

Annual report and Consolidated statement

Qflow Group AB (publ)

Corporate identity number 559384-0837

For the financial year January 1 - December 31 2024

Administration report

The Board of Directors and CEO of Qflow Group AB, corporate registration number 559384-0837, hereby submit the annual report and consolidated financial statements for the financial year 2024. The annual report is prepared in Swedish kronor (SEK). All amounts are presented in millions of Swedish kronor (msek), unless otherwise stated. The totals shown in the tables and calculations are not always the exact sum of the various parts due to rounding differences. The goal is that each figure should correspond to the source, which is why rounding differences could arise.

Operations

Qflow Group AB (publ) was founded in 2022 and originated from an idea to gather the best consultants in the field of civil engineering into a common network to create better flow in projects through smarter project management and technical solutions. As of December 31, 2024, the Group consists of 19 operating units active in Sweden and Norway. The Group's customer base is relatively evenly distributed between the public and private sectors. Operations are conducted according to a decentralized model where each subsidiary is responsible for operational management, sales, customer relations, and personnel responsibilities. The central organization provides support in matters concerning business development and joint strategic initiatives. Qflow Group AB (publ) has its registered office in Malmö.

Shareholders

Qflow Group AB (publ) was founded in June 2022. As of December 31, 2024, the total number of shareholders amounts to 214. The parent company, Quadratus Intressenter AB (corporate registration number 559366-2926 with its registered office in Stockholm), holds 63% of the shares. Other shareholders include the company's management and employees. Quadratus Intressenter AB is the only shareholder with a holding exceeding 10% of the capital and votes and is therefore considered the principal owner.

Events during the Financial year

Net sales and Earnings

The Group's net sales for 2024 amounted to SEK 891.2 million (SEK 443.9 million). The strong increase is primarily driven by completed acquisitions but also includes organic growth of 13%. Operating profit before goodwill amortization amounted to SEK 135 million (SEK 67 million), corresponding to an operating margin of 15% (15%).

Cash flow and borrowings

Cash flow from operating activities amounted to SEK 103 million (SEK 27 million). Cash flow from investment activities amounted to SEK -348,5 million (SEK -387,2 million). Cash flow from financing activities amounted to SEK 326,4 million (SEK 222,5 million). In September 2024, Group AB (publ) issued a bond of SEK 575 million. The bond was listed on the Frankfurt Open Market (ISIN SE0022759825) on October 2, 2024, and has maturity until September 25, 2028. The issue proceeds were used to restructure the company's loan facilities. Existing loans were repaid early, and a new credit agreement of SEK 150 million was signed. These financial measures strengthen the company's financial flexibility and create conditions for continued expansion.

Acquisitions

In 2024, the Group continued its strategy of acquiring companies with strong brands and specialist expertise that complement existing operations. During the year, four acquisitions were completed in Sweden and two acquisitions in Norway. See Note 11 for further information. - In April, Inviattech AB in Gothenburg, Sweden, was acquired. - In May, H2 Hardanger AS in Hardanger, Norway, and the Infrakonsult Group in Stockholm, Sweden, were acquired. - In July, Fire & Risk Engineering AB in Västerås, Sweden, was acquired. - In September, Prodecon AS in Oslo, Norway, was acquired. - In December, Moresco Projektledning AB in Malmö, Sweden, was acquired. During 2024, the company carried out twelve directed share issues related to company acquisitions and to employees within Qflow Group AB (publ) participating in the co-ownership program.

The Parent company

The Parent Company's operations consist of owning and managing subsidiaries. The Parent Company's revenue consists entirely of fees from its subsidiaries. The Parent Company's net sales amounted to SEK 8,2 million (SEK 4.4 million). The operating profit amounted to SEK -12,9 million (SEK 9.2 million). During the year, the Parent Company received dividends from Group companies of SEK 53,5 million. At an Extraordinary General Meeting on August 5, 2024, it was decided to convert the company into a public limited company. In October, an intra-group restructuring was carried out, meaning that Qflow Group AB (publ)'s wholly owned subsidiary Qflow Midco AB now owns all other companies within the Group.

Risk factors

The Group's business is subject to inherent risks arising from general economic conditions. A period of economic slowdown or recession including, but not limited to, business and consumer confidence, unemployment, changes in infrastructure investments, demand in the construction market, household disposable income, counter-party risk, inflation, the availability and cost of credit, the liquidity of global financial markets or market interest rates may reduce the level of demand for the services of the Group. As a result, adverse changes in economic conditions could materially affect the business prospects, results of operations and the financial condition of the Group, which in turn may reduce the Group's revenues.

Furthermore, deterioration in the global economy, deterioration in the Swedish market for residential properties or decreased demand for the Group's products or services may also have a material negative impact on the Group's operations, earnings and financial position.

Acquisitions of companies for continued growth are an essential part of the Issuer's business strategy. The Group is seeking to acquire companies both in markets where the Group is already operating e.g. the infrastructure market, and in new markets where the Group is currently operating on a limited basis or not operating at all, e.g. geology or geotechnics. Should the Group not be able to identify attractive target companies to acquire or make such acquisitions on favorable terms, it would have an adverse effect on the Group's business and financial condition.

Acquisitions and other similar transactions are subject to risks and uncertainties and may involve obligations and risks related to their nature or value. Further, the completion of relevant acquisitions is dependent on the Group either having sufficient cash available or obtaining financing of such acquisitions.

Future acquisition activities may present certain financial, managerial and operational risks, including diversion of management's attention from existing core business, difficulties when integrating or separating businesses from existing operations and challenges presented by acquisitions, which may not achieve sales levels and profitability that justify the investments made. In addition, companies involved in transactions are generally subject to risk of employees, including senior management and other key employees, leaving the acquired or acquiring company. The failure to retain the services of the acquired company's key personnel could jeopardize the rationale of the acquisition, entailing additional costs without corresponding revenue or growth. Future acquisitions could also result in dilutive issuances of the Group's equity securities, the incurrence of debt, contingent liabilities, amortization costs, impairment of goodwill or restructuring charges, which would have an adverse effect on the Group's results of operations, revenues and financial conditions.

Since the Group operates in the consulting sector the Group is dependent on the knowledge, experience and commitment of its employees and it is crucial for the development and operation of business that the Group can continue to attract and retain talented personnel. To do so, it is important to offer attractive salaries and other incentives, as well as attractive premises and work environment. If the Group fails to hire and retain adequate personnel, this may have a material adverse effect on the Group's business, earnings and financial position.

Furthermore, the Group is also dependent on key individuals at management level. There is a risk that the Group loses key individuals, partly in connection with acquisitions, potentially resulting in adverse effects on the Group's business, earnings and financial position.

Future development

The Group has a clear strategy for continued growth, which includes both strategic acquisitions and organic expansion. The market in which the Group's companies operate is assessed to be stable with good visibility, characterized by many long-term agreements. We see a positive trend in the recruitment of new competent employees, which is an important prerequisite for our continued growth. In the area of acquisitions, active work continues with several ongoing dialogues with interesting potential acquisition candidates.

Development of the Company's operations, earnings and position (Group, msek)

	2024	2023	2022 (7 month)
Net Sales	891,2	443,9	86,3
Profit/loss after financial items	2,5	6,1	4,5
Balance sheet total	1 567,1	1 075,5	576,8
Equity ratio (%)	51	65	90

Development of the Company's operations, earnings and position (Parent, msek)

	2024	2023	2022 (7 mån)
Net Sales	8,2	4,4	0,9
Profit/loss after financial items	10,6	-15,0	19,2
Balance sheet total	1 559,4	1 046,1	549,8
Equity ratio (%)	58	69	98

For definitions, see note 21.

Proposed allocation of profit or loss

The Board of Directors proposes that the funds available (SEK):

share premium reserve	819 157 625
accumulated profit	28 870 901
profit for the year	45 384 164
Total	893 412 690

The Board of Directors proposes that the available profit and non-restricted reserves be allocated as follows:

to be carried forward	893 412 690
Total	893 412 690

For the company's earnings and position in general, refer to the following financial statements and related notes.

Consolidated income statement

	Not	2024	2023
Net sales	3	891,2	443,9
Other operating income		3,4	1,7
Total operating income		894,6	445,6
Operating expenses			
Raw materials and consumables		-9,6	-9,4
Other external expenses	4, 5	-292,0	-138,6
Personnel costs	6	-452,5	-227,1
Depreciation/amortization of tangible and intangible fixed assets		-111,8	-59,2
Other operating expenses		-0,2	-0,3
Total operating costs		-866,1	-434,6
Operating profit/loss		28,5	11,1
Income from other securities and receivables held		0,0	-
Other interest income and similar income	7	4,7	0,9
Other interest expenses and similar charges	8	-30,7	-5,9
Total financial income/expenses		-26,0	-5,0
Profit (loss) before taxes		2,5	6,1
Income tax	9	-27,9	-11,1
Net profit/loss for the year		-25,4	-5,0

Consolidated balance sheet

	Not	2024-12-31	2023-12-31
Assets			
<i>Non-current assets</i>			
Intangible non-current			
Goodwill	10, 11	1 088,4	758,8
Software	10	0,8	0,4
Total intangible non-current assets		1 089,2	759,3
Tangible non-current assets			
Property, plant and equipment	12	21,0	15,0
Total tangible non-current assets		21,0	15,0
Financial non-current assets			
Deferred tax assets	13	1,3	1,3
Other non-current receivables		1,7	1,0
Total financial fixed assets		3,0	2,3
Total non-current fixed assets		1 113,2	776,7
<i>Current assets</i>			
Inventory etc.			
Merchandise inventory		1,5	1,4
Total Inventory		1,5	1,4
Current receivables			
Accounts receivable		161,9	103,2
Accrued income not yet invoiced		35,1	34,4
Tax receivables		16,1	15,5
Other assets		11,7	5,0
Prepaid expenses and accrued income	14	23,2	15,2
Total current receivables		248,1	173,3
Cash & bank	15	204,3	124,2
Total current assets		1 567,1	1 075,5

	Not	2024-12-31	2023-12-31
Equity, provisions and liabilities			
Restricted equity			
Share capital	16	2,3	2,1
Unrestricted equity			
Non-restricted share premium reserve		819,2	690,4
Other equity including net profit for the year		-23,4	3,2
Total Equity		798,1	695,7
Provisions			
Deferred tax liability		16,5	13,0
Other provisions		0,6	-
Total provisions		17,1	13,0
Non-current liabilities			
Non-current liabilities	17	529,8	173,2
Total non-current liabilities		529,8	173,2
Current liabilities			
Accounts payable		42,0	25,5
Tax liabilities		17,2	6,1
Liabilities to credit institutions		-	40,0
Other liabilities		84,5	73,0
Income invoices but not accrued		0,5	1,3
Accrued expenses and deferred income	18	77,9	47,9
Total current liabilities		222,2	193,7
Total equity, provisions and liabilities		1 567,1	1 075,5

Consolidated statement of changes in equity

	Share capital	Other contributed capital	Retained earnings or losses, incl. profit/loss for the year	Total equity
Equity 2023-01-01	1,7	508,9	8,2	518,8
New share issue	0,4	181,5	-	181,9
Not registered share capital	0,0	-	-	0,0
Profit for the year	-	-	-5,0	-5,0
Equity 2023-12-31	2,1	690,4	3,2	695,7
Equity 2024-01-01	2,1	690,4	3,2	695,7
New share issue	0,2	128,8	-	129,0
Translation difference	-	-	-1,2	-1,2
Profit for the year	-	-	-25,4	-25,4
Equity 2024-12-31	2,3	819,2	-23,4	798,1

Consolidated cash flow statement

	2024	2023
Operating activities		
Profit/loss after financial items	28,5	11,1
Dividends paid	0,0	-
Adjustments for items not included in cash flow	109,0	42,6
Interest received	1,8	0,9
Interest paid	-30,7	-5,9
Income tax paid	-22,4	-15,5
Cash flow from operating activities before changes in working capital	86,2	33,2
Change in inventories	-0,1	1,4
Change in operating receivables	13,4	-6,0
Change in operating liabilities	3,6	-1,6
Cash flow from operating activities	103,1	27,0
Investing activities		
Acquisition of intangible assets	-0,6	-
Acquisition of property, plant and equipment	-10,1	-7,2
Disposal of property, plant and equipment	-	0,1
Investments in subsidiaries	-341,0	-380,1
Change in other financial assets	3,2	0,1
Cash flow from investing activities	-348,5	-387,2
Financing activities		
New share issue	13,1	22,6
Borrowings	783,5	199,9
Repayments of loans	-470,2	0,0
Cash flow from financing activities	326,4	222,5
Cash flow for the year	80,7	-137,7
Opening cash and cash equivalents	124,2	261,9
Exchange rate diff in cash and cash equivalents	-0,6	-
Cash closing balance according to balance sheet	204,3	124,2

Parent company income statement

		2024	2023
Net sales		8,2	4,4
Other operating income		0,0	0,0
Total operating income		8,2	4,4
Operating expenses			
Other external expenses		-9,9	-5,0
Personnel costs	23	-11,2	-8,7
Total operating costs		-21,1	-13,7
Operating profit/loss	24	-12,9	-9,2
Profit/loss from participation in group companies		53,5	-
Income from other securities and receivables held		0,1	-
Other interest income and similar income		0,3	0,0
Other interest expenses and similar charges		-30,4	-5,8
Total financial income/expenses		23,5	-5,8
Profit (loss) before taxes		10,6	-15,0
Appropriations	25	38,4	17,3
Income tax		-3,7	0,1
Net profit/loss for the year		45,4	2,3

Parent company balance sheet

		2024-12-31	2023-12-31
Assets			
<i>Non-current assets</i>			
Financial non-current assets			
Participations group companies	11, 26	1 387,8	947,7
Deferred tax assets		1,1	1,1
Other non-current receivables		0,0	0,0
Total financial fixed assets		1 389,0	948,8
Total non-current fixed assets		1 389,0	948,8
<i>Current assets</i>			
Current receivables			
Receivable to group companies	27	43,0	19,1
Tax receivables		0,6	-
Other assets		0,2	0,1
Prepaid expenses and accrued income		2,4	0,7
Total current receivables		46,2	20,0
Cash & bank	28	124,2	77,4
Total current assets		170,4	97,3
Total current assets		1 559,4	1 046,1

		2024-12-31	2023-12-31
Equity, provisions and liabilities			
Restricted equity			
Share capital		2,3	2,1
Total restricted equity		2,3	2,1
Unrestricted equity			
Non-restricted share premium reserve	29	819,2	690,4
Other equity including net profit for the year		28,9	26,6
Result for the financial year		45,4	2,3
Total unrestricted equity		893,4	719,2
Total Equity		895,7	721,3
Untaxed reserves		1,7	1,7
Non-current liabilities			
Non-current liabilities	30	517,0	172,0
Total non-current liabilities		517,0	172,0
Current liabilities			
Accounts payable		2,3	1,2
Payables from group companies		123,4	79,3
Tax liabilities		5,0	0,9
Liabilities to credit institutions		-	40,0
Other liabilities		10,5	27,7
Accrued expenses and deferred income		3,9	2,0
Total current liabilities		145,0	151,1
Total equity, provisions and liabilities		1 559,4	1 046,1

Parent company statement of changes in equity

	Restricted equity Share capital	Restricted equity Share premium reserve	Non-restricted equity Retained earnings or losses, incl. profit/loss for the year	Total equity
Equity 2023-01-01	1,7	508,9	26,6	537,2
New share issue	0,4	181,5	-	181,8
Not registered share capital	0,0	-	-	0,0
Profit for the year	-	-	2,3	2,3
Equity 2023-12-31	2,1	690,4	28,9	721,3
Equity 2024-01-01	2,1	690,4	28,9	721,3
New share issue	0,2	128,8	-	129,0
Profit for the year	-	-	45,4	45,4
Equity 2024-12-31	2,3	819,2	74,3	895,7

Parent company cash flow statement

	2024	2023
Operating activities		
Profit/loss after financial items	-12,9	-9,2
Adjustments for items not included in cash flow	0,0	19,0
Interest received	0,5	0,0
Interest paid	-30,4	-5,8
Cash flow from operating activities before changes in working capital	-43,1	3,8
Change in operating receivables	10,5	-16,7
Change in operating liabilities	26,5	77,6
Cash flow from operating activities	-6,1	64,7
Investing activities		
Investments in subsidiaries	-345,0	-452,3
Cash flow from investing activities	-345,0	-452,3
Financing activities		
Group contribution received/paid	19,0	-
New share issue	11,9	22,5
Dividends	53,5	23,3
Borrowings	783,4	200,0
Repayments of loans	-469,8	-
Cash flow from financing activities	398,0	245,8
Cash flow for the year	46,8	-141,7
Opening cash and cash equivalents	77,4	219,1
Cash closing balance according to balance sheet	124,2	77,4

Notes

1 Significant accounting policies

Qflow Group AB's annual report and consolidated financial statements have been prepared in accordance with the Annual Accounts Act and the general recommendation BFNAR 2012:1 Annual and Consolidated Financial Statements (K3) issued by the Swedish Accounting Standards Board.

Group affiliation

The immediate parent company is Quadratus Intressenter AB, a Swedish company registered under corporate registration number 559366-2926 and headquartered in Stockholm.

Consolidated financial statements

Qflow Group AB prepares a consolidated financial statement. Companies where Qflow Group holds the majority of votes at the general meeting, and companies where Qflow Group has significant influence through agreements, are classified as subsidiaries and are consolidated in the consolidated financial statement. Information about group companies can be found in the note on non-current financial assets. The subsidiaries are included in the consolidated accounts from and including the day when the controlling influence is transferred to the group. They are excluded from the consolidated accounts from and including the day when the controlling influence ceases.

The Group's financial statements are prepared using the acquisition method. The acquisition date is the date on which control is obtained. Identifiable assets and liabilities are initially measured at fair value at the acquisition date. The non-controlling interest in the acquired identifiable net assets at the acquisition date and the acquisition cost including the fair value of the non-controlling interest are initially measured at acquisition cost.

Intercompany balances between group companies are fully eliminated.

Foreign currencies

Transactions in foreign currencies are translated at the spot rate prevailing on the transaction date.

Revenues

For fixed-price service engagements, the income and expenses attributable to a service engagement performed are recognized as revenue and expense, respectively, in proportion to the degree of completion of the engagement at the balance sheet date (percentage of completion method). The degree of completion of an engagement is determined by comparing the costs incurred on the balance sheet date with the estimated total costs. In cases where the outcome of an engagement cannot be reliably estimated, revenue is recognized only to the extent of the engagement costs incurred that are likely to be recoverable from the customer. An expected loss of an engagement is recognized as an expense immediately.

For time and materials service engagements, revenue is recognized as work is performed and materials are used.

Employee Benefits

Short-term employee benefits in the Group consist of salaries, social security contributions, paid leave, paid sick leave, healthcare, and bonuses. Short-term employee benefits are recognized as an expense and a liability when a legal or constructive obligation exists to make a payment.

Employee share ownership plans

Qflow Group AB has an employee share ownership plan that is offered to all employees within the Qflow Group. Employees are offered the opportunity to purchase ordinary and preference shares in Qflow Group AB through directed share issues. The shares are valued at fair value, and the consideration is paid in cash. The transaction is recognized in equity.

Pensions

Qflow Group's subsidiaries have defined contribution pension plans.

Under defined contribution plans, the company pays fixed contributions to a third party and has no legal or constructive obligation to pay anything further even if the third party cannot meet its obligations. The Group's profit or loss is charged for the costs as the employees' pensionable service is rendered.

Income taxes

Current taxes are measured based on the tax rates and tax laws that are in effect on the balance sheet date. Deferred taxes are measured based on the taxable temporary differences and tax laws that have been enacted before the balance sheet date.

A deferred tax asset for tax losses or other future deductible temporary differences is recognized to the extent that it is probable that the tax loss can be utilized against taxable profits in future periods.

Assets and liabilities are netted only when there is a legal right of offset.

Current tax and changes in deferred tax are recognized in profit or loss unless the tax relates to an event or transaction that is recognized directly in equity. In that case, the tax effect is also recognized in equity.

Intangible Assets

Intangible non-current assets are carried at cost less accumulated amortization and impairment losses.

Amortization is calculated on a straight-line basis over the estimated useful life. At each balance sheet date, Qflow Group AB assesses whether there is any indication of impairment of goodwill.

Goodwill is amortized on a straight-line basis over its estimated useful life. Group goodwill is amortized over 10 years as acquisitions of subsidiaries are made from a long-term strategic perspective.

Other intangible assets are depreciated over 3-5 years.

Tangible fixed assets

Tangible fixed assets are recognized at cost less accumulated depreciation. Tangible fixed assets are depreciated systematically over the asset's estimated useful life.

The following depreciation periods are applied:

Equipment, tools and installations	3-10 years
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Financial Instruments

Financial instruments are accounted for in accordance with the rules of K3 Chapter 11, which means that they are valued at acquisition cost.

Financial instruments recognized in the balance sheet include trade receivables and other receivables, trade payables and loans.

Financial assets are derecognized when the right to receive cash flows from the instruments has expired or been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognized when the obligations have been settled or otherwise extinguished.

Accounts receivables and other receivables

Receivables are reported as current assets except for items with a due date more than 12 months after the balance sheet date, which are classified as fixed assets. Receivables are taken up to the amount expected to be paid after deduction for individually assessed bad debts.

Loans and Accounts Payable

Loans are initially recognized at cost less transaction costs.

Short-term accounts payable are recognized at cost.

Inventory

Inventory is valued at the lower of cost or net realizable value. Cost is determined using the first-in, first-out (FIFO) method.

Provisions

The company makes a provision when there is a legal or constructive obligation, and a reliable estimate of the amount can be made.

Cash flow analysis

The cash flow analysis is prepared according to the indirect method. The reported cash flow includes only transactions that entail receipts or payments. As liquid funds, the company classifies, in addition to cash, available balances with banks and other credit institutions as well as short-term liquid investments that are listed on a marketplace and have a shorter maturity than three months from the time of acquisition.

The parent company's accounting and valuation principles

The same accounting and valuation principles are applied in the parent company as in the group, except in the cases stated below.

Provisions

Changes in the balance of untaxed reserves are reflected as an adjustment in the income statement at the year-end.

Intercompany contributions are recognized as year-end adjustments.

Shares and shares in subsidiaries Investments in subsidiaries are carried at cost less any impairment losses. The cost includes the purchase price of the shares and any directly attributable costs of acquisition. Dividends received from subsidiaries are recognized as income.

Financial Instruments

Impairment Assessment of Non-current Financial Assets

On each balance sheet date, Qflow Group AB performs an impairment assessment for its non-current financial assets. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The impairment assessment is performed individually for shares and interests, and other significant individual non-current financial assets. Indicators of impairment include negative economic conditions or adverse changes in industry conditions of the entities in which Qflow Group has invested. For assets carried at amortized cost, the impairment loss is calculated as the excess of the carrying amount over the present value of the estimated future cash flows discounted at the original effective interest rate.

Liquid assets

Liquid assets include cash and disposable balances with banks. The subsidiaries' balance within the group's cash pool is reported as short-term receivables / liabilities to group companies.

Equity

Equity is divided into share capital and retained earnings, in accordance with the Annual Accounts Act.

2 Key estimates and judgements Group

When preparing the annual report, the Board of Directors and the CEO must make certain estimates and assumptions that affect the reported values of assets, liabilities, income, and expenses. The areas where estimates and assumptions are of greater significance to the Group are described below.

Goodwill

Impairment testing of goodwill is performed if there are indications that an impairment loss is necessary. See note 1 to the financial statements – impairment testing of non-current financial assets for further details.

Revenue recognition

Accrued but unbilled revenue amounted to SEK 35,1 million at the balance sheet date. Ongoing fixed-price projects are valued based on the estimated degree of completion. Ongoing time and materials projects are valued based on time spent. See note 1 – accounting policies – Revenue for further details.

3 Revenue per geographic area

Country	2024	2023
Sweden	831,8	441,8
Norway	55,4	-
Other	4,0	2,1
Total net sales	891,2	443,9

4 Lease expenses

	2024	2023
Expire within one year	-21,5	-8,5
Expires later than one year but within five years	-23,8	-14,8
Expires later than five years	0,0	-
Total	-45,3	-23,3
Expensed lease payments during the period	-16,1	-9,8

The rental expenses for premises during the period amounted to SEK 28.6 million (SEK 10.4 million). These rental agreements are not included in the above summary of payments due.

5 Fees to auditors

Fees to auditors	2024	2023
<i>Ernst & Young</i>		
Audit assignment	-2,2	-1,3
Other audit assignment	-0,1	0,0
Tax advice	0,0	-
Other services	-0,2	0,0
Total audit	-2,5	-1,3
<i>Other audit firm</i>		
Audit assignment other	0,0	0,1
Other audit assignment other	0,0	-0,1
Tax advice other	0,0	0,0
Other services other	-0,2	-
Total audit other	-0,3	0,1

6 Employees, personnel costs and remuneration of senior executives

Costs for remuneration to employees

Personnel	2024	2023
Salaries Board, CEO and other seniors executives	-43,7	-22,9
Salaries, bonuses expense	-9,2	-1,3
Salaries, Other employees	-223,9	-121,0
Total	-276,9	-145,2
Pension expenses for senior executives	-6,3	-4,0
Pension expenses for others	-32,0	-15,8
Other social security expenses	-89,9	-47,1
Total	-128,3	-67,0

Average number of employees

	No. of employees 2024	% of men 2024	No. of employees 2023	% of men 2023
Number of employees	470,0	69,0	247,0	84,0

In the event of termination by the employer, the Chief Executive Officer of the parent company is entitled to severance pay corresponding to a maximum of 100 percent of the fixed salary for a maximum of 6 months.

7 Interest and similar income

	2024	2023
Interest income	1,2	0,9
Reversal of additional purchase price	3,2	-
Capital gain on sales	0,4	-
Total	4,7	0,9

8 Interest expenses and similar charges

	2024	2023
Interest cost	-30,7	-5,9
Total	-30,7	-5,9

9 Tax on profit/loss for the year

	2024	2023
Current tax	-24,5	-6,3
Deferred tax	-3,4	-4,8
Total tax	-27,9	-11,1
Profit (loss) before tax	2,5	6,1
Tax as per the applicable Swedish tax rate of 20,6	0,6	1,2
Non-deductible expenses	-28,3	-15,3
Tax-exempt revenue	0,8	0,6
Change deferred tax	0,0	-1,0
Changes in tax rate	-	-
Loss carry-forward	-	0,0
Tax expense from prior years	-0,9	0,0
Different tax rates for foreign subsidiaries	-0,2	-
Other adjustments	0,0	3,4
Reported effective tax	-27,9	-11,1

10 Intangible fixed assets

	Goodwill		Software	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Opening balance	824,6	263,5	2,0	1,8
Acquisitions for the year	0,0	0,0	0,6	-
Business combinations	437,9	561,1	-	0,2
Translation difference	-2,3	-	-	-
Closing balance	1 260,1	824,6	2,6	2,0
Opening balance of accumulated depreciation	-65,7	-9,5	-1,6	-1,3
Business combinations	-0,2	-	-	-0,1
Amortization for the year	-105,9	-56,2	-0,2	-0,2
Translation difference	0,1	-	-	-
Closing balance of accumulated depreciation	1088,4	758,8	0,8	0,4

11 Participations in group companies

The group includes the following subsidiaries:

Group	Reg nr	Allocation	Holding	Equity Result
Albacon AB	556490-3846	Stockholm	100 %	3 775 1 821
Bifukarat AB	559043-1101	Gothenburg	100 %	27 013 19 903
Betong och stålteknik i Stockholm AB	556736-6769	Stockholm	100 %	6 680 1 653
Buildable AB	559432-7909	Malmö	100 %	531 239
C3S Miljöteknik AB	559171-8340	Helsingborg	100 %	4 662 2 309
Delray Consulting AB	559180-9263	Nacka	100 %	11 196 9 133
Hillstatik AB	556610-6224	Stockholm	100 %	4 326 509
Inhouse Tech Göteborg AB	556824-1201	Gothenburg	100 %	14 668 4 358
Markera AB	556729-7832	Gothenburg	100 %	6 739 1 478
Markera Holding Göteborg AB	559128-2040	Gothenburg	100 %	13 564 446
Markera Mark Karlstad AB	559326-2461	Gothenburg	100 %	1 015 16
Markera Göteborg AB	559128-1992	Gothenburg	100 %	1 006 5

Markera Projektledning Göteborg AB	559093-7479	Gothenburg	100 %	153	4
Markera Vatten Göteborg AB	559211-6882	Gothenburg	100 %	3 551	21
Markera Management AB	559358-4013	Gothenburg	100 %	2 326	10
Metron Miljökonsult AB	556506-2816	Gothenburg	100 %	13 884	11 104
Radea AB	556648-7012	Sollentuna	100 %	1 060	490
Scior Geomanagement AB	556622-7483	Sundsvall	100 %	10 469	5 118
Seveko VVSKonsult AB	556619-4360	Stockholm	100 %	5 972	3 337
Strategia Projektledning AB	556783-5953	Stockholm	100 %	2 966	1 545
Inviattech AB	559147-0041	Gothenburg	100 %	11 370	3 976
H2 Hardanger AS	925 233 323	Hardanger	100 %	16 871	11 976
Infrakonsult Gruppen Skandinavien AB	559139-8440	Stockholm	100 %	1 272	985
Infrakonsult Sverige AB	556682-0493	Stockholm	100 %	9 876	9 725
Infrakonsult STHLM Nord AB	559054-2287	Stockholm	100 %	2 888	2 769
Infrakonsult STHLM Syd AB	559009-3331	Stockholm	100 %	4 509	3 826
Infrakonsult STHLM Väst AB	559202-0779	Stockholm	100 %	2 299	2 144
Infrakonsult Mälardalen AB	559202-1371	Stockholm	100 %	2 107	1 944
Fire and Risk Engineering Nordic AB	556731-6285	Västerås	100 %	6 969	3 185
Prodecon AS	881 250 772	Oslo	100 %	12 583	8 599
Moresco Projektledning AB	556856-6748	Malmö	100 %	7 412	6 199
Qflow Midco AB	559384-0837	Malmö	100 %	1 391 817	-3 903

Acquisition of subsidiaries

During the year, 100% of Inviattech AB, H2 Hardanger AS, Infrakonsult Gruppen Skandinavien AB, Infrakonsult Sverige AB, Infrakonsult STHLM Nord AB, Infrakonsult STHLM Syd AB, Infrakonsult STHLM Väst AB, Infrakonsult Mälardalen AB, Fire and Risk Engineering Nordic AB, Prodecon AS, and Moresco Projektledning AB were acquired by the parent company and included in the consolidated financial statements. Since the acquisition date, these companies have contributed approximately SEK 174 million in net sales and approximately SEK 30 million in EBITA.

12 Tangible fixed assets

	Equipment, tools and installations	
	2024-12-31	2023-12-31
Opening balance	62,2	11,3
Acquisitions for the year	10,1	7,2
Business combinations	5,6	45,6
Sales and disposals	0,0	-1,9
Translation difference	-0,1	-
Closing accumulated cost	77,8	62,2
Opening balance of accumulated depreciation	-47,2	-10,0
Sales and disposals	0,0	1,8
Business combination	-4,1	-36,2
Amortization for the year	-5,6	-2,9
Translation difference	0,0	-
Closing balance of accumulated depreciation	-56,8	-47,2
Closing carrying amount	21,0	15,0

13 Deferred tax assets

	2024-12-31	2023-12-31
Opening balance deferred tax assets	1,3	-
New assets	0,2	1,3
Used assets	-0,2	-
Closing balance deferred tax assets	1,3	1,3

14 Prepaid expenses and accrued income

	2024-12-31	2023-12-31
Prepaid rent	6,8	3,7
Prepaid leasing	2,5	2,2
Prepaid insurance	1,6	-
Other prepaid cost	12,3	9,3
Total	23,2	15,2

15 Overdraft facility, Group

The Group has been granted an overdraft facility of SEK - million (50,3 million).

The utilized amount of the overdraft facility was – million (- million).

16 Share capital and quota value

As of December 31, 2024, the total number of shares amounts to 689,351. At the end of the financial year 2024, the share capital of the parent company consists solely of fully paid shares with a nominal value (quota value) of SEK 1 per share. The share capital comprises ordinary shares (one class of shares) and preference shares (a total of 29 classes divided into series A-X and series B1-B5, C1). All shares carry one vote at the parent company's general meeting of shareholders.

17 Non-current liabilities

Non-current liabilities are distributed as follows:

	2024-12-31	2023-12-31
Bond	513,7	-
Liabilities to credit institutions	0,8	161,2
Other liabilities	15,3	12,0
Total	529,8	173,2

	2024-12-31	2023-12-31
Expire within one to five years	529,8	173,2
Expires later than five years	-	-
Total	529,8	173,2

Distribution of bond loans:

	2024-12-31	2023-12-31
Amount issues	522,5	-
Fees to be recognized over the loan period	-8,8	-
Total bond loans	513,7	-

The group issued a senior secured floating rate bond on 25 September 2024 amounted to SEK 575 million. The bond is listed at Frankfurt open market (ISIN SE0022759825). The final maturity date is 25 September 2028.

18 Accrued expenses and deferred income

	2024-12-31	2023-12-31
Accrued salaries	15,8	12,1
Accrued vacation pay liability	37,0	21,2
Other accrued expenses	25,1	14,6
Accrued liabilities and prepaid income	77,9	47,9

19 Securities provided

	2024-12-31	2023-12-31
Real Estate Mortgages	-	0,4
Corporate mortgages	-	0,3
Blocked funds	-	16,6
Guarantee commitments	0,4	-
Pledge shares in subsidiaries	1 294,0	-
Total	1 294,4	17,3

20 Significant events after the end of the financial year

In February 2025, the Group acquired 100% of the shares in Agima Holding AB, company registration number 559065-9693, which offers services within community development and change management for sustainable societal development. The company has its registered office in Stockholm.

In March 2025, the Group acquired 100% of the shares in Bro och Stålkontroll i Stockholm AB, company registration number 556697-8861. The company conducts consulting activities within project management, construction, design, and planning, with its registered office in Stockholm.

In April 2025, the Group acquired 100% of the shares in Novaform AS in Norway, company registration number 991 356 959. Novaform offers comprehensive project administration within the construction and civil engineering industry. The company has its registered office in Randaberg, Norway.

21 Definitions of key performance indicators

Solvency ratio (%)

Adjusted equity (equity and untaxed reserves less deferred tax) as a percentage of total assets.

Organic growth

Increase in sales of legal entities owned both the current period as well as the entire comparison period.

EBITA margin, %

EBITA as a percentage of net sales.

Parent company notes

22 Key estimates and judgements Group

When the board of directors and the CEO prepare the annual report, certain estimates and assumptions must be made that affect the reported values of assets, liabilities, income, and expenses. The areas where estimates and assumptions are of greater significance to the Group are described below.

Investments in subsidiaries

Impairment testing of investments in subsidiaries is carried out if there are indications that an impairment loss is necessary. See further under note 1 accounting policies - impairment testing of financial assets.

23 Employees, personnel costs and remuneration of senior executives

Costs for remuneration to employees

	2024	2023
Salaries Board, CEO and other seniors executives	-2,0	-1,9
Salaries, Other employees	-5,0	-3,6
Total	-7,0	-5,5
Pension expenses for senior executives	-0,2	-0,2
Pension expenses for others	-0,9	-0,9
Other social security expenses	-2,6	-1,8
Total	-3,7	-2,9

Average number of employees

	No. of employees 2024	% of men 2024	No. of employees 2023	% of men 2023
Number of employees	5,0	2,0	4,0	2,0

24 Purchases from and sales to group companies

For the parent company, 0.02% (0.06%) percent of the year's purchases and 100% (100%) percent of the year's sales pertain to own subsidiaries in the form of management fees.

25 Appropriations

	2024-12-31	2023-12-31
Transfer to tax allocation reserve	-	-1,7
Group contributions received	38,4	19,0
Total untaxed reserves	38,4	17,3

26 Shares in subsidiaries

	2024-12-31	2023-12-31
Opening balance shares in subsidiaries	947,7	296,4
New shares in subsidiaries	440,2	651,2
Closing balance in subsidiaries	1 387,8	947,7

27 Receivables from group companies

	2024-12-31	2023-12-31
Opening balance group receivables	19,1	24,4
New assets	43,4	19,1
Used assets	-19,1	-24,4
Closing balance group asset	43,4	19,1

28 Overdraft facility, Parent

The Parent has been granted an overdraft facility of SEK - million (50,0 million).

The utilized amount of the overdraft facility was – million (- million).

29 Proposed appropriation of profit or loss

The following funds are at the disposal of the Parent Company:

	2024-12-31
Non-restricted share premium reserve	819,2
Retained earnings	28,9
Result for the financial year	45,4
Total non-restricted equity	893,4

The Board proposes that profit or loss is appropriated in the following way:

Carried forward	893,4
Total	893,4

30 Non-current liabilities, Parent

Non-current liabilities are distributed as follows:

	2024-12-31	2023-12-31
Bond	513,7	-
Liabilities to credit institutions	-	160,0
Other liabilities	3,3	12,0
Total	517,0	172,0

	2024-12-31	2023-12-31
Expire within one to five year	517,0	172,0
Expires later than five years	-	-
Total	517,0	172,0

Distribution of bond loans:

	2024-12-31	2023-12-31
Amount issues	522,5	-
Fees to be recognized over the loan period	-8,8	-
Total bond loans	513,7	-

The group issued a senior secured floating rate bond on 25 September 2024 amounted to SEK 575 million. The bond is listed at Frankfurt open market (ISIN SE0022759825). The final maturity date is 25 September 2028.

31 Securities provided, Parent

	2024-12-31	2023-12-31
Blocked funds	-	16,6
Pledge shares in subsidiaries	1 387,8	822,7
Total	1 387,8	839,3

32 Contingent liabilities

A guarantee undertaking has been provided for the subsidiaries' debts to the bank. As of the balance sheet date, no debts are recorded in the subsidiaries.

Signatures

Stockholm, as of the date appearing on our electronic signature

- - -	Jeanette Reuterskiöld Chair of the board	Svante Hagman Chief Executive Officer
- -	Andreas Bruzelius	Edwin Ashnai
- -	Olof Rudbeck	Vincenzo Marino
- -	Mårten Bengtsson	

Our audit report was issued on the date indicated by our electronic signature.

Ernst & Young AB

Martin Henriksson

Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Qflow Group AB, corporate identity number 559384-0837

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Qflow Group AB for the year 2024.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Basis for Opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

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

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. 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.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 Qflow Group AB for the year 2024 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 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.

Malmö 29 April 2025

Ernst & Young AB

Martin Henriksson
Authorized Public Accountant