



# Annual Report 2023.



We are a purple company. Being purple means we possess the calm stability of a blue colour, spiced with a fierce energy of a red one. Purple is our heritage and true passion. We are proud of who we are.

We transform businesses and take them into the future. Our skilled people and strong products are here to prove it. When our efforts result in engaged and loyal customers, who come back again and again, then we have delivered. We unleash our customers' full potential.

#### **ORDERING FINANCIAL INFORMATION**

Financial information and other related corporate information is published on [www.formpipe.com](http://www.formpipe.com)

Information may also be ordered from:

Formpipe, Box 23131, 104 35 Stockholm and on [info.se@formpipe.com](mailto:info.se@formpipe.com)

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#### **DISTRIBUTION POLICY**

The Annual Report is also available as a downloadable PDF at [www.formpipe.com](http://www.formpipe.com)

#### **FINANCIAL CALENDAR**

Interim report January–March	25 April 2024
Annual General Meeting 2024	25 April 2024
Interim report January–June	12 July 2024
Interim report January–September	25 October 2024

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# A digital transformation focused on people

Formpipe is a Swedish software company that was founded in 2004 and has offices in Sweden, Denmark, Germany, the UK, the U.S. and Australia. Today, the Group has 263 employees and sales of MSEK 525. The Formpipe share is listed on the NASDAQ Stockholm exchange.

With a value-driven corporate culture, Formpipe is involved in developing an inclusive and sustainable society to rely on.

Formpipe's business stands on two legs, one for the private sector and one for the public sector.

## Private Sector

In the private sector, Formpipe has several thousand customers in more than 60 countries. Here, the product Lasernet complements ERP and banking systems from Microsoft, Temenos and many more. Lasernet is the market leader in its segment in generating, distributing and archiving business documents from Microsoft Dynamics 365 as well as Temenos Transact and Infinity. The product's competitiveness lies in its user-friendliness and ability to scale. Sales and delivery take place through a certified global partner network that is actively being developed to expand its reach in the market.

The acquisition of EFS Technology in 2020 was an accelerator in Formpipe's growth initiative in banking and finance, something that has borne fruit since then. Formpipe was rewarded with the Solution Provider of the Year in 2021 and again in 2023 by Temenos, an award that distinguishes the partner that had the greatest impact on Temenos' customer base. Formpipe is highly praised thanks to its seamless integration into Temenos' banking system and the harmony between the companies' cloud-first strategies.

## Public Sector

Based on Formpipe's document and case management platforms, Formpipe is seeking an extended commitment among existing customers with applications and services. In customer projects, many add-ons to the platforms are co-created, which then create benefits for Formpipes other customers in the public sector through supplemental sales.

The focus for these add-ons is on business processes linked to record-keeping, such as archive-resistant and secure digital signatures, or cooperation on meeting documents for municipal politicians.



## Future

Formpipe has a unique position in the market with a stable and profitable foundation and a high percentage of recurring revenues. This provides good conditions for growth by investing in both existing and new markets and developing new offerings.

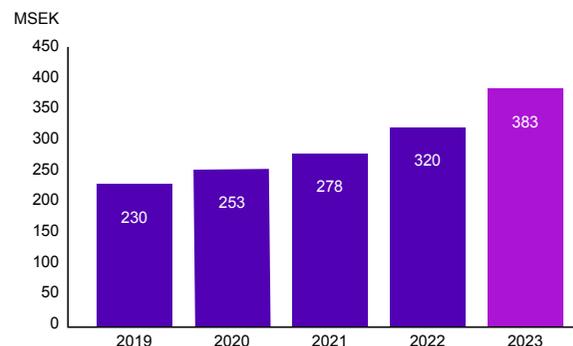
The transition to Software as a Service (SaaS) is proceeding successfully and the market for Content Services is continuing to grow. The future looks bright for the Company's competitive information services.

# The year in brief

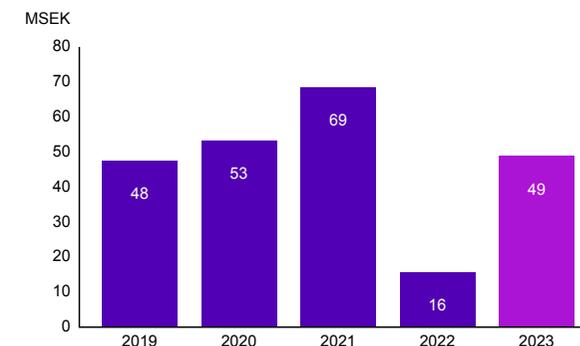
## Key ratios 2023

	2023	2022
Net sales, MSEK	525.2	485.1
Software revenue, MSEK	401.5	336.8
Recurring revenues, MSEK	382.8	320.3
EBITDA, MSEK	114.6	72.4
Operating profit (EBIT), MSEK	48.8	15.7
Profit/loss for the year, MSEK	36.9	8.8
Earnings per share, SEK	0.68	0.16
Dividend per share, SEK	0.50	0.00
ARR	405	369
ACV	39	49

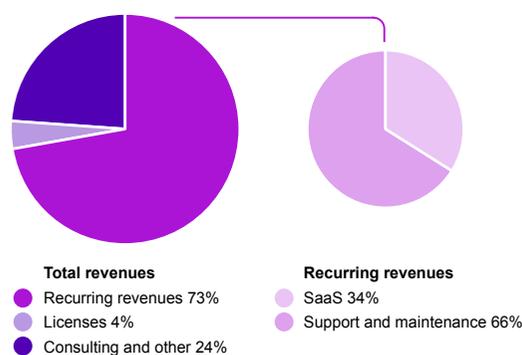
## Recurring revenues



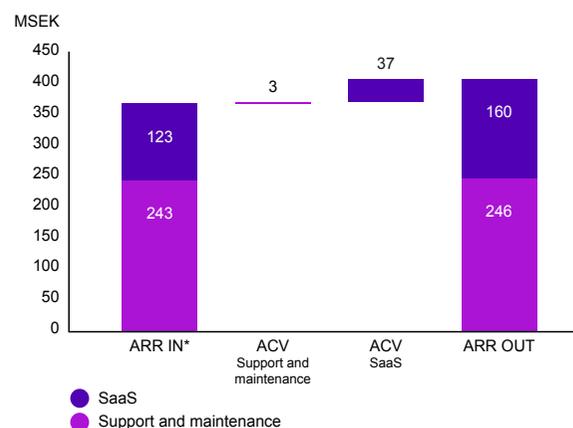
## EBIT



## Distribution of revenue types

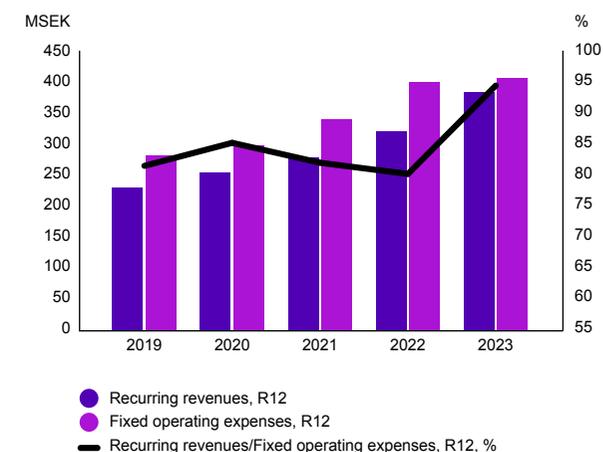


## ARR



\* ARR IN has been translated at the closing day rates as of 31 December 2023.

## Recurring revenues in relation to fixed operating expenses, rolling 12 months



COMMENTS FROM THE CEO

**2023 – a good foundation for the next step  
in our growth journey.**

## 2023 – a good foundation for the next step in our growth journey

2023 saw the business develop well and according to plan. The Group is exhibiting good sales growth of 8 per cent, and we have gradually improved profitability to an operating margin (EBIT) of 9 per cent. In addition, we have significantly increased sales of cloud-based services, Software as a Service, which for the full year account for 25 per cent of revenues. This is an important key performance indicator for our business strategy. The same applies to recurring revenues, which are now above our target of 70 per cent of sales and cover more than 90 per cent of fixed operating expenses. All business areas have contributed to the positive development. The Board of Directors proposes a dividend to our shareholders.

### With customers and users in focus, we develop together

The development of our business in the Danish and Swedish public sectors has been good, with the strongest profitability in the Swedish operations and the greatest growth in the Danish operations. Formpipe has a recognised presence with products that support secure digitalisation of administration and decision-making processes for municipalities, regions and public authorities.

Our solutions simplify work tasks and save time and resources. The importance of this for our customers is evidenced not least by our popular customer days,

which are held annually in Sweden and Denmark. These are well-attended events with several hundred participants who want to learn and be inspired, but who above all want to influence the development of new and improved features in our products. Our close cooperation with our customers provides us with valuable insights into how our offering should be further developed in the years ahead. It is fantastic to experience such interest and engagement from our users. Our focus is on identifying and understanding tomorrow's needs so that we can remain relevant to this important sector. Meetings Live, which is presented here in the annual report, is a great example of close collaboration and customer-driven product development.

When it comes to the Private Sector, I would like to highlight the fact that we returned to profitability during the year. We have a global business through a strong presence in two major ecosystems in particular, namely Microsoft Dynamics and Temenos. Our Lasernet platform offers add-on services to the major ERP systems and simplifies the daily administrative work by making data readable for machines and people. The market potential is enormous.

Even though this complexity can be found in a variety of workflows in multiple industries, we see a particularly strong need in certain verticals, such as the manufacturing industry. In this type of vertical, we also see an opportunity to extract a higher business value as the customer benefit becomes greater. We are also experiencing success in the banking sector, where requirements on customer communication and regulatory compliance are driving growth. Swiss Temenos, a leading provider of IT systems for banks, named Formpipe the Solution Provider of the Year for 2023, which confirms the value of Lasernet and the commitment of our employees.

### Formpipe is dedicated to positive societal impact

Our mission is to build valuable relationships between people and data. We help customers move to the cloud, reduce manual work and digitalise information flows. Today's technological development is powerful and creates huge opportunities. When used correctly, digitalisation provides major societal benefits in the form of resource efficiency, accessibility and traceability.

**“All business areas have contributed to the positive development.”**

– Magnus Svenningson,  
CEO Formpipe

**“When used correctly, digitalisation provides major societal benefits in the form of resource efficiency, accessibility and traceability.”**

– **Magnus Svenningson, CEO Formpipe**

Formpipe’s services free up time and resources that customers and users can instead focus on their core business. In the public sector, this can mean better and expanded service to citizens, regardless of where they are. We are constantly working on cyber security to increase the resilience of our products and customers in a world where even negative forces are becoming increasingly ruthless in their efforts to exploit the weaknesses of digitalisation. I am convinced that technology and innovation will continue to improve society, and that Formpipe has an important role to play in this respect.

As a company dedicated to positive societal impact, we will drive the process of digitalisation in the right direction in order to strengthen the positive opportunities it brings. But we need more colleagues to achieve this and, above all, more female colleagues. We are actively working on this issue. Digitalisation must be resource-efficient, equitable and gender-equal. How we are steering our business towards this, and how we are supporting the UN Sustainable Development Goals and EU requirements on transparency and sustainable competitiveness, is described in more detail in our Sustainability Report on page 63.

## Now we take the next step

It is my intention to lead Formpipe into the next phase of profitable growth. The stable development we have experienced in 2023 provides us with a good platform from which to take the next step. There are a number of measures that we need to implement in order to utilise our business potential, accelerate our growth and strengthen our market position. We call this Pursue Potential, which entails the following:

### We are creating one common business area for the public sector and freeing up resources for development

There are many benefits associated with a merger. In addition to size and synergies, the merger of our two public sector business areas creates clarity and focus.

- We will perform prioritisations within our product portfolio, focusing resources and investments on development in order to create the most attractive offering to the public sector with high demands on efficiency, compliance with legislation and data sovereignty.
- We obtain synergies by having one common organisation and are thus able to free up resources for customer dialogue, innovation and development. This will ultimately benefit our customers and their needs. More than 330 customers use our products to support decision-making and efficient, secure digitalisation in the public sector. We will use our large customer base to further develop offerings through applications of technologies in areas such as AI and cybersecurity.

### We are creating a sharper customer journey and business model for the private sector

We have started a project aimed at increasing the value of our business model and improving the product platform’s structure, distribution and integration into relevant ERP systems.

- We are highlighting the customer journey to ensure that our services are easy to find, consume and use.
- We are focused on Microsoft Dynamics and the banking and finance sector with Temenos, but we are also closely monitoring market demand in new areas such as new geographies or vertical ecosystems, where our platform can be applied and provide us with good profitability.

In closing, I would like to thank all our colleagues, customers and partners for an excellent collaboration in 2023. We have had a good year on the whole, with much hard work that has led to good business successes in both the private and public sectors. With the changes we are now implementing, we are laying the foundation to take the next step and realise our full potential. We will simplify, focus and improve. There is much work to be done, more colleagues to recruit and more customers to meet, and I look forward to the future with optimism.

Magnus Svenningson,  
President and CEO

**“We have had a good year on the whole, with much hard work that has led to good business successes in both the private and public sectors.”**

**– Magnus Svenningson, CEO Formpipe**



BUSINESS CONCEPT, STRATEGIES AND OPERATIONS

**We build valuable relationships  
between people and data.**

# We build valuable relationships between people and data

## Formpipe Group

Formpipe's operations are based on strong offerings to entities in the private and public sectors, both characterised by the Company's mission to build valuable relationships between people and data.

Formpipe develops software in the market for digital information services, classified as Content Services by the analyst firm Gartner. The business model is based on increasing the recurring revenues by selling products as Software as a Service (SaaS) to the furthest possible extent. The Company prioritises organic growth supplemented with strategic acquisitions.

## A growing market with a focus on recurring revenues

Formpipe's products are included in the Content Services category, a market that globally amounts to more than USD 15 billion and, according to Gartner, is expected to grow by 9 per cent on average per year (CAGR) 2021–2026.

Formpipe provides its products as SaaS where right of use, operation, maintenance, upgrades and support are included in the current agreement. This is supplemented if necessary with traditional software licences with associated agreements for support and maintenance.

In recent years, Formpipe has focused on converting the business model and increasing recurring revenues, which has created a stable and recurring revenue stream that lays the foundation for continued growth initiatives. The recurring revenues have grown by more than 10 per cent annually since 2016. At the end of 2023, 73 per cent of Formpipe's total sales are recurring revenues and cover more than 90 per cent of our fixed operating expenses.

Demand for SaaS offerings is steadily growing in the Content Services market and Gartner estimates that the global SaaS revenues for software will reach up to 60 per cent of total sales in 2024.

## Financial targets

Given the growth opportunities identified by management, Formpipe's Board of Directors has decided on the following long-term financial targets:

- The average growth rate shall be 10 per cent in the period 2021–2025
- The operating margin shall be gradually strengthened and exceed 20 per cent in 2025
- 70 per cent of total revenues shall be comprised of recurring revenues in 2025
- Over time, at least 50 per cent of the profit for the year shall be paid to shareholders as dividends

## Growth strategy 2021–2025

- Focusing on accelerated growth in Europe and the U.S. through investments in sales and technology to support partners and meet demand for the product Lasernet.
- Seeking an extended service commitment in the public sector and co-creating more add-ons in customer projects that then create more benefit for the Company's other customers in the segment through supplemental sales.
- Strategic acquisitions that complement the organic growth.
- Increasing recurring revenues by selling products as cloud services (SaaS) to the furthest possible extent.

## Private Sector

In the private sector, the business revolves around the Lasernet product. Through a certified partner network, Formpipe addresses the global market for ERP and banking systems. Lasernet is primarily sold when implementing, or upgrading to a system like Microsoft Dynamics 365 in industries such as manufacturing or retail. In the banking and finance sectors, the same is true for customers adopting, or upgrading to, Temenos Transact and Infinity. The partner network primarily consists of implementation partners of these systems and forms a sales and delivery channel for Formpipe's offering.

### Brief information about Lasernet

Lasernet makes it possible for operations to easily automate the generation, distribution and archiving of business documents, such as invoices, account statements, reports and barcodes. The product's competitiveness is in its user-friendliness and capacity to scale, which has contributed to Lasernet's revenues having grown 20 per cent annually on average since 2018, while the SaaS revenues have grown from zero to MSEK 92.

### Business potential

The cloud-based ERP system Microsoft Dynamics 365 grew by 26 per cent at the end of 2023 compared to the previous year.<sup>1)</sup> Temenos grew its SaaS business by 25 per cent for the financial year 2023.<sup>2)</sup>

The growth of Formpipe's business in the private sector is based on being included in more and more of Microsoft's and Temenos' business and offering

**“Formpipe's flexibility and agile response to the ever-changing banking landscape has not only allowed them to keep pace with the fast-growing fintech ecosystem, but also means they are thriving within it alongside Temenos.”**

**– Martin Bailey, Product Director of Innovation and Ecosystem, Temenos**

Lasernet as SaaS. In the Dynamics market, this is done through a globally certified partner network and with Temenos, through a strengthened partner relationship.

### Acquisition strategy

The acquisition strategy in the private sector is based on identifying and acquiring business applications that have a high degree of synergy with the user requirements that Lasernet covers for customers with ERP and banking systems. Acquisition objects that are the most appealing have a complementary partner network that further strengthens the reach of Formpipe's products.

### Partners

Formpipe's business model for the private sector is based on a network of certified partners providing implementation and support of the company's products. Knowledge about Formpipe's products combined with understanding of the customers' business makes our partners central to the work of helping our customers realise the potential of our offerings.



In the ERP market, the focus is on Dynamics partners that account for the entire value chain from sales and implementation to support, with Formpipe providing help and guidance at every stage.

In banking and finance, the cooperation is based on the partner relationship with Temenos together with other key banking system providers who are now investing in our technology. Formpipe has traditionally provided services in this area and continues to do so. As part of our strategy, we are transferring more and more of these services to partners.

Formpipe actively works to evaluate and develop the partner network to increase its reach in the market.

<sup>1)</sup> <https://www.microsoft.com/en-us/Investor/earnings/FY-2023-Q4/press-release-webcast>

<sup>2)</sup> <https://www.temenos.com/wp-content/uploads/2024/02/Temenos-Q4-2023-Results-Presentation-2h9e98mon.pdf>

## Public Sector

Formpipe’s strategy in the public sector is based on the long-term goal of becoming the preferred comprehensive supplier of digital administration solutions primarily in the public sector in Sweden and Denmark. Hundreds of authorities, municipalities, universities and state and municipally owned companies are currently building their public administration around Formpipe’s products.

Some examples of our customers are the Danish Prosecution Authority, the Danish Agricultural Agency and the Municipality of Silkeborg in Denmark, as well as the Swedish Tax Agency, the Swedish Transport Administration and the City of Malmo in Sweden.

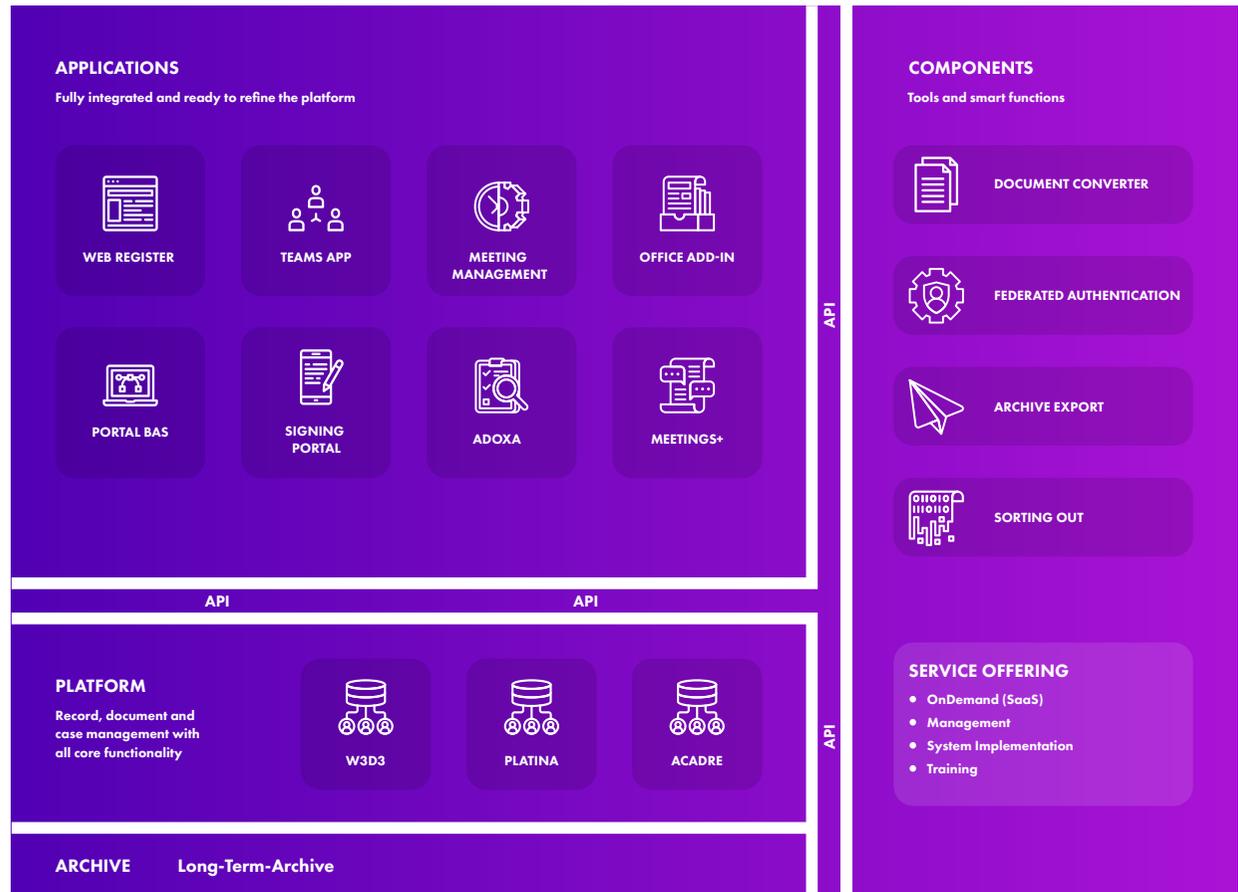
Starting from Formpipe’s market share for its platforms in Denmark and Sweden, the business is mainly growing through supplemental sales of add-ons to these platforms, which are primarily co-created in customer projects. The customers’ needs revolve around the requirements for a more efficient, innovative and data-driven business.

The focus for these add-ons is on business processes linked to record keeping, such as archive-resistant and secure digital signatures or cooperation on meeting documents for municipal politicians.

### Acquisition strategy

The acquisition strategy in the public sector business aims to complement our existing offering with additional functionality or an installed base that provides conditions for additional sales.

### A selection from Formpipe’s product portfolio for the public sector





Formpipe is growing through supplemental sales of subscription-based add-ons. In other words, the model is based on being able to offer the portfolio of add-ons to a broader customer base and thereby increase the potential for every deal.

### Partners

In the public sector, Formpipe's partner network constitutes an ecosystem that complements Formpipe's capacity both in terms of resources and specific skills and expertise.

## Organisation and expertise

Formpipe is a value-driven company. This means that the values form the basis of the corporate culture as well as its daily priorities. Formpipe's goal is for all employees to promote long-term customer relationships by always living according to our values.

The organisation is decentralised and puts people first. All of the employees are involved in driving Formpipe forward and leadership is marked by clear and open dialogue with short decision pathways. Our business is knowledge intensive, with employees who possess a high level of expertise and strong dedication. Priorities are set so that employees develop and Formpipe attracts new talent. The foundation for this is to build an open and stimulating corporate culture.

Formpipe consists of two business areas: the private sector and the public sector in Denmark and Sweden.

More than 100 employees work in the private sector. The majority of these are based in the UK, but there are also employees located in Denmark, Germany and the U.S.

The public sector business area currently consists of around 160 employees evenly distributed between Sweden and Denmark.

Product management is a function in the different business areas where parts of product development are outsourced to Sigma Software in Ukraine where Formpipe currently contracts around 80 developers.

## Passion for people

We are proud of who we are and put people first

## Understanding our customers

We listen and create true business value

## Respect and trust

We are open-minded and we are honest

## Perform with quality

We take ownership and we act professionally

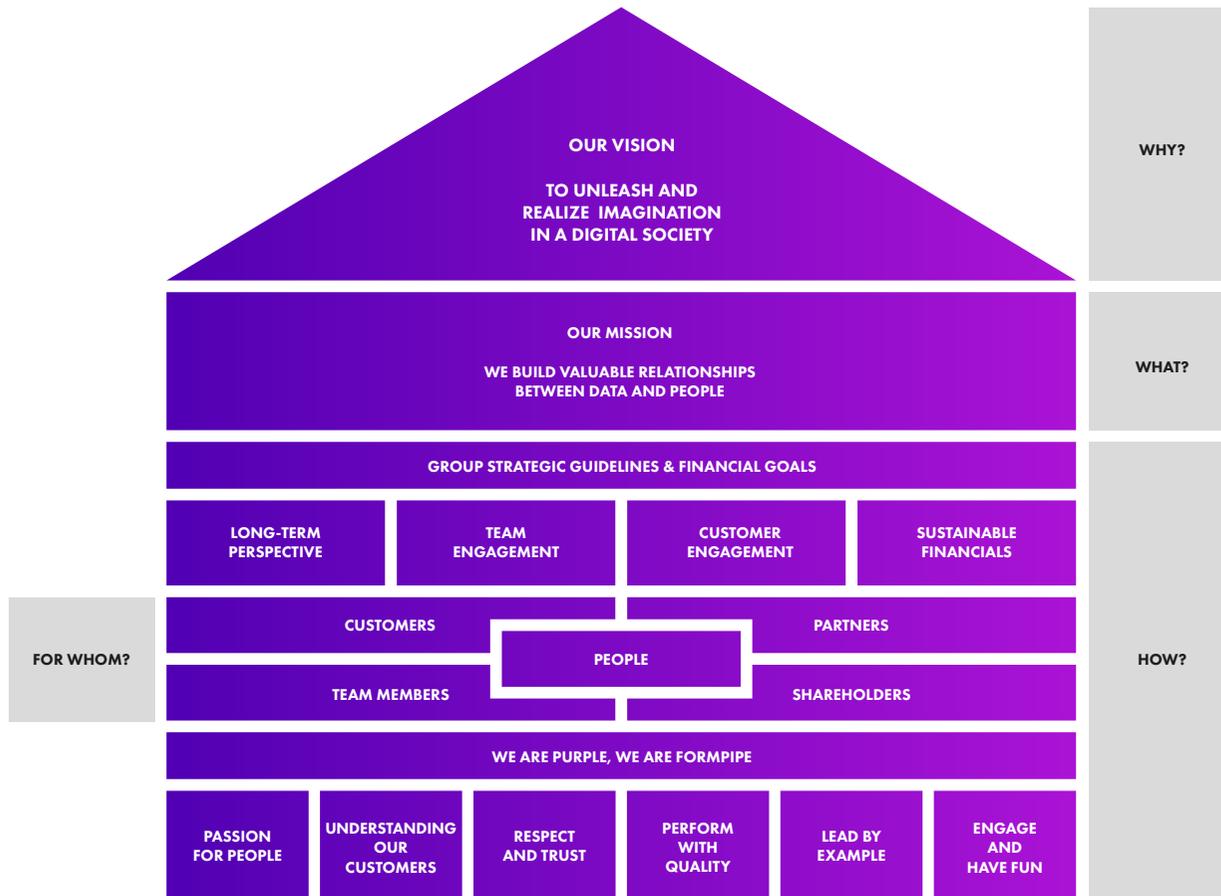
## Lead by example

We are value driven and we support each other

## Engage and have fun

We have a unique team spirit and we love what we do

Formpipe's brand platform



Financial targets

Given the growth opportunities identified by management, Formpipe's Board of Directors has decided on the following long-term financial targets:

**10%**

The average growth rate shall be 10 per cent in the period 2021–2025

**20%**

The operating margin shall be gradually strengthened and exceed 20 per cent in 2025

**70%**

70 per cent of total revenues shall be comprised of recurring revenues in 2025

**50%**

Over time, at least 50 per cent of the profit for the year shall be paid to shareholders as dividends

CONTENT SERVICES

# A digital transformation close to the business.

## A digital transformation close to the business

Digital information is an increasingly clearer lifeblood of economic development – it is the foundation for many new products and services, which lead to productivity and efficiency gains in every sector of the economy. Companies and organisations are now focusing on buying information services with subscription fees, as SaaS, and for more specific business processes. The purchasing decisions are also increasingly made in the operations rather than the IT department.

### Growth market

The market for Content Services includes systems and services that process, analyse and improve utilisation of both structured and unstructured information and data. According to Gartner, the global market amounted to more than USD 15 billion in 2022 with a global market growth of 9 per cent per year on average (CAGR) 2021–2026.

### Driving forces

The growth in the market is fuelled in large part by the organisational and corporate-wide need to streamline operations and increase the level of service while they meet legal requirements and regulations. To be able to get value from the collective amount of information held by most companies and organisations, applications and services are needed – in order to securely collaborate, search, analyse, process and distribute this data and content.

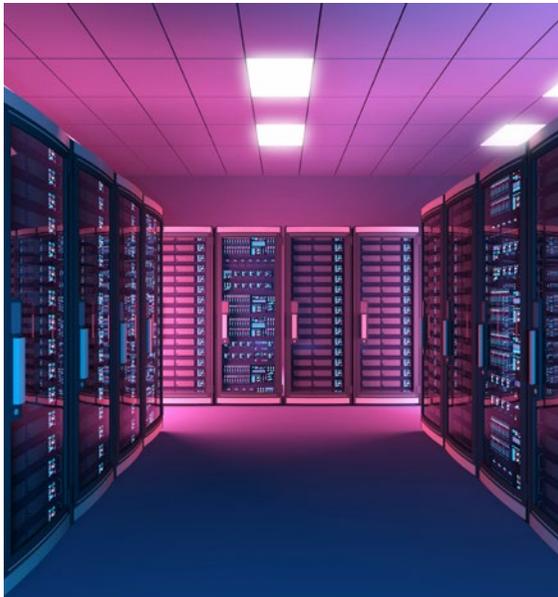
Growth drivers tend to gain strength as the amount of data and information increases. The volume of data produced in the world is growing quickly, from 33 Zettabytes (ZB) in 2018 to an expected 175 ZB by 2025.<sup>3)</sup>

While the core systems' development is largely driven by the need for order and information security, the operations' demand for usability and automation of business processes is growing.

### Services that address specific processes

The digital transformation entails a major impact on the tools that employees use every day to create, read, analyse and distribute information. Three decades of conventions on how operations and maintenance are managed by IT systems are now

<sup>3)</sup> Shaping Europe's digital future, European Commission Feb 2020



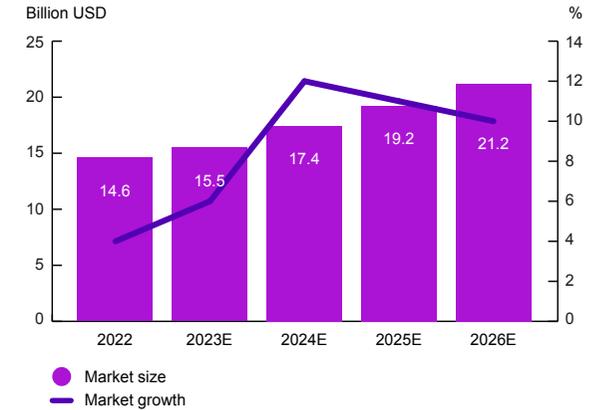
quickly being replaced by a continuously changing landscape of cloud services. Something that the analyst firm Gartner describes as a paradigm shift from IT-based products to information services close to operations.<sup>4)</sup>

Today, people are becoming accustomed to getting quick access to new services and products. As buyers, we increasingly want to order a service that performs a specific process, without actually caring very much about the technology behind it. Increasing numbers of deals are thereby made directly from the business, as a cloud service (SaaS), without going through a complex and time-consuming purchasing process. Central aspects of these services are often their integration into the organisation's core systems and their ability to operate seamlessly with customers' ERP systems, banking platforms and case management systems as examples.

### Cloud services are growing rapidly

In a cloud service, the customers pay for what is actually used and where costs for development, operation, maintenance, upgrade and support are included in the current agreement. The transition to SaaS is taking place very quickly now and Gartner estimates that the SaaS revenues will reach up to 60 per cent of the total sales of software in 2024.

### Content Services, total market



Source: Gartner, December 2022

<sup>4)</sup> 'Create a Culture of Digital Dexterity With the 'New Work Nucleus' Gartner, 2019, <https://www.gartner.com/document/3913794>



PRIVATE SECTOR

**We supply leading products and specialised services around the world.**

# Private Sector

Formpipe has expertise in the private sector that spans several industries. Formpipe's products digitize and streamline sectors such as retail, manufacturing, banking and finance, life sciences, energy, water and legal services and institutions. Formpipe ensures that local requirements are met – both commercial and technical – in a global market, through its partners and its own presence. Formpipe has offices in Sweden, Denmark, Germany, the UK, the U.S. and Australia.

As a complement to ERP systems and banking platforms – more specifically Microsoft Dynamics 365 and Temenos Transact and Infinity – Lasernet has grown to become Formpipe's most popular product with more than 2,000 customers in more than 60 countries worldwide.

## Customer Communication Management, CCM

Gartner classifies Lasetnet as a part of the global Customer Communications Management (CCM) market segment and was mentioned in 2021 in the analyst firm's market guide.<sup>5)</sup> CCM is driven by a greater need for automation of customer communication in various channels. The CCM market is a market segment within Content Services.

With CCM products, content is produced, individualised, formatted and distributed from different systems and data sources to the format that best suits Formpipe in its communication with customers or other business partners.

## A complement to ERP systems

The global ERP software market is estimated to reach almost 68 billion by 2026.<sup>6)</sup> Since cloud solutions, such as Microsoft Dynamics 365, are becoming increasingly accepted thanks to their scalability, reliability and flexibility, many ERP customers are changing their view of the internal architecture. This shift, where the customers see the advantages of moving to the cloud, opens up new opportunities for Formpipe where it is common that Lasetnet is introduced in connection with a change or upgrade of an operation's ERP system.

The ERP systems often have a basic functionality for report generation and document creation, but all too often this function is time-consuming and complex to work with to create the operation's desired layouts. Lasetnet supplements ERP systems and makes it possible for business documents to be delivered in exactly the format and the layout wanted. By offering the flexibility that customers want, Lasetnet shortens the time on implementation projects and gives them the tools to further develop their operations with.

It is not uncommon that Lasetnet is initially used for a limited number of use cases, but over time is applied to more and more processes as organisations become more adept with their ERP systems.

## Fruitful collaboration with Microsoft

The strong global demand for Lasetnet is driven not least by the success of Microsoft Dynamics. In a close partnership, Formpipe collaborates with Microsoft in business development through an established partner programme. Available on AppSource, Lasetnet<sup>7)</sup> can be test run and collaboration is conducted in the pipeline to maximise the benefit of the shared business. Lasetnet's integration with Microsoft Dynamics is market leading and the ability to meet the customers' needs is much appreciated. The cloud-based ERP system Microsoft Dynamics 365 grew by 26 per cent at the end of 2023 compared to the previous year.<sup>8)</sup>

<sup>5)</sup> <https://www.formpipe.com/en/about-us/media/news--blogs/2021/lasetnet-recognised-by-gartner/>

<sup>6)</sup> Enterprise Application Software Forecast Q422, Gartner, Inc. 2022

<sup>7)</sup> <https://appsource.microsoft.com/en-cy/product/dynamics-365-for-finance-and-operations/formpipe.lasetnet?tab=overview>

<sup>8)</sup> <https://www.microsoft.com/en-us/Investor/earnings/FY-2023-Q4/press-release-webcast>

**“For more than 15 years, Temenos and Formpipe have renewed themselves through teamwork and trust. This synergy makes it possible to jointly drive development forward with a vision of continuous improvement that guarantees success for both organisations.”**

– **Martin Bailey, Product Director of Innovation and Ecosystem, Temenos**

## Temenos – Banking and finance

Through the acquisition of EFS Technology in 2020, Formpipe strengthened its partnership with Temenos and thereby its position in the financial sector. More than 100 financial institutions are currently using Formpipe’s fully integrated solutions, Lasernet and Autoform DM, both of which are available on the Temenos Exchange<sup>9)</sup> (Temenos’ marketplace for partner solutions). Formpipe’s solutions provide banks with enriched and on-brand customer communication and archiving in all channels in the Temenos ecosystem.

We are proud that Formpipe has once again been honoured with the Temenos Solution Provider of the Year award in 2023. Formpipe also received this prestigious award in 2021.

Formpipe is proud to be one of Temenos’ most revenue-driving partners in the Solution Provider category and looks forward to continued success together in the future.

## The U.S.

Formpipe’s position in the U.S. is growing stronger and with the technical advantage over its competitors, Lasetnet is supplementing an increasing number of Dynamics 365 and Temenos deals. With a local Formpipe team on site, the business is ready to further strengthen capacity to address the momentum in the market over the next few years.

The North American market is one of Temenos’ primary strategic initiatives for growth. In H1 2023, Temenos’ software revenues in the U.S. grew to 29 per cent of total revenues.<sup>10)</sup>

## Future

Formpipe sees a significant expansion potential for the sale of Lasetnet, driven by the successful cooperation with Microsoft and Temenos. Investments in growth will mainly take place through an aggressive build-up of capacity with a focus on the U.S. and Europe.

Our partner channel is one of the main factors for Formpipe’s continued success in the private sector. A harmony between Temenos, Microsoft and Formpipe’s strategies for the transition to cloud services provides good conditions to further accelerate the SaaS offering.



Temenos AG (SWX: TEMN) is a specialised supplier of business systems to banking and finance. The head office is located in Geneva, Switzerland. The company has a total of 59 offices in 39 countries. Temenos has more than 3 000 customers in more than 150 countries around the world. Their system is used by 41 of the 50 top banks in the world. The company was founded in 1993 and listed on the Swiss stock exchange in 2001.

For more information visit [www.temenos.com](http://www.temenos.com)

<sup>9)</sup> <https://www.temenos.com/community/marketplace/providers/formpipe/>

<sup>10)</sup> <https://www.temenos.com/wp-content/uploads/2023/09/temenos-interim-report-2023-x30x401k8.pdf>



# Our offering to the private sector

Examples of products used by Formpipe’s customers in the private sector:

## Lasernet by Formpipe.

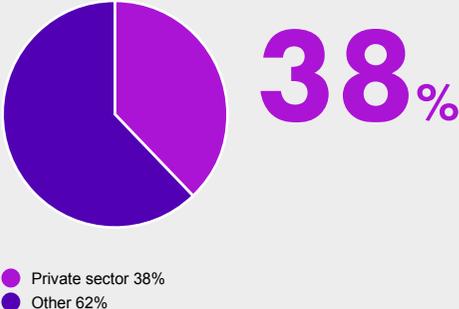
Used today by more than 2,000 companies worldwide. With Lasernet, content is produced, individualised, formatted and distributed from different systems and data sources to the format that best suits the company in its communication with customers or other business partners.

## Autoform DM by Formpipe.

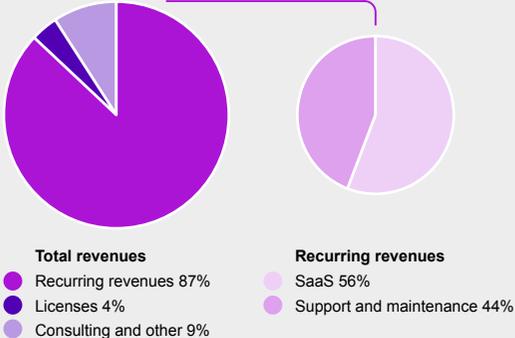
A flexible and powerful digital archive. The product provides customers with a versatile archiving for advanced applications, quickly and easily with high performance. A standard connection to Lasernet means that the products are successfully packaged as one common solution to customers in, for example, banking and finance, where the archiving of invoices is a common area of use.

## Key ratios

Share of net revenue



## Distribution of revenue types, Private Sector





PARTNER CASE – SYSTEMS LTD.

## Largest banking contract ever thanks to partnership with Systems Ltd

Systems Limited is a pioneering systems integrator (SI) in the ongoing digital transformation and one of the largest players in the MENA and APAC regions. The company aims to create an ecosystem in the banking sector where it brings together the right partners to meet customer needs with complete end-to-end offerings.

Formpipe has collaborated with Systems Ltd for a decade, a working relationship that over the years has developed into a dynamic partnership with many common banking customers and in collaboration with Temenos, a world leader in banking software. Systems Ltd has been named Temenos' Regional Delivery Partner of the Year in the Middle East. That Formpipe's partnership with Systems is now growing increasingly stronger is to the benefit of all parties.

**"Together, we can gain global exposure and reach new markets."**

**– Ammara Masood, Global GM Banking and Financial Services, Systems Limited, and CEO NdcTech**

## Largest contract in the private sector

In 2023, Formpipe received its largest contract ever, with Pakistan's largest bank, Habib Bank Limited (HBL), following a recommendation from Systems Ltd. The agreement will be a catalyst that moves Formpipe forward within Systems Ltd's large organisation, providing significant opportunities to build further and expand globally.

– Formpipe has a strong end-to-end offering as a provider of industry-leading solutions for the banking sector. Our partnership is unique because we have similar growth journeys, but in different markets. Together, we can gain global exposure and reach new markets with a complete offering, says Ammara Masood, Global GM Banking and Financial Services, Systems Limited, and CEO of NdcTech.

Marc Jenkins is the account manager and Formpipe's Customer Success & Partner Sales Manager for the Middle East. He emphasises that recommendations are crucial in the industry and that the partnership with Systems Ltd eliminates 90 percent of the sales process.

– The deal with Habib Bank opens up major expansion opportunities, especially in MENA, APAC and Africa, thanks to the new agreement.

## The next step in the growth journey

Systems Ltd has operations in APAC, the Middle East and Africa. The next step is expansion into

the U.S. and European markets. Ammara Masood believes that the partnership with an SI such as Systems Ltd can provide a breakthrough for Formpipe, as it also entails business opportunities in more industries than the banking sector. Systems Ltd works with, among others, Dynamics 365 and SAP, which increases Formpipe's exposure in the Middle East, outside of Temenos.

– Formpipe's solutions facilitate our global expansion. Previously, our partnership was largely focused on Temenos' solutions for banks, but now we see that we can expand the collaboration with other solutions, such as Microsoft CRM with Salesforce CRM. We will add a lot of value for our joint customers, says Ammara Masood.

– We are extremely proud to partner with one of the largest and most trusted systems integrators in the MENA and APAC region. Over the years, we have worked together to help many banks meet their most important output and document management requirements. We look forward to continuing to develop the relationship with Systems Ltd in the year ahead, says Marc Jenkins.

**"We are extremely proud to partner with one of the largest and most trusted systems integrators in the MENA and APAC region."**

**– Marc Jenkins, Customer Success and Partner Sales Manager for the Middle East, Formpipe**



### Systems Ltd.

**Partner:** Systems Limited.

**Operations:** IT software solutions and state-of-the-art professional services in systems integration as well as BPO offerings.

**Head office:** Lahore, Pakistan.

**Facts:** Pakistani multinational technology company, founded in 1977. Parent company of Techvista Systems, Systems Arabia, Systems Misr and Techvista Qatar, NdcTech. Market capitalization as of June 2023: approximately USD 441 million.



### HBL

**Customer:** Habib Bank Limited (HBL).

**Operations:** Banking.

**Head office:** Karachi, Pakistan.

**Facts:** Leading financial institution in Pakistan with over 27 million customers, 1,700 branches and 20,000 ATMs in more than 15 countries. Founded in 1941 by the Habib family. Since 1972 the head office has been located in Habib Bank Plaza in Karachi.



EMPLOYEE CASE – CHARLIE COTTON

## The cloud journey continues – the vision for 2025

Formpipe is in the process of expanding the Formpipe cloud – by 2025 at the latest it will have a complete SaaS platform for the creation, distribution, archiving and cross-checking of documents. Charlie Cotton is Head of Cloud Services for the private sector at Formpipe's office in Nottingham, England. He is responsible for ensuring that the transition and merger with the new web portal is completed according to plan. The vision for 2025 is that Formpipe's cloud solution, through the introduction of a completely new platform, will be prioritised for all products.

Charlie Cotton joined Formpipe in 2019, directly after university, as Project Manager at the Life Science department. He then joined the cloud team, where he became Delivery Manager at the end of 2022. In October 2023, Charlie was given the main responsibility for the cloud team working with business-critical service and large operations.

– In a short time, I have been given a lot of responsibility and the opportunity to develop within the company. Today, I have a very interesting leadership role where I get to contribute to the vision for 2025. It has been a steep learning curve, but I'm career-driven and feel motivated by having a lot of responsibility. I like leading the team and making sure that everything works perfectly.

**“In a short time, I have had the opportunity to develop within the company, and today I have a very interesting leadership role where I get to contribute to our vision for 2025.”**

– Charlie Cotton, Head of Cloud Services

## The role of leader

During his time as a student, Charlie did an internship at a software company where he got to support several project managers with different knowledge and leadership styles. This helped him understand what skills you need to possess as a project manager in the industry.

– I have developed my own leadership style, but it's not difficult to lead a team as fantastic as the one I have. The job is partly about planning long-term, and partly about modifying the daily work so that we constantly improve our processes and become even more efficient.

Charlie wants to be a leader who serves his colleagues and actively strengthens the team. He likes risks and solving problems that arise, working together with the team to find the solutions that best benefit customers and partners.

– My task as a leader is to make things easier for the developers and testers and provide them with the right conditions for the projects to succeed. Overall, it is my job to make sure that we develop together, as that's how we achieve success.

## Tomorrow's hub – comprehensive platform 2025

Charlie is also a leader in the work that is ongoing ahead of 2025, where the ultimate goal is to tie together the infrastructure in the existing product portfolio for the Public Sector business area via a new comprehensive platform. Something that has already been done in Formpipe's internal cloud environment. Within the scope of the work on the new platform, the internal work is being translated into a common infrastructure via Lasernet and Autoform DM, along with a completely new web portal that will also be available to end customers.

– We have the automated processes in place and can scale up further, which is the key to an even larger customer base and continued growth. The new platform will add a lot of value for our customers and partners. Now we are really moving towards “cloud first”.

Although not “cloud only”, Charlie is quick to point out. Some customers, such as larger banks, still need locally installed software as a complement. Guidelines and procedures are therefore continuously developed to meet each customer's specific needs.

– The Formpipe cloud is unique. There is no other solution provider in the market that can offer a similar package for archiving and document management. Now we are very close to the next step in the development. This gives us the opportunity to be first to the ball when it really counts.

## Charlie Cotton

**Age:** 27

**Title:** Head of Cloud Services, Formpipe

**Education:** BSc in IT Management for Business, University of Derby

**Lives in:** Derby, England

**Works in:** Nottingham, England

**Family:** Girlfriend and dog, parents, brother and sister

**Leisure time interests:** Playing and watching football, Formula 1, chess, tasting rum

**Favourite music:** Drum & Bass, House, EDM, Disco, Hip hop

**Favourite food:** Shrimp cocktail, meat, brownies

**Role models:** Mum and Dad

**Life motto:** Reach for the stars!

**“Now we are very close to the next step in the development. This gives us the opportunity to be first to the ball when it really counts.”**

– Charlie Cotton,  
Head of Cloud Services

PUBLIC SECTOR  
**A digital society to rely on.**

# Public Sector

Formpipe is a dedicated supporter of the idea that the digitalisation of the public sector will create significant value for society and its citizens. By putting people at the heart of the innovation process, Formpipe actively contributes to the development of a sustainable and inclusive digital society that can be relied on.

In the public sector's dynamic operations, the ability to adapt quickly is crucial in order to meet new expectations and changing demand. With its long-standing market-leading position, Formpipe provides reliable systems for both document and case management as well as automated processes, thus demonstrating a robust commitment to value-driven digitalisation.

## Customers

Hundreds of public authorities, municipalities, universities and state and municipally owned companies currently integrate Formpipe's record keeping, document and case management systems into their operations, supplemented with a range of optional add-on services.

Some examples of customers are the Danish Prosecution Authority, the Danish Agricultural Agency and Glostrup Municipality in Denmark, as well as the Swedish Tax Agency, the Swedish Transport Administration and Linköping Municipality in Sweden.

## Market driving forces

Rapid technological developments and the spread of e-services in various industries has raised the expectations of citizens, businesses and organisations in the public sector. The convenience of being able to carry out extensive transactions online, such as shopping, reporting insurance claims or opening bank accounts via mobile devices, has led to a parallel demand for an equally seamless interaction with public authorities.

This includes the ability to make basic enquiries and submit efficient applications, as well as effective reporting processes. Users expect quick responses, automated decision-making and round-the-clock availability, while public sector employees expect it to be easy to obtain the information they need.

### Demand for greater efficiency

Managing cases is a comprehensive administrative task for public authorities, municipalities and regional healthcare providers. Over time, this management process has become increasingly automated, but the potential for improvements and efficiency enhancements is still very extensive. The integration of automation and self-service not only reduces the administrative burden on citizens, businesses and employees, it also points to significant potential for improved efficiency. As digitalisation measures continue to be implemented, their impact is expected to become even more pronounced.

### Compliance with laws and requirements

Requirements on transparency exist both for EU functions and in different forms among the Member

States. Compliance with laws and requirements is crucial in order for the principle of public access to information to work effectively. Transparency and disclosure policies dictate the conditions for the required availability of information, and these guidelines are subject to ever-changing laws and regulations.

In an era characterised by rapid and revolutionary technological developments, the existing rules are constantly being tested and reassessed. The introduction of the General Data Protection Regulation (GDPR) is a clear example of such challenges. There is a growing need for a modern, legally sustainable approach that complies with the requirements of legislation and harnesses the potential of digitalisation. The digitisation and archiving processes applied to cases, documents and registers not only improve quality but also increase accessibility and traceability.

### Data quality and security

Managing and utilising data in an efficient and smart manner is a key issue for most organisations and a prerequisite for informed decision-making and the creation of efficient and readily available services. At the same time, the escalating volumes and complexity of data entail an increased risk of data breaches. As new solutions emerge and technological advancements are made, there is a growing demand for up-to-date regulations and compliance standards, such as the General Data Protection Regulation (GDPR). Organisations that maintain high data quality not only ensure legal security but also facilitate preservation of information and make it possible to re-use data for innovative purposes.



### The landscape for cloud services

The Danish Agency for Digitisation highlights the potential of cloud services and has produced a guide designed to help public organisations use such services effectively and securely. The Danish Agency for Digitisation's summary emphasises the positive effects of cloud services on the development and operation of solutions in the public sector and points out that these services can generally be used under the same conditions as traditional solutions.

In Swedish public administration, many organisations are exploring the possibility of outsourcing IT operations and embracing cloud services. A critical issue, however, is the need for legal clarification in this regard. The Swedish Agency for Digital Government (DIGG) notes a widespread and necessary need for guidance in the Swedish public sector and clarification regarding the choice of cloud services, especially with regard to information privacy and international data transfer. Recent court rulings, including Schrems II, have created a certain degree of reluctance among EU public organisations when it comes to the procurement and use of solutions from the public cloud.

### Use of existing platforms

Formpipe is observing a common trend whereby customers are happy to retain their collaboration with their current platform provider for document and case management, and are choosing to develop their operations in parallel. Gartner urges users of Content Services Platforms – a service provided by Formpipe – to carefully evaluate the benefits of

switching platform provider. These platforms are often intricately woven into various systems and operating processes, which can potentially entail significantly higher costs to switch provider rather than improving and utilising the capacity of existing platforms.

### European digital perspective

In the contemporary digital landscape, digital information emerges as a key factor in the EU, not only acting as a catalyst for robust financial growth but also in terms of positioning Europe as a potential global leader and role model in the digital economy. The EU digital strategy highlights the importance of a comprehensive transformation that includes everyone, with the aim of adapting this development to the needs of individuals and businesses, while also ensuring that the transformation contributes to the EU goal of achieving climate neutrality by 2050.

The European strategy introduces compelling incentives and plans for digitalisation, which provides a strategic framework in which companies like Formpipe play an important role. Such companies generate the expertise, experience and technology that is crucial to realising the shift towards a digital society. Such a society is characterised by digital solutions that prioritise people, foster new business opportunities and promote the development of reliable technology, which in turn promotes an open, democratic and sustainable economy.

The EU digital strategy highlights three core focus areas for utilising the potential of digitalisation:

- Technology that serves people.
- Development of a fair and competitive digital economy.
- Promotion of an open, democratic and sustainable society.

## Future

In primarily Sweden and Denmark, Formpipe's operations and business are being driven towards the long-term goal of becoming the preferred comprehensive supplier of digital administration in the EU.

Based on Formpipe's document, registry and case management platforms, Formpipe is striving to achieve increased engagement among existing customers with products and services. In customer projects, many add-ons to the platforms are co-created, which creates benefit for Formpipe's other customers in the public sector through supplemental offerings and sales.

The focus for these add-ons is on business processes linked to record keeping, such as archive-resistant and secure digital signatures or cooperation on meeting documents for municipal politicians.

Formpipe is growing organically in the public sector by becoming a comprehensive supplier of digital administration in the current Danish and Swedish markets. In addition, complementary acquisitions are made of add-on products that support our customers' workflows.





## Denmark

Many countries in the EU are striving to emulate Denmark's exemplary digital infrastructure. For the third time in a row, the UN E-Government Survey 2022 highlighted Denmark as one of the global front-runners in digitalisation, placing the country among the foremost in Europe and the European Union in the prestigious (VH) rating class.<sup>11)</sup> The survey praises Denmark for its exceptional collaboration between government, regions and municipalities that leads to public digital solutions and demonstrates a unique and holistic approach to digitalisation.

This approach, which is considered unique to Denmark, has proven to be a recipe for success in ensuring coherent and user-friendly solutions for both citizens and businesses. Denmark continues to lead the way in other influential surveys on public digitalisation, including the OECD Digital Government Index and the European Commission's Digital Economy and Society Index (DESI).

The ongoing modernisation and digitalisation initiatives in Denmark's public sector are poised to free up DKK 20 billion by 2025. This significant financial injection can be reinvested in the public sector, promoting improved service delivery and overall welfare.

Formpipe, with a history of contributing products and services to Denmark's public sector spanning more than two decades, stands as an experienced and reliable digitalisation partner. Many of Formpipe's customers and employees have been important during this journey and have contributed to the wealth of

experience in digitizing business processes. Anchored by a dedicated team in Copenhagen, Formpipe offers comprehensive services throughout the value chain, reinforcing the Company's reputation as a competent and long-term digitalisation partner in Denmark.

### Examples of Formpipe's customers

The Danish Business Authority, Glostrup Municipality, the Region of Southern Denmark, Nordea-fonden, the Danish Prosecution Authority and the Danish Agricultural Agency are examples of customers in Denmark's public sector.

**"In 2023, amidst challenges and geopolitical tensions, we've witnessed both complexity and opportunity. At Formpipe, we're dedicated to leveraging technology for responsible solutions, contributing to the Nordic countries' leadership in Public Digitalization. AI, notably GenAI, has emerged as a key tool for enhancing productivity and customer experience. Our commitment remains unwavering as we harness technology for the benefit of our customers, employees, and society. Together, we navigate this dynamic landscape, shaping a brighter digital future."**

— Thomas à Porta, Business Area Manager, Public Sector Denmark

<sup>11)</sup> Source: <https://digital-strategy.ec.europa.eu/en/policies/desi>

# Our offering to the Danish public sector

Examples of products Formpipe’s customers use in the Danish public sector:

## Acadre by Formpipe

A document and case management platform designed to ensure precise registration and accurate control over the organisation’s data. With a user base in excess of 70,000 users, Acadre is a trusted solution for efficient data management within organisations.

## Adoxa by Formpipe

Adoxa is an innovative application designed to automate regulatory compliance by continuously scanning the organisation’s systems. Adoxa combines this capability with an intelligent regulatory framework to rectify data quality problems and ensure compliance with GDPR requirements. Widely recognised for its efficiency, Adoxa has become the leading solution for more than 50 organisations requiring streamlined regulatory compliance and improved data quality.

## Long-Term Archive by Formpipe

A modern archiving solution, tailored for businesses that prioritise security, traceability and flexibility. Long-Term Archive not only improves access to

exact information, it also ensures compliance with all relevant laws and requirements in the area of e-archiving.

## Meeting Management by Formpipe

Running political committees, councils and meetings is a very important part of our customers’ work duties and a crucial element in support functions for democracy. In 2023, Formpipe developed a completely new and state-of-the-art meeting management solution for Acadre. The solution will be made available to all our Acadre customers in 2024.

## TAS by Formpipe

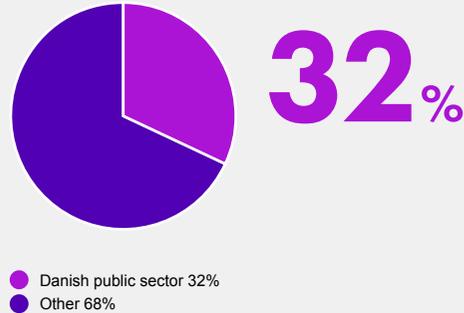
TAS, an advanced grants management platform, is designed for public sector organisations and ensures data security and smooth operations. By facilitating the distribution of grants amounting to more than DKK 20 billion annually, TAS stands out for its unparalleled speed and the highest volume of automated digital processes in Europe.

## TAP by Formpipe

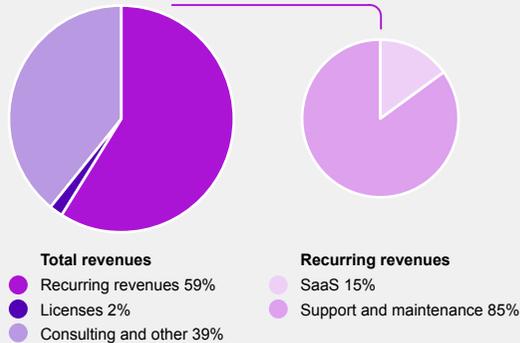
TAP is a configurable standard platform designed for management of applications and grants. TAP is used by the Danish Agricultural Agency for the annual distribution of EU grants to Danish farmers.

## Key ratios

Share of net revenue



Distribution of revenue types, Denmark



## CUSTOMER CASE – GLOSTRUP MUNICIPALITY

## Successful implementation on a broad front

For over ten years, Glostrup Municipality has been using Acadre by Formpipe, a case management system for optimising workflows in the public sector. When it was time for the municipality to undertake a new procurement process, Formpipe won the deal, this time with Acadre Web, the further developed cloud version.

– Acadre Web is a flexible and intuitive solution with good features and easy installation. The fact that case management is now in the cloud and works as SaaS simplifies our processes and gives us new opportunities, says Ditte Leighton, Head of IT and Digitalisation at Glostrup Municipality.

At the beginning of 2022, the digital team led by Ditte Leighton started the change process, a complex system implementation that was to be implemented throughout the municipal organisation.

**“The fact that case management is now in the cloud and works as SaaS simplifies our processes and gives us new opportunities.”**

**– Ditte Leighton, Head of IT and Digitalisation, Glostrup Municipality**

## Crucial to involve the municipal management

In order to succeed with the implementation, it was important to gain the municipal management's understanding of how crucial their role was in the project.

– Without good support from management, it is not possible to implement such a major change in a successful manner. Digital development projects are 80 per cent about organisational change and only 20 per cent about the technology itself.

A project management team and a steering group were formed, as well as a network of "super users" with extensive experience and knowledge of Acadre. Ditte Leighton points out that implementing major ECM systems is always a challenge. The most common problem is getting users to understand why the change is needed in the first place.

– We realised early on the importance of a motivating training plan, and we created an analogue solution to identify each employee's training needs. In this way, each user receives exactly the right training in how to use Acadre Web.

## Visibility and communication

Another important factor was to make the project visible. The management team, the steering group and representatives from all parts of the organisation actively participated in ensuring visibility ahead of the launch in September 2023.

– Visibility was definitely a key factor. In collaboration with Formpipe, we arranged activities and printed t-shirts and posters for the kick-off, in order to create a sense of anticipation and participation. Everyone involved was very dedicated and inspired... the teams did a great job.

The rollout of Acadre Web is now taking place step by step. The training plan has been much appreciated, with the training enabling users to discover new opportunities in their everyday work.

– The employees are highly engaged and we have received positive feedback, in particular that the system is easy to use. However, as in any IT project, there are always unforeseen problems, and communication is extremely important for the continued work.

## Good cooperation

As the solution provider, Formpipe has a great responsibility, and it is important that the product owners and project managers have respect and understanding for each other.

– We have an open dialogue and are always taken seriously, even when we make non-traditional requests. Formpipe wants us to succeed. Their curiosity and sincere desire to fully understand our business needs is what creates success.

**“The employees are highly engaged and we have received positive feedback, in particular that the system is easy to use.”**

– **Ditte Leighton, Head of IT and Digitalisation, Glostrup Municipality**



## Glostrup Municipality

**Customer:** Glostrup Municipality

**Operations:** Municipality

**Head office:** Glostrup, Denmark

**Facts:** The municipality of Glostrup has in excess of 23,000 inhabitants and is located in the Capital Region of Denmark (Danish: Region Hovedstaden), about 10 kilometres west of Copenhagen. The municipality consists of the districts of Glostrup, Hvinginge and Ejby, and is crossed by road and rail towards Roskilde. Glostrup Station is one of the key commuter rail stations in the Capital Region, serving around 17,000 commuters daily.



EMPLOYEE CASE – SUMMIA NADEEM

## Great responsibility inspires and gives self-confidence

Since 2022, Summia Nadeem has been working as Formpipe's business consultant at the Danish Ministry of Grants with primary focus on the National Board of Fisheries. The authority, which implements the Danish government's fisheries policy, oversees regulatory and policy preparation and is responsible for controls and case management. The National Board of Fisheries uses Formpipe's grants management system, TAS, as an integrated solution for the administration of subsidies. Formpipe also provides consultancy assistance for planning and execution of implementation tasks as well as support in connection with system development and expansion.

Summia Nadeem is responsible for ensuring that these processes run smoothly. Her duties include user training, assistance in setting up and reviewing documents and requirements, and ongoing support and advice. The holistic approach helps to optimise and streamline the daily workflows and ensures that the National Board of Fisheries gets the full benefit of TAS.

Summia had just recently graduated when Formpipe hired her as a business consultant. The consultant role at the Ministry of Grants involves a combination of technical expertise, effective communication, adaptability and a proactive approach to problem solving.

– To be entrusted from the very beginning with such great responsibility and daily customer contact was very inspiring. It gave me self-confidence and meant that I took on the work duties with great commitment. I am enthusiastic about delivering quality solutions to our customers and am triggered by meeting the team's expectations.

**“Formpipe is special. The corporate culture inspires you and makes you feel seen and appreciated every day. We don't compete with each other, we help each other.”**

– **Summia Nadeem, Business Consultant**

## Inspiring corporate culture

Summia emphasises that the daily customer collaboration involves continuous learning where she gains unique perspectives and the opportunity to develop professionally. The same applies to the internal collaboration within the consulting team.

– Formpipe is special. The corporate culture inspires you and makes you feel seen and appreciated every day. It's fantastic! We don't compete with each other, we help each other. I feel passionate about what I do, and the challenges and opportunities associated with the work really engage me. My desire to make a difference in my field is what drives me forward. Every success, big or small, further strengthens my commitment.

## AI facilitates innovation and optimisation

Summia is also part of Formpipe's internal AI group where she contributes ideas and insights. The aim of the group's work is to find ways to use AI in order to be able to work in an even smarter manner.

– I believe in integrating AI into the business. It's a tool that represents innovation and can save a lot of time. AI can help us optimise our work processes and deliver even better results. That is what we always strive for, to serve our customers in the best possible way and grow with the market and the times.

## Collective spirit

Overcoming challenges and contributing to new ways of thinking is an important part of Summia's professional role. She thinks that Formpipe is characterised by a collective spirit where curiosity, commitment and pride permeate the work environment.

– Every team member is important in ensuring that our achievements are not only possible, but also exceptional. The team's approach to dealing with complex challenges, staying abreast of industry trends and delivering high-quality solutions is what creates success in our projects. Having the opportunity to work in such a work environment, and in a spirit that promotes innovation and continuous improvement, makes me feel enthusiastic and proud. I am growing both as a business consultant and as a person thanks to our inspiring way of working and the rewarding collaboration with our customers.

## Summia Nadeem

**Age:** 33

**Title:** Business Consultant

**Education:** Bachelor's degree in Health and Informatics from the University of Copenhagen

**Comes from:** Hvidovre in Denmark, has Pakistani roots

**Works in:** Ballerup

**Family:** Husband and three sons aged 8, 4.5 and 3 years

**Leisure time interests:** Expressing myself artistically, painting and designing clothes and jewellery

**Favourite music:** Soul, all music with soul

**Favourite food:** All types of Pakistani cuisine, and Turkish food

**Life motto:** Shape your destiny with the actions you take today, because tomorrow will be shaped by the choices you make now!

**“My desire to make a difference in my field is what drives me forward. Every success, big or small, further strengthens my commitment.”**

– **Summia Nadeem, Business Consultant Formpipe**



## Sweden

Up to SEK 45 billion is invested in IT in the Swedish public sector every year. The Swedish Government's ambition is for government agencies, municipalities and regions to be the best in the world at leveraging digitalisation to create an efficient public sector – a simpler daily life for private individuals and companies, more jobs and greater welfare.

Formpipe inspires and supports municipalities, regions and authorities in the Swedish public sector on their digital journey. Formpipe's core system in the market has been developed for the Swedish public sector from the beginning and is being further developed in close cooperation with the customers, where add-ons and solutions are adapted to meet local requirements. One example of this is that Formpipe's cloud services for document and case management, as well as for e-archiving, store all data in Sweden. Information security is a central part of the daily work and Formpipe is certified according to ISO 27001 standards.

Formpipe has helped several hundred Swedish authorities digitalise their operations to meet the high standards of accessibility and transparency required by these institutions. More than 80 municipalities use Formpipe's products that are based on the unique requirements that exist in municipal operations. Formpipe's complete solutions for document and case management also make daily life easier for multiple regions throughout the country. In addition to this, there are a number of state and municipal companies among the customers.

In total, this makes Formpipe a market leader in the Swedish public sector. This is something noted with pride and it gives the Company the possibility to continue to expand the undertaking with existing customers and through co-creation to introduce more offerings to the market.

### Examples of customers

The county administrative boards, the City of Malmö, the Swedish Tax Agency, Örebro Municipality, Uppsala University, Vinnova, the Public Art Agency and the Swedish Agency for Accessible Media are examples of customers in the Swedish public sector.

**“We continue to build even closer relationships with our customers, which allows us to be part of their journey to create a better, trustworthy, and more transparent society for Sweden's citizens. We are continually growing our service and product offering together with them and the portfolio is a great fit for a public sector that both wants and needs to provide a high level of service as well as a stimulating work environment for their employees.”**

**— Mats Kaludjercic Bergman, Business Area Manager, Public Sector Sweden**

# Our offering to the Swedish public sector

Examples of products Formpipe’s customers use in the Swedish public sector:

## Platina by Formpipe.

A platform that lets operations realise the complete digital information flow. This is a product with tools for an unbroken digital chain for document and case management in the public sector.

## W3D3 by Formpipe.

A platform for document and case management. Packaged cloud service with a large customer base.

## Long-Term Archive by Formpipe.

A modern archiving solution for operations seeking security, traceability and flexibility. The solution increases availability to accurate information and fulfils all laws and requirements that exist in the area of e-archiving.

## Adoxa by Formpipe.

Adoxa is an innovative application designed to automate regulatory compliance by continuously scanning the organisation’s systems. Adoxa com-

bins this capability with an intelligent regulatory framework to rectify data quality problems and ensure compliance with GDPR requirements. Widely recognised for its efficiency, Adoxa has become the leading solution for more than 50 organisations requiring streamlined regulatory compliance and improved data quality.

## Meetings Live by Formpipe.

A meeting management solution that digitizes and automates the process of collecting information regarding actual attendance and voting results.

## Meetings Plus by Formpipe.

The product minimises the handling of meeting invitations, documentation and recorded minutes. Time savings for the committee secretary, easy for the politician and accessible to the citizen. The eliminated paper handling means large savings.

## Portal Bas by Formpipe.

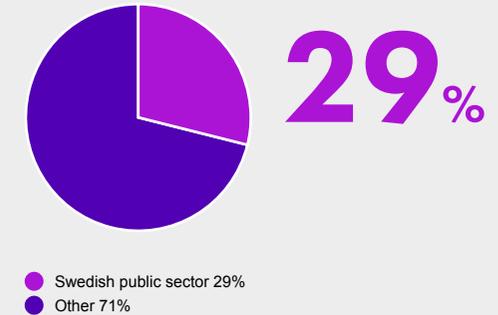
An e-service platform and a publication solution that is linked directly to the case management system and registers information automatically.

## Signeringsportalen by Formpipe.

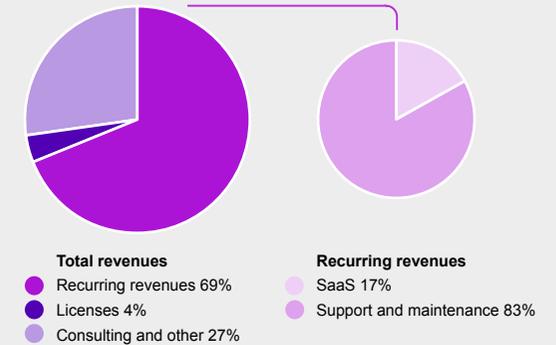
Digital handling of signatures adapted to the strict requirements of the public sector. Eliminates an otherwise time-consuming analogue process.

## Key ratios

Share of net revenue



Distribution of revenue types, Sweden





## CUSTOMER CASE – ARBOGA MUNICIPALITY

# Role model for a digitalised meeting process

Arboga Municipality has collaborated with Formpipe for over two decades. The core products W3D3 and Meetings Plus have long been established tools, and the municipality was early to initiate a digitalised committee process. Today, both politicians and municipal employees are well acquainted with the digitalised way of working.

The long relationship with Arboga has given Formpipe a great understanding of the municipality's needs and requirements. When Meetings Live was first announced, the municipality was quick to embrace the solution. Arboga Municipality became Formpipe's first pilot customer for the new product.

– I heard about Meetings Live three years ago, and even the first draft looked good and well thought out. The use of Meetings Live will entail a significant streamlining of our everyday meeting management and a successful further development of our digitalised meeting process, says Carl Björnberg, Digitalisation Coordinator at Arboga Municipality.

## Improves the entire process

Meetings Live, an add-on to the Meetings Plus app, digitizes and automates the process of managing attendance, speaker list and voting at municipal

committee meetings. Collection of information, meeting attendance and voting results are managed with the help of Meetings Plus, closely integrated with the document and case management systems Platina and W3D3.

Prior to the introduction of Meetings Live, the municipality used analogue roll calls, the speaker list was managed by the chairman, and votes were recorded with pen and paper. Meetings Live entails increased efficiency and greater accessibility, as the registered values for the meeting attendees go directly into the system. The information is then sent back to Platina or W3D3 for further processing.

**“Today, we use Meetings Plus at our political meetings, which has greatly simplified our everyday meeting management.”**

– Carl Björnberg, Digitalisation Coordinator, Arboga Municipality

## Facilitates collaboration

Meetings Live is optimised for users with three different interfaces for attendance, speaker list and voting. By optimising the interface based on the user and limiting the functions, the risk of potential errors is minimised. Meetings Live thus facilitates the collaboration between secretaries and elected representatives.

In his role as Digitalisation Coordinator, Carl Björnberg is an important cog in the wheel that drives

and assures the quality of the digital development in Arboga. The work is carried out in collaboration with the municipal organisation's managers and employees and includes supporting and coordinating various forums and working groups.

– It is important to capture the development needs and create conditions for continued digitalisation. This also entails efficiency benefits for the municipality's citizens through simplified processes and smarter services, explains Carl Björnberg.

## A role model

Arboga has become a role model for many other municipalities and is today a source of information for organisations in the public sector that are considering implementing Meetings Live.

– We want to be at the forefront when it comes to digital solutions. Arboga wants to be a source of inspiration when it comes to digitalisation in the public sector, and Meetings Live is the natural further development of our digitalised meeting process, says Carl Björnberg.

**“It is important to capture the development needs and create conditions for continued digitalisation. This also entails efficiency benefits for the municipality's citizens through simplified processes and smarter services.”**

– Carl Björnberg, Digitalisation Coordinator, Arboga Municipality



## Arboga Municipality

**Customer:** Arboga Municipality

**Operations:** Municipality

**Head office:** Arboga, Sweden

**Facts:** Arboga, a small municipality with just over 14,000 inhabitants, has a rich history and a thriving business community. Arboga's beautiful environment, with a well-preserved city centre founded in the Middle Ages and today classified as an area of national interest, contributes to the city's character, as does a vibrant and creative cultural and association life. The municipality's largest employer is Arboga Municipality.



EMPLOYEE CASE – FRANS FLODIN

## From customer to Service Manager

Frans Flodin works as Service Manager at Formpipe's office in Örebro, a role he stepped into in the autumn of 2022. With that decision, Frans went from being a customer and user of Formpipe's product, the document and case management system W3D3, to working on the supplier side for users of W3D3.

– I had been a customer of Formpipe for quite some time, and over the years I got the feeling that the company is an interesting workplace with products that are important to society. It was an exciting opportunity to change sides, says Frans Flodin.

The Service Department is a relatively new part of the Public Sector Sweden business area. The department has quickly taken on a key role that corresponds to Formpipe's vision of becoming a full-service provider in digital administration. The dialogue with service customers has become closer,

**“We are always there for the customers and have a close dialogue when we together set up a collaboration plan at operational, tactical and strategic level.”**

– Frans Flodin, Service Manager

which significantly strengthens the collaboration. The system planning can be done on an annual basis with continuous updates, which allows for a more proactive way of working where the customers are given more scope and the opportunity to broaden their horizons.

– The service team is the customer's primary point of contact into Formpipe. We are always there for the customers and have a close dialogue when we together set up a collaboration plan at operational, tactical and strategic level.

## Problem resolution based on the customer's perspective

With several years of experience as a customer in the public sector, Frans has quickly succeeded in taking on the role of Service Manager at Formpipe. His previous experience has helped him to see his everyday work from both a customer perspective and a supplier perspective. This contributes to his good understanding of both the customers' and Formpipe's work methods and processes, and how these can be combined in the best way.

– As a customer, it was easy to get confused when system updates could sometimes lead to disruptions in operations. Now that I'm working on the supplier side, I understand that it's not quite that simple. In that situation, it's important to understand both sides, so the skills and knowledge I've gained over the years are of great use. It becomes easier to understand the customer's perspective.

Describing what a normal working day looks like in relation to the public sector is not entirely easy, according to Frans, as there is not really such a thing as a "normal" working day as a Service Manager.

– No two days are the same. We have so many different types of customers, and they use our systems in such different ways. We work with organisations that are small and flat, and with larger organisations that are very top-down, and everything in between.

## A workplace that benefits society

The number of service customers continues to grow, as does Formpipe in general and the Service Department in particular. With a rate of digitalisation that is moving faster and faster, the need for more extensive expertise, better coordination and closer contact, both within Formpipe and with customers, is also growing.

– Formpipe is a challenging and very rewarding workplace. We are a company and an organisation that really contributes to changes that benefit society through our digitalisation solutions for the public sector. It is a real eye-opener to see how Sweden is governed and how complex it is. There are so many public authorities that all work in their own way, but at the same time belong together as part of something bigger. Many of Sweden's public authorities use Formpipe's systems in one way or another, which is something that makes me feel both happy and proud.

## Frans Flodin

**Age:** 32

**Title:** Service Manager

**Education:** Master's degree in Political Science and Sustainable Development

**Lives and works in:** Örebro

**Family:** Girlfriend Julia and dog Sture

**Leisure time interests:** Jujutsu and music

**Favourite music:** Blues and rock

**Favourite food:** Herring and potatoes

**Role model:** My father

**Life motto:** No one should get hurt!

**“Many of Sweden's public authorities use Formpipe's systems in one way or another, which is something that makes me feel both happy and proud.”**

– Frans Flodin,  
Service Manager

OUR SHARE

# Formpipe's share 2023.



## Our share

The Formpipe share is listed on the Nasdaq Stockholm exchange, with the short name FPIP. Market capitalization at year-end was MSEK 1,469.

The share capital amounts to SEK 5,421,782.50 divided among 54,217,825 shares with a quota value of SEK 0.10. Each share carries the right to a single vote and qualified shareholders may vote for the entire total of shares owned and represented. All shares carry an equal right to shares in the Company's assets and profits.

### Share price and trading volume of shares in 2023

In 2023, the Formpipe share price rose from SEK 22.00 to the closing price of SEK 27.10 on 29 December. The highest price paid for the year was SEK 29.90 on 21 December. The lowest price paid was SEK 19.58 on 9 January. A total of 8.4 million shares were traded in 2023 at a value of SEK 210 million.

### Appropriation of profits

The Board of Directors proposes that the Annual General Meeting on 25 April 2024 resolve to approve a dividend of SEK 0.50 (-) per share, which entails a total dividend of MSEK 27.1 (-). It is proposed that the dividend be paid out in two instalments in 2024 with half the amount on each occasion, with the first payment being made in conjunction with the Annual

General Meeting and the second payment at the beginning of November. As a basis for its proposal on the appropriation of profits, the Board has assessed the Parent Company and Group consolidation requirements, liquidity and financial position otherwise as well as the ability to meet its commitments on the long term in accordance with Chapter 17 Section 3 Paragraphs 2–3 of the Swedish Companies Act.

### Employee share-related incentive programmes

In total, the Company has two outstanding programmes for a total of 593,800 warrants, all of which have a term of three years.

### Shareholders

The schedule of shareholders and ownership structure of Formpipe is based on data from Euroclear as of 31 December 2023. The twenty largest shareholders represented 80 (78) per cent of the share capital. In all, Formpipe had approximately 3,000 shareholders as of the above date.

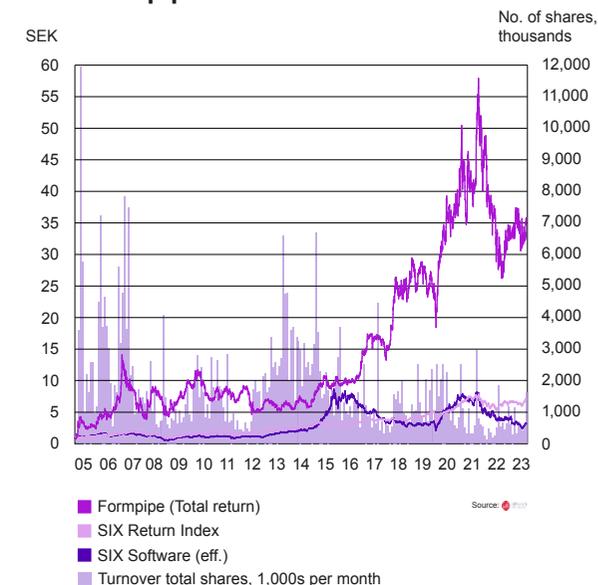
### Ownership structure total shares 31/12/2023

Shareholders	Holdings, no.	Holdings, %
Aktiebolaget Grenspecialisten	5,880,810	10.85%
ALCUR Select	5,759,858	10.62%
Bjäringer, Martin	5,000,000	9.22%
Northern Trust Company, London Branch	3,895,819	7.19%
SEB Sv Småbol Chans/Risk	3,519,322	6.49%
Tin Ny Teknik	3,196,465	5.90%
Wernhoff, Thomas	3,000,000	5.53%
Swedbank Robur Microcap	2,700,000	4.98%
SEB Life International Assurance	1,931,443	3.56%
Avanza Pension	1,433,172	2.64%
Sundin, Carl Christian Quintus	1,201,440	2.22%
JCE Asset Management AB	1,179,000	2.17%
Alfredson, Joakim	787,000	1.45%
Nordea Småbolagsfond Sverige	785,502	1.45%
ALCUR	704,511	1.30%
Andersson, Willmar	626,286	1.16%
Blomdahl, Håkan	500,000	0.92%
Nordea Institutionella Småbolagsfonden Sverige	431,856	0.80%
Jonsson, Christer	408,260	0.75%
Euroclear Bank S.A/N.V, W8-IMY	395,045	0.73%
AB Wallinder & Co.	376,632	0.69%
SHB Luxembourg CL Acct Swden	359,620	0.66%
Nordlander, Bo	328,159	0.61%
Handelsbanken Sverige Index Criteria	318,956	0.59%
Gilstring, Kåre	300,000	0.55%
Karlsson, Carl Mårten	292,582	0.54%
Syringa Capital AB	270,000	0.50%
Kalmar County	265,125	0.49%
SEB AB, Luxembourg Branch, W8IMY	247,800	0.46%
Nordnet Pensionsförsäkring AB	243,042	0.45%
Other	7,880,120	14.53%
<b>Total</b>	<b>54,217,825</b>	<b>100.00%</b>

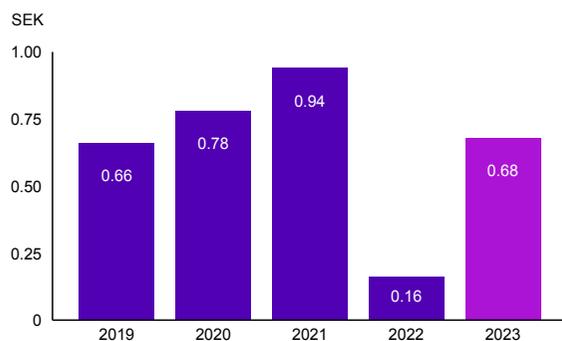
## Development of share capital

Year	Month	Transaction	Number of shares	Total SEK	Total number of shares	Par value/share
2004	Oct	Share capital	100,000	100,000	100,000	1
2004	Nov	Split 10:1	900,000	–	1,000,000	0.1
2004	Dec	In kind share issue	4,799,970	479,997	5,799,970	0.1
2005	Dec	New share issue Digital Diary AB	615,000	61,500	6,414,970	0.1
2005	Dec	Offset share issue	1,917,909	191,791	8,332,879	0.1
2006	Sep	New share issue ALP Data i Linköping AB	454,545	45,455	8,787,424	0.1
2007	Sep	New share issue EFS Technology A/S	1,011,236	101,124	9,768,660	0.1
2008	Sep	New share issue EBI System AB	1,937,521	193,752	11,736,181	0.1
2010	Mar	New share issue share option redemption	268,323	26,832	12,004,504	0.1
2011	Mar	New share issue share option redemption	229,143	22,914	12,233,647	0.1
2012	Jul	New share issue - pre-emptive rights	36,700,941	3,670,094	48,934,588	0.1
2014	Jul	In kind share issue	1,208,814	120,881	50,143,402	0.1
2016	Jul	New share issue share option redemption	1,130,206	113,020.60	51,273,608	0.1
2017	Jun	New share issue share option redemption	599,417	59,941.70	51,873,025	0.1
2018	May	In kind share issue	699,805	69,980.50	52,572,830	0.6
2018	Jun	New share issue share option redemption	314,576	31,457.60	52,887,406	0.1
2019	Jun	New share issue share option redemption	286,501	28,650.10	53,173,907	0.1
2020	Jun	New share issue share option redemption	290,000	29,000.00	53,463,907	0.1
2021	Jun	New share issue share option redemption	262,000	26,200.00	53,726,057	0.1
2022	Jan	New share issue Alkemit AB	238,968	23,896.80	53,965,025	0.1
2022	Jun	New share issue share option redemption	252,800	25,280.00	54,217,825	0.1
<b>Share capital 31/12/2023</b>			<b>54,217,825</b>	<b>5,421,782.50</b>	<b>54,217,825</b>	<b>0.1</b>

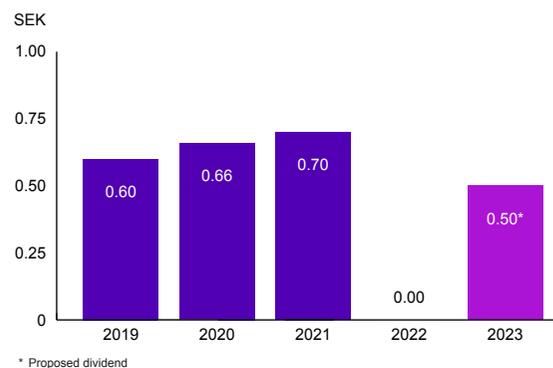
## The Formpipe share – total return



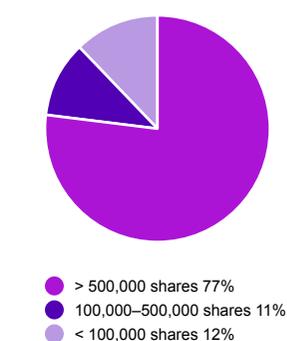
## Earnings per share



## Dividend per share



## Distribution of shareholdings



BOARD OF DIRECTORS AND GROUP MANAGEMENT

# Formpipe Software 2023.

## Board of Directors



**Annikki Schaeferdiek**

**Chairman of the Board**

Elected: 2017  
Date of birth 1969  
Shareholding: 182,000



**Martin Bjäringer**

**Board member**

Elected: 2020  
Date of birth 1959  
Shareholding: 5,000,000



**Åsa Landén Ericsson**

**Board member**

Elected: 2017  
Date of birth 1965  
Shareholding: 18,000



**Peter Gille**

**Board member**

Elected: 2022  
Date of birth 1962  
Shareholding: -



**Johan Stakeberg**

**Board member**

Elected: 2022  
Date of birth 1968  
Shareholding: 5,275



**Erik Ivarsson**

**Board member**

Elected: 2023  
Date of birth: 1992  
Shareholding: 20,000

\* For a complete presentation of the Board of Directors, see the Corporate Governance Report, page 101.

# Group Management



**Magnus Svenningson**

**CEO**

Shareholding: 65,508

Warrants: -



**Joakim Alfredson**

**CFO**

Shareholding: 787,000

Warrants: -



**Lina Elo**

**CPO**

Shareholding: 2,000

Share options: 2,000



**Michael Rogers**

**VP Business Area, Private Sector**

Shareholding: -

Warrants: -



**Thomas à Porta**

**VP Business Area, Public Sector Denmark**

Shareholding: 71000

Warrants: -



**Mats Kaludjercic Bergman**

**VP Business Area, Public Sector Sweden**

Shareholding: 12,000

Share options: 3,000

KEY RATIOS

# Formpipe Software 2023.

# Key ratios

MSEK	2023	2022	2021	2020	2019
<b>Sales*</b>					
Net sales	525.2	485.1	473.2	403.1	393.8
Software revenue	401.5	336.8	347.7	286.1	261.1
Recurring revenues	382.8	320.3	278.4	253.5	229.7
Licensing	18.8	16.6	69.3	32.5	31.4
SaaS	130.0	93.8	66.1	54.6	45.1
Support and maintenance	252.8	226.5	212.3	198.9	184.7
Consulting and other	123.6	148.3	125.5	117.1	132.6
<b>Growth and distribution</b>					
Sales growth, %	8.3%	2.5%	17.4%	2.4%	-3.1%
Growth in software revenue, %	19.2%	-7.9%	21.5%	9.5%	2.8%
Growth in recurring revenues, %	19.5%	15.0%	9.8%	10.4%	9.7%
Share of net sales, software revenue, %	76.5%	69.4%	73.5%	71.0%	66.3%
Share of net sales, recurring revenues, %	72.9%	66.0%	58.8%	62.9%	58.3%
<b>Profit</b>					
Operating profit before depreciation (EBITDA)	114.6	72.4	135.1	104.3	100.7
Operating profit (EBIT)	48.8	15.7	68.5	53.3	47.5
Profit/loss for the year	36.9	8.8	50.4	41.4	35.0
<b>Margins</b>					
Operating margin before depreciation and items affecting comparability (EBITDA), %	21.8%	14.9%	28.6%	25.9%	25.6%
Operating margin (EBIT), %	9.3%	3.2%	14.5%	13.2%	12.1%
Profit margin, %	7.0%	1.8%	10.7%	10.3%	8.9%
<b>ARR/ACV</b>					
ARR	405	369	304	260	233
ACV	39	49	37	22	24
<b>Return on capital</b>					
Return on operating capital employed, %	10.5%	3.6%	17.2%	14.1%	13.3%
Return on capital employed, %	10.0%	3.5%	15.7%	12.6%	10.9%
Return on equity, %	8.0%	2.0%	12.2%	10.4%	8.9%
Return on total capital, %	11.7%	4.0%	19.5%	14.8%	14.1%

\* Reclassification has occurred between the revenue classes Support and maintenance and Consulting and other for the product TAP. The reclassification amounts to MDKK 10 for the financial year 2019 from Support and maintenance to Consulting and other.

MSEK	2023	2022	2021	2020	2019
<b>Capital structure</b>					
Operating capital	462.2	469.7	411.6	384.0	372.4
Capital employed	501.9	474.5	429.6	442.6	406.1
Equity	479.4	442.0	429.6	398.9	400.1
Interest bearing net debt (+)/cash (-)	-1.9	39.4	-4.7	5.5	-0.7
Debt/equity ratio, %	57.4%	56.5%	61.0%	55.4%	59.3%
<b>Cash flow and liquidity</b>					
Cash flow from operating activities	102.6	80.7	99.0	115.0	63.7
Cash flow from investing activities	-59.0	-91.9	-58.7	-92.0	-42.2
Cash flow from financing activities	-10.0	-6.3	-84.6	3.1	-112.5
Cash flow for the year	33.5	-17.4	-44.3	26.0	-91.1
Free cash flow	43.5	-11.1	40.3	23.0	21.5
Cash and cash equivalents	39.7	4.8	18.1	58.6	33.7
<b>Personnel</b>					
Total staff, annual average, count	273	279	260	233	222
Total staff at year-end, count	263	283	274	245	221
<b>Share data</b>					
Total shares at year-end, thousands	54,218	54,218	53,726	53,464	53,174
Average total shares before dilution, thousands	54,218	54,112	53,617	53,343	53,015
Average total shares after dilution, thousands	54,218	54,139	53,875	53,549	53,343
Earnings per share before dilution, SEK	0.68	0.16	0.94	0.78	0.66
Earnings per share after dilution, SEK	0.68	0.16	0.94	0.77	0.66
Dividend per share	0.50	-	0.70	0.66	0.60
Equity per average total shares, SEK	8.84	8.15	8.01	7.48	7.55
Share price at the end of the period	27.10	22.00	45.00	29.90	22.05

MANAGEMENT REPORT

# Financial year 2023.

# Management Report

The Board of Directors and the Chief Executive Officer of Formpipe Software AB (publ), registration number 556668-6605, hereby present their Management Report for the financial year 2023.

## Group structure

Formpipe Software AB (publ) is the Parent Company in a Group with six wholly owned subsidiaries: Formpipe Intelligo AB, Formpipe Software A/S, Formpipe Lasernet A/S, Formpipe Lasernet GmbH, Formpipe Software Ltd and Formpipe Inc.

In 2023, the operations in Formpipe Software Benelux B.V. were taken over by the companies in Denmark and the UK. The process of winding up the company is ongoing.

Formpipe Software AB (publ) is listed on the NASDAQ Stockholm exchange, with the short name FPIP.

## About Formpipe

Formpipe's business idea is to develop IT solutions to create unique business value for companies and organisations that see data management as a business-critical process. Formpipe develops and provides high quality information management software and solutions. Focus is on the relationship between people and data. With Formpipe's software, the user

shall always be able to rely on, cooperate with and make the right decisions based on their data. Data must be correct, placed in the right context and be accessible at the right time. Formpipe's software is categorised in the market for Content Services for document and case management, e-archiving and in the submarket to Content Services called CCM (Customer Communications Management) for the management of customer communication. Offering outstanding product quality and stability allows Formpipe to help its customers realise cost savings and efficiencies. Formpipe offers a unique position to the market for Content Services, with a stable and profitable customer base that provides resources for investing in new markets and developing new offerings. Formpipe's foremost means of competition are products of high quality and a great understanding of how efficient information management works and a good understanding of the high security requirements placed on these products. Formpipe is certified according to ISO 27001, the internationally recognised standard that shows that one conducts systematic information security work in the organisation and protects one's information assets in a proper manner.

In 2023, the Company's operations are divided into three business areas: Public Sector Sweden, Public Sector Denmark and Private Sector. From 2024, the two business areas Public Sector Sweden and Public Sector Denmark will be merged into one business area – Public Sector. Within the areas for public sector, Formpipe has a market-leading position in its respective target areas. The Private Sector business area offers industry-independent solutions in Customer Communication Management and solutions originating from the Company's strong positions in

the public sector to better provide companies with various needs and conditions.

## Business model

Formpipe develops and provides efficient information management software. The Company focuses on solutions for document and records management, workflow automation, e-archiving, quality management and input and output data management. By offering superior product quality and industry-leading expertise, Formpipe helps its customers realise cost savings and efficiencies. The products are used as cloud services, hosting solutions or on-site installation at customers' premises. Formpipe implements its software through certified partners and the Company's delivery organisation. This business model contributes to a balanced delivery capacity and continuously improved knowledge of our customers' needs.

## High share of recurring revenues

Formpipe's business model is based on software licences with associated support and maintenance agreements. Customers choose to purchase this according to a traditional licence model, where the licence is paid at the start of the agreement and support and maintenance over the term of the agreement, or through a rental model where all components are included in the monthly price. Formpipe also provides its products as cloud services (Software as a Service) where operation and upgrades are also included in the current agreement. In addition, Formpipe provides associated services for implementation and upgrade projects.

The Company's business model gives the Company stability with a high share of recurring revenue streams, as most customers continually renew their agreements. The recurring revenues exceed 70 per cent of the Company's total revenues.

### Strong customer relations

Formpipe's customers are at the heart of the work we do. We have a deep understanding of our customers' business, and we understand that their business issues are often complex. Formpipe provides relevant and innovative solutions that provide the customers maximum value for their investments. Through strong and close customer relationships in select industries, Formpipe continually develops new software and solutions to cross sell to other customers in the same industry, which creates value for both Formpipe and our customers.

### Partners – a channel for growth and greater understanding

In the Private Sector business area, Formpipe's business model utilises the Company's partner network to complete a large number of business deals and customer projects. Formpipe actively works to evaluate and develop the partner network to increase its reach in the market. Together with our partners, we take our product offering around Laser-net to a global market.

### Effective organisation and high levels of expertise

Formpipe is a value-driven software company. We stand up for our brand and our corporate culture.

The organisation is decentralised and puts people first, in every instance. All of the employees are involved in driving Formpipe forward and leadership is marked by clear and open dialogue with short decision pathways. Our business is knowledge intensive, with employees who possess a high level of expertise and dedication. We focus on attracting and developing top talent by fostering an open and stimulating corporate culture where employees are encouraged to grow and develop.

Formpipe's goal is for all employees to promote long-term customer relationships by always living according to our values:

- Passion for people
- Understanding our customers
- Respect and trust
- Perform with Quality
- Lead by example
- Engage and have fun

The organisation is divided into three business areas: private sector, and public sector in Sweden and Denmark. All business areas are run based on our mission to build valuable relationships between people and data.

## Financial year 2023

During the year, the business has continued to develop according to the growth plan communicated in early 2021. In 2022, earnings were severely impact-

ed by the capacity investments made in 2021 and 2022 with the aim of providing increased growth and a stronger margin development going forward. In 2023, we saw clear signs that these investments had begun to bear fruit, and now that we have flattened out the pace of cost increases and continue to grow recurring revenues strongly, this is having a strong impact on increasing margins.

The financial targets communicated from 2021 read:

- Average annual growth of 10 per cent for the years 2021–2025
- Recurring revenues shall account for 70 per cent of total revenues in 2025
- The operating margin shall be gradually strengthened and exceed 20 per cent in 2025
- Dividends of at least 50 per cent of the profit for the year over time

Sales for the year increased by 8 per cent to MSEK 525 (485) with an EBIT of MSEK 49 (16).

The recurring revenues developed strongly and amounted to MSEK 383 (320), which represented 73 per cent (66) of the total revenues. Annual Contract Value (ACV) amounted to MSEK 39 (49). During the latter part of the year, the Private Sector business area noted a number of newly established banks that terminated their agreements as they were unable to obtain financing to continue conducting their operations. As the economic climate stabilises, the conditions for these banks to seek additional financing will improve.

## Private Sector

The Private Sector business area continues to grow strongly, with recurring revenues increasing by 22 per cent to MSEK 175 (144). The strategy of entrusting implementation projects to partners to a greater extent continued during the year, which is reflected in the declining delivery revenues. Total revenues amounted to MSEK 201 (184), with earnings (EBITDA) of MSEK 27 (13) and a margin of 13 (7) per cent.

The offering involving the product Lasernet further confirmed its potential during the year. Lasetnet, which is a well-integrated add-on to ERP systems, is seen as a natural part of implementation projects and is much appreciated by both customers and partners.

The business area has two focus areas: ERP and Banking. In ERP, growth is largely driven by Microsoft's success with Dynamics and its clear focus on cloud solutions, where Lasetnet is the leading solution for configuring business documents from the ERP system. In Banking, Lasetnet has a well-established partnership with Temenos and is today a highly appreciated third-party solution for document management. The collaboration with Temenos has deepened during the year and Temenos now includes Lasetnet in most of its offers. In addition to Temenos, additional system suppliers in Banking have shown interest in including Lasetnet in their offerings and Formpipe now also has partnering agreements with Thought Machine and Mambu.

## Public Sector Sweden

The business area developed strongly during the year. Sales increased by 6 per cent to MSEK 155 (146), while earnings (EBITDA) increased to MSEK

63 (45) with a margin of 41 (31) per cent. The improvement in earnings comes from increased efficiency and control within the delivery organisation, where we now have a better skills profile with which to meet demand.

All partner agreements were terminated during the year, which means that Formpipe is now the contractual party for delivery projects to all customers who use the Company's products. This entails better conditions for Formpipe to establish an efficient and profitable delivery organisation, which in the long term aims to further develop the customer relationships.

## Public Sector Denmark

The Public Sector Denmark business area has successfully strengthened its revenue mix in recent years, with recurring revenues growing by 34 per cent to MSEK 98 (73) in 2023. Total revenues in the business area amounted to MSEK 166 (152), with earnings (EBITDA) of MSEK 47 (38) and a margin of 28 (25) per cent.

In Grants Management, the new agreement with the Danish Agricultural Agency has been active since mid-year. The agreement, which is for 4+3 years, initially entails lower margins than historically, but is strategically important and guarantees a long-term stable business arrangement with potential to strengthen the margin in future years.

Formpipe's operations directed at the Danish municipal market have continued to be successful in converting customers to the now applicable framework agreements, SKI 02.18 and 02.19. These framework agreements mainly build on annually fixed costs for

the customers, where they specify what components they want to be included in their solution. This suits both the customers well, who can better adapt their solutions to their specific needs and at the same time get a more easily budgeted IT cost, and Formpipe, which increases its recurring revenues.

## Outlook for 2024

Formpipe sees continued growth potential for Lasetnet, which is attracting increasingly larger and more internationally spread customers. Lasetnet is an expressly identified growth area for the Company and will continue to increase its establishment internationally in 2024. In addition to the external help from Microsoft Dynamics, the close cooperation with Temenos entails major opportunities for Lasetnet and Formpipe. Lasetnet is a much-appreciated third-party product for their system, but currently has a very low percentage of installations on the total customer base. In connection with Temenos now increasingly recommending SaaS, an opportunity is opening up for Lasetnet to be included in the customers' upgrade projects to a significantly higher extent than before. The fact that additional system suppliers such as Thought Machine and Mambu have shown interest in including Lasetnet in their offerings means that Lasetnet now has an even broader market to address.

The turn of the year 2023/24 sees the merging of the Danish and Swedish operations for the public sector to form the new Public Sector business area. The business logic is the same across national borders, and the merger frees up resources for development while also creating clarity and focus and thus the op-

portunity to further strengthen Formpipe's offerings to the public sector.

The rate of cost increases levelled off in 2023, which had a positive impact on profitability due to the good growth in recurring revenues, and we expect this trend of strengthened profitability to continue in 2024. However, the first half of 2024 is expected to exhibit a weaker development as a consequence of the reduced profitability in the agreement with the Danish Agricultural Agency, as well as a major need for recruitment in the Swedish delivery operations. As new employees become revenue-generating, we expect to see increasing profitability in the delivery organisation.

## Market

Data and information are more and more clearly the lifeblood of economic development: it is the foundation for many new products and services, which lead to productivity and efficiency gains in every sector of the economy. Being able to make use of the possibilities of digitalisation has come to be one of the most important issues of our time. The gains of being able to collect, verify, process and present data are extensive.

Formpipe's products are used to create, store, distribute, automate, relocate, archive and manage information, data and metadata regarding e.g. documents, email, reports, records, business documents or information from other source systems. The goal is to be able to refine and analyse content from one or more sources, to thereby provide the right insights by the right people receiving relevant information

when they need it. It is in the Content Services market that Formpipe has grown to become a market leader in the public sector and a strong actor in the private sector where we digitalise and improve the effectiveness of customer communication in sectors, such as retailing, the financial sector and the manufacturing sector.

The growth in the market is fuelled in large part by the organisational and corporate-wide need to streamline operations and meet legal requirements and regulations. To be able to get the value out of the collective amount of information at companies and organisations, applications and services are needed – in order to securely – collaborate, search, analyse, process and distribute data and content. Growth drivers tend to continually gain strength as the amount of data and information increases.

Analyst and consulting firm Gartner's forecast for the global market is an average annual growth (CAGR) of 9 per cent in 2021–2026. The global market for Content Services amounted to approximately USD 15 billion in 2022.<sup>12)</sup>

### Transition to Software as a Service

Development in the market is moving increasingly towards cloud-based solutions, where the customers pay for what is used and where costs for development, operations, maintenance, upgrade and support are included in the running agreement. The transition to Software as a Service (SaaS) is taking place very quickly now and Gartner estimates that the SaaS revenues will reach up to 60 per cent of the total sales of software in 2024.<sup>13)</sup>

This development is well in line with Formpipe's strategy and reality where growing numbers of the Company's customers choose to shift to Formpipe's cloud services for the standard products and with the Company's development of service modules that can process information both from Formpipe's existing systems and other systems.

## Business areas

### Private Sector

The global ERP software market is estimated to reach more than USD 50 billion by 2024.<sup>14)</sup> Since cloud solutions are becoming increasingly accepted due to their scalability, reliability and flexibility, many ERP customers are changing their view of the internal architecture. This shift, where the customers see advantages of moving to the cloud, opens up new possibilities for Formpipe. Lasernet is a product that supplements ERP systems and makes it possible for business documents to be delivered in exactly the format and layout wanted. Lasernet continues to develop strongly internationally, a positive development that above all is a result of Formpipe's close cooperation with Microsoft and their offering in the cloud (Azure) for Microsoft Dynamics. Lasernet is a natural complement to Dynamics and improves the customer experience through efficient document management.

### Public Sector

Formpipe has a leading market position in the public sector in both Sweden and Denmark. For many years, we have delivered systems for automated processes for case and document management.

<sup>12)</sup> Enterprise Application Software Forecast Q422, Gartner, Inc. 2022

<sup>13)</sup> Market Trends: Cloud Shift — 2020 Through 2024, Gartner, Inc. 2020

<sup>14)</sup> Enterprise Application Software Forecast Q422, Gartner, Inc. 2022

In the Swedish public sector, Formpipe has a stable customer base among municipalities, regions and authorities. Up to SEK 45 billion is paid on IT in the Swedish public sector every year.<sup>15)</sup> The Swedish Government's ambition is for government agencies, municipalities and regions to be the best in the world at using the possibilities of digitalisation to create an efficient public sector – a simpler daily life for private individuals and companies, more jobs and greater welfare. Digital solutions and automation are an important component to meet the growing welfare needs and at the same time increase the service to the citizens.

Formpipe is also a leading provider of software for information management in the Danish public sector. Digital solutions and automation create opportunities to meet the growing welfare needs and at the same time increase the service to the citizens.

According to the employer organisation Dansk Industri, modernisation and digitalisation of the public sector can free up DKK 20 billion by 2025.<sup>16)</sup> Money that can then be fed back to the public sector and contribute to increasing the level of service.

## Significant events during the year

### Annual General Meeting 2023

The following resolutions were passed at the Annual General Meeting on 27 April 2023:

- The Annual General Meeting re-elected Board members Annikki Schaeferdiek (Chairman), Åsa Landén Ericsson, Martin Bjäringer, Peter Gille and Johan Stakeberg, and newly elected Board member Erik Ivarsson.

- It was resolved not to pay any dividend to shareholders for the financial year 2022 (previous year: SEK 0.70 per share, comprising a dividend totalling SEK 37,775,517.50).

### Formpipe appoints new CEO

Magnus Svenningsson joined the Company as new CEO on 1 August. Magnus most recently held the role of CEO of Primekey and has broad experience from the software industry, both in the private and public sectors.

## Significant events after the end of the period

### Changed organisation

As of 1 January 2024, the business areas for the Swedish and Danish public sectors are merged into one business area. Thomas à Porta is appointed Executive Vice President, Head of the new Public Sector business area. Michael Rogers is appointed Executive Vice President, Head of the Private Sector business area.

As of 1 January 2024, Formpipe's reporting is based on the segments Private, Public and Other.

### Formpipe named Solution Provider of the Year 2023 by Temenos

We are proud that Formpipe has once again been honoured with the Temenos Solution Provider of the Year award in 2023. Formpipe also received this prestigious award in 2021.

## Comments on the income statement

### Historic development

Formpipe's first financial year was 2005. A five-year summary shows that the Company had a historically strong sales increase, partly driven by acquisitions, with retained high profitability. However, 2010 showed declining sales and profitability. This was partially explained by the Company's choice of strategy to become a pure product company and thereby refrain from consulting revenues for the benefit of its partners. The first full year with a completed transition was 2011 and system revenues amounted to 94 per cent of the revenues. The acquisition of the Traen Group, which was consolidated as of 1 August 2012, entailed strongly increased net sales in 2012 as well as 2013 when it was included for the full year. In 2014, a minor acquisition was made that contributed to growth, but also the underlying organic growth was good, which also continued in 2015 and 2016. In 2017, 2018 and 2019, both sales and profitability were negatively impacted by the transition of parts of the Company's new sales towards SaaS, where the licence revenues are allocated to periods over the contract's duration instead of recognising income at contract signing. In 2019, the delivery revenues decreased as a result of the phase-out of one of three framework agreements at the customer, the Danish Agricultural Agency. 2020 was negatively impacted by COVID-19 and the restrictions that followed in the wake of the pandemic. During the year, one minor acquisition was carried out and the total revenue increased by 2 per cent and the margin from the previous year was maintained. In 2021, the Company continued

<sup>15)</sup> Regeringen.se

<sup>16)</sup> www.danskindustri.dk

to be affected by the pandemic, but showed strong financial earnings. However, earnings were affected by an unusually large licence deal with the Danish Agricultural Agency. In 2022, the rate of investment remained high in order to provide conditions for stronger growth going forward. This has provided a good return on growth, but also meant that margins have been squeezed. Additional factors in 2022, such as the weakened Swedish krona, have had a negative impact on profitability. The investment phase ended in 2022 and 2023, thus resulting in a levelling off of cost increases, which with the continued good growth in recurring revenues provides a positive impact on the profit margin.

### Revenues

Net sales for the period totalled MSEK 525.2 (485.1), which is equivalent to a growth of 8 per cent. Software revenue increased by 19 per cent compared to the previous year and amounted to MSEK 401.5 (336.8). Total recurring revenues for the period increased by 20 per cent from the previous year and amounted to MSEK 382.8 (320.3), corresponding to 73 (66) per cent of net sales.

Currency exchange rate effects have had a positive effect of MSEK 23.4 on net sales compared with the previous year.

### Expenses

Operating expenses increased by 2 per cent over the previous year, amounting to MSEK 476.3 (469.4).

A large part of Formpipe's operating expenses are linked with staff, and staff expenses for the year totalled MSEK 286.3 (282.3), an increase of 1 per

### Net sales and profitability



cent. The number of employees at year-end was 263 (283), and the average for the year was 273 (279). The distribution of personnel along with salaries and other remunerations appears in Note 8.

Cost of sales totalled MSEK 61.9 (67.3), consisting primarily of third-party providers of consulting and products and sales commissions to partners in the Private business area.

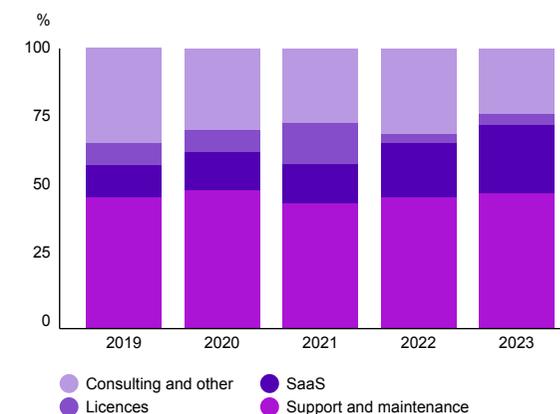
Other expenses amounted to MSEK 119.2 (117.0).

Own development work capitalised during the year amounted to MSEK 56.9 (53.9).

During the year, the outgoing CEO's severance pay of MSEK 1.5 (-) was expensed as an item affecting comparability.

Depreciation for the year amounted to MSEK 64.3 (56.7).

### Sales revenue distribution



Net financial items amounted to an expense of MSEK -3.2 (-4.4) and consist of interest expenses of MSEK -2.3 (-1.7) and exchange rate differences as an expense of MSEK -1.1 (-2.2).

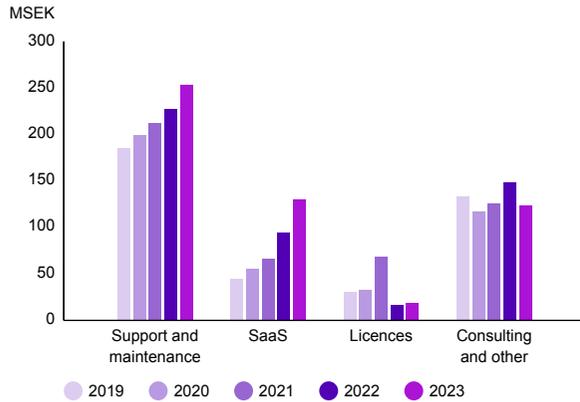
Tax expense for the year amounted to MSEK 8.7 (2.5).

### Profit

Operating profit before depreciation and items affecting comparability (EBITDA) for the year amounted to MSEK 114.6 (72.4), with an EBITDA margin of 21.8 (14.9) per cent.

Operating profit for the year totalled MSEK 48.8 (15.7), which corresponds to an operating margin of 9.3 (3.2) per cent. Currency exchange rate effects have had a positive effect of MSEK 1.3 on EBIT compared with the previous year.

**Sales growth by revenue type**

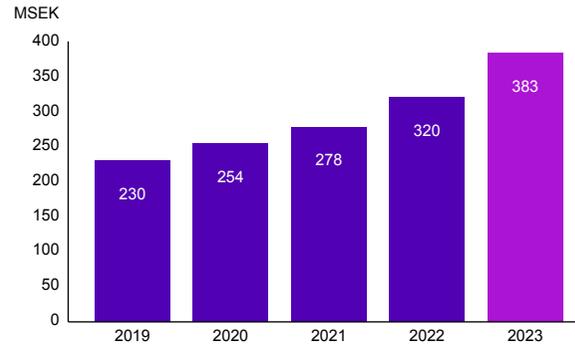


Profit before tax was MSEK 45.7 (11.3), corresponding to a margin of 8.7 (2.3) per cent.

Profit for the year totalled MSEK 36.9 (8.8), which corresponds to a profit margin of 7.0 (1.8) per cent and is distributed per share according to the table below.

Earnings per share	2023	2022
Total outstanding shares at year-end	54,217,825	54,217,825
Average total shares before dilution	54,217,825	54,112,000
Average total shares after dilution	54,217,825	54,138,643
Profit for the year attributable to shareholders of the Parent Company, KSEK	36,913	8,759
Earnings per share attributable to shareholders of the Parent Company:		
- per number of shares outstanding, SEK	0.68	0.16
- per average total shares before dilution, SEK	0.68	0.16
- per average total shares after dilution, SEK	0.68	0.16

**Recurring revenues**



**Parent Company**

The Parent Company’s net sales amounted to MSEK 164.7 (155.9), with profit for the year of MSEK 30.5 (-6.9).

**Comments on the statement of financial position**

**Investments and business combinations**

Total investments during the year amounted to MSEK 59.0 (91.9).

No investments in acquisitions were made during the year (previous year MSEK 30.3).

**Intangible assets**

Formpipe continually invests resources in product development for new and existing applications.

A total of MSEK 57.6 (56.3) has been invested in intangible assets over the year, primarily in respect of capitalised development costs.

The goodwill items were valued in the accounts and it was confirmed that no cash flow generating units have booked value in excess of the recoverable amount, whereby no impairment requirements exist as at year-end.

**Property, plant and equipment and financial assets**

Investments in property, plant and equipment and financial assets amounted to MSEK 1.4 (5.3) and mainly comprised computer and office equipment.

**Financial position and liquidity**

**Cash and cash equivalents**

Cash and cash equivalents amounted to MSEK 39.7 (4.8) at the end of the period. At year-end, Formpipe had interest-bearing liabilities of MSEK 37.8 (44.2), of which MSEK 15.3 (11.7) pertained to leasing liabilities according to IFRS 16. At year-end, the Company has an overdraft facility amounting to MSEK 50. At the end of the period, the overdraft facility was unutilised (MSEK -). The Company’s net cash at year-end accordingly amounted to MSEK 1.9 (-39.4), which corresponds to net cash of MSEK 17.3 (-27.7) excluding IFRS 16-related liabilities.

The Company has a strong underlying operating cash flow, with a low degree of risk, and with the initiated margin strengthening, no further external financing needs are currently anticipated. A strong negative inflow of orders may have an impact on operating cash flow, and so a short-term financing

requirement can never be ruled out. However, the management believes that no such need will arise in future periods.

### Deferred tax assets

The Group's deferred tax asset pertaining to accumulated tax loss carryforwards amounted to MSEK 3.2 (4.0) at the end of the period.

### Equity

Equity at year-end was MSEK 479.4 (442.0), corresponding to SEK 8.84 (8.15) per outstanding share. Value changes in the Swedish krona have positively impacted the value of the Group's net assets in foreign currency by MSEK 0.5 from the previous year-end.

### Interest-bearing liabilities

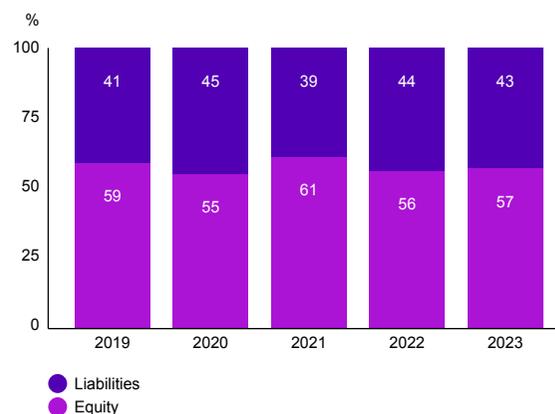
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The Company's net cash at year-end accordingly amounted to MSEK 1.9 (-39.4), which corresponds to net cash of MSEK 17.3 (-27.7) excluding IFRS 16-related liabilities.

### Debt/equity ratio

The Group's equity ratio was 57 (56) per cent at year-end.

### Debt/equity ratio



### Comments on the cash flow statement

Cash flow from operations amounted to SEK 102.6 (80.7) million.

Cash flow from investing activities for the year amounted to MSEK -59.0 (-91.9), investments in intangible assets amounted to MSEK 57.6 (56.3), and investments in tangible and financial assets amounted to MSEK 1.4 (5.3).

Cash flow from financing activities for the year amounted to MSEK -10.0 (-6.3) and was comprised entirely of repayment of loans of MSEK 10.0 (23.2).

The Group's total cash flow for the year amounted to MSEK 33.5 (-17.4).

### Significant risks and uncertainty factors

The most obvious uncertainty factors in Formpipe's operations concern the Company's sales and the Company's ability to attract and retain skilled staff.

Formpipe's net sales of MSEK 525.2 (485.1) were comprised to 73 (66) per cent of recurring revenues. Recurring revenues are contracted revenues that recur each year and thus constitute a stable and secure base for the Company's earnings. The remaining revenues come from new licence sales and supply function projects, and are subject to greater uncertainty as they are affected by short-term customer demand and changing market conditions.

Projects for our new delivery operations relate to the Company's own product portfolio, and therefore the risk in this type of consulting activity can be considered lower than traditional resource consulting. Large portions of this activity concern upgrades which are simple to plan and implement, and which in turn contribute to an operation that is stable over the long term.

Formpipe's human resources are important, and the availability of skilled personnel is a critical success factor. The Company satisfies this by offering its staff market-adjusted and competitive terms of employment. Over time, however, the availability of staff with the right skills varies, which can lead to cost increases for the Company.

The sensitivity analysis below describes the effect on Formpipe's pre-tax profit, which amounted to MSEK 45.7 (11.3), with changes to several factors:

Sensitivity analysis	Change	Effect on pre-tax profit, MSEK
Demand for licences	+/- 10%	+/- 1.9
Demand for delivery	+/- 10%	+/- 12.4
Staff expenses	+/- 10%	-/+ 28.6
STIBOR*	+/- 100 bps	-/+ 0.4
DKK/SEK	+/- 10%	+/- 3.5
EUR/SEK	+/- 10%	-/+ 0.2
GBP/SEK	+/- 10%	-/+ 0.1
USD/SEK	+/- 10%	+/- 3.4

\* The change in the reference interest rate for the loan (STIBOR) is calculated as the full-year effect based on the average of opening and closing balances of interest-bearing liabilities.

Further explanation of the risks and uncertainty factors to which the Company is exposed can be found under Notes 3 and 4.

### Uncertainty related to the war in Ukraine

Formpipe contracts Sigma Software Ukraine, a product development company whose employees were affected by the war with Russia that escalated on 24 February 2022. In line with the Company's ISO-27001 certification, there are established procedures and processes to manage the impact on operations. The IT industry is a priority in Ukraine, which is keen to preserve this export market, which means that our cooperation is working well, even in these special circumstances. Should the situation worsen, we can move our product development if necessary, as we have full control of our source code and documenta-

tion. This may entail higher costs in the short term. The situation has been handled well during the year and the development work has been able to continue without major disruptions, which the company believes can continue.

### Guidelines on remuneration for senior executives

The AGM resolved to approve the proposal of the Board for guidelines on remuneration for the Company's Chief Executive Officer and other senior executives as follows. The AGM resolution principally agrees with previously applied policies for remuneration. The guidelines apply for agreements that are made after the 2023 Annual General Meeting, or where a change in remuneration occurs thereafter. The Board has not appointed a separate remuneration committee; instead, the Board in its entirety deals with issues relating to remuneration and other conditions of employment.

The Company shall offer market-adjusted terms which allow the Company to recruit and retain skilled personnel. Remuneration to senior executives shall consist of basic salary, variable remuneration, a long-term incentive programme, pensions, severance terms and other customary benefits. The remuneration is based on the individual's commitment and performance in relation to targets defined in advance, both individual targets and shared targets for the Company as a whole. There is continuous evaluation of individual performance. The basic salary is usually reviewed once a year and must take into account the quality of the individual's performance.

The basic salary for the Managing Director and other senior executives must be competitive. The variable remuneration shall take into account the individual's level of responsibility and degree of influence. The extent of the variable remuneration is related to the extent by which financial objectives established by the Group's Board of Directors are met. The variable remuneration shall constitute no more than 40 per cent in addition to the basic salary. All variable remuneration plans have defined maximum allocation and outcome limits. A provision is made in the annual accounts for variable remuneration attributable to the financial year when applicable and is disbursed in close connection with the Annual General Meeting. The Company has stock-related incentive programmes directed at the entire staff (including the Chief Executive Officer and other senior executives) that is intended to promote the Company's long-term interests. The Board continuously evaluates whether additional option programmes or any other form of stock-related or stock price-related incentive programme should be proposed to the Annual General Meeting. The Chief Executive Officer and other senior executives shall have defined contribution pension agreements. Retirement occurs at age 65 for the Chief Executive Officer and the senior executives. Pension provisions are based solely on the budgeted salary. In the event of termination of the employment of the Chief Executive Officer, six months' notice of termination and six months' severance pay will apply if the contract is terminated by the Company. Other income which the Chief Executive Officer receives during the period for which severance pay is paid will be subtracted from the severance pay. If the Chief Executive Officer terminates the contract, six months' notice must be given. A mutual notice period of 3 to 6 months applies be-

tween the Company and the other senior executives. In the event the Company is the object of a public takeover bid that results in at least 30 per cent of the Company's shares ending up in the possession of one and the same shareholder, the Chief Executive Officer is entitled, upon termination of employment by the Company or the Chief Executive Officer, to special severance pay corresponding to 12 basic monthly salaries at the time notice is given. Such severance pay is not subject to deduction for other income, shall be paid in its entirety upon the cessation of the employment and replaces the severance pay to which the Chief Executive Officer is normally entitled according to his or her employment contract.

The Annual General Meeting provided the Board of Directors with an opportunity to deviate from the proposed guidelines above in the event there are particular grounds for doing so in specific cases.

The guidelines for the remuneration of senior executives proposed to the 2024 Annual General Meeting are essentially unchanged, but are described in detail in accordance with the new guidelines applicable for 2024 in the Company's Corporate Governance Report.

## Share structure

Formpipe's shares are traded under the short name FPIP on Nasdaq Stockholm. Each share in Formpipe entitles the holder to one vote at the Annual General Meeting and entails an equal right to the Company's assets and profits.

Formpipe's share capital was SEK 5,421,782.50 at year-end 2023, allocated to 54,217,825 shares.

As of 31 December 2023, Formpipe had two warrant programmes outstanding for a total of 593,800 warrants registered for employees. The warrants can increase the total shares outstanding and voting rights in the Company by a maximum of 1.1 per cent. A new share issue in connection with the redemption of the 2021/2024 warrant programme may result in an increase in share capital by no more than SEK 50,000 and 500,000 shares. A new share issue in connection with the redemption of the 2022/2025 warrant programme may result in an increase in share capital by no more than SEK 9,380 and 93,800 shares.

Formpipe held no treasury shares at the end of 2023.

At the end of 2023, there were no agreements limiting the right to transfer shares.

## Proposed appropriation of profits

### Appropriation of profits, SEK

The following retained earnings are at the disposal of the Annual General Meeting:

Non-restricted reserves	197,148,921
Profit for the year	30,454,062
	<b>227,602,983</b>

### The Board of Directors proposes:

To pay a dividend of SEK 0.50 per share to shareholders, totalling	27,108,913
To be carried forward	200,494,071
	<b>227,602,983</b>

The Board of Directors proposes that the Annual General Meeting on 25 April 2024 resolve to approve a dividend to the Company's shareholders of SEK 0.50 (-) per share, which entails a total dividend of SEK 27,108,912.50 (0.00). The Board of Directors proposes that the dividend be paid in two instalments in 2024.

As a basis for its proposal to carry the retained profit forward, the Board has assessed the Parent Company and Group consolidation requirements, liquidity and financial position otherwise as well as the ability to meet its commitments on the short and long terms in accordance with Chapter 17 Section 3 Paragraphs 2–3 of the Swedish Companies Act. The Board of Directors assesses that the proposed appropriation of profits is well-adjusted to the business' nature, scope and risks and the Parent Company's and the Group's capital requirements.

This annual report shows that the equity ratio for the Parent Company was 52 (43) per cent.

Group equity was MSEK 479.4 (442.0) at the end of the period, with net cash of MSEK 1.9 (-39.4).

## Corporate Governance Report

Formpipe's Corporate Governance Report can be found on pages 98–107 in the Annual Report.

## Sustainability Report

Formpipe's statutory Sustainability Report can be found on pages 63–71 in the Annual Report.

SUSTAINABILITY REPORT

# Sustainability Report for 2023.

# Sustainability Report

## About the Company

Formpipe is a value-driven company – we put people first and at the heart of the digital transformation. Our mission is to build valuable relationships between people and data. We are passionate about creating value for our customers and contributing to an inclusive and sustainable society built on trust.

With roots stretching back to the birth of the internet, and with the formalisation of Formpipe in 2004, we have been in business for a long time. Over the years, we have seen the amount of data grow and with it, the potential. We always put people first to ensure that digitalisation leads to an inclusive and sustainable society built on trust. Together with our customers, we unleash the potential of data. We focus on today’s concrete challenges while also challenging each other to think outside the box. We realise the power of imagination that leads not only to a better business, but also to a better society.

Managing data with future generations in mind does something to us as human beings. As a company, Formpipe has a long-term perspective in its DNA. Our core values characterise everything we do, not least our relationships. As a customer-first company, we have customers who have been with us since the very beginning. The same goes for some of our employees – we have colleagues who have been involved in shaping our heritage since the 1980s. This is something that makes us feel extremely proud.

### Passion for people

We are proud of who we are and put people first

### Understanding our customers

We listen and create true business value

### Respect and trust

We are open-minded and we are honest

### Perform with quality

We take ownership and we act professionally

### Lead by example

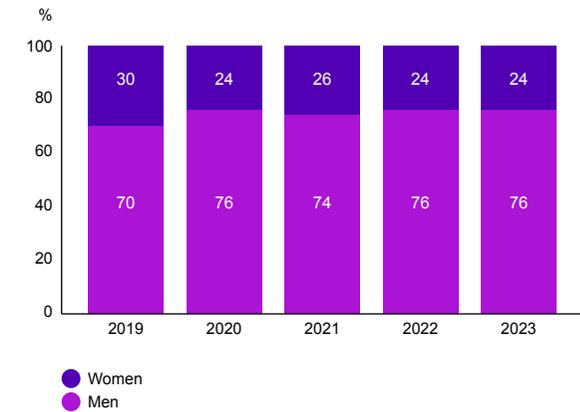
We are value driven and we support each other

### Engage and have fun

We have a unique team spirit and we love what we do

For us, sustainability is a very important part of our business. We strive for sustainable growth that does not come at the expense of social or environmental aspects. Our goal is to contribute to a long-term sustainable business through investments in innovation and technological development, climate-smart travel and good working conditions for our employees.

Percentage women and men

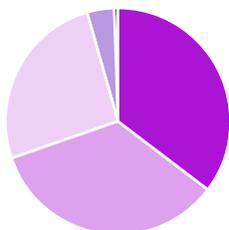


## Governance

Our Board of Directors and management have the ultimate responsibility for this Sustainability Report. The day-to-day work is led by a designated sustainability group consisting of our Head of Accounting, CPO and CFO. In 2023, the group engaged the services of consultants in order to increase knowledge about sustainability, assess material areas and set short-term and long-term goals. We have also introduced a management system with the aim of streamlining and facilitating goal follow-up in our sustainability work.

We have an employee handbook that addresses issues related to the work environment, gender equality, business travel, financing, privacy, integrity and IT security, as well as a Code of Conduct that regulates how we and our suppliers promote human rights, good business ethics, and the environment and climate. The authorisation instructions ensure that costs and payments are approved according to Formpipe's policy and that agreements and contracts are only signed by authorised persons. These governing documents are updated annually and form an important part of the introduction programme for new employees.

### Employees by country





**Sustainable Development Goals**

On 25 September 2015, the UN Member States adopted the 2030 Agenda, a universal agenda for sustainable development that contains seventeen Sustainable Development Goals (SDGs) to be achieved by 2030. The SDGs, in turn, have 169 targets and more than 230 global indicators for how the work is to be carried out and followed up.

The Sustainable Development Goals and the 2030 Agenda represent the most ambitious agreement for sustainable development ever adopted by world leaders. The concept of sustainable development integrates the three dimensions of sustainability: social, economic and environmental.

With the Sustainable Development Goals, world leaders have committed to achieving four fantastic things by 2030:

- To eradicate extreme poverty.
- To reduce inequalities and injustices in the world.
- To promote peace and justice.
- To solve the climate crisis.

We are the first generation that can eradicate poverty, and the last that can fight climate change – and the Sustainable Development Goals represent our common plan for how we create a better and more sustainable world for all!

Find out more about the Sustainable Development Goals: <https://www.un.org/sustainabledevelopment>

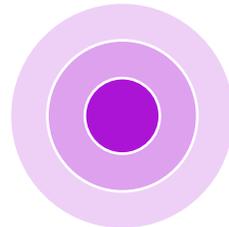
The contents of this publication have not been approved by the United Nations and do not reflect the views of the United Nations or its officials or Member States.

**Materiality analysis**

We have based our materiality analysis on the possibilities to contribute to the UN’s 17 Sustainable Development Goals (SDGs). The starting points for the assessment have been partly industry/sector and partly geographical location. The expectations of our key stakeholders have also been taken into account. In addition, we have considered identified risks related to the environment, social sustainability and governance. The risks are described in more detail in the section entitled Risk analysis.

Here we present the results of our stakeholder analysis together with four selected SDGs (which also constitute materiality areas) that guide our sustainability work.

**Stakeholders**



- Formpipe
- Owners and investors, employees, customers, partners, suppliers
- Employees’ relatives, customers’ customers (citizens, end consumers, companies), future employees, former employees

**Stakeholder analysis**

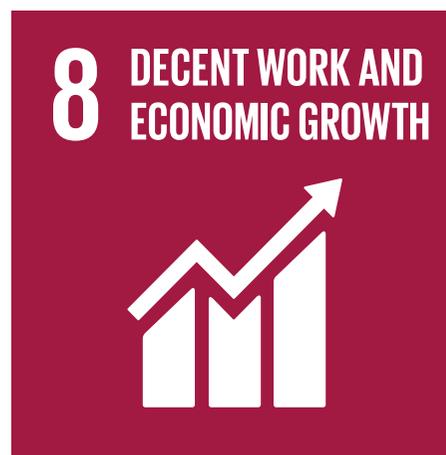
Stakeholders	Dialogues	Prioritised areas
<b>Customers</b>	Meetings Procurement Code of Conduct Survey	Sustainable services Combating discrimination Good working conditions Regulatory compliance Combating corruption Secure data management Innovation
<b>Employees</b>	Meetings Code of Conduct Survey Recruitment	Responsible waste management Sustainable services Sustainable procurement of products/ services Combating discrimination Good working conditions Good business ethics Secure data management Transparency Economic growth Innovation
<b>Investors</b>	Meetings Code of Conduct Reports	Sustainable services Combating discrimination Good working conditions Regulatory compliance Combating corruption Secure data management Transparency Sustainable investments Economic growth Innovation
<b>Partners</b>	Meetings Code of Conduct	Sustainable services Combating discrimination Good working conditions Good business ethics Secure data management Transparency Economic growth Innovation

## Materiality areas



### Gender equality (SDG 5)

This goal has to do with promoting gender equality and the empowerment of all women and girls by, for example, eradicating discrimination and ensuring the full participation of women in leadership. We contribute to this goal by striving to achieve the following: that the proportion of women in the Group will be higher than the average in the Swedish IT industry, that we have an even gender distribution on the Board of Directors, and that, through regular employee surveys, we ensure that Formpipe is perceived as a workplace characterised by gender equality.



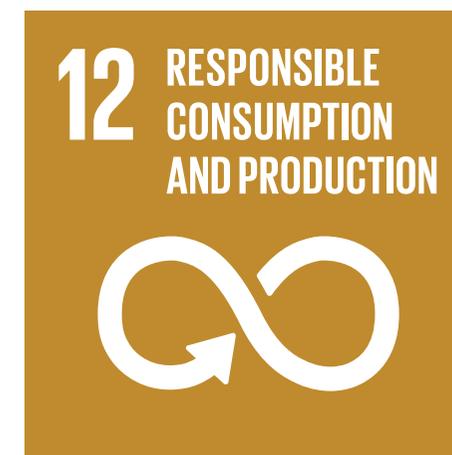
### Decent work and economic growth (SDG 8)

This goal has to do with striving for lasting economic growth that does not come at the expense of social or environmental aspects. The goal is also about ensuring workers' rights and promoting a safe and secure work environment for all. Two particularly important priorities for us are that all employees are happy at work and receive a salary that corresponds to their workload and duties, regardless of where in the world the employee is located.



### Industry, innovation and infrastructure (SDG 9)

This goal has to do with building resilient infrastructure, striving for inclusive and sustainable industrialisation, and promoting innovation and a sustainable business community. Formpipe contributes to this goal by providing services in digitalisation and technological development, which also enables other businesses to reduce their ecological footprint.



### Responsible consumption and production (SDG 12)

This goal has to do with ensuring sustainable consumption and production patterns throughout the value chain. Since we do not produce physical products, our greatest contribution is systematically making sustainable choices when purchasing goods and services, as well as maintaining IT equipment in order to increase the useful life and reduce electronic waste. We strive to centralise operations with virtual servers to reduce energy use, and we impose sustainability requirements on our suppliers through our Code of Conduct.

## Our sustainability work

For Formpipe, sustainability is a prioritised area that gains more and more focus in the organisation. During the year, we have formulated long-term sustainability goals, implemented a management system and carried out activities aimed at enhancing skills and knowledge, and we have made progress in the three focus areas of environment, social sustainability and governance. However, we strive to constantly develop and broaden our responsibility.

### Environment

Formpipe's operations have a limited impact on the environment. Based on the analysis we have made of the Company's environmental impact, we see that we can primarily influence the following: how we travel, that we use fossil-free electricity, how we heat and cool our offices, and how we operate our servers.

We have clear procedures for how we prioritise sustainability aspects when choosing means of transport in connection with business travel. These procedures mean, among other things, that we shall weigh environmental aspects against cost, that we shall primarily choose rail travel over air travel, and that we do not provide any company cars for our staff. We also use digital meetings to a large extent in order to avoid business trips that do not have a clear purpose that justifies the trip. In 2023, we performed our first climate calculations in the categories of energy, travel and consumption. We have also chosen to implement climate compensation for our air travel.

We strive to further reduce our footprint by taking measures for business travel, waste management

and electricity contracts, and working towards increased energy efficiency.

To achieve this, our plans for 2024 include the following:

- continued climate compensation for our air travel;
- investigate the state of waste sorting at our offices globally, and implement improvement measures as necessary;
- continue to maintain IT equipment in order to increase the useful life and reduce electronic waste;
- investigate the type of electricity that all offices are powered by and, to the extent possible, switch to suppliers who can supply the offices with fossil-free energy;
- investigate the type of electricity that our servers for data storage are supplied with globally and, where possible, switch to servers powered by fossil-free energy.

### Social Sustainability and Governance

Working at Formpipe is special – some might even say that it is unique. We attract the best people who are all professionals and take responsibility, and who adopt a wholehearted approach to everything they do. As a company, we support each other, we are respectful and we have fun. Always as a team. Together, we create a work environment where joy and laughter are a natural part of our everyday lives.

Formpipe only has companies and employees in countries with clear labour law, where laws and

regulations for employees are established. Our recruitment practices are described in our sustainability plan. Starting with the recruitment of new employees, we – the entire Group – are firmly resolved to promote equal rights and opportunities regardless of gender, cross-gender identity or expression, ethnicity, religion or other beliefs, disability, sexual orientation or age. In our employment contracts, new employees sign to confirm that they, as employees, have been informed and accept that they are bound to follow all internal policies and rules. In cases where employment contracts have been entered into before 2024, in countries where this signing confirmation has not previously been a requirement, all new contracts in these regions will also contain the above wording.

We offer our employees benefits comparable to collective agreements, as well as opportunities for distance work, skills training, team building and participation in employee surveys.

IT and information security is of the utmost importance both internally and for our customers. Thorough routines have been established, and we are ISO 27001 certified in selected areas within the Group.

Formpipe has customers in both private and public organisations, where high standards are often imposed regarding to good business ethics, IT security and data integrity. We endeavour to only do business with business partners who conduct operations that are in line with applicable legislation and financed in a legal manner. In order to support and respect international human rights within the sphere of corporate influence, Formpipe primarily uses partners who operate in countries where the risk of human rights violations is relatively low. In agreements with cus-

tomers in the Private segment, the customers sign to confirm their compliance with all applicable rules and good business practices regarding anti-bribery and anti-corruption, as well as rules against slavery and human trafficking.

For customers in the Public segment, we do not currently have any specific documented wording relating to human rights and corruption. The customers in this segment are by definition organisations that themselves have requirements on good business practices, anti-corruption and compliance with human rights. These customers often require Formpipe to sign a document confirming compliance with the organisation's Code of Conduct.

This is in accordance with Formpipe's core values, which among other things aim to ensure compliance with general guidelines and anti-money laundering provisions found in applicable laws and conventions against corruption and money laundering. In accordance with the authorisation instructions, agreements with third parties and partners in excess of a certain amount must be signed off by more than one person to ensure compliance with the 2023 policy. We also provide a whistleblower function where our employees can anonymously report suspected irregularities. Formpipe did not have any reports of irregularities, corruption or money laundering in 2023, and during the year we formalised the work involving the production of a Code of Conduct, which will henceforth be attached to new and renegotiated agreements. The aim is to ensure that ethical, social and environmental considerations are taken into account throughout the supply chain.

In 2024 we plan to:

- offer our employees training in sustainability, with particular focus on the prevention of misconduct;
- review our procedures for salary mapping and implement improvement measures as necessary;
- continue the work aimed at ensuring that our agreements with external suppliers are signed by authorised persons and that extra consideration is given to the inclusion of sustainability aspects in the agreements.

## Long-term goals

**We strive to achieve sustainable growth that does not come at the expense of social or environmental aspects.**

This is our overall goal, which is measured through the social and environmental goals described below. This goal is linked to our materiality area Decent work and economic growth (SDG 8).

**We strive to maintain low levels of greenhouse gas emissions by measuring the number of trips we take via air travel, avoiding unnecessary air travel and, as of 2023, compensating for all air travel.**

This goal is linked to our materiality area Responsible consumption and production (SDG 12).



**By 2030, 100 per cent of the data we store in all countries shall be stored on servers powered by fossil-free energy.**

This goal is linked to our materiality areas Industry, innovation and infrastructure (SDG 9) and Responsible consumption and production (SDG 12).

**At least 95 per cent of our customers shall perceive that our offerings enable innovation/ technological development.**

In 2024, we plan to add a question about this in our annual customer survey and start keeping statistics in this area. This goal is linked to our materiality area Industry, innovation and infrastructure (SDG 9).

**By 2026, our suppliers shall have signed our Code of Conduct.**

The alternative is that they have their own Code of Conduct which corresponds to ours. This applies to the suppliers from whom we make purchases valued more than SEK 500,000 per year. From 2024, we plan to start keeping statistics in this area. This goal is primarily linked to our materiality areas Decent work and economic growth (SDG 8) and Responsible consumption and production (SDG 12).

**We strive to achieve an even gender distribution (40/60) on our Board of Directors.**

This goal is linked to our materiality area Gender equality (SDG 5).

**We strive to have a higher proportion of women in the Group than the average in the Swedish IT industry.**

This goal is primarily linked to our materiality area Gender equality (SDG 5).

## Performance indicators

### Carbon footprint (energy, travel and consumption)

Year	Tonnes CO <sub>2</sub> e per employee
2023	1.08

We have calculated our carbon footprint using a digital calculator based on the GHG Protocol. The calculator is adapted for service companies and takes into account energy, travel and consumption.

### Air travel

Year	Number of trips via air travel
2023	164

The table shows the total number of trips undertaken via air travel during the year.

### Data storage

Year	Proportion fossil-free data storage
2023	90%

The table shows the proportion of our offices that store data via servers powered by fossil-free energy.

### Offices with fossil-free electricity

Year	Offices powered by fossil-free energy
2023	90%

The table shows the proportion of our seven offices that are powered by fossil-free energy.

### Gender distribution

Year	Proportion women (%)	Proportion men (%)
2023	33.3	66.6

The table presents the gender distribution on the Board of Directors.

### ENPS

Year	ENPS
2023	30

The table shows the year's Employee Net Promoter Score (ENPS), which reflects our employee engagement. ENPS is measured annually as part of our employee survey.

### Gender distribution compared to the industry

Year	Proportion women in Formpipe	Proportion women in the industry
2023	24	32

The table shows the proportion of women in Formpipe compared to the proportion of women in the Swedish IT industry. Source: Nyckeltalsinstitutet & TechSverige 2023.

### Compliance with policies

Year	Proportion of employment contracts with such a requirement
2023	74%

The table shows the proportion of our employment contracts that contain a clause requiring compliance with policies and rules.

## Risk analysis

We have based this risk analysis on the type of business we conduct, our geographical location and the key resources we depend on. Initially we have assessed the likelihood of how external factors could impact our business. We have then evaluated the extent of the consequences from an economic perspective if the risks were to materialise. The risk areas that we have assessed as high or medium in terms of likelihood or consequence are described in the adjacent table.

Risk	Description	Likelihood	Consequence	Management
Extreme weather	Prolonged power outages, operational disruptions, negative economic consequences.	Low	Medium	Choose suppliers that ensure solutions in the event of extreme weather and have continuous operation. The suppliers have backup systems to keep the servers running.
Discrimination against employees	Insecurity, deterioration in performance, increased staff turnover, legal consequences, negative economic consequences, difficulty attracting new staff.	Low	High	Employee handbook, regular employee survey, annual salary mapping.
Work environment shortcomings	Insecurity, deterioration in performance, increased staff turnover, legal consequences, negative economic consequences, difficulty attracting new staff.	Low	High	Employee handbook, regular employee survey, generous benefits, flexibility.
Stricter regulatory/legal requirements linked to sustainability	CSRD, new skills needs, increased administration, increased costs.	High	Low	Hired consultants for preparation, the management system Acture for structure and goal follow-up, skills training.
Lack of innovation/adaptability	Reduced demand, reduced revenues.	Low	High	Ongoing investments, development of services, customer surveys.
Deficient information security	Deficient regulatory compliance, compromised integrity, compromised trust, negative economic consequences.	Medium	High	Comprehensive procedures, stable systems, certified according to ISO 27001.
IT attacks	Deficient compliance with policies, compromised integrity, compromised trust, operational disruptions, negative economic consequences.	Medium	High	Comply with policies, management system, ongoing testing and training under the guidance of a dedicated team.
Non-sustainable suppliers	Negative environmental impact, violation of human rights.	Low	Medium	Selection of sustainable suppliers, Code of Conduct, ongoing compliance control.
Financing risks	Insufficient sustainability efforts could result in worse terms from lenders/investors, deterioration of the share price.	Low	Medium	Appointed sustainability group, skills training, management system for structure and goal follow-up.
Fraud	Giving/taking of bribes, legal consequences, damaged brand, negative economic consequences.	Low	Medium	Ongoing training initiatives, management system, regulated via agreements with customers, Code of Conduct with suppliers and employment contracts with staff.

FINANCIAL STATEMENTS

# Financial statements for 2023.

# Consolidated income statement

KSEK	Note	2023	2022
<b>Net sales</b>	5, 6	525,157	485,098
<b>Operating expenses</b>			
Cost of sales	5, 6	-61,919	-67,291
Other costs	5, 7	-119,210	-116,984
Staff expenses	5, 8	-286,296	-282,332
Own work capitalised		56,877	53,922
<b>Operating profit before depreciation (EBITDA)</b>		<b>114,609</b>	<b>72,414</b>
Items affecting comparability	14	-1,465	-
Depreciation	14, 15, 26	-64,299	-56,695
<b>Operating profit (EBIT)</b>		<b>48,845</b>	<b>15,719</b>
Income from financing activities	9, 11	3,679	5,239
Expenses from financing activities	9, 11, 26	-6,864	-9,672
<b>Profit/loss after financial items</b>		<b>45,660</b>	<b>11,286</b>
Tax on profit/loss for the year	10, 23	-8,748	-2,526
<b>Profit/loss for the year</b>		<b>36,913</b>	<b>8,759</b>
<i>Of which attributable to:</i>			
Shareholders of the Parent Company		36,913	8,759
<b>Total</b>		<b>36,913</b>	<b>8,759</b>
<i>Other comprehensive income:</i>			
Items that may be reclassified to profit/loss			
Currency translation differences		511	26,666
Other comprehensive income for the year, net after tax		511	26,666
<b>Total comprehensive income for the year</b>		<b>37,424</b>	<b>35,425</b>
<i>Of which attributable to:</i>			
Shareholders of the Parent Company		37,424	35,425
<b>Total</b>		<b>37,424</b>	<b>35,425</b>
<b>KSEK</b>		<b>2023</b>	<b>2022</b>
Earnings per share, based on income attributable to shareholders of the Parent over the year (SEK per share)	12		
– before dilution		0.68	0.16
– after dilution		0.68	0.16
Average total shares before dilution, thousands		54,218	54,112
Average total shares after dilution, thousands		54,218	54,139

# Consolidated statement of financial position

KSEK	Note	31/12/2023	31/12/2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>	<b>14</b>		
Capitalised expenditure		166,722	158,251
Goodwill		441,319	441,367
Other intangible non-current assets		8,435	12,695
<b>Total intangible non-current assets</b>		<b>616,476</b>	<b>612,313</b>
<b>Property, plant and equipment</b>	<b>15</b>		
Property, plant and equipment		22,209	19,231
<b>Total property, plant and equipment</b>		<b>22,209</b>	<b>19,231</b>
<b>Financial assets</b>			
Other financial assets	16, 17	1,714	1,681
Other non-current receivables	6, 16, 17	1,428	2,430
<b>Total non-current financial assets</b>		<b>3,142</b>	<b>4,112</b>
<b>Non-current receivables</b>			
Deferred tax assets	<b>23</b>	3,200	4,003
<b>Total non-current receivables</b>		<b>3,200</b>	<b>4,003</b>
<b>Total non-current assets</b>		<b>645,027</b>	<b>639,658</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade and other receivables	17, 18	103,394	83,484
Current tax assets		10,071	16,025
Other receivables	17	42	26
Accruals and prepaid income	6, 17, 19	37,692	38,570
<b>Total current receivables</b>		<b>151,199</b>	<b>138,105</b>
Cash and cash equivalents	17, 20	39,740	4,781
<b>Total current assets</b>		<b>190,939</b>	<b>142,886</b>
<b>TOTAL ASSETS</b>		<b>835,966</b>	<b>782,545</b>

KSEK	Note	31/12/2023	31/12/2022
<b>EQUITY</b>			
Share capital	21	5,422	5,422
Other paid-in capital		229,178	229,178
Revaluation reserves		49,989	49,478
Retained earnings including profit for the year		194,854	157,940
<b>Total equity</b>		<b>479,443</b>	<b>442,019</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowing from credit institutions	17, 22	12,500	22,500
Deferred tax liabilities	23	40,502	36,060
Non-current lease liabilities	26	8,053	5,083
<b>Total non-current liabilities</b>		<b>61,055</b>	<b>63,643</b>
<b>Current liabilities</b>			
Borrowing from credit institutions	17, 22	10,000	10,000
Current lease liabilities	26	7,282	6,631
Trade and other payables	17	36,672	34,703
Other liabilities	24	11,763	12,042
Accrued expenses and deferred income	6, 17, 25	229,752	213,508
<b>Total current liabilities</b>		<b>295,468</b>	<b>276,884</b>
<b>Total liabilities</b>		<b>356,523</b>	<b>340,526</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>835,966</b>	<b>782,545</b>

# Consolidated statement of changes in equity

KSEK	Note	Equity attributable to shareholders of the Parent				Total equity
		Share capital	Other paid-in capital	Other reserves	Retained earnings including profit for the year	
Equity on 1 January 2022		5,373	214,497	22,812	186,957	429,638
<b>Comprehensive income</b>						
Profit/loss for the year		-	-	-	8,759	8,759
Other comprehensive income		-	-	26,666	-	26,666
<b>Total comprehensive income</b>		-	-	<b>26,666</b>	<b>8,759</b>	<b>35,425</b>
<b>Transactions with shareholders</b>						
Dividends	12	-	-	-	-37,776	-37,776
New share issue	21	24	10,059	-	-	10,082
New warrant issue	21	25	6,495	-	-	6,520
Warrant buy-back	21	-	-2,150	-	-	-2,150
Paid-in premiums for staff share option programme	21	-	279	-	-	279
<b>Total transactions with shareholders</b>		<b>49</b>	<b>14,681</b>	<b>-</b>	<b>-37,776</b>	<b>-23,046</b>
Equity on 31 December 2022		5,422	229,178	49,478	157,940	442,019
Equity on 1 January 2023		5,422	229,178	49,478	157,940	442,019
<b>Comprehensive income</b>						
Profit/loss for the year		-	-	-	36,913	36,913
Other comprehensive income		-	-	511	-	511
<b>Total comprehensive income</b>		-	-	<b>511</b>	<b>36,913</b>	<b>37,424</b>
Equity on 31 December 2023		5,422	229,178	49,989	194,854	479,443

# Income statement – Parent

KSEK	Note	2023	2022
<b>Net sales</b>	27	<b>164,699</b>	<b>155,877</b>
<b>Operating expenses</b>	27		
Cost of sales		-11,309	-16,174
Other costs	7	-63,693	-64,000
Staff expenses	8	-70,971	-76,834
Depreciation		-10,820	-3,821
<b>Total operating expenses</b>		<b>-156,792</b>	<b>-160,830</b>
<b>Operating profit/loss</b>		<b>7,907</b>	<b>-4,952</b>
Result from participations in group companies	9, 11	23,196	-
Income from financing activities	9, 11	3,618	14,285
Expenses from financing activities	9, 11	-3,672	-22,568
<b>Profit/loss after financial items</b>		<b>31,048</b>	<b>-13,235</b>
Appropriations	27	70	5,741
Tax on profit/loss for the year	10, 23	-665	609
<b>Profit/loss for the year</b>		<b>30,454</b>	<b>-6,885</b>

The Parent Company has no items to report under Other comprehensive income, hence this is not reported.

# Statement of financial position – Parent

KSEK	Note	31/12/2023	31/12/2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b> 14			
Capitalised expenditure		6,128	8,539
Goodwill		23,237	29,141
Customer contracts		2,746	3,444
<b>Total intangible non-current assets</b>		<b>32,111</b>	<b>41,124</b>
<b>Property, plant and equipment</b> 15			
Other equipment		1,283	2,012
<b>Total property, plant and equipment</b>		<b>1,283</b>	<b>2,012</b>
<b>Financial assets</b> 16			
Shares in subsidiaries		345,213	345,213
Other non-current financial assets		30	30
Other non-current receivables	6, 16	1,428	2,430
<b>Total non-current financial assets</b>		<b>346,671</b>	<b>347,674</b>
<b>Non-current receivables</b>			
Deferred tax assets	23	2,215	2,880
<b>Total non-current receivables</b>		<b>2,215</b>	<b>2,880</b>
<b>Total non-current assets</b>		<b>382,281</b>	<b>393,689</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade and other receivables	18	25,388	24,066
Current tax assets		7,165	6,694
Loans to group companies	27	23,095	70,655
Other receivables		-	27
Accruals and prepaid income	19	8,209	8,042
<b>Total current receivables</b>		<b>63,857</b>	<b>109,483</b>
Cash and cash equivalents	20	36,325	4,073
<b>Total current assets</b>		<b>100,183</b>	<b>113,557</b>
<b>TOTAL ASSETS</b>		<b>482,463</b>	<b>507,246</b>

KSEK	Note	31/12/2023	31/12/2022
<b>EQUITY</b>			
<b>Restricted equity</b>			
Share capital	21	5,422	5,422
Statutory reserve		17,691	17,691
		<b>23,112</b>	<b>23,112</b>
<b>Non-restricted equity</b>			
Share premium reserve		198,030	198,030
Retained earnings		-880	6,004
Profit/loss for the year		30,454	-6,885
		<b>227,604</b>	<b>197,149</b>
<b>Total equity</b>		<b>250,716</b>	<b>220,262</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowing from credit institutions	22	12,500	22,500
Deferred tax liabilities		709	709
<b>Total non-current liabilities</b>		<b>13,209</b>	<b>23,209</b>
<b>Current liabilities</b>			
Borrowing from credit institutions	22	10,000	10,000
Trade and other payables		12,353	17,477
Liabilities to group companies	27	108,572	152,949
Other liabilities	24	4,159	4,233
Accrued expenses and deferred income	25	83,454	79,115
<b>Total current liabilities</b>		<b>218,538</b>	<b>263,775</b>
<b>Total liabilities</b>		<b>231,748</b>	<b>286,984</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>482,463</b>	<b>507,246</b>

# Statement of changes in equity

## – Parent

KSEK	Note	Restricted equity		Non-restricted equity		Total equity
		Share capital	Statutory reserve	Distributable reserves	Retained earnings including profit for the year	
<b>Equity on 1 January 2022</b>		5,373	17,691	183,350	43,780	250,193
<b>Comprehensive income</b>						
Profit/loss for the year		-	-	-	-6,885	-6,885
<b>Total comprehensive income</b>		-	-	-	<b>-6,885</b>	<b>-6,885</b>
<b>Transactions with shareholders</b>						
Dividends	12	-	-	-	-37,776	-37,776
New share issue	21	24	-	10,059	-	10,082
New warrant issue	21	25	-	6,495	-	6,520
Warrant buy-back	21	-	-	-2,151	-	-2,151
Paid-in premiums for staff share option programme	21	-	-	279	-	279
<b>Total transactions with shareholders</b>		<b>49</b>	<b>-</b>	<b>14,680</b>	<b>-37,776</b>	<b>-23,046</b>
<b>Equity on 31 December 2022</b>		<b>5,422</b>	<b>17,691</b>	<b>198,030</b>	<b>-880</b>	<b>220,262</b>
<b>Equity on 1 January 2023</b>		<b>5,422</b>	<b>17,691</b>	<b>198,030</b>	<b>-880</b>	<b>220,262</b>
<b>Comprehensive income</b>						
Profit/loss for the year		-	-	-	30,454	30,454
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>30,454</b>	<b>30,454</b>
<b>Equity on 31 December 2023</b>		<b>5,422</b>	<b>17,691</b>	<b>198,030</b>	<b>29,574</b>	<b>250,716</b>

# Cash flow statement

KSEK	Note	Group		Parent Company	
		2023	2022	2023	2022
<b>Cash flow from operating activities</b>					
Operating profit/loss		48,845	15,719	7,907	-4,952
<b>Items not affecting cash flows</b>					
– Depreciation		64,299	56,695	10,820	3,790
– Other items		-359	7,510	83	-6,983
<b>Other items affecting liquidity</b>					
Interest revenue		712	95	617	517
Interest expense		-2,540	-2,330	-2,334	-2,106
Realised exchange rate effects		-1,905	-	806	-
Income tax paid (-) / refunded (+)		3,339	-17,817	-229	-
<b>Cash flow from operating activities before changes in working capital</b>		<b>112,392</b>	<b>59,872</b>	<b>17,669</b>	<b>-9,734</b>
Increase (-) / decrease (+) in work in progress		1,092	-375	-	-
Increase (-) / decrease (+) in trade receivables		-20,990	-1,981	-1,406	1,815
Increase (-) / decrease (+) in other current receivables		-428	1,363	-383	-1,326
Increase (+) / decrease (-) in trade payables		2,532	11,458	-5,124	5,874
Increase (+) / decrease (-) in other current liabilities		16,079	10,379	-23,755	26,925
Change in internal current receivables and liabilities		-	-	32,060	-10,043
<b>Cash flow from changes in working capital*</b>		<b>-1,714</b>	<b>20,845</b>	<b>1,393</b>	<b>23,245</b>
<b>Cash flow from operating activities</b>		<b>110,678</b>	<b>80,718</b>	<b>19,062</b>	<b>13,511</b>

\* For the 2022 financial year, the line relating to internal receivables and liabilities in the Parent Company has been reclassified from other changes in working capital.

KSEK	Note	Group		Parent Company	
		2023	2022	2023	2022
<b>Cash flow from investing activities</b>					
Investment in intangible non-current assets	14	-57,628	-56,289	-751	-2,138
Investment in property, plant and equipment	15	-2,364	-5,313	-327	-1,569
Investment in financial assets	16	965	-	1,073	1,065
Investments in subsidiaries		-	-30,252	-	-32,147
<b>Cash flow from investing activities</b>		<b>-59,027</b>	<b>-91,854</b>	<b>-6</b>	<b>-34,790</b>
<b>Cash flow from financing activities</b>					
New share issue	21	-	10,082	-	10,082
Issue of warrants	21	-	6,798	-	6,798
Warrant buy-back		-	-2,151	-	-2,151
Raising of loans	22	-	40,000	-	40,000
Repayment of loans	22	-10,000	-9,698	-10,000	-7,500
Repayment of lease liabilities	22, 26	-8,123	-13,550	-	-
Dividend received	27	-	-	23,196	-
Dividend paid	13	-	-37,776	-	-37,776
<b>Cash flow from financing activities</b>		<b>-18,123</b>	<b>-6,294</b>	<b>13,196</b>	<b>9,454</b>
<b>Cash flow for the year</b>		<b>33,528</b>	<b>-17,430</b>	<b>32,252</b>	<b>-11,825</b>
Currency translation differences for cash and cash equivalents		1,431	4,146	-	-
Cash and cash equivalents at start of year		4,781	18,065	4,073	15,898
<b>Cash and cash equivalents at year-end</b>	<b>20</b>	<b>39,740</b>	<b>4,781</b>	<b>36,325</b>	<b>4,073</b>

# Notes

All amounts in these notes are stated in SEK thousands (KSEK) unless otherwise specified. The closing date is 31 December 2023.

## Note 1. General information

Formpipe Software AB (Parent) and its subsidiaries (jointly, the Group) sell software and consulting services used to capture, manage and distribute information.

The Group has offices in Sweden, Denmark, Germany, the UK and the U.S.

The Parent Company is a limited liability company registered and domiciled in Sweden. The address of the head office is Formpipe Software AB (publ), Box 23131, SE-104 35

Stockholm, Sweden. The visiting address is Sveavägen 168, Stockholm.

The Parent Company is listed on the Nasdaq Stockholm Stock Exchange.

On 28 March 2024, the Board of Directors approved the consolidated financial statements for publication on 3 April 2024. All press releases, financial reports and other information are available on our website [www.formpipe.se](http://www.formpipe.se).

## Note 2. Summary of significant accounting principles

The significant accounting policies used in preparing these Consolidated and Parent financial statements are stated below. These policies have been consistently applied for all represented years, unless otherwise stated.

### Basis for preparing the reports

The consolidated annual report for the Formpipe Group was prepared in compliance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation Supplementary Accounting Rules for Groups (RFR 1), as well as International Financial Reporting Standards (IFRS) and the IFRIC interpretations as adopted by the EU. The consolidated financial statements have been prepared in accordance with the cost method.

The Parent's financial statements were prepared in compliance with the Swedish Annual Accounts Act and RFR 2. The accounting policies in the Parent are considered to follow the Group's except the parts below. No other differences between the consolidated and Parent accounting policies are considered to be material.

- In the acquisition of subsidiaries, value arises in the Parent in the form of shares in subsidiaries at the value of the purchase consideration and no goodwill thereby arises in the Parent in connection with the acquisition of subsidiaries. The value of the shares in subsidiaries is a difference from the consolidated financial statements as they are eliminated in the consolidated statement of financial position. Acquisition expenses are booked to the balance in the Parent, but expensed in the Group.

- The goodwill that may arise in the Parent statement of financial position is not attributable to acquisition of shares in subsidiaries, but arises in case of acquisitions of assets and liabilities and mergers of subsidiaries, so called goodwill from net asset acquisition and merger good will. All merger goodwill or other asset-acquisition goodwill that arose internally in the Group is eliminated in the Group's consolidation and thereby does not affect consolidated goodwill in the statement of financial position.
- Goodwill in the Parent is considered to have a limited economic useful life and is subject to amortisation over the Parent's income statement. Consolidated goodwill is not subject to amortisation.

Preparation of financial statements in accordance with IFRS requires using several significant accounting estimates. Management is also required to make certain judgements when applying the Group accounting policies. The estimates and assumptions are regularly reviewed. Information about the areas that are complex or involve a high proportion of assumptions and estimates, or areas where accounting estimates are of key significance to the consolidated financial statements are stated in Note 4.

### New or amended standards applied by the Group

A few changes to existing standards and interpretations came into effect for the financial year.

In April 2021, the IFRS Interpretations Committee published an agenda decision on how to account for configuration and customisation costs in cloud-based arrangements. Based on

this publication, an assessment is made as to whether a system or software is to be considered as an intangible asset, lease or service contract. Configuration and customisation costs are then recognised based on this assessment. If the implementation costs do not meet the criteria to be recognised as an intangible asset, they are expensed as the implementation services are performed under contract. Where payment is made in advance for services, an asset is recognised as a prepaid expense. The change has not had a material impact on Formpipe in 2022.

Other changes to standards and interpretations have not had a material impact on the consolidated financial statements in the current year and are not expected to have a material impact on future periods or transactions.

### New standards, amended and changed interpretations of current standards where the change has not come into force are not applied in advance by the Group.

A few amendments to existing standards and interpretations are effective for financial years beginning after 1 January 2023. These are not expected to have any significant impact on the Group's financial statements.

### Segment reporting (see Note 5)

Operating segments are reported in compliance with the internal reporting structure as provided to the chief operating decision-maker for the entity. The chief operating decision-maker is the function responsible for allocation of resources and assessment of the operating segments' profit or loss. In the Group, this function is identified as the Group Chief Executive Officer.

### Consolidated financial statements

#### Subsidiaries

Subsidiaries are all of the companies (including companies for special purposes) where the Group is entitled to govern financial and operational strategies in a manner usually pursuant to shareholdings amounting to more than half of the voting rights. The occurrence and effect of potential voting rights that are currently possible to utilise or convert are observed in the assessment of whether the Group exercises control over another company. The Group also assesses if controlling influence exists although it does not have shareholdings amounting to more than half of the voting rights, but nonetheless has the possibility to control financial and operating strategies through de facto control. De facto control can arise under circumstances where the share of the Group's voting rights in relation to the size and spread of other shareholders' voting rights give the Group the possibility to control financial and operating strategies, etc. Subsidiaries are consolidated in the financial statements on the date control is transferred to the Group. They are de-consolidated on the date that control ceases.

Business combinations for the Group are accounted for using the acquisition method. The cost of an acquisition comprises the fair value of assets transferred, the liabilities the Group incurred or assumed in regard to the previous owners, and equity

instruments issued at the transfer date. The purchase price also includes the fair value of all assets or liabilities that result from any agreement for contingent consideration. Identifiable acquired assets and assumed liabilities and contingent liabilities in a business combination are measured initially at their transfer-date fair value. For each business combination, the Group determines whether non-controlling interests in the acquired business are reported at fair value or at the proportionate share of the carrying amount of the identifiable net assets in the acquired business. Profit/loss from subsidiaries acquired or divested during the year is included in the consolidated income statement as of the date of acquisition or until the date of divestment. This date is the day that the Group receives or loses control over a subsidiary.

Non-controlling interests in the subsidiaries' earnings and equity are recognised separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and balance sheet.

Transaction expenses attributable to the acquisition are recognised as incurred.

When the business combination is taken in more than one step, the previous equity stakes in the acquired business are remeasured at their fair value at the transfer date. Any profit or loss is reported in the income statement.

Every contingent consideration to be transferred by the Group is recorded at fair value at the transfer date. Subsequent changes to the fair value of contingent consideration that was classified as an asset or liability is accounted for in accordance with IFRS 9 in either the income statement or other comprehensive income. Contingent consideration classified as equity is not revalued and subsequent settlement is recognised in equity.

Goodwill is initially recognised as the amount whereby the total cost and fair value of the holding without control exceeds the fair value of the net identifiable assets of the acquired assets and assumed liabilities. If the cost is lower than the fair value of the net identifiable assets of the business, the difference is recognised immediately in the income statement.

Intra-group transactions, and balances, and gains or costs on intra-group transactions are eliminated. Profit or loss arising from intra-group transactions and that are recorded as assets are also eliminated. The accounting policies of subsidiaries have been amended, when necessary, to ensure consistent application of Group policies.

Group contributions from the Parent to subsidiaries are recognised as an increase in the holding in the subsidiary, while at that time an assessment is made as to whether there is objective evidence that the shares may be impaired. Group contributions received by the Parent are recognised using the same policies as regular dividends from subsidiaries, as financial income.

## Foreign currency translation

### FUNCTIONAL AND PRESENTATION CURRENCY

Items in the individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements are presented in Swedish kronor (SEK), which is the Parent's functional and presentation currency.

### TRANSACTIONS AND BALANCE ITEMS

Foreign currency transactions are translated into the functional currency according to the exchange rates prevailing on the date of the transaction or the date on which the items are revalued. Exchange gains and losses arising from the settlement of these transactions, and when translating foreign currency monetary assets and liabilities at the closing rate on the statement of financial position date are recognised in the income statement.

Currency exchange rate gains and losses attributable to loans and cash and cash equivalents are reported in the income statement as financial revenues or expenses.

Translation differences for non-monetary financial assets and liabilities are recognised at fair value of profit or loss.

### GROUP ENTITIES

The results and financial position of all Group entities that have a different functional currency than the Group's presentation currency are translated into the Group's presentation currency as follows:

- a) assets and liabilities in each of the statements of financial position are translated at the closing rate,
- b) income and expenses for each income statement are translated at the average rate (to the extent the average rate is not a reasonable approximation of the accumulated effect of the applicable rates on the transaction date, in which case income and expenses are translated at the transaction date rate), and
- c) all exchange rate differences that arise are recognised in Other comprehensive income.

In consolidation, exchange rate differences arising due to translation of net investment in foreign operations are recorded as Other comprehensive income. When disposing the foreign operation, wholly or in part, exchange rate differences recognised as Other comprehensive income are recorded in the income statement and recognised as part of the capital gain or loss.

Goodwill and changes to fair value that arise in acquisition of a foreign business are treated as assets and liabilities of the operations and translated on the statement of financial position date.

Note 11 presents the exchange rates used in the Group's consolidation for the financial year and for the comparison year.

## Cash flow statement

The cash flow statement is prepared using the indirect method.

### Revenue

A revenue is recognised when the customer receives control of the sold good or service, a principle that replaces the earlier principle that revenues are recognised when risks and benefits have been transferred to the buyer. The basic principle in IFRS 15 is that the Group recognises revenue in the way that best reflects the transfer of control of the promised good or service to the customer. This recognition in the Group takes place with the aid of a five-step model applied to all customer contracts.

- Identify the contract with the customer
- Identify the various performance commitments in the contract
- Determine the transaction price
- Allocate the transaction price to the performance commitments
- Recognise revenue once the performance commitment is fulfilled

Using the above five-step model, the Group's contracts with customers can contain various performance obligations that are identified as Licences, SaaS (Software as a Service), Support and maintenance agreements and Consultancy services. A revenue can be recognised only when the control over the sold good or service can be considered to have been transferred to the customer for the respective type of revenue class/performance obligation.

Revenues include the fair value of the consideration received or receivable for sold goods and services in the Group's ongoing operations. Revenues are recognised excluding VAT, returns, discounts and after eliminations for internal Group transactions.

The accounting principles that the Group applies to these performance obligations are presented below.

### Sales of licences

The Group develops and sells software. Sales of licence rights are recognised as revenue upon completed delivery according to agreement and once the customer has obtained control over the purchased licences and that no substantial obligations remain after the delivery date. If a licence is sold and the invoicing model deviates from when the customer obtained control over the licences delivered, the Group reserves a licence revenue and a receivable that is dissolved against the invoicing during the agreement's duration. In such cases, the Group makes an assessment whether there is a material financing component that must be recognised in the balance sheet and if there is an interest component that must be recognised under financial items instead of as a regular revenue. The transaction price is thereby adjusted for the effects of a significant financing component. The receivable that is on the balance sheet is divided up into a long-term component and a short-term component based

on the time frame financed towards the customer when the invoicing model differs from the revenue recognition.

### Sales of Software as a service (SaaS)

The Group sells software as a service by taking care of the operation of software as cloud-based services. The software is then not installed on the customer's own servers, but rather on servers the Formpipe Group manages the operations from. This service, which includes licence, support & maintenance and operation, is continuously received by the customer during the period of the agreement and it is recognised as revenue on a straight-line basis over the contract period as the control is transferred to the customer continuously during the period of the agreement. These services are normally invoiced between three to twelve months in advance of which the Group's remaining obligations are recognised in the balance sheet as a prepaid income under other current liabilities.

### Sales of Support and maintenance agreements

The Group sells Support and maintenance agreements for the software. Such agreements are signed in connection with the sale of licences or SaaS (Software as a Service). Revenues from Support and maintenance agreements are invoiced in advance and recognised as revenue on a straight-line basis over the contract period as the control is transferred to the customer continuously during the period of the agreement. These services are normally invoiced between three to twelve months in advance of which the Group's remaining obligations are recognised in the balance sheet as a prepaid income under other current liabilities.

### Sale of services

The Group sells consulting and training services that are provided on open account or fixed price agreements. Revenues for on-account agreements are recognised at the agreed rates as the agreed hours are delivered.

Sales revenues from fixed price agreements regarding services are recognised using the completion method. The completion method means that revenues are recognised based on the proportion of services that have been performed compared to the total services to be performed (percentage completion). Sales revenues from fixed price agreements for services are normally recognised in the period the services are delivered, on a straight-line basis over the agreement period.

When circumstances arise that can change the original estimated revenues, expenditures or completion percentage, these estimations are retested. Retesting can result in the increase or decrease of estimated revenues or expenditures, and will impact revenues for the period when company managers became aware of the circumstances causing the change.

### Contract assets, receivables and contract liabilities

Formpipe Software distinguishes between asset classes and receivables based on whether or not the right to compensation is conditional on anything other than the time value of money. Contract assets are primarily attributable to transactions where

Formpipe Software fulfils a performance obligation to transfer a licence, which is a part of the packaged offering to the customer, but the right to payment for the licence is dependent on Formpipe Software fulfilling other performance obligations in the agreement, such as support and maintenance. Contract assets are transferred to receivables when the right becomes unconditional, meaning when only the time value of money is required before compensation falls due for payment.

Contract liabilities relate to advance payments received from customers.

The Group offers certain agreements where customers can purchase licences including one year of service. For such multiple element agreements, the revenue recognised from the sale of the licence is the amount of the fair value of the licence element in relation to the fair value of the whole agreement. Revenues from the service portion, corresponding to the service element in relation to the fair value of the sales agreement, are allocated over the period of service. Fair value for each element is measured based on market prices of these elements when sold separately.

### Interest income

Finance income is recognised as revenue allocated over the term using the effective interest method.

### Current and deferred income tax (see Notes 10, 23)

The tax expense for the period comprises current tax calculated on the period's tax profit according to current tax rates. The current tax expense is adjusted with changes in deferred tax assets and liabilities related to temporary differences and unutilised tax loss carryforwards.

Tax cost is calculated based on the applicable tax rates enacted or substantively enacted by the statement of financial position date and in the countries where the Parent's subsidiaries operate and generate taxable income. Management regularly assesses the claims made in tax returns regarding circumstances where applicable tax regulations are subject to interpretation and makes provisions for amounts that will likely be paid to tax authorities, when deemed appropriate.

Deferred tax is recognised fully, using the statement of financial position liability method for all temporary differences that arise between the taxable amount of assets and liabilities and their recognised amounts in the consolidated financial statements. However, deferred tax is not recognised when it arises from a transaction that is the first reporting of an asset or liability that is not a business combination and which, at the transaction date does not affect reported or taxable income. Deferred income tax is calculated by applying the tax rates (and regulations) that are enacted as of the statement of financial position date and are expected to apply when the affected deferred tax asset is sold or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent it is probable that anticipated future income will be available against which the temporary differences can be utilised.

Deferred tax is calculated on the temporary differences that arise in shares of subsidiaries and related companies, except when the date for settling the temporary difference can be controlled by the Group and it is probable that the temporary differences will not be reversed in the foreseeable future.

#### Intangible assets (see Note 14)

##### Goodwill

Goodwill is the amount by which the cost exceeds the acquisition date fair value of the Group's share of the acquired subsidiary's net identifiable assets. Goodwill on acquisitions of subsidiaries is reported under intangible assets. Goodwill that is recognised separately is tested annually or more often if events or changed circumstances indicate a possible loss in value, to identify possible impairment requirements. Goodwill is recognised at cost less accumulated impairment losses. Goodwill impairment is not reversed. Gain or loss arising from disposal of the unit include the remaining carrying amount of the goodwill related to that unit.

In impairment testing, goodwill acquired in a business combination is allocated to each of the acquirer's cash-generating units, or groups of cash-generating units, that is expected to benefit from the synergies of the combination. Each unit or group of units to which goodwill has been allocated corresponds to the lowest level in the Group at which the goodwill in question is monitored for internal management, which for the Formpipe Group is the operating segment level.

Goodwill arising in the Parent from the merger of subsidiaries is amortised over the estimated useful life, which is estimated to be 5–10 years.

##### Customer relations

Customer relations identified in business combinations are recognised at the time of acquisition at fair value. Customer relations have a determinable useful life and are recognised at fair value at the time of acquisition less accumulated depreciation and impairment loss. Depreciation is linear in order to allocate the cost of customer relationships over their estimated useful life (5 years).

##### Technology

Technology identified in business combinations are recognised at the time of acquisition at fair value. Technology has a determinable useful life and is recognised at fair value at the time of acquisition less accumulated depreciation and impairment losses. Depreciation is linear in order to allocate the cost of technology over its estimated useful life (3 years).

##### Brand names

Acquired brand names are recognised at cost and the brands identified in business combinations are recognised at the time of acquisition at fair value. Acquired brand names have a determinable useful life and are recognised at cost less accumulated amortisation and impairment loss. Brands identified in business

combinations also have a determinable useful life and are recognised at fair value at the time of acquisition less accumulated amortisation and impairment loss. Amortisation is linear in order to allocate the cost of brand names over their estimated useful life (3 years).

##### Proprietary software

Costs for maintaining software are recognised when they arise. Development costs that are directly attributable to development and testing of identifiable and unique software products under the Group's control, are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so it is available for use,
- the company intends to complete the software and to use or sell it,
- conditions are present to use or sell the software,
- it can be demonstrated how the software will generate probable future economic benefits,
- adequate technological, financial, and other resources are available to complete development and to use or sell the software, and
- the expenses directly attributable to the software during its development can be measured reliably.

Directly attributable expenses that are capitalised as part of the software include staff costs and a reasonable proportion of indirect cost.

Other development costs that do not meet these criteria are charged as they arise.

Previously recognised development costs are not reported as an asset in subsequent periods.

Development costs for software recognised as an asset are depreciated over its estimated useful life (3–7 years).

##### Tangible assets (see Note 15)

Property, plant and equipment is recognised at cost less depreciation. The cost comprises expenses that are directly or indirectly attributable to acquisition of the asset.

Additional expenses are added to the asset's carrying amount or recognised as a separate asset, depending on the most appropriate, only when it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount for the replaced part is derecognised in the statement of financial position. All other forms of repair and maintenance are recognised as expenses in the income statement in the period in which they arise.

Depreciation of assets is linear in order to allocate their cost or revalued amount to their estimated residual value for their useful life, as follows:

- Computer equipment 3 years
- Other equipment 3–5 years

The residual values and useful life of all assets are tested annually on the statement of financial position date and adjusted as necessary.

Impairment loss is recognised immediately for assets when their carrying amount exceeds the recoverable amount for the asset where the loss equals the difference in amounts.

Gain or loss arising on disposal is the difference between the selling income and the asset's carrying amount, and is recognised as other income/expense – net in the income statement.

##### Financial assets and liabilities (see Notes 16, 17)

The Group classifies its financial assets and liabilities into the following categories: financial assets at fair value through profit or loss; financial assets and liabilities measured at amortised cost. The classification of financial assets is governed by the business model to collect the contractual cash flows and whether or not the contractual cash flows are only comprised of capital amounts and interest. Financial liabilities are classified as and recognised at amortised cost unless they are derivatives. Derivatives are recognised at fair value with real value changes recognised in profit or loss.

##### (a) Financial assets and liabilities measured at amortised cost

Financial assets measured at amortised cost are held in a business model where the financial assets are held to collect contractual cash flows. There are no sales of receivables and receivables are not evaluated on a fair value basis. The contractual cash flows are only comprised of capital amounts and interest. They comprise Trade receivables, Other receivables and Cash and cash equivalents included in current assets unless the item has a settlement date more than 12 months after the statement of financial position date, in which case they are classified as non-current assets. Financial liabilities measured at amortised cost comprise Borrowings and Trade payables in the balance sheet where cost is its fair value at acquisition date. Borrowings correspond to the amount received less any transaction costs.

Financial assets and liabilities measured at amortised cost are recognised after the acquisition date at amortised cost applying the effective interest method.

##### (b) Financial assets and liabilities measured at fair value through profit and loss

Financial assets measured at fair value through profit or loss are either derivatives, equity instruments not designed to be recognised at fair value through other comprehensive income or debt instruments not held in a business model consisting of col-

lecting contractual cash flows or to both collect contractual cash flows and sell the financial assets, such as debt instruments whose contractual cash flows are not only comprised of capital amounts and interest. The Group has no financial assets and liabilities measured at fair value through profit and loss.

##### Trade receivables (see Note 18)

Trade and other receivables are initially reported at fair value and thereafter at amortised cost applying the effective interest method less provision impairment. The carrying amount, after any impairments, for trade receivables is presumed to correspond to their fair value, since these items are current in their nature.

For trade receivables, the Group applies the simplified impairment model and recognises expected bad debt losses for the remaining duration. The assessment is based on there being significant financial difficulties at the debtor, the likelihood the debtor will enter bankruptcy or financial reconstruction, late or non-payment, payment history and assumptions about prospective information. Changes in the provision for expected bad debt losses are recognised as Selling expenses. When the trade receivable is deemed non-collectable, it is written off against the provision account for trade receivables. Recovery of any amount previously written off is added to sales expenses in the income statement.

##### Impairment of tangible and intangible assets

Carrying amounts for assets are reviewed to identify any impairment requirements. This is done every balance sheet date or more often if events or changed circumstances indicate a possible value decrease. The impairment made corresponds to the amount by which the book value of the asset exceeds its recovery value. The recoverable amount is the higher of the asset's fair value less selling cost or its value in use. For impairment testing, assets are grouped at the lowest levels at which there are separate identifiable cash flows (cash generating units).

Goodwill acquired in a business combination is allocated upon impairment testing to the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination. Each unit or group of units to which goodwill has been allocated corresponds to the lowest level in the Group at which the goodwill in question is monitored for internal management, which for the Formpipe Group is the operating segment level.

All assets, except financial assets and goodwill, that have been previously impaired are tested annually on the statement of financial position date to determine if they should be reversed.

Trade receivables and contract assets are written off when there is no reasonable expectation of repayment.

##### Cash and cash equivalents (see Note 20)

Cash and cash equivalents include cash and bank balances, and other short-term investments with original maturity of three months or less from the acquisition date. Utilised overdraft

facilities are reported as borrowings under current liabilities in the statement of financial position.

#### Share capital (see Note 21)

Common shares are classified as equity.

Transaction expenses directly attributable to the new share issue or warrants are recorded, net of tax, in equity as a deduction from the issue proceeds.

#### Trade payables and other liabilities (see Note 24)

Trade payables are initially reported at fair value and thereafter at amortised cost, applying the effective interest method. The amounts are not hedged and most often paid within 30 days. Trade payables and other liabilities are classified as current liabilities if they are due for payment within one year or less. If not, they are taken up as non-current liabilities. The carrying amount for trade payables and other liabilities is presumed to correspond to their fair value, since these items are current by nature.

#### Borrowing (see Note 22)

Borrowing is initially recognised at fair value, net after transaction costs. They are subsequently recognised at amortised cost and any differences between the amount received (net transaction costs) and the repayment amount is recognised in the income statement over the borrowing period using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

#### Employee benefits (see Note 8)

##### Post-retirement obligations

The Group has defined contribution pension plans. Defined contribution retirement plans are those where the Group pays fixed fees to a separate legal entity. The Group has no legal or informal obligations to pay additional fees if this legal entity does not have sufficient resources to pay all the benefits to employees that are related to their service in the current or previous periods. The fees are recognised as staff expenses when due for payment. Prepaid fees are recognised as an asset to the extent that cash repayment or reduction of future payments can flow to the Group.

##### Warrant programme

The Group implements share-based compensation plans from time to time. A premium corresponding to the fair value of the options is paid by the employee on the grant date. Share option premium is recorded as Other paid-in capital. Payments received for the shares, after deducting any directly attributable transaction expenses, are added to share capital (par value) and Other paid-in capital when the options are exercised.

The consideration paid by the staff for all outstanding options is based on market prices determined using the Black-Scholes

Pricing Model. No benefits or remuneration are paid to the staff, and therefore no staff expenses arise in the income statement in compliance with IFRS 2.

#### Benefits on termination of employment

Termination benefits are paid when the employee's employment is terminated before the normal retirement date or when the employee decides to accept voluntary redundancy in exchange for those benefits. The Group recognises severance pay when, and only when, it is demonstrably committed to either terminate the employment of the employee in accordance with a detailed formal plan for the termination and is without realistic possibility of withdrawal, or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Benefits that fall due more than 12 months after the statement of financial position date are discounted to present value.

#### Profit-sharing and bonuses

The Group recognises a liability and an expense for bonuses and profit-sharing plans based on a formula that includes the profit that is attributable to the Parent shareholder after adjustment. The Group recognises a provision when a legal or informal obligation based on prior practice arises.

#### Current benefits

Current benefits to employees are expensed as the related services are received. The benefits are calculated without discounting.

#### Provisions

Provisions for restructuring expenses and legal requirements are recognised when the Group has a legal or informal obligation based on previous events arises, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured. Provisions for restructuring include expenses for termination benefits. No provisions are made for future operating losses.

Provisions are discounted at present value of the expenditures expected to be required to settle the obligation. This uses a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the provision. The increase in the provision due to time passing is recognised as an interest expense.

#### Leases (see Note 26)

##### The Group's leasing activities and the reporting of them

The Group leases a number of premises, offices, office machines and vehicles. The leases are normally written for fixed periods of between 6 months and 5 years. The lease agreements have different terms and conditions, index clauses and right to extension.

Agreements may contain both leasing and non-leasing components. Non-leasing components have been expensed and not recognised as a part of the ROU or leasing liability.

The conditions are negotiated separately for each agreement and include a number of different contractual terms. The leases contain no special terms or restrictions except that the lessor retains the rights to pledge leased assets. The leased assets may not be used as collateral for loans.

The leases are recognised as rights of use (ROU) and a corresponding liability, the date that the leased asset is available for use by the Group.

Assets and liabilities that arise from leases are initially recognised at present value.

The leasing liabilities include the present value of the following lease payments:

- fixed fees (including substantive fixed fees), less any benefits in connection with the signing of the lease that are to be obtained, variable leasing fees that depend on an index or a price, initially valued using an index or price at the start date
- amounts expected to be paid out by the lessee according to residual value guarantees
- the redemption price for an option to buy if the Group is reasonably certain to exercise such a possibility
- penalties payable upon termination of the lease if the lease term reflects that the Group will exercise a possibility to terminate the lease.

Leasing payments that will be made for reasonably certain extension options are also included in the valuation of the liability.

The leasing payments are discounted by the lease's implicit interest rate. If this interest rate cannot be easily determined, which is normally the case for the Group's leases, the lessee's marginal loan interest rate is used, which is the interest rate that the individual lessee would have to pay to borrow the necessary funds to buy an asset of similar value as the ROU in a similar economic environment with similar terms and collateral.

The Group determines the marginal loan interest rate in the following way:

- when it is possible, financing that was recently obtained from an external party is used as a starting point and then adjusted to reflect changes in the financing circumstances since the financing was received
- if no loans from external parties have been raised recently, a method is used that is based on a risk-free interest rate that is adjusted for credit risk
- adjustments are made for the specific conditions in the agreement, such as lease term, country, currency and collateral

The Group is exposed to potential future increases in variable leasing payments based on an index or an interest rate that is

not included in the leasing liability until they enter into effect. When adjustments of leasing payments based on an index or an interest rate enter into effect, the leasing liability is revalued and adjusted against the ROU.

Leasing payments are distributed between repayment of the liability and interest. The interest is recognised in the income statement over the leasing period in a way that entails a fixed interest rate for the leasing liability recognised during the respective period.

The assets with a ROU are valued at cost and include the following:

- the amount the leasing liability is originally valued at
- leasing fees that have been paid at or before the start date, less any benefits received in connection with the signing of the lease
- initial direct expenses
- expenses to restore the asset to the condition prescribed in the terms of the lease.

ROUs are usually depreciated straight-line over the shorter of the useful life and the leasing period. If the Group is reasonably certain to use a purchase option, the ROU is depreciated over the useful life of the underlying asset.

Payments for short contracts regarding equipment and vehicles and all leases of minor value are expensed straight-line in the income statement. Short contracts are agreements with a lease term of 12 months or less. Agreements of less value include, for example, IT equipment and small office furniture.

All of the Group's ROUs for leases are recognised under property, plant and equipment.

#### Options to extend and terminate agreements

Options to extend and terminate agreements are included in a number of the Group's leases for premises, offices and equipment. Terms are used to maximise the flexibility in the handling of the assets used in the Group's business. The overwhelming majority of the options that provide an opportunity to extend and terminate agreements can only be used by the Group and not by the lessor.

#### Dividends (see Note 13)

Dividends to the Parent Company's shareholders are recognised as a liability in the Group financial reporting for the period for which the dividend is approved by these shareholders.

#### Items affecting comparability

Items affecting comparability are recognised separately in the financial reporting when necessary in order to explain Group results. Items affecting comparability refer to material income or

expense items that are recognised separately due to the significance of their nature or amounts when they are considered to fall outside the ordinary operations and are of a non-recurring nature and thereby impede the comparison of the Company's

### Note 3. Financial risk management

#### Financial risks

The Group is exposed in its operations to many financial risks: market risk (currency risk, fair value interest risk, cash flow interest risk and price risk), credit risk and liquidity risk. The overall Group risk management policy concentrates on the unpredictability of the financial markets and strives to minimise potentially negative effects on the financial results of the Group. The Group holds no derivative instruments to hedge risk exposures.

Risk management is done by a central finance unit following policies established by the Board of Directors. The Formpipe Software Finance Policy is approved by the Board for one year at a time. The Financial Policy sets the guidelines for managing financial risks within the Group. The Formpipe Software Finance Policy is designed to produce the highest possible returns on the Company's liquid assets, or the lowest possible borrowing costs when the Company has a net debt, while closely limiting and controlling risk levels and maintaining appropriate payment readiness in order to be able to meet all the Company payment obligations at all times.

The Group finance unit identifies, assesses and hedges financial risks in close co-operation with Group operating units. The Board establishes the written policies for both overall risk management and for specific considerations such as currency risk, credit risk, use of derivatives and non-derivative financial instruments, and investing excess liquidity.

	2023		2022			
	Profit/loss for the year	Equity	Profit/loss for the year	Equity		
<b>KSEK</b>	<b>36,913</b>	<b>479,445</b>	<b>8,759</b>	<b>442,021</b>		
<b>Sensitivity analysis, currency risk</b>						
DKK	+/- 10%	2,717	34,313	+/- 10%	1,468	33,369
EUR	+/- 10%	110	195	+/- 10%	-75	814
GBP	+/- 10%	332	7,916	+/- 10%	64	7,466
USD	+/- 10%	-756	-2,014	+/- 10%	-244	-1,347
<b>Total</b>	<b>+/- 10%</b>	<b>2,402</b>	<b>40,410</b>	<b>+/- 10%</b>	<b>1,212</b>	<b>40,303</b>

#### (II) PRICE RISK

The Group holds no investments in shares and therefore has no exposure to price risk. The Group is not exposed to price risk for basic materials or commodities.

development in the financial reporting. In order for an item to be considered an item affecting comparability, it must be material relative to the line in the income statement that the item is recognised separately from.

#### (a) Market risk

##### (I) CURRENCY RISK

The Group operates internationally and is exposed to currency risks arising from various currency exposures, primarily in regard to DKK, but also in regard to GBP, EUR and USD. Currency risk arises through future business transactions, recognised assets and liabilities and net investments in foreign operations.

The Group risk management policy is to hedge known material future cash flows. The Group had no hedges through forward contracts or other hedges at the end of the 2022 financial year or at the end of the 2023 financial year.

The Group holds foreign operations whose net assets are exposed to currency risk. Currency exposure arises when the net assets in Group foreign operations are primarily managed through borrowing in the specific foreign currencies.

If the SEK had been weakened/strengthened by 10 per cent relative to the reporting currencies in the Group's foreign subsidiaries, with all other variables constant, the profit for the year and equity for the Group for 2023 and 2022 would have been affected as per the table below.

#### (III) INTEREST RATE RISK REGARDING CASH FLOWS AND FAIR VALUE.

The Group holds no material interest-bearing assets, and therefore Group revenues and cash flows from ongoing operations

are substantially independent of changes in market interest rates in relation to its assets.

Group interest rate risk arises through short- and long-term borrowing. Borrowings that use variable interest rates and thereby expose the Group to interest rate risk in regard to cash flows.

At the end of the period, the interest-bearing borrowing amounted to KSEK 22,500 (32,500) with variable interest linked to SEB's reference rate. A change of 100 bps in the underlying reference interest rate would have changed profit for the year and equity by plus or minus KSEK 281 (350).

#### (b) Credit risk

Credit risk is managed at Group level. Credit risk arises through cash and equivalents at banks and financial institutions and through credit exposure to customers including outstanding receivables and agreed transactions. If the customer credit rating is determined by an independent agency, these ratings are used. When no independent credit rating is available, a risk assessment is made of the customer's creditworthiness in which their financial position is considered as well as previous experience and other factors. Individual risk limits are established based on internal and external credit assessments in accordance with the limits established by the Board of Directors. Use of credit limits is monitored regularly.

There is not a high concentration of credit risks, neither through exposure to individual customers, particular sectors and/or regions. Formpipe has significant sales to the public sectors in Sweden and Denmark, whereby the risk related to these trade receivables is nearly non-existent. The Group has a portion of

sales to the private sector, mainly in Sweden and Denmark. However, these deals are smaller in size and greater in number, whereby the credit risk for these receivables is widely spread. Customer losses for the Group are negligible.

#### (c) Liquidity risk

Liquidity risk is managed by the Group maintaining sufficient levels of cash and equivalents and short-term investments on liquid markets, available financing through agreed credit facilities and the capability to close market positions.

Management also closely follows rolling forecasts of Group liquidity reserves on the basis of anticipated cash flows.

In the following table, the Group's financial liabilities are analysed according to the period which remains on the balance sheet date until the contractual maturity date. The amounts specified in the table are the agreed, non-discounted cash flows. The amounts due within 12 months agree with the recorded amounts, as discounting effects are negligible.

The carrying amount of liabilities to credit institutions in the table below relates to the values based on the closing day rate. The amount includes the part that the Group utilises of its bank overdraft facilities. The bank overdraft facilities have a limit of MSEK 50.

The trade payables and other liabilities within the interval < 1 year in the table below fall due for payment in full within 2024.

The Company's net cash (interest-bearing liabilities less cash and cash equivalents) amounted to KSEK 1,906 (-39,432) at year-end.

KSEK	< 1 yr	1-2 yrs	2-5 years	> 5 years
<b>2023</b>				
Non-current lease liabilities recognised and valued as per IFRS 16	-	4,672	3,381	-
Non-current liabilities to credit institutions	-	10,000	2,500	-
Current liabilities to credit institutions	10,000	-	-	-
Current lease liabilities recognised and valued as per IFRS 16	7,282	-	-	-
Trade payables and other liabilities	48,436	-	-	-
<b>Total</b>	<b>65,718</b>	<b>14,672</b>	<b>5,881</b>	<b>-</b>
<b>2022</b>				
Non-current lease liabilities recognised and valued as per IFRS 16	-	4,520	226	-
Non-current liabilities to credit institutions	-	10,000	12,500	-
Current liabilities to credit institutions	10,000	-	-	-
Current lease liabilities recognised and valued as per IFRS 16	6,967	-	-	-
Trade payables and other liabilities	46,745	-	-	-
<b>Total</b>	<b>63,712</b>	<b>14,520</b>	<b>12,726</b>	<b>-</b>

### Capital risk management

Capital is defined as total equity. The Group objective with regard to capital is to ensure its capability to continue operations long term, in order to generate returns to the shareholders and continued benefit to other stakeholders; and to maintain an optimal capital structure that minimises capital costs.

To maintain or change its capital structure, the Group can change dividends issued to the shareholders, return capital to the shareholders, issue new shares or sell assets to reduce debt. The Board determines when to change the capital structure based on assessment of the maximum long-term return to the shareholders.

As the Group strategy is currently based to a certain extent on acquisition, Group debt levels will fluctuate significantly from year to year. Therefore, the Board and senior executives continually assess future payment obligations and decide based on a comprehensive assessment of how to administer Group assets.

### Estimating fair value

The fair value of financial instruments traded on an active market (as with financial assets valued at fair value through profit and loss) are based on quoted market prices on the statement of financial position date. The quoted market prices used for Group financial assets is the bid price.

## Note 4. Uncertainty factors, accounting estimates and judgements for accounting purposes

Uncertainty factors, accounting estimates and judgements are regularly assessed and based on historical experience and other factors, including expectations about future events that are considered reasonable in the present circumstances.

The Group makes judgements and assumptions concerning the future. These result in accounting estimates, which, by definition, rarely correspond with actual outcome. The estimates and assumptions that involve a noteworthy risk of significant adjustments to the book values of assets and liabilities during the next financial year are discussed below.

### Impairment testing of goodwill

The Group conducts annual impairment testing of goodwill. The recoverable amount for cash-generating units was measured by calculating value in use. Value in use is judged based on forecast future cash flows for each of the cash-generating units. Impairment testing involves assumptions about expected growth, gross margins and discount rates, as specified in Note 14.

Financial instruments (Note 17) are measured according to classification in the fair value hierarchy as follows:

1. Quoted prices (unadjusted) on active markets for identical assets or liabilities
2. Other observable inputs about the asset or liability than quoted prices in level 1, either directly (prices) or indirectly (derived from prices)
3. Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

At the end of 2023, the Group holds no (MSEK -) financial derivatives and no (MSEK -) financial instruments measured at fair value through profit or loss that are included in hierarchy three.

The carrying amount, after any impairments, for trade receivables and trade payables is presumed to correspond to their fair value, since these items are current in their nature. Fair value of financial liabilities is measured, for informational purposes, by discounting future contractual cash flows at current market interest rates that are available to the Company for similar financial instruments.

### Customer relationships, technology and brand names

The Group has made judgements about useful life for customer relationships, technology, and brand names as identified in the acquisition analyses, which affects recognised expenses for depreciation in the income statement and valuation of assets in the statement of financial position. Reporting of these items in the statement of financial position is presented by Note 14.

### Capitalised expenditure

Development expenses are capitalised based on the policies described under 'Intangible Assets' in Note 2. The Group has made assessments based on the calculation of the value in use, which builds on future cash flow forecasts based on the business plan established by management. This affects recognised expenses for depreciation in the income statement and valuation of assets in the statement of financial position. Reporting of this item in the statement of financial position is presented by Note 14.

### Deferred tax assets

Deferred tax assets are capitalised based on the policies described under 'Intangible Assets' in Note 2. The Group has made assessments based on forecast future cash flows for the respective cash generating unit regarding the extent to which it is probable that future taxable income will be available against which tax loss carry-forwards can be utilised. Specification of this item in the statement of financial position is presented by Note 23.

### Period-allocation of revenues

Group revenues are linked to contracts where the underlying fair value of various kinds of revenues do not always agree with the contract formulation, which requires assessments. These cases can arise in connection with procurements where the procurement basis is formulated in such a way that the contract's designations and divisions differ from the fair value of the respective type of revenue. In these cases, the Group also goes through the agreements, pricing and delivery times and delivery acceptances. Thereafter, the fair value of the revenue type is assessed and the agreed price is distributed over the contractual period and recognised in revenue.

### Important estimates and assessments regarding the length of the leases

When the lease's length is determined, management takes into account all available information that provides a financial incentive to use an extension option, or to not use an option to terminate an agreement. Possibilities of extending an agreement are only included in the lease's length if it is reasonably certain that the agreement will be extended (or not concluded).

For leases that concern premises, offices, office machines and vehicles, the following factors are normally the most significant:

## Note 5. Segment information

Operating segments are reported in compliance with the internal reporting structure as provided to the chief operating decision-maker for the entity. The chief operating decision-maker is the function responsible for allocation of resources and assessment of the operating segments' profit or loss. In the Group, this function is identified as the Group Chief Executive Officer.

The Group's segments are divided based on the customer groups they address. The segments are divided into SE Public, DK Public, Private and Other and reflect the Group's internal reporting and follow-up by Group Management; it is also based on these segments that the Chief Operating Decision Maker (CODM) assesses the business. The segments have the same

- If the agreements contain significant fees to terminate the agreements (or not extend them), the Group normally deems that it is reasonably certain that extension will take place (or that termination will not take place).
- If the Group has costs of improvements on external properties and expects that they have a significant residual value, it is usually reasonably certain that the agreements will be extended (or not terminated).
- Otherwise, the Group takes into account other factors, including historical leasing period, and the costs and interruptions to operations that are required to replace the leased asset.

The leasing period is reviewed if an option is used (or not used) or if the Group is forced to use the option (or not use it). The assessment whether it is reasonably certain is reviewed only if a significant event or changes in circumstances arise that affect this assessment and the change is within the lessee's control. During the current financial year, none of the Group's leases have been revalued due to revised useful lives.

### Uncertainties attributable to Ukraine

Formpipe contracts Sigma Software Ukraine, a product development company whose employees were affected by the war with Russia that escalated on 24 February 2022. In line with the Company's ISO-27001 certification, there are established procedures and processes to manage the impact on operations. Given forecasts of a development that leads to resource shortages at Sigma Software or that Ukraine falls under the Russian regime, Formpipe will take measures that ensure continuity in its product development where alternative ways have been investigated. This may entail higher costs in the short term. Development hours in Ukraine are invoiced in USD, which is why earnings may also be negatively affected by a weakened Swedish krona in relation to USD.

operations and business model, that is to develop and sell software and services with Content Service. Content Service is a comprehensive term describing the technologies, products and systems that capture, process, store, archive and deliver information in a systematic, controlled manner.

The segments SE Public and DK Public have their customers in the public sectors of Sweden and Denmark. The Private segment gathers the Group's offers that target customers outside the public sector and are also not tied to a special geographic market. The Other segment includes the Group's older products that are not included in any of the other segments and the Group's overhead costs.

The operating segments are assessed based on net sales and income using the metric known as EBITDA. This metric is defined as operating income before depreciation, transaction related expenses, and other non-recurring items affecting comparison.

The table below presents how the Group's legal entities are divided in the segment reporting.

Company name	Domicile	2023				2022			
		SE Public	DK Public	Private	Other	SE Public	DK Public	Private	Other
Formpipe Software AB	Sweden	x		x	x			x	x
Formpipe Intelligo AB	Sweden			x					x
Formpipe Software A/S	Denmark		x				x		
Formpipe Lasernet A/S	Denmark			x					x
Formpipe Lasetnet GmbH	Germany			x					x
Formpipe Software Benelux BV <sup>*)</sup>	Netherlands			x					x
Formpipe Inc.	The U.S.			x					x
Formpipe Software Ltd	UK			x					x

<sup>\*)</sup> In 2023, the operations in Formpipe Software Benelux BV were taken over by Formpipe Lasetnet A/S and Formpipe Software Ltd. The process of winding up the company is ongoing.

#### Geographic distribution of external revenues

The following is a geographic breakdown of the external revenues from all products and services:

2023	SE Public	DK Public	Private	Other	Group
Sweden	153,598	-	22,870	3,318	179,786
Denmark	6	165,823	32,672	-	198,501
Other Nordic	809	160	3,657	-	4,626
UK	48	-	39,947	18	40,012
Rest of Europe	132	93	52,815	15	53,056
North America	-	-	29,668	-	29,668
Rest of world	-	-	19,508	-	19,508
<b>Total</b>	<b>154,593</b>	<b>166,076</b>	<b>201,137</b>	<b>3,351</b>	<b>525,157</b>

2022	SE Public	DK Public	Private	Other	Group
Sweden	145,737	-	19,626	3,894	169,257
Denmark	-	151,627	28,563	-	180,189
Other Nordic	-	-	3,883	1	3,884
UK	-	-	39,188	18	39,206
Rest of Europe	-	106	52,124	13	52,244
North America	-	-	28,634	-	28,634
Rest of world	-	-	11,682	3	11,685
<b>Total</b>	<b>145,737</b>	<b>151,733</b>	<b>183,699</b>	<b>3,929</b>	<b>485,098</b>

#### Income statement by segment

2023	SE Public	DK Public	Private	Other	Group
SaaS	17,658	14,258	98,074	-	129,989
Maintenance and Support	89,085	83,632	76,729	3,351	252,796
<b>Recurring revenues</b>	<b>106,743</b>	<b>97,890</b>	<b>174,802</b>	<b>3,351</b>	<b>382,786</b>
Licences	6,863	3,906	7,990	-	18,759
Software revenue	113,605	101,796	182,793	3,351	401,545
Delivery services	40,988	64,280	18,344	-	123,612
<b>Total sales</b>	<b>154,593</b>	<b>166,076</b>	<b>201,137</b>	<b>3,351</b>	<b>525,157</b>
Expenses, external	-92,293	-118,824	-174,523	-24,907	-410,547
Intra-Group net	584	-584	-	-	-
<b>Total expenses</b>	<b>-91,709</b>	<b>-119,408</b>	<b>-174,523</b>	<b>-24,907</b>	<b>-410,547</b>
<b>EBITDA</b>	<b>62,885</b>	<b>46,668</b>	<b>26,614</b>	<b>21,557</b>	<b>114,609</b>
Items affecting comparability					-1,465
Depreciation					-64,299
<b>EBIT</b>					<b>48,845</b>
Net financial items					-3,185
Tax					-8,748
<b>Profit/loss for the year</b>					<b>36,913</b>
2022	SE Public	DK Public	Private	Other	Group
SaaS	15,054	8,181	70,524	-	93,760
Maintenance and Support	84,520	64,930	73,117	3,929	226,497
<b>Recurring revenues</b>	<b>99,574</b>	<b>73,112</b>	<b>143,641</b>	<b>3,929</b>	<b>320,256</b>
Licences	4,406	1,559	10,601	-	16,565
Software revenue	103,980	74,670	154,243	3,929	336,822
Delivery services	41,758	77,062	29,456	-	148,277
<b>Total sales</b>	<b>145,737</b>	<b>151,733</b>	<b>183,699</b>	<b>3,929</b>	<b>485,098</b>
Expenses, external	-101,214	-113,377	-170,946	-27,148	-412,685
Intra-Group net	549	-549	-	-	-
<b>Total expenses</b>	<b>-100,665</b>	<b>-113,926</b>	<b>-170,946</b>	<b>-27,148</b>	<b>-412,685</b>
<b>EBITDA</b>	<b>45,073</b>	<b>37,807</b>	<b>12,753</b>	<b>-23,219</b>	<b>72,414</b>
Depreciation					-56,695
<b>EBIT</b>					<b>15,719</b>
Net financial items					-4,433
Tax					-2,526
<b>Profit/loss for the year</b>					<b>8,759</b>

### Information about customers

The Group is domiciled in Sweden. Revenues from external customers in the SE Public segment amount to KSEK 154,593 (145,737), total revenues from external customers in the DK Public segment amount to KSEK 166,076 (151,733), total revenues from external customers in the Private segment amount to KSEK 201,137 (183,699) and total revenues from external customers in the Other segment amount to KSEK 3,351 (3,929).

Revenues of KSEK 56,000 (37,714) refer to a single external customer and are attributable to the DK Public segment.

### Assets

The operating segments are not assessed based on management of assets and liabilities, beyond the presentation made below. Other assets and liabilities are managed by the asset management.

2023	SE Public	DK Public	Private	Other	Group
<b>Capitalised expenditure</b>					
Sweden	74,597	-	4,978	3,765	83,339
Denmark	-	40,171	39,371	-	79,542
UK	-	-	3,831	-	3,831
North America	-	-	9	-	9
<b>Total capitalised expenses</b>	<b>74,597</b>	<b>40,171</b>	<b>48,189</b>	<b>3,765</b>	<b>166,722</b>
<b>Goodwill</b>					
Sweden	89,020	190,138	162,161	-	441,319
<b>Total goodwill</b>	<b>89,020</b>	<b>190,138</b>	<b>162,161</b>	<b>-</b>	<b>441,319</b>
<b>Other intangible assets</b>					
Sweden	2,792	-	-	1,425	4,217
Denmark	-	76	-	-	76
UK	-	-	4,142	-	4,142
North America	-	-	-	-	-
<b>Total other intangible assets</b>	<b>2,792</b>	<b>76</b>	<b>4,142</b>	<b>1,425</b>	<b>8,435</b>
<b>Total intangible assets</b>	<b>166,409</b>	<b>230,384</b>	<b>214,493</b>	<b>5,190</b>	<b>616,476</b>
2022	SE Public	DK Public	Private	Other	Group
<b>Capitalised expenditure</b>					
Sweden	70,777	-	7,825	5,325	83,927
Denmark	-	36,904	34,663	-	71,566
UK	-	-	2,743	-	2,743
North America	-	-	14	-	14
<b>Total capitalised expenses</b>	<b>70,777</b>	<b>36,904</b>	<b>45,245</b>	<b>5,325</b>	<b>158,251</b>
<b>Goodwill</b>					
Sweden	89,020	191,019	161,328	-	441,367
<b>Total goodwill</b>	<b>89,020</b>	<b>191,019</b>	<b>161,328</b>	<b>-</b>	<b>441,367</b>
<b>Other intangible assets</b>					
Sweden	5,499	-	-	-	5,499
Denmark	-	135	-	-	135
UK	-	-	7,061	-	7,061
North America	-	-	-	-	-
<b>Total other intangible assets</b>	<b>5,499</b>	<b>135</b>	<b>7,061</b>	<b>-</b>	<b>12,695</b>
<b>Total intangible assets</b>	<b>165,296</b>	<b>228,057</b>	<b>213,634</b>	<b>5,325</b>	<b>612,313</b>

2023	SE Public	DK Public	Private	Other	Group
<b>Property, plant and equipment</b>					
Sweden	12,022	-	144	150	12,316
Denmark	-	6,844	100	-	6,944
UK	-	-	2,681	-	2,681
Rest of Europe	-	-	192	-	192
North America	-	-	77	-	77
<b>Total tangible assets</b>	<b>12,022</b>	<b>6,844</b>	<b>3,193</b>	<b>150</b>	<b>22,209</b>

2022	SE Public	DK Public	Private	Other	Group
<b>Property, plant and equipment</b>					
Sweden	7,247	-	68	-	7,315
Denmark	-	9,112	186	-	9,298
UK	-	-	2,170	-	2,170
Rest of Europe	-	-	255	-	255
North America	-	-	193	-	193
<b>Total tangible assets</b>	<b>7,247</b>	<b>9,112</b>	<b>2,872</b>	<b>-</b>	<b>19,231</b>

### Note 6 Revenue from contracts with customers

The Group's revenues relate almost solely to revenues from contracts with customers. The majority of the contracts include multiple components and various performance obligations of which revenue recognition takes place through four different revenue classes where the time of recognition can vary between the revenue classes. The agreements can be broken down into the various revenue classes to allocate the revenues to the correct component and performance obligation under the agreement and thereby ensure that revenue recognition takes place at the right time. The Group also has a smaller number of agreements with customers that only contain the component and the performance obligation of consulting revenues. The respective types of revenue are described in more detail in Note 2, pages 80–84. The four different revenue types are presented below and the time at which revenue recognition occurs.

Licences	A point in time
Software as a service (SaaS)	Over time
Maintenance and Support	Over time
Consulting and other services	At one time

The revenue classes where the Group's revenue recognition can be affected by IFRS 15 are when the revenue recognition concerning Licences differs from the agreed invoicing model. In such cases, the Group recognises a revenue and a long-term

and a short-term contract receivable that is dissolved over the contract period as invoicing takes place.

The revenue types of SaaS and Support and Maintenance where the control is transferred to the customer on straight-line basis over the contract period are almost solely invoiced 3–12 months in advance, from which the Group in the balance sheet builds up a current contractual liability in the balance-sheet item prepaid income.

In the cases when the Consulting Revenues differ from the agreed invoicing model, the Group reserves an income in connection with the delivered hour and in the balance sheet builds up a current receivable under the balance sheet item accrued income.

The Group has no non-current receivables or liabilities attributable to the revenue types SaaS, Support and Maintenance and Consulting Revenues.

### Contract assets

The Group's contract assets pertain to the agreements with customers where the invoicing model differs from the revenue recognition for sold Licences where the control has been transferred to the customer with the invoicing taking place over the duration of the contract. The Group recognises the following contract assets:

Type of contract asset	Balance sheet item	Note reference	2023	2022
Contract assets long-term component	Other non-current receivables		1,428	2,430
Contract assets short-term component	Accruals and prepaid income	Note 19	1,003	1,868
			<b>2,430</b>	<b>4,298</b>

### Contract liabilities

The Group's contract liabilities refer to all advance invoicing to customers. The Group invoices all SaaS and Support and Maintenance revenues in advance. These are invoiced almost entirely 3-12 months in advance. Certain advance invoicing also

takes place with regard to consulting hours that are subsequently settled against delivered hours in the course of the year. All advance invoicing is classified as short-term as no significant long-term advance invoicing occurs in the Group.

Type of contract liability	Balance sheet item	Note reference	2023	2022
Contract liability, short-term component	Accrued expenses and deferred income	Note 25	196,223	183,623
			<b>196,223</b>	<b>183,623</b>

The increase in contract liabilities from 2022 to 2023 is mainly due to an increased contract stock, which mainly consists of SaaS, where the control is transferred to the customer on a monthly basis and is therefore recognised as revenue on a straight-line basis over the contract period and invoiced 3–12 months in advance, from which a contract liability arises.

Of the revenues invoiced in advance that constitute the Group's contract liability at the beginning of the financial year, all have essentially been recognised as revenue in 2023.

### Remaining long-term agreements

The average contract period for new customers amounts to 3–5 years where the Group has contracted recurring revenues during the contract period. Agreements that have run through the contract period have an automatic extension period of 1 year. The Group assesses that agreements with a remaining duration

exceeding one year will be recognised as revenue in an amount of KSEK 405,000 (369,000) during the 2023 financial year.

### Recognised assets from expenses for obtaining agreements

The Group has a partner network that sells the Group's products. When a partner wins a new customer where the Group stands as the supplier of the end customer, in some cases a kickback may be payable to the partner on either licences sold, one-year's worth of SaaS or the annual value of Support and Maintenance. The material part of expensed kickbacks pertains to traditional licences, which are expensed at a certain point in time. Kickbacks regarding SaaS and Support and Maintenance are allocated to periods over one year as the kickback essentially is based on one year's value. The Group therefore has no long-term components attributable to expenses for obtaining agreements.

## Note 7. Auditor's remuneration

	Group		Parent Company	
	2023	2022	2023	2022
<b>PricewaterhouseCoopers AB</b>				
Audit assignment	1,418	1,502	496	512
Auditing services other than audit assignment	31	68	-	-
Tax consultancy	174	234	-	-
Other services	179	181	-	-
<b>Total PricewaterhouseCoopers AB</b>	<b>1,802</b>	<b>1,986</b>	<b>496</b>	<b>512</b>

	Group		Parent Company	
	2023	2022	2023	2022
<b>Other auditors</b>				
Audit assignment	224	177	-	-
Tax consultancy	169	87	-	-
Other services	16	34	-	-
<b>Group total</b>	<b>2,211</b>	<b>2,285</b>	<b>496</b>	<b>512</b>

The audit assignment refers to fees charged for the statutory required audit, that is work necessary to prepare the auditor's report, and auditing advice provided in connection thereto.

The audit assignment amounts to KSEK 1,642 (1,615), of which KSEK 636 (642) is for PwC Sweden. Audit activities in addition to the audit assignment amount to KSEK 31 (68), of which KSEK - (50) is for PwC Sweden.

## Note 8. Staff, management and Board of Directors

### Salaries and other employee benefits for all employees identified for the Parent Company and subsidiaries

	2023	2022
<b>Parent Company</b>		
Salaries and other benefits	57,997	59,613
Pension cost	6,006	7,138
Social security contributions	20,284	21,152
<b>Subsidiaries</b>		
Salaries and other benefits	176,539	149,701
Pension cost	10,356	9,031
Social security contributions	8,994	8,991
<b>Group</b>		
Salaries and other benefits	234,537	209,313
Pension cost	16,362	16,169
Social security contributions	29,278	30,143

	Group		Parent Company	
	2023	2022	2023	2022
<b>Number of employees at year-end</b>				
Formpipe Software AB, SE	86	100	86	100
Formpipe Intelligo AB, SE	7	6	-	-
Formpipe Software A/S, DK	80	86	-	-
Formpipe Lasernet A/S, DK	11	12	-	-
Formpipe Lasetnet GmbH, DE	1	1	-	-
Formpipe Inc, USA	10	12	-	-
Formpipe Software Ltd.	68	66	-	-
<b>Total staff</b>	<b>263</b>	<b>283</b>	<b>86</b>	<b>100</b>
<b>Average staff</b>	<b>273</b>	<b>279</b>	<b>93</b>	<b>98</b>

**Salary and employee benefits – Board, senior executives 2023**

		Basic salary/ Director's fee	Variable re- muneration	Pension cost	Other remu- neration	Total
Annikki Schaeferdiek (Chairman)	2023	450				450
Åsa Landén Ericsson	2023	200				200
Peter Gille	2023	200				200
Erik Ivarsson	2023	200				200
Martin Bjäringer	2023	200				200
Johan Stakeberg	2023	200				200
Magnus Svenningsson (CEO from 01/08/2023)	2023	1,081	240	168	2	1,491
Christian Sundin (CEO until 31/07/2023)	2023	1,300	341	389	1,726	3,757
Other senior executives, 5 persons	2023	8,642	1,427	832	299	11,200
<b>Total 2023</b>		<b>12,473</b>	<b>2,008</b>	<b>1,390</b>	<b>2,027</b>	<b>17,898</b>

**Salary and employee benefits – Board, senior executives 2022**

		Basic salary/ Director's fee	Variable re- muneration	Pension cost	Other remu- neration	Total
Annikki Schaeferdiek (Chairman)	2022	450				450
Peter Lindström	2022	200				200
Åsa Landén Ericsson	2022	200				200
Peter Gille	2022	200				200
Johan Stakeberg	2022	200				200
Martin Bjäringer	2022	200				200
Christian Sundin (CEO)	2022	2,229	176	668	117	3,190
Other senior executives, 6 persons	2022	8,972	476	1,178	310	10,936
<b>Total 2022</b>		<b>12,651</b>	<b>652</b>	<b>1,846</b>	<b>427</b>	<b>15,576</b>

**Members, Board of Directors**

	Group		Parent Company	
	2023	2022	2023	2022
Women	2	2	2	2
Men	4	4	4	4

**Boards of Directors for subsidiaries**

Members, Board of Directors	Women	Men	Women	Men
	2023	2023	2022	2022
Formpipe Intelligo AB, SE	-	2	-	3
Formpipe Software A/S, DK	-	3	-	3
Formpipe Lasernet A/S, DK	-	3	-	3
Formpipe Lasetnet GmbH, DE	-	-	-	-
Formpipe Inc, USA	-	1	-	1
Formpipe Software Ltd., UK	-	1	-	1

The Board of Directors in subsidiaries received no remuneration for 2023.

There are no post-retirement obligations for Board members, nor do Board members receive remuneration on leaving their mandate.

**Senior Management, including CEO**

	Group		Parent Company	
	2023	2022	2023	2022
Women	1	1	1	1
Men	4	6	4	6

**Chief Executive Officer**

The CEO retains a performance-based variable remuneration in addition to his basic salary. The size of the performance-based remuneration is related to the degree by which financial targets established by the Group's Board of Directors are met. The performance-based remuneration can constitute 40 per cent of the basic salary. The CEO retains no Board fees.

**Board of Directors' fees**

The Board members' remuneration in the form of Board fees are handled through the Company's regular salary administration. Since the new rules regarding Board fees were introduced, no invoicing of Board fees has occurred from any of the Board members.

**Variable remuneration**

The Company has both a basic salary and performance-based remuneration for all senior executives, and sales commission for employed salespeople. The extent of the earnings-based remuneration of senior executives is related to the extent by which financial objectives established by the Group's Board of Directors are met. The performance-based remuneration shall constitute an addition of no more than 30 to 40 per cent of

CEO and Board of Directors annually set basic salaries for senior managers and determine any changes. All changes to remuneration take effect on 1 January.

the basic salary. All variable remuneration plans have defined maximum allocation and outcome limits.

**Pension cost**

Retirement occurs at age 65 for the CEO. The CEO retirement programme corresponds to 25 per cent of the basic salary.

**Other remunerations**

Other remuneration includes holiday pay, car allowance and other benefits and sales commissions.

**Severance pay**

In the event of termination of the employment of the Chief Executive Officer, a notice period of 12 months applies if the employment is terminated by the Company and 6 months if the employment is terminated by the Chief Executive Officer. If the Chief Executive Officer is released from work duties during the notice period and receives income from other employment or his/her own business activities, such income shall not be deducted from the salary the Chief Executive Officer receives from the Company during the notice period. A mutual notice period of 3 to 6 months applies between the Company and the other senior executives.

**Note 9. Financial income and expenses**

	Group		Parent Company	
	2023	2022	2023	2022
<b>Result from participations in group companies</b>				
Dividends received from subsidiaries	-	-	23,196	-
	-	-	<b>23,196</b>	-
<b>Income from financing activities</b>				
Interest income	712	93	914	420
Other financial income	-	2	-	-
Exchange rate differences	2,967	5,144	2,704	13,865
	<b>3,679</b>	<b>5,239</b>	<b>3,618</b>	<b>14,285</b>

	Group		Parent Company	
	2023	2022	2023	2022
<b>Expenses from financing activities</b>				
Interest expenses, bank borrowings	-2,104	-1,442	-2,104	-1,372
Interest expenses, lease liabilities	-199	-263	-	-
Other interest expenses	-18	-9	-371	-396
Exchange rate differences	-4,089	-7,317	-994	-20,454
Other financial expenses	-454	-641	-202	-346
	<b>-6,864</b>	<b>-9,672</b>	<b>-3,672</b>	<b>-22,568</b>

## Note 10. Income tax

	Group		Parent Company	
	2023	2022	2023	2022
Current tax	3,363	-294	-	-
Deferred tax	5,385	2,820	665	-609
	<b>8,748</b>	<b>2,526</b>	<b>665</b>	<b>-609</b>

Deferred tax refers to capitalisation of tax loss carryforwards of KSEK 863 (-1), utilisation of accumulated tax loss carryforwards from previous years totalling KSEK 1,010 (166), deferred tax expenses attributable to intangible assets of KSEK -3,424 (-2,673), revaluation effects of a changed tax rate of KSEK - (-) and deferred tax assets attributable to IFRS 16 Leases of KSEK -87 (18).

At the end of the period, the Group has accumulated losses of MSEK 18.3 (6.5) where related loss carryforwards are not capitalised in the Group. All other loss carryforwards in the Group are capitalised as deferred tax assets, see also Note 23.

Income tax on consolidated earnings before tax differs from the theoretical amount that would have been obtained when using the weighted average tax rate for the profit/loss recognised in the consolidated entities as follows:

	Group		Parent Company	
	2023	2022	2023	2022
Profit/loss before tax	45,660	11,286	31,048	-7,494
Expected tax rate according to the current Swedish tax rate of 20.6%	9,406	2,325	6,396	-1,544
Effect of other tax rates for foreign subsidiaries	4,458	-69	-	-
Non-taxable income	-5,283	-6	-4,796	-1
Non-deductible expenses	154	572	130	113
Difference between accounting and tax depreciation	488	-518	-	-
Tax attributable to previous years	-1,461	105	-1,528	-
Tax attributable to intangible assets	-	-	-	-
Revaluation effect of changed tax rates	-31	-	-	-
Capitalised loss carryforwards	2,174	173	665	823
Utilisation of loss carryforwards	-1,157	-55	-202	-
Deferred tax expense attributable to intangible assets	-	-	-	-
<b>Tax expense</b>	<b>8,748</b>	<b>2,526</b>	<b>665</b>	<b>-609</b>

The weighted effective tax rate was 19.2 (22.4) per cent.

## Note 11. Exchange-rate differences – net

### Exchange rates (against SEK)

	Average rate January–December		Closing day rate 31 December	
	2023	2022	2023	2022
DKK	1.54	1.43	1.49	1.50
EUR	11.48	10.63	11.10	11.12
GBP	13.20	12.47	12.77	12.55
USD	10.61	10.12	10.04	10.42

Exchange rate differences were recognised in the income statement as follows:

	Group		Parent Company	
	2023	2022	2023	2022
Other revenues and expenses – net	-1,984	-400	-515	-450
Financial items – net	-1,123	-2,173	1,710	-6,589

## Note 12. Earnings per share

### Before dilution

Earnings per share before dilution is calculated by dividing the profit/loss attributable to shareholders of the Parent Company by the weighted average outstanding common shares for the

period excluding repurchased shares held as treasury shares in the Parent Company.

	2023	2022
Profit or loss for the year attributable to shareholders of the Parent	36,913	8,759
Weighted average outstanding common shares (thousands)	54,218	54,112
<b>Earnings per share before dilution (SEK per share)</b>	<b>0.68</b>	<b>0.16</b>

### After dilution

In calculating earnings per share after dilution, the weighted average total outstanding common shares before dilution effects to all potential common shares. The Parent owns one category of potential common shares that have a dilution effect – stock options. In calculating share options, the total shares that could have been purchased at fair value (calculated as the average

market price of shares in the Parent Company for the entire year), for an amount corresponding to the monetary value of the subscription rights that are tied to outstanding share options. The total shares calculated as above is compared to the total shares that could have been issued (assuming all share options are exercised).

	2023	2022
Weighted average outstanding common shares (thousands)	54,218	54,112
Adjustments for:		
– share options 2018 to 2021 (thousands)	-	-
– share options 2019 to 2022 (thousands)	-	27
– share options 2020 to 2023 (thousands)	-	-
– share options 2021 to 2024 (thousands)	-	-
– share options 2022 to 2025 (thousands)	-	-
Weighted average total common shares used in calculating earnings per share after dilution (thousands)	54,218	54,139
<b>Earnings per share after dilution (SEK per share)</b>	<b>0.68</b>	<b>0.16</b>

### Note 13. Dividend per share

The Board of Directors proposes that the Annual General Meeting on 25 April 2024 resolve to approve a dividend of SEK 0.50 (-) per share, which entails a total dividend of SEK 27,108,912.50 (-).

Refer to the Management Report for the appropriation of profits and the Board's reasoned statement as per Chapter 17 Section 3 Paragraphs 2–3 of the Swedish Companies Act.

### Note 14. Intangible assets

Group	Goodwill	Capitalised expenditure	Customer relations	Technology	Brand names	Total
<b>Financial year 2022</b>						
Opening carrying amount	390,647	134,681	6,150	3,098	2,957	537,533
Increase due to business combination	29,141	-	3,444	-	-	32,584
Exchange rate differences	21,579	5,222	156	85	26	27,068
Purchases	-	59,500	-	-	803	60,303
Depreciation	-	-41,152	-1,751	-901	-1,372	-45,175
Impairment losses	-	-	-	-	-	-
<b>Closing carrying amount</b>	<b>441,367</b>	<b>158,251</b>	<b>7,999</b>	<b>2,282</b>	<b>2,414</b>	<b>612,313</b>
<b>As of 31 December 2022</b>						
Cost	441,367	702,495	55,614	7,497	9,117	1,216,090
Accumulated amortisation	-	-529,626	-47,615	-5,214	-6,703	-589,159
Accumulated impairment	-	-14,618	-	-	-	-14,618
<b>Carrying amount</b>	<b>441,367</b>	<b>158,251</b>	<b>7,999</b>	<b>2,282</b>	<b>2,414</b>	<b>612,313</b>
<b>Financial year 2023</b>						
Opening carrying amount	441,367	158,251	7,999	2,282	2,414	612,313
Exchange rate differences	-48	-603	143	66	22	-420
Purchases	-	57,424	-	-	205	57,628
Depreciation	-	-48,350	-2,552	-928	-1,215	-53,046
Impairment losses	-	-	-	-	-	-
<b>Closing carrying amount</b>	<b>441,319</b>	<b>166,722</b>	<b>5,589</b>	<b>1,421</b>	<b>1,425</b>	<b>616,476</b>

	Goodwill	Capitalised expenditure	Customer relations	Technology	Brand names	Total
<b>As of 31 December 2023</b>						
Cost	441,319	757,244	55,726	7,555	9,372	1,271,216
Accumulated amortisation	-	-575,904	-50,137	-6,134	-7,947	-640,122
Accumulated impairment	-	-14,618	-	-	-	-14,618
<b>Carrying amount</b>	<b>441,319</b>	<b>166,722</b>	<b>5,589</b>	<b>1,421</b>	<b>1,425</b>	<b>616,476</b>

Capitalised expenditures represent essentially only product development.

#### Parent Company

	Goodwill	Capitalised expenditure	Customer contracts	Total
<b>Financial year 2022</b>				
Opening carrying amount	-	9301	-	9,301
Procurements/mergers	29,141	1,471	3,444	34,056
Depreciation	-	-2,233	-	-2,233
<b>Closing carrying amount</b>	<b>29,141</b>	<b>8,539</b>	<b>3,444</b>	<b>41,123</b>
<b>As of 31 December 2022</b>				
Cost	89,925	46,990	25,463	162,378
Accumulated amortisation	-60,785	-38,451	-22,019	-121,255
<b>Carrying amount</b>	<b>29,141</b>	<b>8,539</b>	<b>3,444</b>	<b>41,123</b>
<b>Financial year 2023</b>				
Opening carrying amount	29,141	8,539	3,444	41,123
Procurements/mergers	-	751	-	751
Depreciation	-5,904	-3,162	-698	-9,764
<b>Closing carrying amount</b>	<b>23,237</b>	<b>6,128</b>	<b>2,746</b>	<b>32,111</b>
<b>As of 31 December 2023</b>				
Cost	89,925	47,741	25,463	163,129
Accumulated amortisation	-66,688	-41,613	-22,717	-131,018
<b>Carrying amount</b>	<b>23,237</b>	<b>6,128</b>	<b>2,746</b>	<b>32,111</b>

#### Impairment testing of goodwill in the Group

The Group's goodwill at the end of the year amounted to KSEK 441,319 (441,367). Goodwill is not amortised according to plan, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate possible impairment. Goodwill is tracked by the Group financial administration. For impairment testing, assets are allocated to the smallest level

for which identifiable cash flows can be determined (cash-generating units), that is per segment within the Group. Allocation of Group goodwill to these cash-generating units shows KSEK 89,020 (89,020) for SE Public, KSEK 191,138 (191,019) for DK Public and KSEK 162,161 (161,328) for Private.

During the 2023 financial year, no impairment requirements were noted for any of the Group's cash generating units, which pertains to the Group's segments. In connection with the Group's impairment tests during the 2022 financial year, the outcome was the same; no impairment requirements of the Group's cash-generating units were noted.

Impairment testing for all units is based on calculating value in use. This value is based on future cash flow forecasts where the five first years are based on the business plan established by the senior company management.

Critical variables and the method of estimating these values for the five-year explicit forecast period are described below.

### Forecast and long-term growth rate

The explicit forecast period is five years. Cash flows beyond the explicit forecast period have been assigned an annual growth rate of 3 (2) percent for the Private segment and 2 (2) percent for both the SE Public segment and the DK Public segment.

### Explicit growth and margins

The growth rate in income and expenses, i.e. the margin trend, during the first five years is based on a balanced overall assessment of external analyses of relevant markets for our operations and the experience of senior executives and an assessment of the company's market position and the Group's business plan.

## Note 15. Property, plant and equipment

Group	Group			Parent Company	
	Other equipment	Lease assets IFRS 16	Total	Other equipment	Total
<b>Financial year 2022</b>					
Opening carrying amount	4,550	14,959	19,508	1,174	1,174
Increase due to business combination	191	281	472	-	-
Exchange rate differences	478	424	902	-	-
Purchases	4,511	11,239	15,749	1,569	1,569
Acquisition value taken over by merger	-	-	-	270	270
Divestment and disposals	-3,596	-13,914	-17,510	-	-
Depreciation	-2,948	-8,343	-11,291	-922	-922
Assumed depreciation via merger	-	-	-	-79	-79
Reversed accumulated depreciation on disposals	3,571	7,828	11,399	-	-
<b>Closing carrying amount</b>	<b>6,756</b>	<b>12,475</b>	<b>19,231</b>	<b>2,012</b>	<b>2,012</b>
<b>As of 31 December 2022</b>					
Cost	31,065	33,409	64,474	13,567	13,567
Accumulated amortisation	-24,309	-20,934	-45,243	-11,555	-11,555
<b>Carrying amount</b>	<b>6,756</b>	<b>12,475</b>	<b>19,231</b>	<b>2,012</b>	<b>2,012</b>

### Discount factors

Discount factors are calculated as the Group's weighted average cost of capital including risk premium after tax (WACC). The risk premium differs between the segments as they act on different markets and the certainty of the forecasts varies.

WACC, %	2023	2022
<b>Segment:</b>		
SE Public	10.0%	8.5%
DK Public	9.0%	8.5%
Private	11.0%	11.0%

### Sensitivity analysis

For all units and the SE Public, DK Public and Private segments, the recoverable amount exceeds the carrying amounts. Senior Management has tested and assesses that a reasonable and supportable change (+/1 percentage point) in the critical variables above would not have such a large effect that they would individually or together reduce the recoverable amounts to a value lower their carrying amounts.

Group	Group			Parent Company	
	Other equipment	Lease assets IFRS 16	Total	Other equipment	Total
<b>Financial year 2023</b>					
Opening carrying amount	6,756	12,475	19,231	2,012	2,012
Exchange rate differences	21	47	68	-	-
Purchases	2,541	11,914	14,454	327	327
Divestment and disposals	-837	-16,362	-17,199	-	-
Depreciation	-3,292	-8,022	-11,314	-1,056	-1,056
Reversed accumulated depreciation on disposals	823	16,146	16,969	-	-
<b>Closing carrying amount</b>	<b>6,012</b>	<b>16,197</b>	<b>22,209</b>	<b>1,283</b>	<b>1,283</b>
<b>As of 31 December 2023</b>					
Cost	32,733	28,907	61,640	13,894	13,894
Accumulated amortisation	-26,722	-12,709	-39,431	-12,611	-12,611
<b>Carrying amount</b>	<b>6,012</b>	<b>16,197</b>	<b>22,209</b>	<b>1,283</b>	<b>1,283</b>

## Note 16. Financial assets

	Parent Company	
	2023	2022
<b>Shares in subsidiaries</b>		
Opening cost	345,213	345,213
Transaction-related changes	-	37,877
Merger of wholly-owned subsidiaries	-	-37,877
Impairment of shares in subsidiaries	-	-
<b>Closing accumulated cost</b>	<b>345,213</b>	<b>345,213</b>

	Group		Parent Company	
	2023	2022	2023	2022
<b>Other non-current financial assets</b>				
Other financial assets	1,714	1,681	-	-
Other non-current financial assets	-	-	30	30
Other non-current receivables	1,428	2,430	1,428	2,430
<b>Closing value, financial assets</b>	<b>3,142</b>	<b>4,112</b>	<b>1,458</b>	<b>2,460</b>

The Group had no collateral or mortgages issued during the financial years 2023 and 2022.

	Group		Parent Company	
	2023	2022	2023	2022
<b>Pledged assets</b>				
Mortgages	-	-	-	-

The Group had the following subsidiaries at the end of the period. All subsidiaries are consolidated in the Group.

Subsidiaries						
Company	Domicile	Business	Legal form	Co. reg. no.	Ownership	Carrying amount
Formpipe Intelligo AB	Sweden	Development, sale and consultancy services, software	Limited Liability Company	556411-3479	100%	27,477
Formpipe Software A/S	Denmark	Development, sale and consultancy services, software	Limited Liability Company	29177015	100%	161,705
Formpipe Lasernet A/S	Denmark	Development, sale and consultancy services, software	Limited Liability Company	26366216	100%	61,048
Formpipe Lasernet GmbH	Germany	Software sales	Limited Liability Company	141866	100%	-
Formpipe Inc.	The U.S.	Software sales	Limited Liability Company	141194334	100%	-
Formpipe Software Benelux BV	Netherlands	Software sales	Limited Liability Company	853770153	100%	-
Formpipe Software Ltd	UK	Development, sale and consultancy services, software	Limited Liability Company	02438041	100%	94,983

## Note 17. Financial instruments by category

31 December 2023	Measured at amortised cost	Measured at fair value through profit and loss (Hierarchy 3)	Total
<b>Assets in the statement of financial position</b>			
Other financial assets	1,714	-	1,714
Other non-current receivables	1,428	-	1,428
Trade and other receivables	103,436	-	103,436
Accrued income	12,667	-	12,667
Cash and cash equivalents	39,740	-	39,740
<b>Total</b>	<b>158,985</b>	<b>-</b>	<b>158,985</b>
<b>Liabilities in the statement of financial position</b>			
Borrowing from credit institutions	22,500	-	22,500
Trade and other payables	36,672	-	36,672
Accrued employee-related expenses	23,804	-	23,804
<b>Total</b>	<b>82,976</b>	<b>-</b>	<b>82,976</b>

31 December 2022	Measured at amortised cost	Measured at fair value through profit and loss (Hierarchy 3)	Total
<b>Assets in the statement of financial position</b>			
Other financial assets	1,681	-	1,681
Other non-current receivables	2,430	-	2,430
Trade and other receivables	99,429	-	99,429
Accrued income	12,057	-	12,057
Cash and cash equivalents	4,781	-	4,781
<b>Total</b>	<b>120,380</b>	<b>-</b>	<b>120,380</b>
<b>Liabilities in the statement of financial position</b>			
Borrowing from credit institutions	32,500	-	32,500
Trade and other payables	34,703	-	34,703
Accrued employee-related expenses	21,028	-	21,028
<b>Total</b>	<b>88,231</b>	<b>-</b>	<b>88,231</b>

In addition to the financial instruments presented in the tables (above), the Group has financial liabilities in the form of lease liabilities, which are reported and valued according to IFRS 16.

Credit ratings for the loans and trade receivables cannot be assessed based on external credit ratings. Impairments for trade receivables are historically very rare. Liquid assets are entirely cash and cash equivalents.

Liabilities to credit institutions in the previous year referred to the Group's bank loans.

The Group holds no financial instruments in the balance sheet that are classified as held for trade.

## Note 18. Trade and other receivables

	Group		Parent Company	
	2023	2022	2023	2022
Trade receivables	103,394	83,484	25,388	24,066
	<b>103,394</b>	<b>83,484</b>	<b>25,388</b>	<b>24,066</b>

The Group has no non-current trade receivables. Fair value regarding current trade receivables equals the carrying amount.

As of 31 December 2023, trade receivables were KSEK 103,394 (83,484). They were distributed as follows: KSEK 27,266 (27,102), KDKK 36,161 (22,630), KGBP 1,212 (1,339),

KEUR 211 (259) and KUSD 446 (274). The consolidated trade receivables of KSEK 108,840 include an impairment reserve of the consolidated trade receivables for anticipated credit losses of KSEK 702 (836). The age analysis of trade receivables is as follows:

	Group		Parent Company	
	2023	2022	2023	2022
<b>Past due trade receivables on the statement of financial position date:</b>				
Less than 3 months	29,596	12,337	2,561	1,507
More than 3 months	2,023	5,847	35	229
	<b>31,619</b>	<b>18,183</b>	<b>2,596</b>	<b>1,737</b>

As of 31 December 2023, the Group had written down the trade receivables by KSEK 702 (836) for doubtful debts. No general impairment reserve has been made as the Group historically has had very low credit losses for customer losses.

For other classes of trade receivables and other receivables, there are no assets for which there are expected future credit losses.

The maximum exposure for credit risk on the statement of financial position date is the fair value in each class of receivable identified above. The Group has no pledge as collateral.

## Note 19. Accruals and prepaid income

	Group		Parent Company	
	2023	2022	2023	2022
Prepaid expenses for goods sold	6,421	4,617	302	203
Pre-paid insurance	685	669	585	488
Prepaid IT expenses	3,414	2,702	1,701	1,041
Prepaid rent	1,041	1,356	536	1,216
Prepaid sales and marketing expenses	12,823	15,108	139	1,894
Accrued income	11,664	10,993	3,855	1,896
Accrued income (Contract asset)	1,003	1,065	1,003	1,065
Other	640	2,062	88	239
<b>Total</b>	<b>37,692</b>	<b>38,570</b>	<b>8,209</b>	<b>8,042</b>

## Note 20. Cash and cash equivalents

	Group		Parent Company	
	2023	2022	2023	2022
Cash and cash equivalents	39,740	4,781	36,325	4,073
	<b>39,740</b>	<b>4,781</b>	<b>36,325</b>	<b>4,073</b>

Approved overdraft facilities total KSEK 50,000 and at year-end, was unutilised (-).

## Note 21. Share capital

	Total shares (thousands)
<b>As of 31 December 2021</b>	<b>53,726</b>
New issue – acquisitions	239
New share issue - share option redemption	253
<b>As of 31 December 2022</b>	<b>54,218</b>
<b>As of 31 December 2023</b>	<b>54,218</b>

The total number of shares is 54,217,825 (54,217,825) with a quota value of SEK 0.1 (0.1) per share. All shares issued are fully paid up.

## Share-related compensation

On 3 May 2022, company staff were offered the opportunity to acquire warrants for Company shares. A total of 93,800 warrants were issued. Each warrant entitles the holder to subscribe for one new share in the Company during the period from 12 May 2025 to 23 May 2025 at a price of SEK 42.36 per new share. The paid-in option premiums totalling SEK 278,586 were recognised as an increase in Other paid-in capital.

On 4 May 2021, company staff were offered the opportunity to acquire warrants for company shares. A total of 500,000 warrants were issued. Each warrant entitles the holder to subscribe for one new share in the Company during the period from 13 May 2024 to 24 May 2024 at a price of SEK 42.53 per new share. The paid-in option premiums totalling SEK 1,310,000 were recognised as an increase in Other paid-in capital.

On 1 July 2020, company staff were offered the opportunity to acquire warrants for company shares. A total of 500,000 warrants were issued. Each warrant entitles the holder to subscribe for one new share in the Company during the period from 15 May 2023 to 26 May 2023 at a price of SEK 29.95 per new share. The paid-in option premiums totalling SEK 750,000 were recognised as an increase in Other paid-in capital.

The consideration paid by the staff for all outstanding options is based on market prices determined using the Black-Scholes Pricing Model. No benefits or remuneration are paid to the staff, and therefore no staff expenses arise in the income statement in compliance with IFRS 2.

Changes to the total number of outstanding share options and the weighted average exercise price are as follows:

	2023		2022	
	Average exercise price, SEK per share	Share options (total)	Average exercise price, SEK per share	Share options (total)
<b>As of 1 January</b>	<b>36.76</b>	<b>1,093,800</b>	<b>32.76</b>	<b>1,500,000</b>
+ Allocated	-	-	42.36	93,800
- Exercised	-	-	25.79	-252,800
- Bought back	-	-	25.79	-226,200
- Expired	29.95	-500,000	25.79	-21,000
<b>As of 31 December</b>	<b>42.50</b>	<b>593,800</b>	<b>36.76</b>	<b>1,093,800</b>

At the period end, the Company has three (three) outstanding warrant programmes with the following expiry date and exercise prices:

Maturity	Exercise price	Share options	
		2023	2022
26/05/2023	29.95	-	500,000
24/05/2024	42.53	500,000	500,000
23/05/2025	42.36	93,800	93,800
		<b>593,800</b>	<b>1,093,800</b>

## Note 22. Borrowings

	2023	2022
<b>Non-current</b>		
Bank borrowings	12,500	22,500
<b>Total non-current</b>	<b>12,500</b>	<b>22,500</b>
<b>Current</b>		
Bank borrowings	10,000	10,000
<b>Total current</b>	<b>10,000</b>	<b>10,000</b>
<b>Total borrowings</b>	<b>22,500</b>	<b>32,500</b>

The bank loans are taken up in the Parent Company in SEK and carry variable interest until 28 February 2026. The Group has had no pledged assets for raised bank loans. Furthermore, these bank borrowings were subject to regular terms and conditions primarily in regard to EBIT against net debt. The Group fulfilled all loan terms during the financial year and the previous financial year. At year-end, the Group's borrowing amounted to KSEK 22,500 (32,500), of which KSEK - (-) refers to the utilised portion of the Group's overdraft facilities.

	2023	2022
SEK	22,500	32,500
<b>Total</b>	<b>22,500</b>	<b>32,500</b>

Between the Group and the bank, there are a number of agreed covenants that the Group must fulfil. Continuous follow-up of these covenants took place with the bank and no covenants were broken during the financial years 2023 or 2022.

The Group has credit facilities of KSEK 50,000 (75,000). The credit facilities were not utilised at year-end (KSEK -). The credit facilities have variable interest rates.

Carrying amounts agree with the fair values when the discount rate is the same as the borrowing interest rate.

The amount recognised, per currency, for Group borrowings are as follows in SEK:

	Cash and cash equivalents	Borrowing from credit institutions	Interest-bearing current/non-current liabilities	Total
<b>Net cash as of 31 December 2021</b>	<b>18,065</b>	-	<b>13,718</b>	<b>4,347</b>
Cash flow	-17,430	32,500	-13,550	-36,380
Exchange rate differences	4,146	-	426	3,720
Other non-cash items	-	-	11,120	-11,120
<b>Net cash as of 31 December 2022</b>	<b>4,781</b>	<b>32,500</b>	<b>11,713</b>	<b>-39,432</b>
Cash flow	33,528	-10,000	-8,123	43,528
Exchange rate differences	1,431	-	-20	1,452
Other non-cash items	-	-	3,641	-3,641
<b>Net cash as of 31 December 2023</b>	<b>39,740</b>	<b>22,500</b>	<b>15,334</b>	<b>1,906</b>

Below is the Group's reconciliation of liabilities originating from the financing activities in the Group's cash flow statement, which pertains to the column Liabilities to credit institutions, and a reconciliation of the Group's net debt. Liabilities to credit institutions affected the cash flow as per below.

## Note 23. Deferred tax

Deferred tax assets and liabilities are offset when there is a legal right to set-off for the tax assets and liabilities in question and when the deferred taxes are for the same tax agency.

The Group has no offset tax assets or liabilities.

	2023	2022
Deferred tax assets	3,200	4,003
Deferred tax liabilities	40,502	36,060

Gross changes to deferred tax assets are as follows:

	2023	2022
<b>Opening balance</b>	<b>4,003</b>	<b>4,182</b>
Unutilised loss carryforwards	-869	-935
Loss carried forward, not reported previously	66	655
Exchange rate differences	-1	101
<b>Closing balance</b>	<b>3,200</b>	<b>4,003</b>

The deferred tax assets are deemed to be able to be utilised within the next five-year period.

Gross changes to deferred tax assets allocated to asset type:

	Tax loss carryforwards	Other	Total
<b>As of 31 December 2021</b>	<b>3,571</b>	<b>611</b>	<b>4,182</b>
Unutilised loss carryforwards	-935	-	-935
Deferred tax asset attributable to leased assets	-	655	655
Exchange rate differences	101	-	101
<b>As of 31 December 2022</b>	<b>2,737</b>	<b>1,266</b>	<b>4,003</b>
Unutilised loss carryforwards	-869	-	-869
Deferred tax asset attributable to leased assets	-	66	66
Exchange rate differences	-1	-	-1
<b>As of 31 December 2023</b>	<b>1,868</b>	<b>1,332</b>	<b>3,200</b>

Deferred tax assets are recognised as tax loss carryforwards to the extent to which it is probable that they can be utilised against future taxable profit. As of the end of the year, there is a tax loss carryforward in the SE Public segment amounting to KSEK - (-), in the DK Public segment amounting to KSEK - (-) and in the

Private segment, there is a loss carryforward amounting to KSEK 18,270 (6,462) where a related tax loss carryforward is not capitalised in the Group. In 2023, KSEK 869 (935) of the tax loss carryforwards were utilised, and KSEK - (-) was capitalised.

Gross changes to deferred tax liabilities are as follows:

	2023	2022
<b>Opening balance</b>	<b>36,060</b>	<b>31,424</b>
Increase due to business combination	-	709
Recognised in income statement	4,326	3,616
Exchange rate differences	116	310
<b>Closing balance</b>	<b>40,502</b>	<b>36,060</b>

Of the deferred tax liabilities of KSEK 40,502, a total of KSEK 5,043 (4,735) is expected to be used in the next 12-month period. All tax liabilities will be used within the next five-year period.

Gross changes to deferred tax liabilities allocated to asset type:

	Intangible assets	Other	Total
<b>As of 31 December 2021</b>	<b>31,424</b>	-	<b>31,424</b>
Increase due to business combination	709	-	709
Recognised in income statement	3,616	-	3,616
Exchange rate differences	310	-	310
<b>As of 31 December 2022</b>	<b>36,060</b>	-	<b>36,060</b>
Recognised in income statement	4,326	-	4,326
Exchange rate differences	116	-	116
<b>As of 31 December 2023</b>	<b>40,502</b>	-	<b>40,502</b>

Deferred taxes recognised as intangible assets refers to fair value adjustments for acquired assets, as well as capitalised development expenses.

## Note 24. Other liabilities

	Group		Parent Company	
	2023	2022	2023	2022
<b>Current liabilities</b>				
Value-added tax	8,835	9,131	2,903	2,774
Other current liabilities	2,928	2,911	1,256	1,459
<b>Total other liabilities</b>	<b>11,763</b>	<b>12,042</b>	<b>4,159</b>	<b>4,233</b>

## Note 25. Accrued expenses and deferred income

	Group		Parent Company	
	2023	2022	2023	2022
Staff-related accrued expenses	23,804	21,028	10,812	11,129
Deferred income (Contract liability)	196,223	183,623	66,210	63,780
Other accrued expenses	9,725	8,858	6,432	4,206
	<b>229,752</b>	<b>213,508</b>	<b>83,454</b>	<b>79,115</b>

## Note 26. Commitments

Commitments regarding operational leasing where a group company is the tenant.

The Group rents several premises and offices, with notice periods of between 1 and 5 years.

The lease agreements have different terms and conditions, index clauses and right to extension.

The Group also leases various types of office equipment and cars under operational leasing agreements subject to cancellation. The notice period for cancellation for the Group in regard to these agreements is 1 month.

Total future minimum leasing fees for operational leasing agreements not subject to cancellation are as follows:

	2023	2022
Within 1 year	9,085	6,829
Between 1 and 2 years	6,166	1,689
Between 2 and 5 years	5,887	70
More than 5 years	-	-
	<b>21,138</b>	<b>8,587</b>

<b>Commitments for operating leases as at 31 December 2021</b>	<b>13,717</b>
Repayment of leasing liability in 2022	-13,550
Additional leasing in the form of new leases and indexation of current leases	11,120
Exchange rate differences	426
Less: short-term leases expensed on a straight-line basis	
<b>Lease liabilities recognised as at 31 December 2022</b>	<b>11,713</b>

<b>Commitments for operating leases as at 31 December 2022</b>	<b>11,713</b>
Repayment of leasing liability in 2023	-8,123
Additional leasing in the form of new leases and indexation of current leases	11,774
Exchange rate differences	-20
Less: short-term leases expensed on a straight-line basis	
<b>Lease liabilities recognised as at 31 December 2023</b>	<b>15,344</b>

The following amounts related to leases are recognised in the balance sheet:

<b>Lease liabilities</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Non-current lease liabilities	8,053	5,083
Current lease liabilities	7,282	6,631
	<b>15,334</b>	<b>11,713</b>

<b>Closing carrying amounts for ROU assets</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Office premises	15,897	10,684
Vehicles	-	615
Equipment	234	309
	<b>16,131</b>	<b>11,608</b>

Additional ROUs during 2023 amounted to KSEK 11,914 (11,520), divestments amounted to KSEK -16,362 (-13,914) and exchange rate differences amounted to KSEK 47 (424).

The following amounts related to leases are recognised in the income statement:

<b>Depreciation on ROUs</b>	<b>2023</b>	<b>2022</b>
Office premises	-7,453	-7,477
Vehicles	-466	-643
Equipment	-94	-91
	<b>-8,012</b>	<b>-8,211</b>

<b>Interest expenses, lease liabilities</b>	<b>2023</b>	<b>2022</b>
Office premises	-81	-94
Vehicles	-9	-31
Equipment	-6	-6
	<b>-96</b>	<b>-131</b>
	<b>2023</b>	<b>2022</b>
Expenses attributable to short-term leases (included in other expenses)	-	-
Expenses attributable to leases for which the underlying asset is of low value that is not a short-term lease (included in other expenses)	-294	-202
Expenses attributable to variable leasing payments that are not included in lease liabilities (included in other expenses)	-3	-3
	<b>-298</b>	<b>-205</b>

The total cash flow for leases in 2023 amounted to KSEK -8,123 (-13,550).

## Note 27. Disclosures on related parties

Related parties refer to:

- Companies that directly or indirectly (through one or more agents) exert a controlling influence on Formpipe Software AB.
- Natural persons (and family members thereof) who directly or indirectly own a significant proportion of voting shares in Formpipe Software AB such that they exert a significant influence on the Company.
- Key individuals who are responsible for planning and managing activities, such as members of the Board of Directors and senior executives.

Formpipe Software AB has no noted transactions with related parties as defined in IAS 24 Related party disclosure (as above) to report except as specified in Note 8 Staff, management and Board of Directors.

Transactions between subsidiaries in the Group are regulated by the Company Transfer Pricing policy and are conducted at arm's length.

Holdings and ownership in subsidiaries are presented in Note 16.

Remuneration of senior executives is presented in Note 8.

	<b>Parent Company</b>	
	<b>2023</b>	<b>2022</b>
<b>Transactions with Group companies</b>		
Sales to Group companies <sup>*)</sup>	22,606	21,408
Purchases from Group companies	-5,033	-5,578
Interest income from Group companies	297	328
Interest expenses to Group companies	-358	-387
Dividends from Group companies	23,196	-
Group contributions from Group companies	70	5,741
Loans to Group companies	23,095	70,655
Liabilities to Group companies	108,572	152,949

<sup>\*)</sup> The figures for 2022 have been corrected with sales of other services to Group companies.

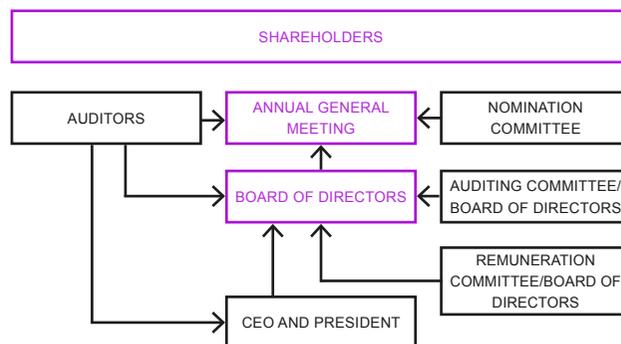
# Corporate Governance Report

## Introduction

Formpipe Software AB (publ) ("Formpipe") is a Swedish Public Limited company domiciled in Stockholm. In 2023, the Group had operations in Sweden, Denmark, the Netherlands, the United Kingdom, Germany and the USA. Governance, management and control of Formpipe are divided between the shareholders at the Annual General Meeting, the Company Board of Directors, and the CEO in accordance with the Swedish Companies Act, the current Articles of Association, Nasdaq Stockholm Issuer Rules and the Swedish Code of Corporate Governance. The Formpipe Corporate Governance Report for 2023 describes the corporate governance, management, administration and internal controls for financial reporting within the company. The Swedish Code of Corporate Governance is based on the 'Comply or explain' principle, which permits companies using the code to choose an alternative to compliance with specific rules as long as the alternative is described and the reasons for choosing it are fully explained.

## Reporting structure within Formpipe Software

Corporate governance is essentially about how the Company is to be managed and operated from the shareholder's perspective. Corporate governance at Formpipe is regulated by external regulations and internal steering documents.



### Examples of external regulations

- Swedish Companies Act
- The Nasdaq Stockholm Rule Book for Issuers
- Applicable accounting legislation
- Swedish Corporate Governance Code
- EU Market Abuse Regulation (MAR)

### Examples of internal regulations

- Articles of Association
- The instructions and work plan for the CEO and the Board
- Internal policies, handbooks and guidelines

## Shareholders

On 31 December 2023, Formpipe had approximately 3,000 shareholders owning a total of 54,217,825 shares. The largest single shareholder as of 31 December 2023 was Aktiebolaget Grenspecialisten,

holding 10.9 per cent of voting rights and equity. The 20 largest shareholders owned a total of 80 per cent of voting rights and equity.

## Annual General Meeting

The Annual General Meeting (AGM) of the Shareholders is the Annual Shareholders Meeting where the Annual Report is presented. The shareholders' right to influence the affairs of Formpipe is exercised at the Annual General Meeting as the Company's highest decision-making body. The Annual General Meeting has several mandatory matters to address, including adopting the Company's statement of financial position and income statement, and determining the disposition of the Company's profit or loss, determining remuneration policies for senior executives and discharging the Board members and CEO from liability. The Annual General Meeting elects members to the Board of Directors as proposed by the nomination committee (see below) for the period to the next ordinary Annual General Meeting.

### Annual General Meeting 2023

The Formpipe Annual General Meeting was held on 27 April 2023 at the Company's premises in Stockholm. The Chairman of the Company's Board, Annikki Schaeferdiek, was elected Chair of the Annual General Meeting. The Company's Board of Directors, senior executives, nomination committee and auditors attended the meeting.

Company shareholders received advance notice at [www.formpipe.se](http://www.formpipe.se) of the time and location for the Annual General Meeting and of their right to have any matter addressed at the meeting within the required

time limit. All shareholders who were registered in the Company share registry and who provided timely notice of their intention to participate were entitled to take part in the meeting and vote for their shares. According to Act (2020:198) regarding Temporary Exceptions to Facilitate the Implementation of Annual General Meetings in Companies and Associations, the Board had decided that the shareholders could exercise their right to vote by postal voting before the Annual General Meeting.

The resolutions passed included:

- Adopting the statement of financial position and income statement, as well as the appropriation of profits for the 2022 financial year.
- The re-election of Board members Annikki Schaeferdiek, Åsa Landén Ericsson, Martin Bjäringer, Peter Gille and Johan Stakeberg, and new election of Erik Ivarsson.
- Annikki Schaeferdiek was elected Chairman of the Board.
- Authorisation to the Board to purchase and transfer treasury shares.
- Authorisation to the Board to buy-back warrants.
- Guidelines on remuneration of senior executives.

The minutes of the Annual General Meeting were published on the Company's website two weeks after the meeting. The information from the Annual General Meeting, including the notice to attend, meeting minutes and information regarding the nomination committee is published at the Formpipe website, [www.formpipe.se](http://www.formpipe.se).

## Annual General Meeting 2024

The Formpipe Annual General Meeting of Shareholders 2024 will take place on 25 April at the Company's premises in Stockholm. Information regarding shareholders providing notice of their intent to participate in the 2024 AGM will be available in advance at [www.formpipe.com](http://www.formpipe.com). This information will include a description of how shareholders may bring any matter before the meeting.

## Nomination committee

The Nomination Committee work is begun by evaluating the sitting Board by the Chairman of the Board sending all Board members a survey covering the following main areas: strategy, reporting and control, composition and expertise and the Board's working methods. The results are then discussed in the Board as a separate agenda item and where comparison is done against previous years. The Chairman of the Board presents the results to the Nomination Committee. The Nomination Committee also has individual meetings with all Board members when necessary. The Nomination Committee applied rule 4.1 in the Swedish Corporate Governance Code and the policy for diversity for the Board in its work. Diversity is an important factor in the nomination work of the Nomination Committee. The Nomination Committee continuously strives for an even gender distribution and diversity in terms of competence, experience and background on the Board, which is also reflected in the current composition. The Nomination Committee's work must be characterised by openness and discussion so as to achieve a well-balanced Board. The nomination committee nominates individuals to the Board for the next mandate period, who are then proposed to the

Annual General Meeting for election. The Nomination Committee also proposes remuneration for the auditors and members of the Board of Directors, and for the election of auditors where necessary. The Annual General Meeting 2023 resolved that the nomination committee for the Annual General Meeting 2024 shall consist of representatives of the four largest shareholders or shareholder groups in terms of votes (this refers to both directly registered shareholders and trustee-registered shareholders) according to Euroclear Sweden AB's print-out of the share register as of the last day of trading in September of the current year and other reliable information that was provided to the Company at this time. These shareholders shall each appoint a representative, who shall form the Nomination Committee for the period until a new nomination committee has been elected. The Chairman of the Board shall be a co-opted member of the Nomination Committee. The names of the Nomination Committee were published at the Company's website no later than six months before the Annual General Meeting. The complete description of nomination committee policies will be contained in the document 'Nomination Committee's proposals and explanatory statement regarding the proposed members of the Board of Directors' prior to the 2024 AGM at [www.formpipe.se](http://www.formpipe.se).

The members of the Nomination Committee for the period prior to the 2024 AGM are:	Shares
Emil Hjalmarsson, representing AB Grenspecialisten	5,880,810
Mathias Nimlin, representing Martin Bjäringer, Carl Rosvall and Erik Syrén	6,201,442
Wilhelm Gruvberg, representing Alcur and Alcur Select	6,464,369
Patrick Jönsson, representing SEB Investment Management	3,519,322
Annikki Schaeferdiek, Chairman of Formpipe Software AB	182,000

## Articles of Association

The Articles of Association stipulate that Formpipe is a Public Limited Company, which shall conduct business, directly or indirectly, in the specified fields and with all activities compatible therewith: consulting operations regarding Internet and Intranet solutions; consulting operations regarding information, management, and data processing; development and design of computer software and related products and services, including sales thereof in combination with suitable hardware; administration and trade in securities and real estate. The share capital for Formpipe shall amount to not less than SEK 2,000,000 and no more than SEK 8,000,000. The number of shares shall be no less than 20,000,000 and no more than 80,000,000. The Board of Directors shall consist of no less than three and no more than six members with no more than three deputies. The complete Articles of Association can be downloaded from [www.formpipe.com](http://www.formpipe.com).

## Board of Directors

### The job of the Board of Directors

The job of the Board of Directors is to manage the Company's affairs on behalf of its shareholders. The work of Formpipe's Board is governed, other than by applicable laws and recommendations, by the Board's work plan which contains the rules for the delegation of duties and decision-making powers between the Board and the CEO for financial reporting, investments and financing. The work plan is approved once a year.

### Responsibilities of the Board

The Board of Directors at Formpipe has overall operational responsibility for the Company's organisation and management, and to ensure that guidelines for managing Company assets and funds are appropriate for their purpose. The Board is responsible to ensure the Company is governed in accordance with the laws and ordinances, as well as the issuer rules of which the Swedish Code of Corporate Governance is part. The Board is also responsible for developing and monitoring the Group's strategies by means of plans and targets, decisions on acquisitions and divestments of companies, major investments, recruitments and remuneration to the Group executive, along with regular monitoring of operations over the year. The Board of Directors annually approves the year-end financial statement, with regard to the business plan, operations-related policies and the work plan for the CEO.

### Work of the Board of Directors for 2023

At the Annual General Meeting on 27 April 2023, the Board members were re-elected; Annikki Schaeferdiek (Chairman), Åsa Landén Ericsson (Board member), Martin Bjäringer (Board member), Peter Gille (Board member) and Johan Stakeberg (Board member); and Erik Ivarsson (Board member) was newly elected. The Board has held 15 meetings recorded in minutes, which considered the Company's financial positions and reporting, the focus of business operations, acquisitions, market assessments, strategic alternatives and organisational issues.

### Chairman of the Board

Annikki Schaeferdiek, the Chairman of the Board, leads the Board's work to ensure it is carried out in accordance with applicable laws and regulations. The Chairman of the Board monitors operations in dialogue with the CEO and is responsible for ensuring that all Board members receive the information necessary to conduct high quality discussions and decision-making. The Chair also participates in the evaluation and developmental issues related to the Group's senior managers.

### The composition of the Board of Directors

Formpipe normally holds eight general meetings of the Board of Directors annually plus an inaugural meeting immediately after the Annual General Meeting. Additional Board meetings are held as necessary. The Board consists of six full members and no deputies. The CEO is not on the Board of Directors, but attends all Board meetings as a presenter except when the CEO's performance is under evaluation. The CEO reports to the Board regarding the operative activities of the Group and ensures that Board members receive factual and relevant information for their decision-making processes. In addition to the CEO, the company's CFO also attends as the secretary. The table below specifies the members of the Board of Directors and their assessment in regard to their independence in relation to the Company and shareholders.

Board member	Participation / total meetings	Audit Committee	Remuneration Committee	Independent of the Company	Independent of major shareholders	Other
<b>Annikki Schaeferdiek</b> Chairman of the Board since 2022 Board member since 2017 Year of birth: 1969 Shareholding: 182,000	15/15	Yes	Yes	Yes	Yes	Annikki holds a Master of Science in Engineering from the Institute of Technology at Linköping University. Annikki has 20 years' international experience from the IT/Telecom industry. Annikki worked among other things in Berglin for a small technology firm, as the CEO of Netwise, and the Business Area Manager of Ericsson's Multimedia unit and since 2010 runs her own company Syster P that makes jewellery and fashion accessories. Other assignments: Member of the Boards of Proact IT AB, Axiell Group AB, Addtech AB.
<b>Åsa Landén Ericsson</b> Board member since 2017 Year of birth: 1965 Shareholding: 18,000	15/15	Yes	Yes	Yes	Yes	Åsa holds an MSc. in Industrial Economics from Chalmers University of Technology and an MBA from INSEAD. Åsa has more than 25 years' experience in senior positions in the IT and telecom sector. She is currently President and CEO of CAG Group AB. Earlier assignments include the CEO of the systems integrators Cygate AB, the CEO of the IT consulting firm Enfo BI & Analytics, President and CEO of ENEA AB, CEO of Scanpix Sweden AB. Other assignments: Board member of ENEA AB, Rejlers AB and Acando AB.
<b>Martin Bjäringer</b> Board member since 2020 Year of birth: 1959 Shareholding: 5,000,000	14/15	Yes	Yes	Yes	No	Martin holds a Master of Science in Business Administration and Economics from Stockholm University. Martin has worked as a private investor since 2000. Prior to that, Martin worked at Alfred Berg Fondkommission from 1982. In the years 1993-2007, Martin was a co-owner and Chairman of the Board of Protect Data. For many years, he has been a major shareholder in Björn Borg AB and a former Board member. In 2012, Martin was involved in the founding of the Swedish venture capital fund Monterro, which specialises in Nordic software companies and started its fourth fund in 2022, which manages more than SEK 7 billion. In total, Monterro funds manage SEK 11.5 billion, making it the largest private equity software fund in the Nordic region.
<b>Peter Gille</b> Board member since 2022 Year of birth: 1962 Shareholding: -	15/15	Yes	Yes	Yes	Yes	Peter holds a degree in Systems Science from Uppsala University in 1988 and an Executive MBA from Paris/Edinburgh in 2003. Peter has 12 years of experience within Oracle, where Peter has held various roles in sales, consulting and management. He also has a total of 15 years of experience as CEO of Nexus Group and Cambio Healthcare Systems. Peter has also held various board roles in different IT-related companies. Since 2021, Peter has worked as an investor, board representative and consultant.
<b>Johan Stakeberg</b> Board member since 2022 Year of birth: 1968 Shareholding: 5,275	15/15	Yes	Yes	Yes	Yes	Johan holds a Master of Science in Business and Economics from the School of Business, Economics and Law at the University of Gothenburg (1994) and a Master of Science in Computer Science and Engineering from Örebro University (1989). Johan has 14 years of experience in Oracle as a key account manager, sales manager and CEO of Oracle Sweden. Johan has also been a sales manager for Oracle Australia. He has 6 years of experience with the SaaS company Synchron as Head of Global Sales and President of Synchron US and 2 years based in Palo Alto CA. Johan has acted as a private investor and consultant in portfolio companies since 2018.
<b>Erik Ivarsson</b> Board member since 2023 Year of birth: 1992 Shareholding: 20,000	9/9	Yes	Yes	No	No	Erik Ivarsson has worked at the investment company AB Grenspecialisten since 2018 as a portfolio manager and analyst. Other assignments: Board member of Generic Sweden AB.

The composition of the Board of Directors for Formpipe meets the requirements of the Nasdaq Stockholm Stock Exchange and the Swedish Code of Corporate Governance in regard to composition and independent Board members.

## The Board's work plan

The Board's work plan was approved on 27 April 2023 at the inaugural meeting of the Board. These procedures are revised at least once annually or when necessary. The procedures include – among other things – the Board's responsibilities and tasks, the tasks of the Chairman of the Board and audit issues, as well as stating which reports and financial information should be received by the Board of Directors prior to each Ordinary General Meeting. The work plan also includes instructions to the CEO.

## Audit and Remuneration Committee

The Board as a whole operates as the audit and remuneration committees. The description of tasks in regard to its work as an audit committee and remuneration committee is prepared and approved as an appendix to the approved work plan. The work plan with appendix was approved at the inaugural Board meeting on 27 April 2023. During 2023, the committees have held separate meetings to address these issues (two meetings of the Audit Committee and one meeting of the Remuneration Committee).

## CEO and Group management

CEO Magnus Svenningsson manages the Group and its operations within the framework approved by the Board of Directors.

**Magnus Svenningsson**  
Chief Executive Officer  
Born: 1967  
Employed since: 2023  
Shareholding: 65,508

Magnus has been CEO of Formpipe since August 2023 and has extensive experience from the IT and Telecom industry, including from Ericsson. His most recent assignment was as CEO of the IT security company PrimeKey, which was sold to Insight Partners' portfolio company Keyfactor. Over the years, Magnus has worked with software companies in an international environment that have grown organically and through acquisitions. Magnus holds a Master of Science in Engineering from LTH Faculty of Engineering at Lund University and is a member of the board of Priveq's portfolio company Verisec.

The latest valid instruction to the CEO was passed by the Board on 27 April 2023. The CEO continuously prepares necessary documentation to inform and provide a basis for decision-making, and he explains and substantiates proposals for Board determination. The Chairman of the Board conducts an annual performance assessment interview with the CEO in compliance with the CEO instruction and applicable requirements specification. The CEO leads the executive management of the Group in their activities and makes final decisions in consultation with the business area managers. An annual business plan is also prepared in consultation with the relevant business area manager. The business plan is followed up with monthly reports from each business area within the Company, where the review concentrates on growth and cost control.

## Auditors

The Annual General Meeting of shareholders appoints one or two auditors with no more than two deputies for the purpose of auditing the Company financial statements and annual accounts, as well

as the work of the administration of the Board of Directors and CEO. Chief Auditor is Erik Bergh from PricewaterhouseCoopers AB.

## Internal control regarding financial reporting for the 2023 financial year

This report has been prepared in compliance with the Swedish Code of Corporate Governance and is thereby delimited to the internal control regarding financial reporting. The Board of Directors is responsible for managing corporate governance at Formpipe and thereby for management of internal controls. The overall purpose for this is to protect the Company's assets and thereby the investment of all shareholders. The Board is also responsible for ensuring that financial reporting is prepared in compliance with applicable law. Quality assurance of Formpipe's financial reporting is conducted by the Board, addressing all critical accounting issues and the financial reports submitted by the Company. This presumes that the Board addresses issues concerning internal control, regulatory compliance, material uncertainties in recognised values, any uncorrected errors, events after the statement of financial position date, changes to estimates and assessments, any determined irregularities and other circumstances that impact the quality of these financial reports.

### Description of the internal control organisation

#### Control environment

An active and fully engaged Board of Directors is the foundation for good internal control. The Board at

Formpipe has established clear working processes and work plans for their administration. An important part of work in the Board is to prepare and approve basic policies, guidelines and frameworks related to both operating control and financial reporting. The Company's governing documents are designated "The Board of Director's Work plan and instruction for delegation of responsibilities between the Board and Chief Executive Officer and instruction for economic reporting to the Board of Directors in Formpipe (including subsidiaries and branches)". The purpose of this policy includes creating the basis for sound internal control. Follow-up and amendment are conducted continuously and communicated to all staff members involved in financial reporting. The Board conducts monthly assessment of operational performance and results using a purpose-designed reporting package that contains income statement and calculated key ratios along with additional material operational and financial information. The Board functions in its entirety as an Audit Committee. The Board has reviewed and assessed the accounting and economic reporting procedures, and monitored and assessed the work, qualifications and independence of the external auditors. During the year, the Board conducted a review and received written reports from the company's external auditors. Other established policies that provide the basis for internal control within Formpipe are the Authorisation Policy, Financing Policy, Information Policy and IT Policy. Formpipe works according to a business area-based organisational structure where each Head of Business Area is a member of Group management and responsible for the results within that business area. In addition to each Head of Business Area, Group management also includes the Group's CEO, CFO and CPO. Formpipe's business areas have common structures, accounting systems and policies, which facilitates the creation of suitable procedures and control systems.

### Risk assessment

Formpipe actively and continuously conducts risk analyses, risk assessments and risk management to ensure that the risks the Company faces are managed appropriately within established rules. These risk assessments consider the Company's administrative procedures regarding invoicing and agreement management. Statement of financial position and income items that carry material risk for errors arising are monitored also continuously. The items carrying such risk for company operations include new sales and intangible assets. The risk assessment is conducted regularly by senior executives and reported monthly to the Board by the CEO.

### Control activities

Policy documents and guidelines define how correct accounting, reporting and provision of information shall take place and how control activities are to be performed. Formpipe follows its Financial Guidelines, which include treatment of control activities such as reconciliation, authorisation flows, account reconciliations, financial systems and comparative metrics. The control structure manages the risks that the Board deems material to internal control of financial reporting. These control structures consist of clear delegation of responsibilities, clear procedures and clear roles. Examples of control activities include reporting decision-making processes and chains of command for significant decisions (such as new major customers, investments, agreements and similar) as well as auditing all financial reports that are presented.

### Information and communication

The Company's steering documents, which are the policies, guidelines and manuals for internal and external communication, are updated regularly and communicated internally through appropriate

channels, such as internal meetings, internal newsletters and the Company intranet. A clear policy is established for communication with external parties that specifies all guidelines for how this information is to be published – the approved company Information Policy. The purpose of this policy is to ensure complete and correct compliance with all disclosure requirements for Formpipe according to applicable Issuer rules.

In addition, the Company is covered by the provisions in the EU Market Abuse Regulation No 596/2014 (MAR) that sets requirements on how the Company handles insider information. MAR regulates how insider information shall be made public to the market, under what conditions publication may be postponed and the manner in which the Company is obliged to keep a list of people working for the Company who have had access to insider information (a so-called log book).

The Company uses the digital tool InsiderLog to ensure that its handling of insider information meets the requirements in MAR and the Company's insider policy; from the decision to postpone publication of insider information all the way to the message to be submitted to the Swedish Financial Supervisory Authority when the insider event is over and information has been published. Only authorised persons in the Company have access to InsiderLog.

### Follow-up and monitoring

Follow-up of internal control is appropriate and conducted regularly by the company. The Board of Directors meets at least once a year with the Company's auditors to review the current standing, without the CEO or other senior executives attending. The Board also ensures that the company's auditors conduct a cursory review of the financial report-

ing from the third quarter. Lastly, the auditors also submit a brief report on how internal control was done during the year. The Board annually assesses whether a separate internal audit function should be implemented at Formpipe. The current position of the Board on this issue is that the existing processes provide satisfactory management of this ongoing process and of internal control, and hence no formal internal auditing function has been implemented.

## Guidelines for remuneration of senior executives 2023

The AGM resolved to approve the proposal of the Board for guidelines on remuneration for the Company's Chief Executive Officer and other senior executives as follows. The AGM resolution principally agrees with previously applied policies for remuneration. The guidelines apply for agreements that are made after the 2023 Annual General Meeting, or where a change in remuneration occurs thereafter. The Board has not appointed a separate remuneration committee; instead, the Board in its entirety deals with issues relating to remuneration and other conditions of employment.

### The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

Formpipe's strategy is to develop high-quality software and cloud services for organisations that place high demands on information management. Formpipe aims to grow both organically within select industries and through strategic acquisitions that reinforce the Company's offering in Enterprise Con-

tent Management/Content Services Platforms and Customer Communications Management.

A successful implementation of the Company's business strategy and the safeguarding of the Company's long-term interests, including its sustainability, presuppose that the Company can recruit and retain qualified employees. This requires that the Company can offer competitive compensation. These guidelines mean that senior executives can be offered competitive overall compensation.

In the Company, a share-related incentive programme has been established directed at the entire staff (including the CEO and other senior executives) that promotes employee shareholdings, which creates incentive to promote the Company's business strategy, long-term interests and sustainability. It has been approved by the General Meeting and therefore is not covered by these guidelines.

### Forms of remuneration

The Company shall offer market-adjusted terms which allow the Company to recruit and retain skilled personnel. Remuneration of senior executives shall consist of basic salary, variable remuneration, pensions, severance terms and other customary benefits. The remuneration is based on the individual's commitment and performance in relation to targets defined in advance, both individual targets and shared targets for the Company as a whole. There is continuous evaluation of individual performance. In addition to this, the General Meeting can pass a resolution regarding for example share- and share price-related remuneration, also independent of these guidelines.

### Fixed salary

The basic salary is usually reviewed once a year and must take into account the quality of the individual's performance. The basic salary for the CEO and other senior executives must be competitive.

### Variable salary

The variable remuneration shall take into account the individual's level of responsibility and degree of influence. The size of the variable remuneration shall be linked to predetermined and measurable criteria based on the outcome of the Company's earnings and growth of recurring revenues in relation to the targets set by the Board, which creates incentive to promote the Company's business strategy, long-term interests and sustainability. Fulfilment of criteria for disbursements of variable cash remuneration shall be able to be measured during a period of one year. The variable salary may total a maximum of 40 per cent of the fixed annual cash salary.

When the measurement period for fulfilment of criteria for payment of variable cash remuneration ends, the degree to which the criteria were fulfilled shall be assessed/determined. The Board of Directors is responsible for the assessment insofar as concerns variable cash remuneration of the CEO. Insofar as concerns variable cash remuneration of other senior executives, the CEO is responsible for the assessment. Insofar as pertains to financial targets, the assessment shall be based on the financial information most recently published by the Company. Variable remuneration is reserved in the annual accounts and paid out the year after the end of the measurement period.

### Pension

The Chief Executive Officer and other senior executives shall have defined contribution pension agreements. Retirement occurs at age 65 for the Chief Executive Officer and the senior executives. Pension provisions are based solely on the budgeted salary unless otherwise is pursuant to compulsory collective agreement terms. Pension benefits may total a maximum of 35 per cent of the fixed annual cash salary.

### Termination and severance terms

In the event of termination of the employment of the Chief Executive Officer, six months' notice of termination and six months' severance pay will apply if the contract is terminated by the Company. Other income which the Chief Executive Officer receives during the period for which severance pay is paid will be subtracted from the severance pay. If the Chief Executive Officer terminates the contract, six months' notice must be given. A mutual notice period of 3 to 6 months applies between the Company and the other senior executives. In the event the Company is the object of a public takeover bid that results in at least 30 per cent of the Company's shares ending up in the possession of one and the same shareholder, the Chief Executive Officer is entitled, upon termination of employment by the Company or the Chief Executive Officer, to special severance pay corresponding to 12 basic monthly salaries at the time notice is given. Such severance pay is not subject to deduction for other income, shall be paid in its entirety upon the cessation of the employment and replaces the severance pay to which the Chief Executive Officer is normally entitled according to his or her employment contract.

In addition to this, remuneration for potential commitments regarding competition restrictions may be payable. Such remuneration shall compensate for any loss of income and shall only be payable insofar as the former executive is not entitled to severance pay. The remuneration shall amount to a maximum of 50 per cent of the fixed income at the time of termination and be payable during the time that the commitment regarding competition restriction applies, which shall be no more than 12 months after the end of employment.

#### **Other customer benefits**

Other benefits may include keep-fit measures, life insurance, medical expenses insurance and a company car. Such benefits may total a maximum of 15 per cent of the fixed annual cash salary.

#### **Salary and terms of employment for employees**

In the preparation of the Board's proposal on these remuneration guidelines, salary and terms of employment for the Company's employees have been taken into account by information on employees' total remuneration, the remuneration's components and the remuneration's increase and rate of increase over time have constituted a part of the Board's decision documentation in the evaluation of the reasonability of the guidelines and the limitations that are pursuant to them.

#### **The decision-making process to adopt, revise and implement the guidelines**

The Board has not appointed a separate remuneration committee; instead, the Board in its entirety deals with issues relating to remuneration and other

conditions of employment. The Board's tasks include submitting proposals on guidelines for remuneration of senior executives. The Board of Directors shall prepare proposals on new guidelines at least once every four years and present the proposal for resolution at the Annual General Meeting. The guidelines shall apply until new guidelines have been adopted by the General Meeting. The Board of Directors shall also follow and evaluate programmes for variable remuneration for company management, the application of guidelines for remuneration of senior executives and regarding remuneration structures and levels in the Company. In the Board's handling of and decision in remuneration-related issues, the CEO or other persons in company management are not present insofar as they are affected by the issues.

#### **Deviation from the guidelines**

The Board may decide to temporarily deviate from the guidelines in part or in whole if in an individual case there are special reasons to do so and a deviation is necessary to safeguard the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, the Remuneration Committee's tasks include preparing the Board's decision in remuneration issues, which includes decisions on deviations from the guidelines.

#### **Information on decided remuneration not yet due for payment**

Reservation has been made in the annual accounts for variable remuneration attributable to 2023, and this will be paid soon after the 2024 AGM.

## **Guidelines for remuneration of senior executives 2024**

The guidelines for the remuneration of senior executives proposed to the 2024 Annual General Meeting cover salary and other remuneration of the Company's CEO and other senior executives. The guidelines also comprise remuneration of Board members insofar as they receive remuneration in addition to Board fees for services concerning a position covered by these guidelines. The guidelines are to be applied to remuneration that is agreed, and changes made in already agreed remuneration, after the guidelines have been adopted by the 2024 Annual General Meeting. The guidelines do not cover remuneration resolved by the General Meeting.

Regarding employment conditions that are subject to rules other than Swedish, proper adaptations may be made to comply with such compulsory rules or fixed local practice, whereby the overall purpose of the guidelines shall be fulfilled to the extent possible.

#### **The guidelines' promotion of the Company's business strategy, long-term interests and sustainability**

The Company's strategy is to develop high-quality software and cloud services for organisations that place high demands on information management. The Company aims to grow both organically within select industries and through strategic acquisitions that reinforce the Company's offering in Enterprise Content Management/Content Services Platforms.

A successful implementation of the Company's business strategy and the safeguarding of the Company's long-term interests, including its sustainability, presuppose that the Company can recruit and retain qualified employees. This requires that the Company can offer competitive compensation. These guidelines mean that senior executives can be offered competitive overall compensation.

In the Company, a share-related incentive programme has been established directed at the entire staff (including the CEO and other senior executives) that promotes employee shareholdings, which creates incentive to promote the Company's business strategy, long-term interests and sustainability. It has been approved by the General Meeting and therefore is not covered by these guidelines.

### Forms of remuneration

The Company shall offer market-adjusted terms which allow the Company to recruit and retain skilled personnel. Remuneration of senior executives may consist of basic salary, variable remuneration, pensions, severance terms and other customary benefits. The remuneration shall be based on the individual's commitment and performance in relation to targets defined in advance, both individual targets and shared targets for the Company as a whole. There is continuous evaluation of individual performance. In addition to this, the General Meeting can pass a resolution regarding for example share- and share price-related remuneration, also independent of these guidelines.

#### Fixed salary

The basic salary is usually reviewed once a year

and must take into account the quality of the individual's performance. The basic salary for the CEO and other senior executives must be competitive.

#### Variable salary

The variable remuneration shall take into account the individual's level of responsibility and degree of influence. The size of the variable remuneration shall be linked to predetermined and measurable criteria based on the outcome of the Company's earnings and growth of recurring revenues in relation to the targets set by the Board, which creates incentive to promote the Company's business strategy, long-term interests and sustainability. Fulfilment of criteria for disbursements of variable cash remuneration shall be able to be measured during a period of one year. The variable salary may total a maximum of 50 per cent of the fixed annual cash salary.

When the measurement period for fulfilment of criteria for payment of variable cash remuneration ends, the degree to which the criteria were fulfilled shall be assessed/determined. The Board of Directors is responsible for the assessment insofar as concerns variable cash remuneration of the CEO. Insofar as concerns variable cash remuneration of other senior executives, the CEO is responsible for the assessment. Insofar as pertains to financial targets, the assessment shall be based on the financial information most recently published by the Company. Variable remuneration is reserved in the annual accounts and paid out the year after the end of the measurement period.

#### Pension

The Chief Executive Officer and other senior executives shall have defined contribution pension agreements. Retirement occurs at age 65 for the Chief

Executive Officer and the senior executives. Pension provisions are based solely on the budgeted salary unless otherwise is pursuant to compulsory collective agreement terms. Pension benefits may total a maximum of 35 per cent of the fixed annual cash salary.

#### Termination and severance terms

In the event of termination of the employment of the Chief Executive Officer, a maximum of 12 months' notice of termination and a maximum of 12 months' severance pay will apply if the contract is terminated by the Company. Other income which the Chief Executive Officer receives during the period for which severance pay is paid may be subtracted from the severance pay. If the Chief Executive Officer terminates the contract, a maximum of six months' notice must be given. A mutual notice period of 3 to 6 months applies between the Company and the other senior executives, unless something to the contrary is prescribed by law.

In addition to this, remuneration for potential commitments regarding competition restrictions may be payable. Such remuneration shall compensate for any loss of income and shall only be payable insofar as the former executive is not entitled to severance pay. The remuneration shall amount to a maximum of 50 per cent of the fixed income at the time of termination and be payable during the time that the commitment regarding competition restriction applies, which shall be no more than 12 months after the end of employment.

#### Other customer benefits

Other benefits may include keep-fit measures, life insurance, medical expenses insurance and a company car. Such benefits may total a maximum of 15 per cent of the fixed annual cash salary.

## Salary and terms of employment for employees

In the preparation of the Board's proposal on these remuneration guidelines, salary and terms of employment for the Company's employees have been taken into account by information on employees' total remuneration, the remuneration's components and the remuneration's increase and rate of increase over time have constituted a part of the Board's decision documentation in the evaluation of the reasonability of the guidelines and the limitations that are pursuant to them.

## The decision-making process to adopt, revise and implement the guidelines

The Board has not appointed a separate remuneration committee; instead, the Board in its entirety deals with issues relating to remuneration and other conditions of employment. The Board's tasks include submitting proposals on guidelines for remuneration of senior executives. The Board of Directors shall prepare proposals on new guidelines at least once every four years and present the proposal for resolution at the Annual General Meeting. The guidelines shall apply until new guidelines have been adopted by the General Meeting. The Board of Directors shall also follow and evaluate programmes for variable remuneration for company management, the application of guidelines for remuneration of senior executives and regarding remuneration structures and levels in the Company. In the Board's handling of and decision in remuneration-related issues, the CEO or other persons in company management are not present insofar as they are affected by the issues.

## Deviation from the guidelines

The Board may decide to temporarily deviate from the guidelines in part or in whole if in an individual case there are special reasons to do so and a deviation is necessary to safeguard the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, no separate remuneration committee has been appointed; instead, the Board deals with issues relating to remuneration and other conditions of employment, which includes decisions on deviation from the guidelines.

## Description of significant changes to the guidelines, etc.

The Board of Directors has not received any comments from the shareholders on the existing guidelines for remuneration of senior executives. In relation to the guidelines for remuneration of senior executives which were adopted at the 2020 Annual General Meeting, the limit for receiving variable cash remuneration has been changed from a maximum of 40 per cent to a maximum of 50 per cent of the fixed annual cash salary, and an adjustment of the maximum notice period and severance pay has been made. In addition, the guidelines contain some adjustments of editorial nature.

## Remuneration

### Remuneration to the Board

The 2023 AGM resolved that the total remuneration to the members of the Board for the current year shall be KSEK 1,450, of which KSEK 450 is for the Chairman of the Board and KSEK 200 for each member (Note 8).

## Remuneration of the CEO

Christian Sundin's (CEO January–July) fixed remuneration in 2023 amounted to KSEK 1,300 and the variable remuneration amounted to KSEK 341 in accordance with set targets. In addition to this, pension in an amount of KSEK 389 and other remuneration amounting to KSEK 1,726 were expensed during the year (Note 8).

Magnus Svenningsson's (CEO August–December) fixed remuneration in 2023 amounted to KSEK 1,081 and the variable remuneration amounted to KSEK 240 in accordance with set targets. In addition to this, pension in an amount of KSEK 168 and other remuneration amounting to KSEK 2 were expensed during the year (Note 8).

## Remuneration to other senior executives

Basic salary for other senior executives for 2023 was KSEK 8,642. Variable remuneration for the same period totalled KSEK 1,427 and pension contributions were KSEK 832. Other remuneration totalled KSEK 299 (Note 8).

## Remuneration to the auditors

Remuneration to the auditors is made on account in accordance with the recommendations of the nomination committee. A total of KSEK 2,211 was paid in fees to the auditors and auditing company for 2023. The total refers to work for auditing, regular advice and other reviews (Note 7).

# Annual report signing

The Board of Directors and Chief Executive Officer hereby certify that these consolidated financial statements were prepared in accordance with the International Financial Reporting Standard, IFRS, as adopted in the EU and provide a fair representation of the Group's financial position and performance. These financial statements were prepared in accordance with generally accepted accounting principles and provide a true and fair view of the Parent's financial position and performance. The Management report for the Group and Parent Company provide a fair representation of operations in the Group and Parent Company, their financial position and performance, and describes the material risks and uncertainties facing the Parent Company and Group companies.

Stockholm, 2 April 2024

Annikki Schaeferdiek  
Chairman of the Board

Johan Stakeberg  
Board member

Martin Bjäringer  
Board member

Åsa Landén Ericsson  
Board member

Erik Ivarsson  
Board member

Peter Gille  
Board member

Magnus Svenningsson  
Chief Executive Officer

Our auditor's report was submitted on 2 April 2024  
PricewaterhouseCoopers AB

Erik Bergh  
Authorised Public Accountant

# Auditor's Report

To the General Meeting of Shareholders of Formpipe Software AB, corporate registration number 556668-6605

## Statement on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Formpipe Software AB (publ) for the year 2023 except for the corporate governance report and sustainability report on pages 98–107 and 63–71, respectively. The Company's annual report and consolidated financial statements are included in this document on pages 52–108.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as at 31 December 2023, and of its financial performance and cash flows for the year in accordance with the Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Annual Accounts Act and, in all material respects, presents a true and fair view of the Group's financial position as at 31 December 2023, and of its their financial performance and cash flows for the year in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do

not cover the corporate governance report and the sustainability report on pages 98–107 and 63–71, respectively. The management report is consistent with the other parts of the annual report and the consolidated financial statements.

We therefore recommend that the General Meeting adopt the consolidated income statement and balance sheet and the income statement and balance sheet of the Parent.

Our opinions in this statement on the annual accounts and consolidated financial statements are consistent with the content of the supplementary report submitted to the parent company's and Group's Board of Directors in accordance with Article 11 of the Audit Regulation (537/2014).

### Basis for the opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibility according to these standards is described in more detail in the section on Auditors' responsibility. We are independent in relation to the Parent and Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethics responsibility according to these requirements. This includes, based on the best of our knowledge and conviction, that no prohibited services as referred to in Article 5.1 of the Audit Regulation (537/2014) have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We are of the opinion that the audit proof we have acquired is sufficient and appropriate as a basis for our statements.

### Our audit approach

#### Audit focus and scope

We structured our audit by determining the materiality level and assessing the risk of material misstatements in the financial statements. We paid particular attention to the areas where the CEO and Board made subjective judgements, such as important accounting estimates made based on assumptions and forecasts of future events, which are uncertain by nature. As in all audits, we also took into account the risk that the Board and the CEO neglect internal control, and among other things have considered if there is evidence of systematic deviations that have given rise to a risk of material misstatements as a result of improprieties.

We adapted our audit to carry out an appropriate review with the aim of being able to express an opinion on the financial statements as a whole, considering the Group's structure, accounting processes and controls and the industry within which the Group is active.

#### Materiality

The scope and focus of the audit was influenced by our assessment of materiality. An audit is structured to achieve a reasonable degree of certainty as to whether or not the financial statements contain any material misstatements. Misstatements can arise as a result of fraud or error. They are viewed as material if they individually or together can reasonably be

expected to affect the financial decisions the users make based on the financial statements.

Based on professional judgement, we determined certain quantitative materiality figures, including for the financial statements as a whole. Using these and qualitative considerations, we determined the audit's focus and scope and our audit measures' nature, timing and scope, and to determine the effect of individual and joint misstatements on the financial statements as a whole.

### Particularly significant areas

Areas of particular significance to the audit are those that in our professional opinion were the most significant to the audit of the annual accounts and consolidated financial statements for the period in question. These areas are addressed within the scope of the audit of, and in our opinion on, the annual accounts and consolidated financial statements as a whole, but we make no separate statements regarding these areas.

### Period-allocation of revenues

Formpipe describes its revenue recognition in Note 2 and risk management is described in the corporate governance report on pages 98–107. In Note 6, a breakdown is made of the revenues from various products and services.

Formpipe's its revenue streams are divided into licence revenue, SaaS revenue (Software as a Service), support and maintenance revenue and delivery revenue.

Fair value of the respective revenue in an agreement (the allocation) does not always agree fully with the underlying agreement. This can be due to the formulation of the procurement documentation or to different designations/division being used in agreements with the customer. In these cases, Formpipe goes through the agreements, pricing, their deliveries and timetables for this. Then, fair value per commitment has been assessed and the agreed price has then been allocated over the contract period and recognised as revenue according to this fixed model. Allocating fair value requires assessments, which in turn leads to an inherent subjectivity where faults can result in material misstatements in the financial statements.

### How our audit took into account particularly significant areas

We focused our review on a number of measures, of which a selection is highlighted below:

- We have done a review of the Company's sales process with the aim of ensuring that relevant procedures and controls are implemented for the allocation of revenue to different commitments.
- We have audited revenues on a sample basis during the year to verify the accounts. We also examined revenue recognition near year-end and credits in the subsequent period from an accrual perspective.
- A review is done that the reporting and disclosures in the annual report are in accordance with IFRS 15 Revenues.

### Measurement of goodwill

Formpipe describes critical estimates and assumptions in Note 4 and impairment testing of goodwill in Note 14.

In Formpipe's statement of financial position, MSEK 441 (441) is recognised in the form of goodwill tied to corporate acquisitions. This amount corresponds to nearly 68 per cent of the total assets. Measurement of goodwill depends on the management's assessments. Management annually prepares an impairment testing of goodwill. This testing shows whether there are any impairment requirements (if book value exceeds fair value) or not. The assumptions and assessments relate in part to the future and pertain, for example, to the development of revenues and operating margin, investment needs and the applied discount rate. If the future development deviates negatively from assessments and assumptions made, an impairment requirement may arise even if this is not deemed to be the case as of the closing date. Formpipe's impairment testing shows that no impairment requirement exists.

We focused our review on a number of measures, of which a selection is highlighted below:

- Gathered and reviewed Formpipe's model for impairment testing to assess the mathematical accuracy of the model and the reasonability of assumptions made.
- Assessing the assumptions regarding growth and cash flow by cash flow generating unit.
- Assess the applied discount rate.

- Implementation of sensitivity analyses where the effects of changes in assumptions and assessments are analysed to identify especially sensitive such assumptions and assessments.
- A review of disclosure requirements according to IAS 36 Impairment of Assets has been provided in the annual report.

The assumptions that form the basis of Formpipe's estimates are deemed to be within acceptable intervals.

### Information other than the annual accounts and consolidated financial statements

This document also contains information other than the annual accounts and consolidated accounts and can be found on pages 1–51 and 117–122. The sustainability report is included on pages 63–71. It is the Board and the CEO who have the responsibility for this other information.

Our opinion regarding the annual report and consolidated financial statements does not comprise this information and we make no statement confirming this other information.

In connection with our audit of the annual report and consolidated financial statements, it is our responsibility to read the information identified above and consider if the information to a material extent is inconsistent with the annual report and consolidated financial statements. In this review, we also take into account the information we collected otherwise during the audit and assess if the information otherwise appears to contain material misstatements.

If we draw the conclusion based on the work done regarding this information that the other information contains a material misstatement, we are obliged to report it. We have nothing to report in this respect.

### Responsibilities of the Board of Directors and the Chief Executive Officer

It is the Board of Directors and the CEO that are responsible for the preparation of the annual report and consolidated financial statements and that they provide a true and fair view according to the Annual Accounts Act and, with regard to the consolidated financial statements, according to IFRS as adopted by the EU and the Annual Accounts Act. The Board and CEO are also responsible for the internal control that they deem to be necessary to prepare annual report and the consolidated financial statements that do not contain any material misstatement, whether due to error or impropriety.

In preparing the annual report and consolidated financial statements, the Board and CEO are responsible for the assessment of the Company's and the Group's ability to continue the operations. They provide information, when appropriate, concerning conditions that may affect the ability to continue operations and to use the going concern assumption. The going concern assumption is not, however, applied if the Board and CEO intend to liquidate the Company, cease operations or have no realistic alternative than to do either.

### Auditor's responsibility

Our objectives are to achieve a reasonable degree of certainty whether or not the annual report and consolidated financial statements as a whole contain any material misstatements, whether due to error or impropriety, and to provide an audit report that contains our opinions. Reasonable certainty is a high degree of certainty, but is no guarantee that an audit done according to ISA and generally accepted auditing standards in Sweden will always discover a material misstatement if such exists. Misstatements can arise due to impropriety or error and are considered to be material if they individually or together can reasonably be expected to affect financial decisions that users make based on the annual report and consolidated financial statements.

A further description of our responsibility for the audit of the annual accounts and consolidated financial statements is available on the website of the Supervisory Board of Public Accountants: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is a part of the audit report.

### Statement on other legal and regulatory requirements

#### Opinions

In addition to our audit of the annual report and consolidated financial statements, we also conducted an audit of the Board's and the CEO's administration for Formpipe Software AB (publ) for 2023 and of the proposed appropriation of the company's profit or loss.

We recommend to the General Meeting of shareholders that the profit be dealt with in accordance with the proposal in the management report and that the members of the Board of Directors and the CEO be discharged from liability for the financial year.

### **Basis for the opinions**

We have conducted the audit in accordance with generally accepted accounting standards in Sweden. Our responsibility according to these standards is described in more detail in the section on Auditors' responsibility. We are independent in relation to the Parent and Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethics responsibility according to these requirements.

We are of the opinion that the audit proof we have acquired is sufficient and appropriate as a basis for our statements.

### **Responsibilities of the Board of Directors and the Chief Executive Officer**

The Board of Directors has the responsibility for the proposal on the appropriation of the Company's profit or loss. In the event of a proposed dividend, this includes an assessment of whether the dividend is justifiable considering the requirements set by the Company's and Group's nature of operations, scope and risks on the size of the Parent Company's and the Group's equity, consolidation requirements, liquidity and position otherwise.

The Board is responsible for the Company's organisation and the management of its affairs. This includes continuously assessing the Company's and Group's financial situation, and ensuring that the Company's organisation is structured so that accounting, asset management and the Company's financial affairs otherwise are controlled in a satisfactory manner. The CEO shall take care of the operating management according to the Board's guidelines and instructions and take the actions necessary for the Company's bookkeeping to be performed in accordance with law and for asset management to be managed in a satisfactory manner.

### **Auditor's responsibility**

Our objective regarding the audit of the management, and thereby our statement regarding discharge from liability, is to collect audit evidence to be able to assess with a reasonable degree of certainty if any Board member or the CEO to any material respect:

- took any action or committed any negligence that may lead to a liability to pay damages to the Company, or
- in any way acted counter to the Swedish Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective regarding the audit of the proposed appropriation of the Company's profit or loss, and thereby our statement regarding this, is to assess with a reasonable degree of certainty if the proposal is consistent with the Swedish Companies Act.

Reasonable certainty is a high degree of certainty, but no guarantee that an audit done in accordance with generally accepted auditing practices in Sweden will always discover actions or negligence that can lead to liability to pay damages to the Company, or that a proposed appropriation of the Company's profit or loss is not consistent with the Swedish Companies Act.

A further description of our responsibility for the audit of the administration is available on the website of the Supervisory Board of Public Accountants: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is a part of the audit report.

### **Auditor's review of the corporate governance report**

It is the Board of Directors who is responsible for the corporate governance report on pages 98–107 and that it has been prepared in accordance with the Annual Accounts Act.

Our review has been conducted in accordance with FAR's statement RevR 16 Auditor's review of the corporate governance report. This means that our review of the corporate governance report has another direction and is substantially more limited in scope than an audit conducted in accordance with the International Standards on Auditing and generally accepted auditing practice in Sweden. We consider that this review provides us adequate grounds for our opinions.

A corporate governance report has been prepared. Disclosures as per Chapter 6 Section 6 Paragraph 2 Items 2–6 of the Annual Accounts Act and Chapter 7 Section 31 Paragraph 2 of the same law is consistent with the annual report and consolidated financial statements and complies with the Annual Accounts Act.

### **Auditor statement on the statutory sustainability report**

It is the Board of Directors who is responsible for the sustainability report on pages 63–71 and that it has been prepared in accordance with the Annual Accounts Act.

Our review has been conducted in accordance with FAR's recommendation RevR 12 Auditor's statement on the statutory sustainability report. This means that our review of the sustainability report has another direction and is substantially more limited in scope than an audit conducted in accordance with the International Standards on Auditing and generally accepted auditing practice in Sweden. We consider that this review provides us adequate grounds for our opinions.

A sustainability report has been prepared.

## **Auditor's review of the ESEF report**

### **Opinions**

In addition to our audit of the annual accounts and consolidated financial statements, we have also conducted a review that the Board of Directors and the Chief Executive Officer have prepared the annual accounts and consolidated financial statements in a format that enables uniform electronic reporting (the ESEF Report) in accordance with Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Formpipe Software AB (publ) for the year 2023.

Our review and our opinion relate only to the statutory requirement.

In our view, the ESEF report has been prepared in a format that essentially enables uniform electronic reporting.

### **Basis for the opinions**

We have conducted the review in accordance with FAR's recommendation RevR 18 Auditor's review of the ESEF report. Our responsibility according to this recommendation is described in more detail in the section on Auditors' responsibility. We are independent in relation to Formpipe Software AB (publ) in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethics responsibility according to these requirements.

We are of the opinion that the evidence we have acquired is sufficient and appropriate as a basis for our opinion.

### **Responsibilities of the Board of Directors and the Chief Executive Officer**

It is the Board of Directors and the Chief Executive Officer who are responsible for the ESEF report being prepared in accordance with Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for there being such internal control that the Board of Directors and the Chief Executive Officer deem necessary to prepare the ESEF report without material misstatements, whether due to impropriety or error.

### **Auditor's responsibility**

Our task is to express our opinion with reasonable certainty as to whether the ESEF report is essentially prepared in a format that meets the requirements of Chapter 16, Section 4 a of the Securities Market Act (2007:528), based on our review.

RevR 18 requires us to plan and perform my (our) audit procedures to obtain reasonable assurance that the ESEF report is prepared in a format that fulfils these requirements.

Reasonable certainty is a high degree of certainty, but is no guarantee that a review done according to RevR 18 and generally accepted auditing standards in Sweden will always discover a material misstatement if such exists. Misstatements can arise due to

impropriety or error and are considered to be material if they individually or together can reasonably be expected to affect financial decisions that users make based on the ESEF report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements and thereby has a comprehensive system for quality control which includes documented guidelines and procedures regarding compliance with professional ethics requirements, standards for professional practice and applicable requirements in laws and other statutes.

The review includes obtaining evidence through various measures that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated financial statements. The auditor selects the procedures to perform, including assessing the risks of material misstatement in the reporting, regardless whether these are due to fraud or error. In making those risk assessments, the auditor considers the aspects of the internal controls relevant to how the Board of Directors and the CEO prepare the underlying documentation, in order to design appropriate audit procedures for the circumstances, though not for the purpose of expressing an opinion regarding the effectiveness of the internal control. The review also includes an evaluation of the suitability and reasonableness of the assumptions of the Board of Directors and the Chief Executive Officer.

The review measures mainly include a technical validation of the ESEF report, i.e., whether the file that contains the ESEF report meets the technical specification specified in the Commission Delegated Regulation (EU) 2019/815 and a reconciliation of the ESEF report with the audited annual accounts and consolidated financial statements.

In addition, the review also includes an assessment of whether the Group's income statement, balance sheet, equity statement and cash flow statement and notes in the ESEF report have been marked with iXBRL in accordance with the ESEF Regulation.

PricewaterhouseCoopers AB, SE-113 97 Stockholm, was elected Formpipe Software AB's auditor by the General Meeting on 27 April 2023 and has been the Company's auditor since 2004.

Stockholm, 2 April 2024

PricewaterhouseCoopers AB

Erik Bergh  
Authorised Public Accountant

# Remuneration Report

## Introduction

This report describes how the guidelines for remuneration of senior executives for Formpipe, adopted by the 2023 AGM, were applied in 2023. The report also includes information on remuneration of the CEO. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's Rules on remuneration of senior executives and incentive programmes.

Further information on remuneration of senior executives is in Note 8 on pages 88–89 in the Annual Report for 2023. Information on the Remuneration Committee's work in 2023 is in the corporate governance report on pages 98–107 in the Annual Report for 2023. Directors' fees are not covered by this report. Such fees are decided annually by the Annual General Meeting and presented in the corporate governance report in the Annual Report for 2023.

## Significant events 2023

Magnus Svenningsson took up the role of new Chief Executive Officer on 1 August 2023. Otherwise, the Company's overall results are summarised in the Comments from the CEO on pages 6–9 in the Annual Report for 2023.

## Guidelines on remuneration of Formpipe's senior executives

Formpipe has a clear strategy for achieving profitable growth and creating shareholder value. A successful implementation of the Company's business strategy and the safeguarding of the Company's long-term interests, including its sustainability, presuppose that the Company can recruit and retain qualified employees. This requires that the Company can offer competitive compensation. These guidelines mean that senior executives can be offered competitive overall compensation. For more information about the Company's growth strategy, please refer to the Company's website.

The remuneration is based on the individual's commitment and performance in relation to targets defined in advance, both individual targets and

shared targets for the Company as a whole. There is continuous evaluation of individual performance. The basic salary is usually reviewed once a year and must take into account the quality of the individual's performance.

Remuneration to senior executives shall consist of basic salary, variable remuneration, a long-term incentive programme, pensions, severance terms and other customary benefits. The guidelines are set out on pages 61–62 and 103–107 in the Annual Report for 2023. In 2023, the Company complied with the applicable remuneration guidelines adopted by the General Meeting. No deviations from the guidelines were made and no deviations have been made from the decision-making process, which according to the guidelines shall be applied to determining the remuneration.

Chief Executive Officer	Year	Fixed salary		Variable remuneration			Pension expense <sup>3)</sup>	Total remuneration (KSEK)	Proportion of fixed and variable remuneration
		Basic salary	Other benefits <sup>1)</sup>	One-year <sup>2)</sup>	Multi-year	Extraordinary items			
Magnus Svenningsson (for the period August–December)	2023	1,081	2	240	-	-	168	1,491	Fixed: 84% Variable: 16%
Christian Sundin (for the period January–July)	2023	1,300	612	341	-	1,115	389	3,757	Fixed: 91% Variable: 9%
Christian Sundin	2022	2,229	117	176	-	-	668	3,190	Fixed: 94% Variable: 6%

<sup>1)</sup> Includes holiday supplement, company car and other benefits

<sup>2)</sup> Variable remuneration paid out during the year after the earning year

<sup>3)</sup> Defined-contribution pension

## Application of performance criteria

The performance criteria for the CEO's variable remuneration have been chosen to realise the Company's strategy and to encourage actions in the long-term interest of the Company. The selection of performance criteria has taken account of the strategic objectives and short- and long-term business priorities for 2023.

Chief Executive Officer	Description of criteria attributable to the remuneration component	Relative weighting of performance criteria	a) Measured performance and b) actual award/remuneration outcome (KSEK)
Christian Sundin (for the period January–June)	The Group's annual growth in net sales in excess of 2 per cent with a cap of 13 per cent	33%	a) 96% b) 164
	The Group's annual growth in ACV in excess of 20 per cent with a cap of 57 per cent	33%	a) 0% b) 0
	The Group's annual growth in operating profit before depreciation (EBIT) in excess of 44% with a cap of 116%	34%	a) 100% b) 177
Magnus Svenningsson (for the period August–December)	The Group's annual growth in net sales in excess of 2 per cent with a cap of 13 per cent	33%	a) 57% b) 87
	The Group's annual growth in ACV in excess of 20 per cent with a cap of 57 per cent	33%	a) 0% b) 0
	The Group's annual growth in operating profit before depreciation (EBIT) in excess of 44% with a cap of 116%	34%	a) 100% b) 153

## Comparative information for changes in remuneration and the Company's results

Year-on-year change	2023	2023 vs 2022		2022 vs 2021	
<b>Year-on-year change in remuneration to the CEO</b>					
Chief Executive Officer <sup>*)</sup>	5,248	2,058	39%	70	2%
<b>The Company's earnings development</b>					
Group operating margin (%)	9.3%		6.1 percentage points		-11.3 percentage points
<b>Year-on-year change in average remuneration for other employees (full-time equivalents)</b>					
Average remuneration excluding senior executives	873	88	10%	0	0%

<sup>\*)</sup> Relates to Magnus Svenningsson during the period August–December and Christian Sundin during the period January–July.

DEFINITIONS

# Definitions and glossary.

# Definitions

Formpipe uses alternative performance measures (APM). Formpipe's APMs are calculated on the financial statements prepared in accordance with the applicable rules for financial reporting, and then adjusted by amounts being added to or deducted from the figures presented in the financial statements. Formpipe's APMs are presented below that are not explained in direct connection with their use.

## Sales

### Recurring revenues

Revenues of an annually recurring nature, such as support and maintenance revenues and SaaS (Software as a Service) revenues.

### Software revenue

Total of all licence revenues, revenues from SaaS and revenues from support and maintenance.

### ARR (Annual Recurring Revenue)

Annual rate of recurring revenues from all contracted agreements/contracts at the end of the period. Contracts that have been won but have not yet started to be recognised as revenue are included. Terminated contracts that are still being recognised as revenue are not included.

### ARR IN

Opening value of ARR for the period. ARR acquired during the period is included in ARR IN.

### ARR IN – FX

Remeasurement of ARR IN at the prevailing exchange rate at the end of period.

### ARR OUT

Closing value of ARR for the period.

### ACV

Annually recurring revenues from contracts won and lost during the period (net).

## Expenses

### Fixed operating expenses

Other expenses and staff expenses

### Operating expenses

Selling costs, other expenses, staff expenses, capitalised work for own account and depreciation/amortisation.

## Growth

### Sales growth

Net sales growth as a percentage from the preceding year.

### Growth in system revenues

System revenue growth as a percentage from the preceding year.

## Profit

### Items affecting comparability

Relate to items that are of a material nature and reported separately when they are considered to be different from the ordinary core business, and impede comparability with earlier periods. For example, acquisition-related items, restructuring-related items or impairments.

### CAGR

Compound Annual Growth Rate. A ratio used to calculate the annual increase in value.

### EBITDA

Earnings before interest, taxes, depreciation and amortisation, acquisition related expenses, and other items affecting comparability.

### EBITDA adjusted

EBITDA excluding capitalised work for own account.

### EBIT

Operating profit/loss.

## Margins

### Operating margin before depreciation and items affecting comparability (EBITDA)

Operating profit before depreciation and items affecting comparability as a percentage of sales.

### Operating margin before capitalisation and depreciation (EBITDA adj. margin)

Operating profit before capitalisation, depreciation and amortisation, acquisition related expenses and other items affecting comparability as a percentage of net sales.

### Operating margin (EBIT)

Operating profit as a percentage of sales.

### Profit margin

Profit for the year as a percentage of sales.

## Return on capital

### Return on operating capital employed

Operating profit as a percentage of average operating capital.

### Return on capital employed

Operating profit plus revenues from financial activities as a percentage of average capital employed.

### Return on equity

Profit for the year as a percentage of average equity.

## Return on total capital

Operating profit plus revenues from financial activities as a percentage of average total capital.

## Capital structure

### Operating capital

Total assets less non-interest bearing liabilities including deferred tax, cash and cash equivalents, short-term investments and other interest-bearing receivables.

### Capital employed

Total capital less non-interest bearing liabilities including deferred tax.

### Interest-bearing net debt

Interest-bearing liabilities less cash and cash equivalents.

### Debt/equity ratio

Equity as a percentage of total assets.

## Cash flow and liquidity

### Free cash flow

Cash flow from ongoing operations less cash flow from investment activities excluding business acquisitions.

## Cash and cash equivalents

Cash and bank balances and short-term investments.

### Net debt/net cash

Interest-bearing liabilities less cash and cash equivalents.

## Share data

### Earnings per share outstanding

Profit for the year divided by the total number of outstanding shares at year-end.

### Earnings per average total shares before dilution

Profit for the year divided by the average number of shares during the year.

### Earnings per average total shares after dilution

Profit for the year adjusted for dilution effects, divided by the average number of shares after dilution during the year.

### Equity per share

Equity at year-end divided by average number of outstanding shares for the year.

# Glossary

## API

Application Programming Interface. An API is a tool that makes it possible to use functions in other programs and synchronise data between programs.

## CCM

Customer Communications Management. With CCM products, content is produced, individualised, formatted and distributed from different systems and data sources to the format that best suits the Company in its communication with customers or other business partners.

## CRM

Customer Relationship Management. Controlling, organising and administering customers and customer relations in a business.

## ECM

Enterprise Content Management. A method that helps to organise digital files and documents in a better way.

## ERP

Enterprise Resource Planning. Enterprise-wide business system.

## ESDH

Electronic case and document management.

## FPIP

The stock short name for Formpipe listed shares.

## GDPR

General Data Protection Regulation, is a European regulation with the aim of strengthening and harmonising the protection of living, natural persons within the European Union in the processing of personal data.

## ISV

Independent Software Vendor. Independent software vendor.

## SaaS

Software as a Service. Software as a Service or SaaS is a way to deliver applications to users over the Internet, where the customer pays a periodic fee that covers the licence right and the maintenance agreement.

## SSRS

SQL Server Reporting Services is a server-based report-generating software system from Microsoft.

... However, we also know that Formpipe is not for everyone.

Working at Formpipe is something special, some might even say it's unique. We attract the best people, who are professional, who take ownership and go all-in. Every time. Every day. As a company we support each other, we are respectful and we have fun. Always as a team. Always as one.

We are purple. We are Formpipe.

The annual report was produced by Formpipe in collaboration with Hurra! ([www.hurra.se](http://www.hurra.se)).

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