

## **Notice of the Annual General Meeting of Formpipe Software AB (publ)**

The shareholders of Formpipe Software AB (publ), Swedish company reg. no. 556668-6605, (the “**Company**”) are hereby invited to attend the Annual General Meeting (AGM) to be held on Friday, 25 April 2014, at 09.00 at the Company’s premises at S:t Eriksgatan 117, Stockholm.

### **Notification of attendance at the AGM**

Shareholders who wish to attend the AGM must:

- both be registered on Thursday, 17 April 2014 in the register of shareholders kept by Euroclear Sweden AB;
- and notify their intended participation to the Company by post to Formpipe Software AB, Årsstämma 2014, Box 23131, 104 35 Stockholm, by fax to 08-555 290 99, by telephone to +46 (0)765-25 77 12 or by e-mail to [stamman@formpipe.com](mailto:stamman@formpipe.com), by 16:00 on Thursday, 17 April 2014 at the latest.

The notification shall include name and Swedish personal or company registration number and preferably also address and telephone number. If a shareholder intends to exercise his or her rights through an authorised representative, power of attorney and other documents of authorisation should be enclosed to the notification. Power of attorney forms are available on the Company’s website at [www.formpipe.se](http://www.formpipe.se) and can be sent without cost to those shareholders who request this and who state their postal address. If a shareholder wishes to exercise the right to bring along a representative (a maximum of two representatives) to the AGM, such participation must be notified to the Company in accordance with the above. Shareholders whose shares are registered in the name of a nominee must temporarily re-register the shares in their own name with Euroclear Sweden AB in order to be entitled to attend the AGM. Such registration, which normally takes a few days, must be carried out by Thursday, 17 April 2014 and should therefore be requested from the nominee in good time before this date.

### **Authorised representatives**

Shareholders who intend to be represented by one or more representatives, must ensure that such representatives to the AGM have with them a signed and dated power of attorney issued by the shareholder. A person who represents a legal entity must present a certificate of registration (or equivalent document of authorisation) stating that the persons who have signed the power of attorney are authorised signatories of the shareholder. The power of attorney and the certificate of registration (or other document of authorisation) must not be issued more than five years prior to the AGM.

### **Number of shares and voting rights**

At the time of issue of this notice, there are a total of 48,934,588 outstanding shares and votes in the Company. The Company does not hold any of its own shares.

### **Proposed Agenda**

The Board of Directors’ proposal for the Agenda for the AGM:

1. Opening of the shareholders’ meeting and election of chairman of the AGM
2. Establishment and approval of the voting list
3. Approval of the agenda
4. Election of one or two persons to verify the minutes
5. Determination as to whether the AGM has been duly convened

6. Report of the managing director in regard to the business operations
7. Presentation of the annual accounts and the consolidated financial statements
8. Presentation of the auditor's report and the auditor's report in respect of the consolidated financial statements
9. Decision on the adoption of the income statement and balance sheet and the consolidated income statement and balance sheet
10. Decision on allocation of the Company's results according to the adopted balance sheet
11. Decision on discharge from liability for the members of the board of directors and the managing director
12. The Nomination Committee's account of its own work, its proposal in regard to the board of directors, the chairman of the board, auditor and fees, and principles for appointment of the Nomination Committee
13. Determination of the number of board members
14. Determination of the remuneration for board members and the auditor(s)
15. Election of board members and the chairman of the board and election of the auditor(s)
16. Determination of principles for appointment of the Nomination Committee
17. The Board's proposed resolution to authorise the board to resolve on issues of shares or convertibles
18. The Board's proposed resolution regarding authorisation for the board to acquire and dispose of the Company's own shares
19. The Board's proposed resolution regarding guidelines for remuneration to senior management and officers of the Company
20. The Board's proposed resolution regarding an incentive programme for 2014/2017 through the issue of share warrants
21. The Board's proposed resolution to authorise the board to re-purchase warrants
22. Closing of the AGM

#### **Election of Chairman (item 1)**

The nominating committee, consisting of Björn Franzon representing Swedbank Robur fonder (chairman of the nominating committee), Erik Hermansson representing Humle Småbolagsfond, Johan Strandberg representing SEB Fonder, and Bo Nordlander in his capacity as chairman of the Company, proposes that the AGM chooses lawyer Johan Hessius at the law firm Lindahl to chair the meeting.

#### **Allocation of retained earnings (item 10)**

The Board of Directors proposes that the result is carried forward and that no dividend is paid for the financial year 2013.

#### **The Nomination Committee's proposal regarding election of directors, chairman, auditor, fees, and principles of appointment of the Nomination Committee (items 13-16)**

The Nomination Committee proposes the following:

Item 13 – That the Board shall consist of five (5) members and no deputy members.

Item 14 – That the remuneration is set to SEK 225,000 for the Chairman and SEK 125,000 each for the other the members of the Board that are elected by the General Meeting. The total remuneration to the Board thus totals SEK 725,000, which means an increase of the total remuneration compared to the preceding year, when the remuneration totaled SEK 600,000. The reason for the increase is that the Board is proposed to be increased with one Board member. Fees for the auditor are proposed to be paid in accordance to invoice.

Item 15 – That the AGM decides to re-elect Bo Nordlander, Kristina Lindgren, Jack Spira and Staffan Torstensson as members of the Board, and to elect of Charlotte Hansson as new member of the Board. That the AGM re-elects Bo Nordlander as the Chairman of the board.

That the AGM re-elects the auditing firm PricewaterhouseCoopers AB as the auditors of the Company until the end of the AGM held in 2015. PricewaterhouseCoopers AB intends to appoint the authorised auditor Niklas Renström as the principal auditor.

Item 16 - Principles for the Nomination Committee

The Nomination Committee proposes that the AGM resolves that the Committee shall consist of four members. The Chairman shall contact the three largest shareholders or shareholder groups (this refers both to shareholders registered as nominee shareholders) in accordance with Euroclear Sweden AB's share register as at the last trading day in June of the current year. These shareholders that each appoint a representative and the Chairman shall be the nominating committee for the period until a new committee is appointed by mandate from the next AGM. The names of the three representatives and the names of the shareholders they represent shall be announced no later than six months before the AGM 2015.

In the event that any of the three largest shareholders or shareholder groups do not wish to appoint such a representative, the fourth largest shareholder or group of owners should be asked to appoint a representative and so on until the committee has four members. The majority of the committee members shall be independent of the company and its management. At least one of the committee members shall be independent in relation to the company's largest shareholder or group of shareholders who collaborate on the company's management. The CEO or other executive management shall not be a member of the committee. Board members can be part of the committee but shall not constitute a majority of its members. If more than one board member is included in the nomination committee, only one of them may be dependent of the company's major shareholders. The Nomination Committee shall appoint a chairman within the group. The Chairman of the Board or other Board member shall not be Chairman of the committee.

If a member leaves the Committee before its work is completed and if the committee considers that there is a need to replace the member, the Nomination Committee shall appoint a new member in accordance with the principles above, but based on Euroclear Sweden AB's share register as soon as possible after the member left his position. Change in the composition of the committee shall be announced immediately.

If there is a significant change in the Company's ownership structure after the Nomination Committee having been appointed under these principles, but not later than two months prior to the next AGM, and a shareholder, that after this significant change has become one of the three largest shareholders or groups of owners based on number of votes held, expresses a wish to be included in the Nomination Committee, the Nomination Committee shall offer the shareholder to be included in the Nomination Committee, either by resolving that this shareholder shall replace the shareholder in the Nomination Committee who has, after the change of ownership, the smallest stake in the Company based on the number of votes, or by resolving that the Nomination Committee should be increased by one member, although in no event to more than seven members.

If necessary, the Company shall be responsible for reasonable costs for the work of the committee and the external consultants that the Committee deems necessary for the committee to fulfill its mission.

**The Board's proposed resolution to authorise the board to resolve on issues of shares or convertibles (item 17)**

The Board proposes that the AGM authorise the Board to, within the limits of the articles of association, until the next AGM, on one or more occasions, resolve to issue new shares and / or convertibles. The Board is proposed to be authorised to take decisions to the extent that the Company's share capital may be increased by an amount equal to not more than 10 percent of the registered share capital at the time of the 2014 AGM. The purpose of the issues shall be to acquire or finance acquisitions of all or parts of companies or businesses, through the issue with or without deviation from the shareholders' preferential rights, or through payment in kind or by set-off of claims or on other terms. The issues shall be made at market terms less the discount that may be required to achieve sufficient subscription interest.

The Board or someone the Board appoints is proposed to be entitled to make minor changes of the resolution above that may be required by the registration thereof with the Companies Registration Office or Euroclear Sweden AB.

Resolution under this item 17 must be supported by shareholders representing at least two thirds of the votes cast and the shares represented at the AGM.

**The Board's proposed resolution authorising the Board to acquire and dispose of own shares (item 18)**

The Board proposes that the AGM authorises the Board, for the period until the next AGM, on one or more occasions, to acquire and / or dispose of the Company's shares on the following principal conditions.

Purchases may be made of so many shares that the Company's holding does not exceed 10 percent of all shares of the Company. Purchases shall be made on the NASDAQ OMX Stockholm at a price within the current registered price interval being the interval between the highest bid and lowest ask price. Payment shall be made in cash.

Transfer of shares may take place on NASDAQ OMX Stockholm at a price within the current registered price range, and beyond NASDAQ OMX Stockholm, with or without deviation from the shareholders and with or without provisions in kind or by set-off rights and other conditions, for be used as full or part payment for acquisition of companies or businesses. Transfer may be made of all or part of the Company's holding of own shares at the time of the Board's decision.

The purpose of the authorisation is to enable the Board to adjust and improve the capital structure of the Company in order to create increased shareholder value and to dispose of shares in connection with financing of any company and business acquisitions by paying all or part of the purchase price with the Company's own shares. In the latter case, the Company may, for example, use the shares held in treasury for acquiring the company through the payment of the purchase price and thereby create a greater community of interest between the seller and the Company in its future operations, but without the result in a dilution for existing shareholders.

Resolution under this item 18 must be supported by shareholders representing at least two thirds of the votes cast and the shares represented at the AGM.

**The Board's proposal regarding guidelines for remuneration to senior executives (item 19)**

The Board proposes that the AGM approve the Board's proposed guidelines for remuneration to the Company's CEO and other senior executives as follows. The Board's proposal is broadly consistent with previously applied principles for compensation. The guidelines apply to contracts concluded after the 2014 AGM, or where the modification to the compensation accordingly. The Board has not appointed any separate remuneration committee, but instead by the full Board manages on remuneration and other employment terms.

The Company shall offer market conditions to enable the Company to recruit and retain skilled personnel. The remuneration shall consist of fixed salary, variable compensation, long-term incentive plan, pension, severance conditions and other customary benefits. Payment is based on the individual's commitment and performance relative to predetermined targets, both individual and joint objectives for the Company. Evaluation of individual performance is continuous. The fixed salary, as a rule is evaluated once a year and must take into account the individual's qualitative performance. The fixed salary for the CEO and other senior officers should be competitive. The variable remuneration shall take into account the individual's level of responsibility and degree of influence. The size of the variable compensation is related to the degree of fulfillment of financial targets set by the Board. The variable represents a maximum of 40 percent in addition to fixed salary. All variable remuneration plans have maximum award and vesting limits. For 2013, the goals were not met and thus no variable compensation for 2013 financial year. The company has introduced share-incentive program for all staff (including the CEO and other senior executives) to promote the Company's long-term interests. The Board shall continually assess whether additional stock option plans or any other form of share or share based incentive program should be proposed to the AGM. The CEO and other senior executives have defined-contribution plans. Retirement age for the CEO and senior executives is at age 65. Retirement benefit is based solely on the budgeted salary. At the CEO's dismissal, at the termination by the Company, six months' notice and six months' severance payment apply. Other income received by the CEO during the period of severance payment is paid is deducted from severance payment. Upon termination from the CEO, six months' notice applies. The Company and the other senior executives have a mutual notice period of 3 to 6 months. In the event the Company becomes the subject of a public offer which means that at least 30 percent of its shares are held by the same shareholder, the CEO has, at its or the Company's dismissal, the right to a special severance payment equal to 12 fixed monthly salaries at the time of notice of termination. No deductions shall be made from such severance payment, and the payment shall be payable in full upon termination of employment and replaces the grant that the CEO normally is entitled to under his contract.

The Board proposes that the Board shall be given the right to deviate from the guidelines proposed above in the case of individual cases where there are special reasons for this.

**Proposal for resolution on an incentive program 2014/2017 through the issuance of warrants (item 20)**

The Board proposes that the AGM resolves to adopt incentive program 2014/2017 through issue of warrants to employees in the Company on the following terms.

The Board considers it to be desirable and in the interest of all shareholders that the Company's employees have a long term interest in the Company's share developing well. A personal and long term ownership engagement is also expected to stimulate an

increased interest for the business and the Company's result as a whole, increase the motivation as well as further strengthening the solidarity within the Company.

The maximum dilution effect of incentive program 2014/2017 can be about 2.0 per cent of the total number of shares and votes in the Company, provided that the warrants are fully subscribed for and exercised.

The issue encompasses not more than 1,000,000 warrants of series 2014/2017, is made with deviation from the shareholders preferential rights, and on the following terms.

**1. Number of warrants to be issued**

The Company shall issue not more than 1,000,000 warrants. Each warrant entails a right to subscribe for one (1) new share in the Company.

**2. Subscription right and allotment**

Right to subscribe for the warrants shall, with deviation from the shareholders preferential rights, without exemption belong to all employees of the Company.

Allotment shall be made in accordance with the following:

- Employees of the Company shall be guaranteed allotment of not less than 4,000 warrants per subscriber.
- After allocation of the guaranteed warrants to the respective subscriber, the remaining warrants are allocated to all subscribers who have subscribed for additional warrants pro rata in proportion to the number of warrants subscribed for. When calculating the pro rata allocation a weighting shall be used, with a maximum of 20,000 warrants per employee, except for employees in the Company's management (15 employees) where the maximum shall be 40,000 warrants per person. It should be noted that the maximum limits only are used in the pro rata calculation and do not constitute an upper limit on the final allotment.
- Final determination of the number of warrants subscribed for shall be made by the Company's Board by the end of the subscription period, and the Board shall resolve on any rounding deemed necessary.

**3. Issue price**

The warrants are issued at a price equal to market value of the warrants, calculated by using the Black & Scholes warrant valuation model as of 24 April 2014, based on a subscription price at the time of exercise of 120 per cent of the average volume weighted price paid for the Company's share on NASDAQ OMX Stockholm during the period from 17 April 2014 up to and including 24 April 2014.

**4. Subscription period**

The warrants shall be subscribed for during the period from 28 April 2014 up to and including 9 May 2014 on a separate subscription list. The Board shall have the right to extend the subscription period.

**5. Exercise period**

The warrants may be exercised by application for subscription for new shares during the period from 8 May 2017 up to and including 19 May 2017.

**6. Strike price**

The subscription price when exercising a warrant shall be 120 per cent of the average volume weighted price paid for the Company's share on NASDAQ OMX Stockholm during the period from 17 April 2014 up to and including 24 April 2014, but in no event less than the share's quotient value.

**7. Allotment and payment**

Resolution on allotment shall be made as soon as possible after the end of the subscription period and be announced to the subscribers on or around 13 May 2014. Payment for the warrants shall be made in cash not later than 16 May 2014. The Board shall have the right to extend the payment period.

**8. Increase of the share capital**

The Company's share capital can increase with not more than SEK 100,000, provided that the warrants are fully exercised (and provided that the quotient value is not changed and that no re-calculations have been made under the complete terms for incentive program 2014/2017).

**9. Reasons for deviation from the shareholders' preferential rights**

The reason for deviating from the shareholders' preferential rights is that the Company wishes to promote the Company's long term interest by offering a well-balanced incentive program to the Company's employees, giving them an opportunity to take part in a positive development of the Company's value.

**10. Authorisation**

The Board or anyone appointed by the Board is proposed to have the right to make any minor changes of the resolution above that may be necessary to register the resolution with the Companies Office or Euroclear Sweden AB.

**11. Articles of Association**

The Company's Articles of Association is available for the subscribers at the Company's address in Stockholm.

Provided that the warrants are fully subscribed for and exercised, the Company's share capital can increase with SEK 100,000 by issue of not more than 1,000,000 shares, each share with a quotient value of SEK 0.10, provided that no increase occurs because of the complete terms for the warrants in case of share issues etc. The new shares represents, if fully exercised, about 2.0 per cent of the total number of shares and votes in the Company. The dilution effects have been calculated as the maximum number of shares and votes that may be issued divided by the total number of shares and votes respectively in the Company before such issue.

Resolution under this item 20 must be supported by shareholders representing at least nine tenths of the votes cast and the shares represented at the AGM.

**The Board's proposed resolution to authorize the board to re-purchase warrants (item 21)**

The Board proposes that the AGM authorise the Board, during the period until the next AGM, on one or more occasions to resolve to repurchase, at the current market price (which shall be based on the volume weighted average price of the Company share for a period of close the period for repurchase), up to 50 percent of the total of 200,000 warrants issued as decided by the AGM 2012 (maximum number of warrants that can be repurchased is thus 100,000). The warrants that are subject to the decision entitles its holder to subscribe for new shares in the Company for SEK 9.66 per share from 16 February 2015 up to and including 27 February 2015.

A repurchase of the warrants as above shall be conditional upon each individual warrant holders who wish to have warrants repurchased using an equivalent amount of the invested warrants to subscribe for new shares. Oversubscription is thus not possible.

*Example:* If the warrant holder wishes to have 50 percent of warrants held repurchased, he must use the remaining 50 percent of his warrants to subscribe for new shares. If the warrant holder wishes to have 25 percent of its warrants repurchased, he must use at least 25 percent of the total number of held warrants to subscribe for new shares.

The Board shall be authorised to decide on the terms for implementation and the administrative measures that may be required to implement this resolution.

The purpose of the repurchase is to limit the dilution of the Company's shares while the warrant holders are offered an opportunity to appreciate the value of the warrant. Repurchased warrants are to be held in the Company's custody and expire without being left on.

**Other**

Shareholders may request that the Board and the CEO provides information about conditions that may affect the assessment of an item on the agenda for the AGM and conditions that may affect the assessment of the Company's or its subsidiaries' financial situation and the Company's relationship with other group companies. The Board and the CEO shall provide such information at the AGM if it can be done without material injury to the Company.

Accounting documents and audit report, auditor's opinion on the application of guidelines for remuneration to senior executives and the Board's complete proposals for resolutions under items 17-21 above and other documents in accordance with the Companies Act will be made available on the Company's office, address as above, and on the Company website [www.formpipe.se](http://www.formpipe.se) at the latest from Friday, 4 April 2014. Copies of those documents are also sent free of charge and to those shareholders who so request and provide their postal addresses. The documents will also be available and presented at the general meeting.

**Formpipe Software AB (publ)**  
Stockholm in March 2014  
The Board