income	2	-	2	-
- Non-deductible expenses	-79	-200	-79	-194
- Employee stock option	-288	-528	-288	-528
- Tax loss carryforwards for which no deferred tax asset has been recognized	-19,585	-13,249	-19,530	-13,249
- Other items	-52	-21	-	-
- Tax attributable to foreign branch	-	-	-53	-37
Income tax	**-416**	**-173**	**-53**	**-37**

Unrecognized deferred tax assets

Tax loss carryforwards for which loss carryforwards are not recognized in the statement of financial position amount to TSEK 251,709 (156,633). Deferred tax assets have not been recognized for these items as there is uncertainty as to when the Group will utilize them against future taxable profits.

11. Foreign exchange differences

Exchange-rate differences were recognized in profit or loss as follows:

	Group		Parent company	
TSEK	2023-01-01–2023-12-31	2022-01-01–2022-12-31	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Other income/expenses - net	-364	-444	-355	-159
Total	**-364**	**-444**	**-355**	**-159**

Foreign exchange gains and losses arising from translation are recognized in the consolidated statement of operations in the income statement. The Group primarily deals with currencies in NOK, DKK, EUR, USD and GBP.

12. 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	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Net income attributed to Shareholders of the Parent Company, TSEK	-95,599	-67,247
Weighted average number of ordinary shares outstanding, after bonus issue, pcs	25,180,953	23,298,299
Earnings per share, non-diluted, SEK	**-3.80**	**-2.89**

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	2023-01-01–2023-12-31	2022-01-01–2022-12-31
Net income attributed to Shareholders of the Parent Company, TSEK	-95,599	-67,247
Weighted average number of ordinary shares outstanding, after bonus issue, pcs	25,180,953	23,298,299
Earnings per share, diluted, SEK	**-3.80**	**-2.89**

13. Intangible fixed assets

	Group			Parent company		
TSEK	**Capitalised expenses**	**Web page**	**Total**	**Capitalised expenses**	**Web page**	**Total**
2023 Financial year						
Opening balance	58,882	338	59,220	58,882	338	59,220
Capitalised work/ acquires	49,491	-	49,491	49,491	-	49,491
Depreciation	-20,990	-236	-21,226	-20,990	-236	-21,226
Closing balance	**87,383**	**102**	**87,485**	**87,383**	**102**	**87,485**
As per 31 December 2023						
Acquisition value	147,458	707	148,165	147,458	707	148,165
Accumulated depreciation	-60,076	-604	-60,680	-60,076	-604	-60,680
Closing balance	**87,382**	**103**	**87,485**	**87,382**	**103**	**87,485**

TSEK	**Capitalised expenses**	**Web page**	**Total**	**Capitalised expenses**	**Web page**	**Total**
2022 Financial year						
Opening balance	35,285	574	35,859	35,285	574	35,859
Capitalised work/ acquires	36,664	-	36,663	36,664	-	36,663
Depreciation	-13,067	-236	-13,303	-13,067	-236	-13,303
Closing balance	**58,882**	**338**	**59,220**	**58,882**	**338**	**59,220**
As per 31 December 2022						
Acquisition value	97,967	707	98,674	97,967	707	98,674
Accumulated depreciation	-39,085	-369	-39,454	-39,085	-369	-39,454
Closing balance	**58,882**	**338**	**59,220**	**58,882**	**338**	**59,220**

Impairment testing of capitalized development expenditures

At 31 December 2023, the Group's capitalization of development costs amounted to TSEK 87,485 (2022: TSEK 59,220). Depreciation has been initiated for all capitalizations. The value is tested annually for impairment.

Management evaluates the performance of the business based on the group's overall operating results, which is linked to the technical platform. Consequently, the management's assessment is that there is only one cash-generating unit/operating segment linked to the technical platform.

Impairment testing is based on calculations of the value in use. These calculations proceed from estimated future cash flows before tax, based on financial budgets and forecasts approved by company management.

Critical variables, and the method used for estimating these values, for the seven-year period described below. All significant assumptions are based on management's historical experience.

Forecast period and long-term growth

The forecast period is 7 years. During the forecast period, net sales growth is estimated on average to be 43%. Cash flows beyond this seven-year period have been attributed an annual net sales growth rate of 2%. The rate of growth does not exceed the long-term rate of growth for the market in which the Group is active. The forecasted operating margin in year 7 amounts to 20%. Oneflow has used a seven-year cash flow forecast motivated by the fact that the business is still in a growth phase with forecasted sales revenue and operating results expected to be beyond the nearest forecast years.

Growth and margin

The growth rate of net sales and the cost for development in the first five years are based on historical experience and assessment of the Group's position in the market, with consideration of forward-looking factors.

Discount rate

The discount rate is calculated as the Group's weighted average cost of capital, including risk premium. The forecast cash flows have been discounted using a pre-tax interest rate of 22.0% (2022: 16.4%).

Sensitivity analysis

For the cash-generating unit, the recoverable amount exceeds the carrying amount. The company's management has conducted a sensitivity analysis on critical variables, testing the effect of an interest rate of 25% and a decreased revenue growth of 5%. The sensitivity analysis shows that individually, they do not reduce the recoverable amount to a value lower than the carrying amount.

14. Tangible fixed assets

	Group			Parent company		
TSEK	**Equipment and computers**	**Right-to-use assets**	**Total**	**Equipment and computers**	**Right-to-use assets**	**Total**
2023 Financial year						
Opening balance	**2,831**	**10,151**	**12,982**	**2,547**	**-**	**2,547**
Exchange rate differences	-	-	-	-	-	-
Purchases	1,730	11,983	13,713	1,259	-	1,259
Sales and disposals	-	-1,563	-1,563	-	-	-
Depreciations	-1,461	-6,304	-7,765	-1,307	-	-1,307
Closing balance	**3,100**	**14,267**	**17,367**	**2,499**	**-**	**2,499**
As per 31 December 2023						
Acquisition value or restated amount	6,947	28,662	35,609	6,089	-	6,089
Accumulated depreciations	-3,847	-14,395	-18,242	-3,590	-	-3,590
Closing balance	**3,100**	**14,267**	**17,367**	**2,499**	-	**2,499**

TSEK	**Equipment and computers**	**Right-to-use assets**	**Total**	**Equipment and computers**	**Right-to-use assets**	**Total**
2022 Financial year						
Opening balance	**1,955**	**14,890**	**16,845**	**1,896**	**-**	**1,896**
Exchange rate differences	3	-	3	-1	-	-1
Purchases	1,893	734	2,627	1,610	-	1,610
Sales and disposals	-	-	-	-	-	-
Depreciations	-1,020	-5,473	-6,493	-958	-	-958
Closing balance	**2,831**	**10,151**	**12,982**	**2,547**	**-**	**2,547**
As per 31 December 2022						
Acquisition value or restated amount	5,217	21,373	26,590	4,830	-	4,830
Accumulated depreciations	-2,386	-11,222	-13,608	-2,283	-	-2,283
Closing balance	**2,831**	**10,151**	**12,982**	**2,547**	**-**	**2,547**

15. Financial assets

	Group		Parent company	
Other financial assets	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Opening acquisition value	1,914	1,000	1,164	1,000
Deposit paid	1,845	914	-	164
Deposit received	-750	-	-	-
Closing balance	**3,009**	**1,914**	**1,164**	**1,164**

The Group's long-term receivables comprise rent deposits that are repaid when rent agreements in question are terminated.

16. Subsidiaries and branches

Name	Country of incorporation and operation	Operation	Number of ordinary shares owned by the Group (%)	Equity (TSEK)
Oneflow Norge AS	Norge, Org.nr. 922 750 378	Sales	100%	33
Oneflow England Ltd	Storbritannien, Org.nr. 14 114 623	Sales	100%	0
Oneflow B.V.	Nederländerna, Org.nr. 86 067 982	Sales	100%	1
Oneflow SAS	Frankrike, Org.nr. 913 702 957	Sales	100%	11

All subsidiaries are consolidated in the group.

Name	Country of incorporation and operation	Operation
Oneflow branch office in Finland	Finland, FO nr. 3182863-6	Sales

Subsidiaries and branches are sales divisions of the Swedish company and sell exclusively the Group's software products and related services.

17. Financial instruments per category

	Group		
TSEK	Valued at accrued cost	Valued at fair value through profit or loss	Total
As per 31 December 2023			
Balance sheet assets			
- Trade debtors and other receivables excluding interim claims	27,000	-	27,000
- Cash and cash equivalents	100,603	-	100,603
Total	**127,603**	**-**	**127,603**
Balance sheet liabilities			
- Leasing debts	13,615	-	13,615
- Trade creditors and other liabilities excluding financial liabilities	83,981	-	83,981
Total	**97,596**	**-**	**97,596**

	Group		
TSEK	Valued at accrued cost	Valued at fair value through profit or loss	Total
As per 31 December 2022			
Balance sheet assets			
- Trade debtors and other receivables excluding interim claims	16,745	-	16,745
- Cash and cash equivalents	211,651	-	211,651
Total	**228,396**	**-**	**228,396**
Balance sheet liabilities			
- Leasing debts	9,342	-	9,342
- Trade creditors and other liabilities excluding financial liabilities	59,981	-	59,981
Total	**69,322**	**-**	**69,322**

The carrying amounts of financial instruments comprise a good approximation of their fair values as the financial instruments mainly comprise current liabilities and current receivables. Contract receivables and contract liabilities are recognized in the items of accrued income and deferred income.

18. Accounts receivable, customers

	Group		Parent company	
TSEK	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Accounts receivable	25,391	15,780	25,391	15,780
Reserve for expected credit losses	-620	-395	-620	-395
Total	**24,771**	**15,385**	**24,771**	**15,385**

As at 31 December 2023, accounts receivable and contract assets amounted to MSEK 25,391 (2022: TSEK 15,780) for the Group, of which accounts receivable of TSEK 6,858 (2022: TSEK 1,457) are past due. Impairment of accounts receivable is recognized based on the simplified method with the use of the expected credit losses for the entire remaining term of the contract. Historic levels of credit losses are adjusted to take current and forward-looking information into consideration that could impact customers' ability to pay the receivable. At confirmation that the customer will not be able to pay the account receivable, the gross value of the asset is written off against the related provision. Historically, the Group has recognized low credit losses and, therefore, no further annual provision for expected credit losses has been made before. Due to the deteriorated economic climate, where the Group has noted an increase in companies with payment difficulties, a higher number of provisions for credit losses have been made during the year, which has resulted in higher expected credit losses. The overdue receivables relate to customers that have not previously had payment difficulties. An age analysis of these trade receivables is shown below.

	Group		Parent company	
Overdue accounts receivable as of the closing date	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Not due	17,913	14,323	17,913	14,323
Less than 3 months	4,712	876	4,712	876
More than 3 months	2,146	581	2,146	581
Total	**24,771**	**15,780**	**24,771**	**15,780**

19. Prepaid expenses and accrued revenues

	Group		Parent company	
TSEK	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Prepaid rent	-	-	1,609	1,518
Costs of obtaining contracts	4,630	2,916	3,251	2,733
Accrued income	957	960	951	960
Other prepaid expenses	3,911	2,968	3,162	2,262
Total	**9,498**	**6,844**	**8,973**	**7,473**

20. Cash and cash equivalents

	Group		Parent company	
TSEK	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Cash and bank	100,603	211,651	99,609	210,072
Total	**100,603**	**211,651**	**99,609**	**210,072**

The Group's cash and cash equivalents are placed in deposits with Skandinaviska Enskilda Banken AB (publ). Subsidiaries and branches have local commercial banks in each country. Excess liquidity is placed in accordance with the Board's financial policy.

21. Share capital

	Parent company	
TSEK	**2023-12-31**	**2022-12-31**
Number of shares opening balance	25,142,528	3,662,391
Bonus issue 1:5		14,649,564
Share issue		6,830,573
Exercised warrants	75,000	
Total	**25,217,528**	**25,142,528**

As of 31 December 2023, the registered share capital comprised 25,142,528 ordinary shares with a face value of 0.03 per share. Oneflow AB is listed on Nasdaq First North Premier Growth Market. The company does not own any of its own shares.

22. Share-based payment

As of 31 December 2023, the company has four outstanding incentive plans, described below. In addition to the share options that are indicated below, there are no other outstanding warrants, convertibles or other exchangeable securities or securities that are associated with the right for subscription to any other securities in the company.

Provided that all warrants for the three different incentive plans are exercised to subscribe for shares, this will result in an increase of a total of 810,450 shares and a dilution for existing shareholders of approximately 3.2% of the number of shares and votes as of the balance sheet date.

Stock option program 2023/2026

On 15 May 2023, the board of directors of the company, with the authorization from the annual general meeting on 12 May 2023, decided to issue 250,000 subscription options. Each subscription option entitles the holder to subscribe for one share at a price of SEK 65.30 during the period from 1 June 2026 to 31 July 2026. The options are valued at SEK 9.09. The valuation has been made based on Black & Scholes, taking into account the exercise price, time to expiration, valuation of the underlying share on the allocation date, risk-free interest rate, and estimated future volatility. The subscription price for the shares through the exercise of the subscription options is SEK 65.30. A total of 57,000 subscription options have been allocated to employees of the company. Assuming all subscribed options are exercised for subscription of shares, the maximum dilutive effect of the incentive program can amount to a maximum of approximately 1.0% of the total number of shares and votes in the Company as of the closing date.

Incentive program warrants

As of 10 May 2021, the company's Board resolved, with the support of the authorization from the AGM on 10 June, 2020, to issue 3,000 warrants. Each warrant entitles the holder to subscribe for one new share in the company, during the period from 1 April 2025 to 30 June 2025. The subscription price of the subscription for shares by exercising the warrant is SEK 28. All warrants have been subscribed by Belafonte AS, which is controlled by an employee in the company (not a senior executive).

Provided that all subscribed warrants are exercised for the subscription for shares, the maximum dilution effect under the incentive program regarding warrants can amount to a total of approximately 0.08% of the total number of shares and votes in the company at the balance sheet date.

Share Incentive Plan regarding employee share options

During the period from July 2018 to December 2020, the company has entered agreements regarding employee share options with 28 employees, by which the employees, subject to redemption, shall have the right to subscribe for shares in the company at a price of SEK 0.1 per share. The share options were issued at seven vesting times and have been issued free of charge. All warrants have a 4 year vesting period. In total, there are 121,890 outstanding employee share options as of 31 December 2023, corresponding to 609, 450 warrants after the bonus issue in February 2022, which can be subscribed in different periods between 1 February 2021 to 30 April 2025. In 2023, 75,000 options from the incentive program were exercised for shares.

The Extraordinary General Meeting on 3 February 2022 resolved to initiate the 2022/2026 employee stock option program. In total, there are 110,000 outstanding employee share options as of 31 December 2023, which cover 23 employees. Each warrant entitles the holder to subscribe for one share. The share option plan runs and can be subscribed in different periods from 1 May 2026 to 31 December 2026.

According to the employee share options agreement, the employee shares shall vest according to the following: twelve forty-eighths (12/48) of the employee share options are vested one year after the employee share options agreement is entered, and the remaining employee share options are vested one forty-eighth (1/48) per month. If the holder of the employee share options ends his or her employment before the vesting period begins, the company shall be entitled to repurchase vested employee share options in the case the holder is considered to be a good leaver (according to the employee share options agreement) at a price corresponding to market value, and non-vested employee share options should be annulled. If the holder is considered to be a bad leaver (according to the employee share options agreement), both vested and non-vested employee share options should be annulled.

The share options are so called qualified employee share options, and thus no liability is recognized for social security contributions or deferred tax.

	2023		2022	
	Average exercise price per share (SEK)	Number of options	Average exercise price per share (SEK)	Number of options
Outstanding 1 January	0.03	853,450	0.1	145,890
Bonus issue 1:5			0.1	-145,890
Bonus issue 1:5			0.03	726,950
Issued	63.5	57,000	0.03	129,000
Forfeited	0.03	-43,000	0.03	-2,500
Exercised	0.03	-75,000	-	-
Outstanding 31 December		**792,450**		**853,450**

On 31 December 2023, the amount recognized in equity for the program amounted to TSEK 8,893 (2022: TSEK 7,498). The total cost recognized in profit or loss for share options amounted to TSEK 1,395 (2022: TSEK 2,562) for 2023.

23. Borrowing

	Group		Parent company	
Non-current liabilities	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Liabilities related to leasing	8,135	4,491	-	-
Total	**8,135**	**4,491**	**-**	**-**

	Group		Parent company	
Current liability	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Liabilities related to leasing	5,480	4,851	-	-
Total	**5,480**	**4,851**	**-**	**-**

24. Deferred income tax

	Group	
Deferred tax assets	**2023-12-31**	**2022-12-31**
Other temporary differences	-	-
Total	**-**	**-**

Deferred tax liability	2023-12-31	2022-12-31
Deferred tax related to right-of-use assets	192	167
Total	**192**	**167**

Refers to temporary differences in accordance with IFRS 16.
The Group's loss carry-forwards were, as of 31 December 2023, amounted to MSEK 251.7, of which no deferred tax assets have been recognized.

25. Other liabilities

	Group		Parent company	
TSEK	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
VAT	2,614	2,210	2,699	2,199
Employee related liabilities (taxes and fees)	4,862	3,655	4,031	3,017
Government support	-	3,677	-	3,677
Other liabilities	3,438	170	3,456	180
Total	**10,914**	**9,712**	**10,186**	**9,073**

In 2020, the Group received a government grant for short-term compensation. As the grant had not been finally granted, it has been recognized as a liability in its entirety during 2022. Following the decision of repayment by the Administrative Court, the amount was repaid to the state during 2023.

26. Accrued expenses and prepaid revenue

	Group		Parent company	
TSEK	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Wage debts	5,586	3,590	4,736	2,996
Holiday pay debt	6,720	5,228	5,595	4,257
Prepaid revenue (service agreements / subscriptions)	61,666	44,260	61,666	44,260
Other accrued expenses and prepaid revenue	1,835	1,538	1,437	1,024
Total	**75,807**	**54,616**	**73,434**	**52,537**

27. Pledged collaterals and contingent liabilities

	Group		Parent company	
TSEK	**2023-12-31**	**2022-12-31**	**2023-12-31**	**2022-12-31**
Corporate mortgages	-	-	-	-
Cash equivalents	50	50	50	50
Contingent liabilities	-	-	-	-
Total	**50**	**50**	**50**	**50**

28. Cash flow from financing activities

Below is presented a reconciliation between opening and closing balance regarding liabilities, the cash flow for which is included in financing activities.

Group	2023-01-01	Kassaflödes-påverkande	Ränta	Övrigt	2023-12-31
Current interest-bearing liabilities	-	-	-	-	-
Non-current interest-bearing liabilities	-	-	-	-	-
Lease liabilities	9,342	-6,474	681	10,066	13,615
Total	**9,342**	**-6,474**	**681**	**10,066**	**13,615**

Group	2022-01-01	Kassaflödes-påverkande	Ränta	Övrigt	2022-12-31
Current interest-bearing liabilities	31,167	-31,167	-	-	-
Non-current interest-bearing liabilities	1,528	-1,528	-	-	-
Lease liabilities	13,971	-5,945	631	685	9,342
Total	**46,666**	**-38,640**	**631**	**685**	**9,342**

Parent company	2023-01-01	Kassaflödes-påverkande	Övrigt	2023-12-31
Current interest-bearing liabilities	-	-	-	-
Non-current interest-bearing liabilities	-	-	-	-
Total	**-**	**-**	**-**	**-**

Parent company	2022-01-01	Kassaflödes-påverkande	Övrigt	2021-12-31
Current interest-bearing liabilities	31,267	-31,267	-	-
Non-current interest-bearing liabilities	1,428	-1,428	-	-
Total	**32,695**	**-32,695**	**-**	**-**

29. Related-party transactions

The following transactions took place with related parties:

	Group		Parent company	
TSEK	**2023**	**2022**	**2023**	**2022**
Sale and purchase of goods and services				
Sale of services to companies controlled by senior executives 1)	739	525	739	525
Expenses to related-party				
Refers to shareholder loan (bridge loan) 2022 2)	-	980	-	980
Related-party debts				
Trade debtors 3)	-	1	-	1

1. Sales have been made to the board members Bengt Nilsson and Finn Persson (or companieRefers to shareholder loan (bridge loan).
2. Refers to shareholder loans (bridge loans). Related individuals who have provided bridge loans include Lars Appelstål, Bengt Nilsson, Finn Persson, Johan Borendal, and Gustaf Wibom (or companies controlled by these individuals).
3. Refers to accounts receivable related to the sales made to related parties as mentioned above.

All transactions have been at arm's length, and the Board makes the assessment that the terms and conditions for the transactions are based on the market price, taking into account the conditions when entering the transactions.

30. Events after the end of reporting period

No significant events have occurred after the end of the reporting period.

31. Definitions of key performance indicators

KPIs	Definition	Purpose
EBITDA	EBITDA (earnings before interest, taxes, depreciation and amortization) is operating profit before depreciation, amortization and impairment.	EBITDA provides an overall view of profit that is generated by operations, which is useful for showing the underlying earning capacity of the business.
Recurring revenue	Contracted subscription revenue are renewed automatically.	Revenue renewed automatically, without any acquisition cost.
Annualized recurring revenue (ARR)	ARR is defined as the 12-months value of contractual recurring revenue. These revenue streams are invoiced and distributed across 12 months, for which reason the ARR may be higher than the figure for net sales.	ARR is a measurement of the revenue that is expected to be repetitive over the coming 12 months, and facilitates comparison with other companies in the industry.

Reconciliation EBITDA and EBITDA margin (TSEK)	2023	2022
Net sales, period	99,666	69,126
Operating income	-98,117	-65,750
Depreciation	29,050	19,796
EBITDA	**-69,067**	**-45,954**
EBITDA margin (%)	**-69.3**	**-66.5**

Adoption of Annual Report

On 8 May 2024, the income statement and balance sheet of the Group will be presented to the AGM for approval.

The Board of Directors affirm that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a true and fair view of the Group's profit and financial position. The Annual Report has been prepared in accordance with the generally accepted accounting policies and provides a true and fair view of the Parent Company's profit and financial position.

The administration report for the Group and the Parent Company provides a fair review of the development of the Group's and Parent Company's operations, profit and financial position and describes material risks and uncertainty factors faced by the Parent Company and the companies included in the Group.

Stockholm April 2024, according to the date indicated by the electronic signature.

Lars Appelstål
Chairman

Anders Hamnes
Managing Director

Rosie Kropp
Director

Bengt Nilsson
Director

Finn Persson
Board Director

Our auditor's report was submitted in Stockholm April 2023, according to the date indicated by the electronic signature.

Grant Thornton Sweden AB

Daniel Forsgren
Authorized Public Accountant

Auditor’s report

N.B. The English text is a translation of the official version in Swedish. In the event of any conflict between the Swedish and English version, the Swedish shall prevail.

To the general meeting of the shareholders of Oneflow AB Corporate identity number 556903 - 2989

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Oneflow AB for the year 2023, except for the corporate governance statement on pages 10-17.

The annual accounts and consolidated accounts of the company are included on pages 22 - 75 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and 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

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 3 – 9 and 19-21. 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 and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. 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.

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 intend 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. 2 (3) 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 skepticism 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 Oneflow AB for the year 2023 and the proposed appropriations of the company's profit or loss.

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 3 (3) 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 skepticism 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.

Stockholm, according to the date indicated by the electronic signature.

Grant Thornton Sweden AB

Daniel Forsgren
Authorised Public Accountant

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8 May 2024	Interim Report Q1 2024
8 May 2023	Annual General Meeting
16 August 2023	Interim Report Q2 2024
8 November 2023	Interim Report Q4 2023
14 February 2025	Year-end Report 2024

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