



# Annual Report **2022.**



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 are published on [www.formpipe.se](http://www.formpipe.se)

Information may also be ordered from:

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

#### **CONTACT PERSON FOR INVESTOR RELATIONS**

CFO Joakim Alfredson  
[joakim.alfredson@formpipe.com](mailto:joakim.alfredson@formpipe.com)

#### **DISTRIBUTION POLICY**

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

#### **FINANCIAL CALENDAR**

Interim report January–March	26 April 2023
Annual General Meeting 2023	27 April 2023
Interim report January–June	14 July 2023
Interim report January–September	25 October 2023

# Contents

## Annual Report 2022

**This is Formpipe** 4

**The year in brief** 5

**Comments from the CEO** 6

**Business concept, strategies and operations** 10

**Content Services** 16

**Private sector** 20

Customer case – JMP 24

Partnercase – DXC 26

Employee case study – Nicole Ojeda 28

**Public sector** 30

Denmark 34

Customer case – the Danish Agricultural Agency (Landbrugsstyrelsen) 36

Employee case – René Ginger-Mortensen 38

Sweden 40

Customer case – City of Malmö 42

Employee case – Charlotta Funkeson 44

Customer case – Sundsvall Municipality 46

**Our share** 48

**Board of Directors and Group Management** 51

**Key ratios** 54

**Management Report** 56

**Sustainability Report** 69

## Financial Statements

Consolidated income statement 76

Consolidated statement of financial position 77

Consolidated statement of changes in equity 78

Income statement – Parent 79

Statement of financial position – Parent 80

Statement of changes in equity – Parent 81

Cash flow statement 82

Notes 83

**Corporate governance report** 101

**Annual report signing** 110

**Auditor's report** 111

**Remuneration report** 117

Definitions 119

Glossary 122

# 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 Singapore. Today, the Group has 283 employees and sales of MSEK 485. 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. Their software solutions complement ERP and banking systems from both Microsoft, Temenos and many more. Läsnet is the market leader in its segment in generating, distributing and archiving business documents from Microsoft Dynamics 365 and 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.

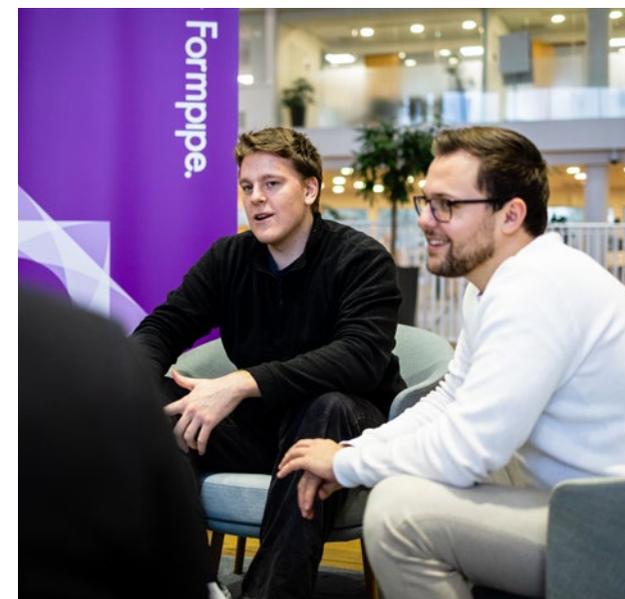
The acquisition of EFS Technology in 2020 was an accelerator in Formpipe's growth initiative in banking and finance, something that has borne fruit since then. Formpipe was rewarded with the Solution Provider of the Year 2021 by Temenos, a prize that distinguishes the partner that had the greatest impact 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

In the public sector, business is being driven towards the long-term goal of becoming the preferred comprehensive supplier of digital administration in the EU.

Based on Formpipe's document and case management platforms, the Company is seeking an extended commitment among existing customers with applications and services. In customer projects, many add-ons to the platforms are co-created. Something that then creates benefit for the Company's 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 new markets and developing new offerings.

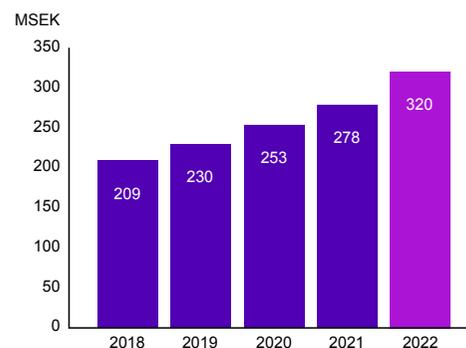
The transition to Software as a Service (SaaS) is proceeding successfully and the market for Content Services is continuing to grow. The future looks bright for the Company's competitive information services.

# The year in brief

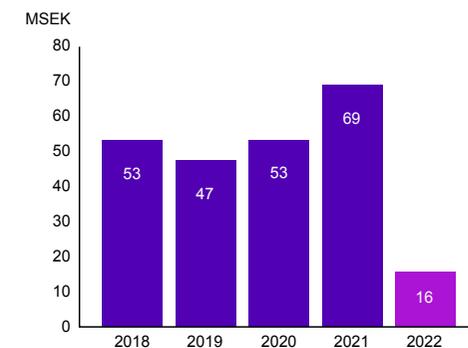
## Key ratios 2022

	2022	2021
Net sales, MSEK	485.1	473.2
Software revenue, MSEK	336.8	347.7
Recurring revenues, MSEK	320.3	278.4
EBITDA, MSEK	72.4	135.1
Operating profit (EBIT), MSEK	15.7	68.5
Profit/loss for the year, MSEK	8.8	50.4
Earnings per share, SEK	0.16	0.94
Dividend per share, SEK	0.00	0.70
ARR	369	304
ACV	49	37

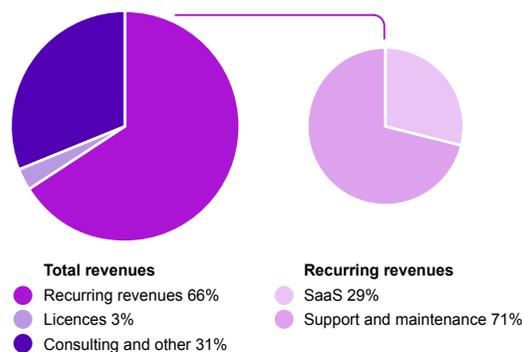
## Recurring revenues



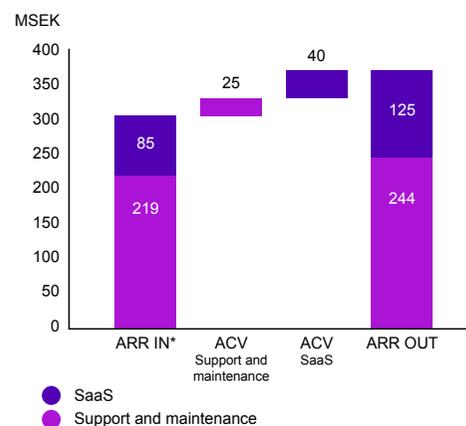
## EBIT



## Distribution of revenue types

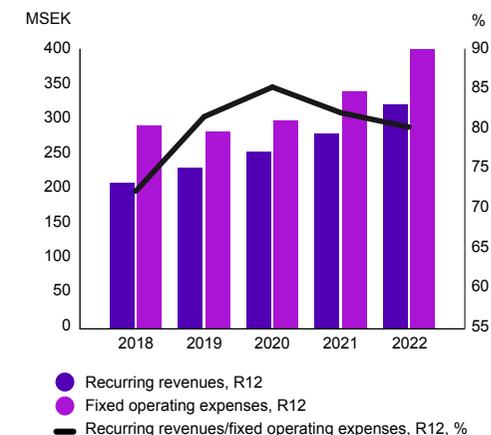


## ARR



\* ARR IN is translated at the closing day rate for the period in question.

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



COMMENTS FROM THE CEO

**On the right track in all business areas.**

## On track in all business areas

2022 was an eventful year, where a turbulent environment affected both people and the market. We are proud that in these challenging times we have succeeded in executing our growth strategy and business model transformation. We are following our plan for accelerated growth and financial targets, and we are on track in all business areas.

I would like to begin by thanking our customers who give us their trust, from Danish municipalities and Swedish authorities to banks and other companies globally. Through good collaborations, innovation and invaluable relationships, you continuously contribute to making our offer even stronger. Thanks also to our partners around the world.

Two years ago, we initiated a plan to accelerate the growth rate. It mainly consisted of recruiting more staff to provide increased support to our partners and reorganising our business model to become a full-service provider to the public sector. The cost increase from these capacity expansion investments has put downward pressure on our margins as of 2022. We have now passed the lowest point and the

revenue increases will now exceed the cost increases. We will thus gradually improve our operating margin and, in line with our financial targets, reach 20 per cent in 2025.

The fact that our recurring revenue will continue to grow strongly in the future can be seen most clearly in our ARR. At the end of 2022, we have an ARR of MSEK 369, an increase of 22 per cent for the year. Since the beginning of 2021, the increase in ARR amounts to MSEK 109, clearly demonstrating that our investment in increased resources is having the intended effect.

Our delivery revenues will also continue to grow, thanks to the transformation of our business model, which we already see in 2022. For the fourth quarter, we doubled delivery revenue compared to the previous year within the business area for the Swedish public sector.

### Strong growth in the Private business area

A major contributor to our strong growth in ARR is our sale of Lasernet as SaaS. We achieved an ACV of MSEK 28, which gives an ARR of MSEK 82 at the end of the year. Since we initiated our growth plan with a clear focus on Lasetnet as SaaS two years ago, we have achieved an average annual growth of 65 per cent.

We continue to see strong demand in the ERP customer segment. At present, we are mainly focusing on growing through our strong partnership with Microsoft for the Dynamics business system. Going forward, we see that Lasetnet will win more business to a wider customer base within ERP. We already have several customers with other systems, such as Oracle and SAP.

**“Good collaborations, innovation and invaluable relationships continuously contribute to making our offer even stronger.”**

— Christian Sundin, CEO Formpipe

**“We have now passed the lowest point and the revenue increases will now exceed the cost increases. We will thus gradually improve our operating margin and, in line with our financial targets, reach 20 per cent in 2025.”**

— **Christian Sundin, CEO Formpipe**

In the Banking customer segment, in addition to our strong partnership with Temenos, we have also won our first deals through Thought Machine and Mambu, two fast-growing banking systems. This broadens our available customer base in the banking segment.

## Strategically important deals and acquisitions

In our public sector business areas, we have won several strategically important deals in 2022. Some of these are worth mentioning in a little more detail. In Denmark, we won renewed and extended confidence from our customer, the Danish Agricultural Agency (Landbrugsstyrelsen), where we signed a 4+3 year contract with an estimated business value of MDKK 80-100 over the contract period.

In Sweden, a customer agreement was signed that extends over 10 years with an estimated business value exceeding MSEK 50. The customer is a government agency with extraordinary security requirements. Winning this contract is proof of our

high level of expertise in secure document and case management and e-archiving.

We also signed an agreement with the City of Malmö to manage and further develop their installation of Platina. The collaboration with the city of Malmö began back in 2011, and it is therefore particularly gratifying that the new agreement gives us at least another 10 years of even closer and expanded collaboration.

At the beginning of the year, we acquired our former service partner Alkemit AB, which gave us valuable structural capital, established processes and 19 new skilled employees with experience of our product deliveries. The integration of Alkemit was successfully completed during the year and we can already see a clear effect of this in increased delivery revenues. Through the acquisition of Alkemit, we have significantly progressed our long-term strategy to become a total supplier for the public sector in Sweden.

## Ukraine

The tragic war in Ukraine continues to touch us deeply. Parts of our product development are carried out by our subcontractor Sigma Software in Ukraine, where our development teams have been able to continue working from safe locations. In line with our ISO-27001 certification, we have established procedures and processes to manage the impact on our 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 documentation.

## Towards new challenges

With this message, I have more reason than usual to give thanks for the year that has been. I will leave my role as CEO after the second quarter and will then follow Formpipe from the sidelines with joy and enthusiasm. It is with pride that after 16 years I am handing over a fantastic company with a profitable growth journey ahead. The time is ripe for renewed leadership and, as a major shareholder, I feel very comfortable with that.

Thanks to the fact that the company is on the right track in all business areas, my successor will have plenty of time to familiarise themselves with the company and then add new inspiration that will contribute to an even better company over time. It has been a great privilege to lead and develop Formpipe and, together with the management team, create a global SaaS company with long-term customer relationships. Our skilled, international team is well equipped for the next stage of development.

Finally, I would like to thank all my colleagues for their extraordinary efforts over the years: I am extremely proud of what we have achieved together.

Christian Sundin  
President and CEO

**“Since we initiated our growth plan with a clear focus on Lasernet as SaaS two years ago, we have achieved an average annual growth of 65 per cent.”**

**— Christian Sundin, 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 around 10 per cent annually since 2016. At the end of 2022, 66 per cent of Formpipe's total sales are recurring revenues and cover more than 80 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. Since 2017, Formpipe has had an average annual growth of SaaS revenues of 38 per cent.

## Business targets

### Operating targets

- A Customer Net Promoter Score, cNPS, higher than comparable companies
- An Employee Net Promoter Score, eNPS, higher than comparable companies

### Financial targets

Given the growth opportunities the management has identified, 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 the U.S. and Europe through investments in sales and technology to support partners and meet demand for the product Lasernetet.
- 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 64.

### Business potential

The cloud-based ERP system Microsoft Dynamics 365 grew by 21 per cent at the end of 2022 compared to the previous year.<sup>1)</sup> Temenos grew its SaaS business by 37 per cent for the financial year 2022.<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**

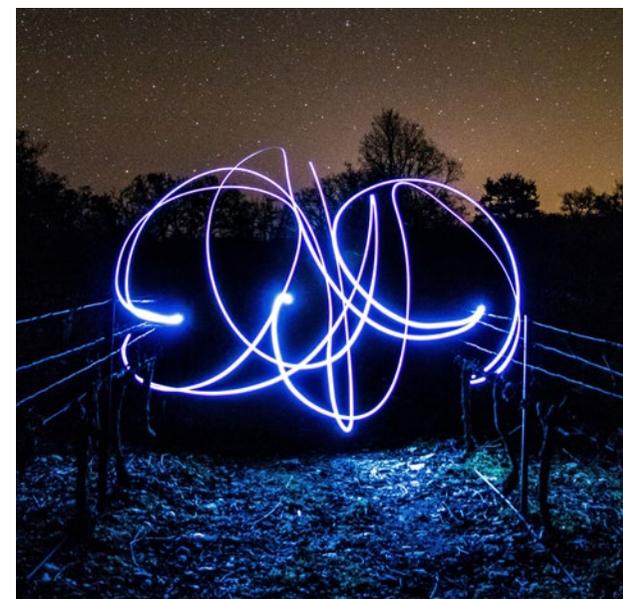
Lasernet as SaaS. In the Dynamics market, this is done through a globally certified partner network and with Temenos, through a strengthened partner relationship.

### 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 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-Q2/press-release-webcast>

<sup>2)</sup> <https://www.temenos.com/wp-content/uploads/2023/02/Temenos-Q4-2022-Results-Press-Release-2h9e96f1.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 in the EU. 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 Danish Municipality of Silkeborg, as well as the Swedish Tax Agency, the Swedish Transport Administration and the City of Malmö 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 is to establish a local presence in more and more countries across Europe, where customer contracts for a Content Services Platform are the starting point for business growth. 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 complements the Company's own delivery capacity.

## 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.

### 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

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 the Company attracts new talent. The foundation for this is to build an open and stimulating corporate culture.

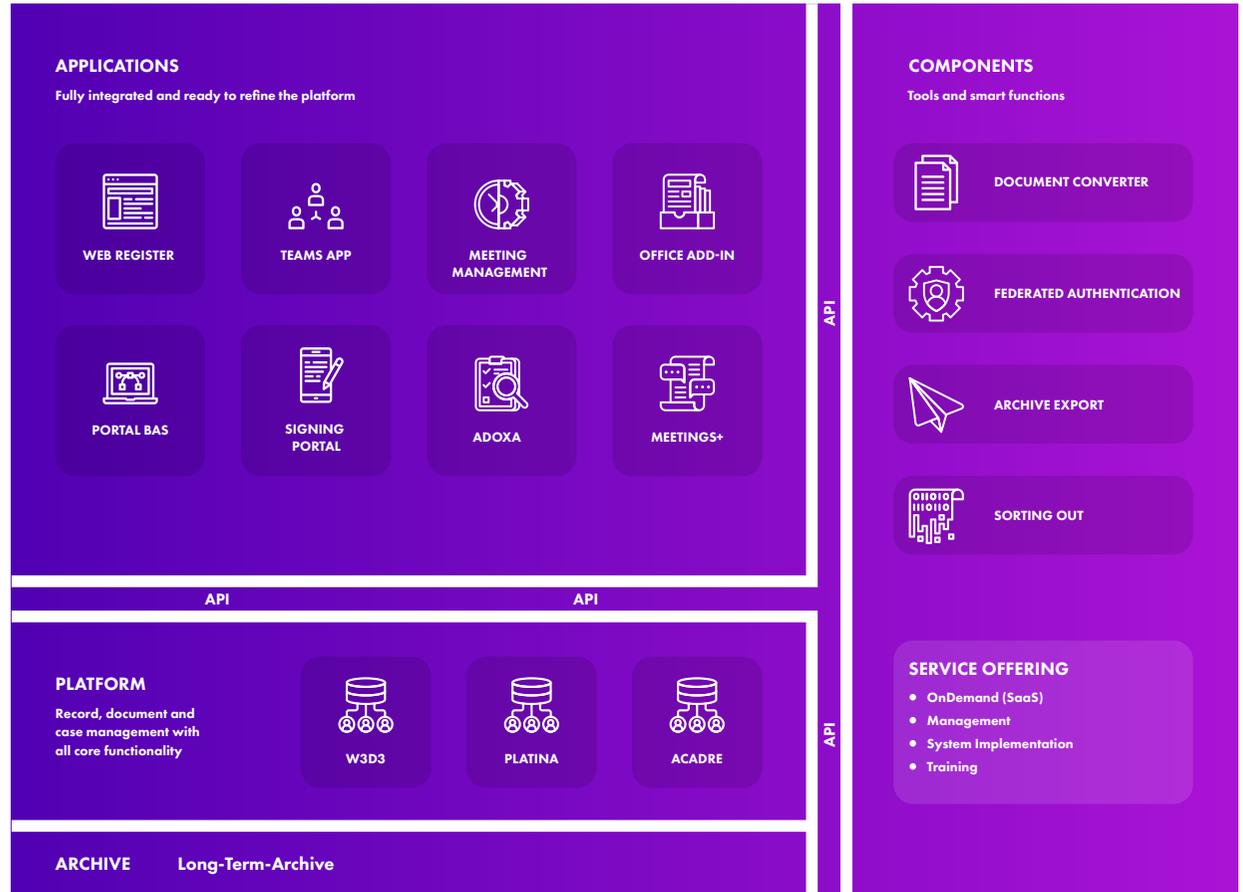
The organisation is divided into three business areas: the private sector, the public sector in Denmark and the public sector in Sweden.

More than 100 employees work in the private sector. The majority of these are based in the UK while there is a growing number of colleagues in the U.S.

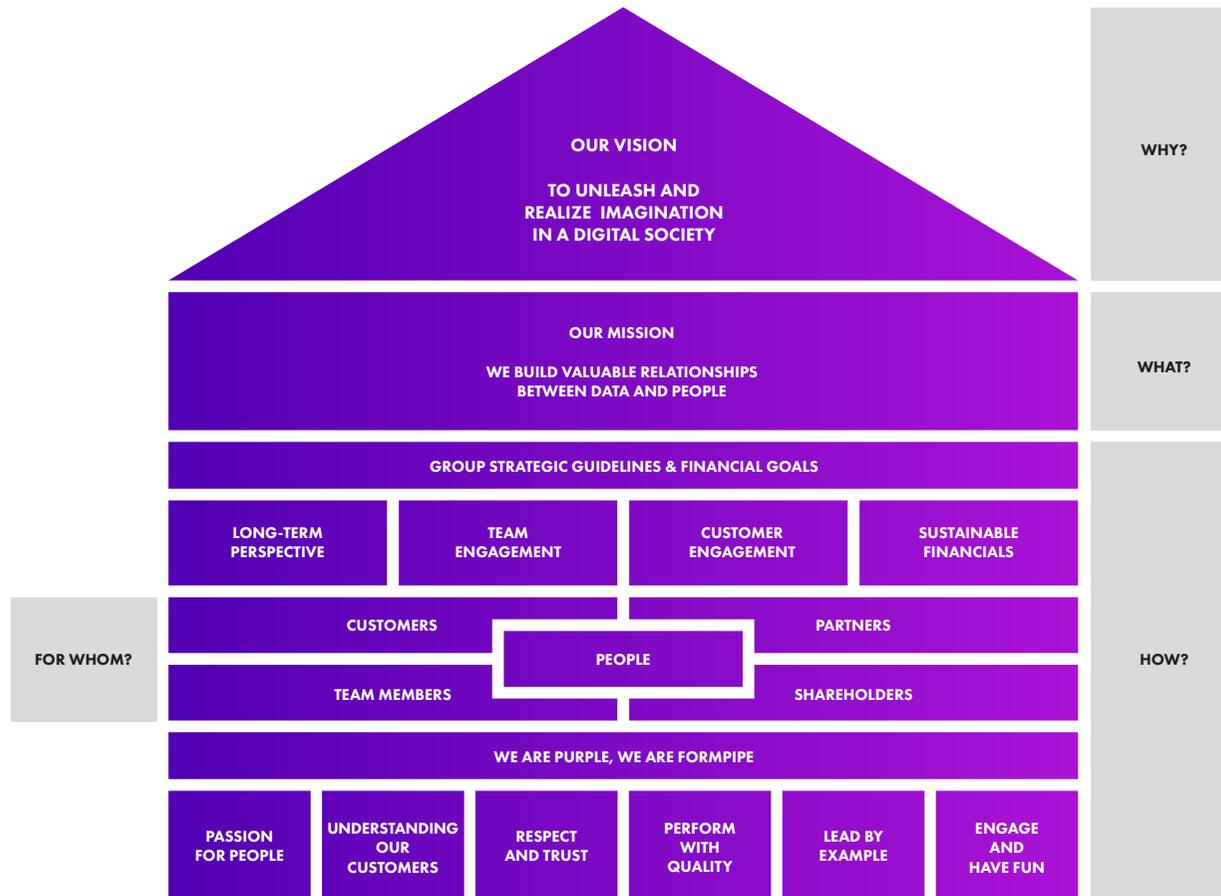
In the public sector, Formpipe is organised in one business area per country with associated Group functions to support the work and reap operational synergies. The Danish and Swedish business areas currently comprise around 100 employees each and work nationally to develop existing and newly acquired customer contracts.

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

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



Formpipe's brand platform



Financial targets

Given the growth opportunities the management has identified, 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 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



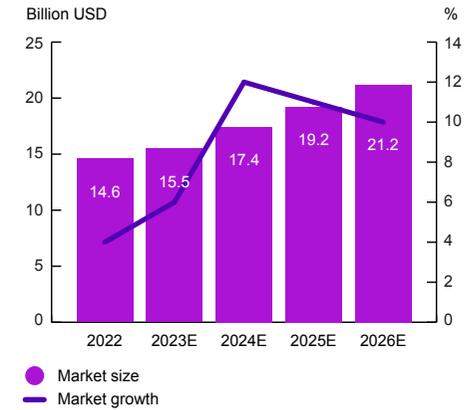
quickly being replaced by a continuously changing landscape of cloud services. Something that the analyst firm Gartner describes as a paradigm shift from IT-based products to information services close to operations.<sup>4)</sup>

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



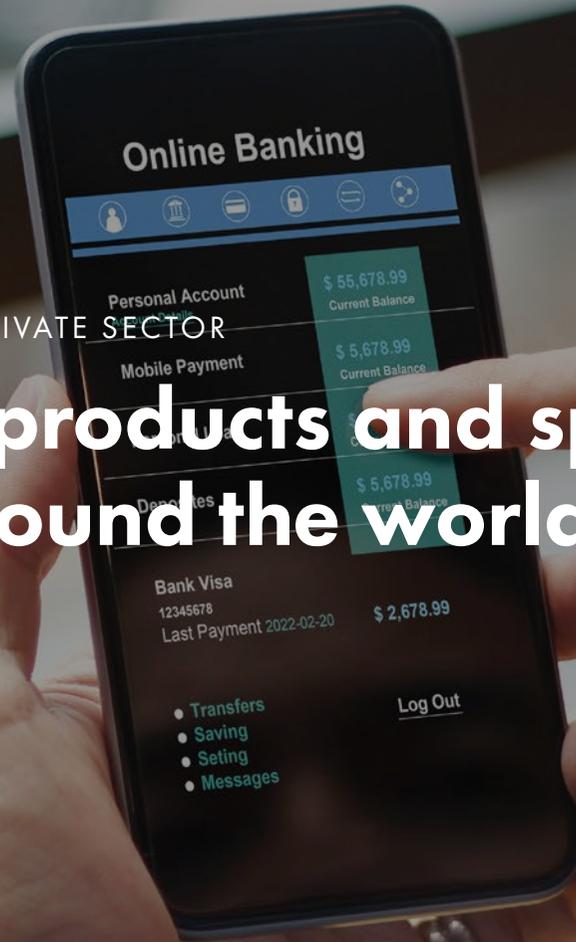
Source: Gartner, December 2022

<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. The Company'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 Singapore.

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 Lasernet 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 the Company 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 organisation's 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 21 per cent at the end of 2022 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?exp=ubp8>

<sup>8)</sup> <https://www.microsoft.com/en-us/Investor/earnings/FY-2023-Q2/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. Nearly 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.

Temenos has also honoured Formpipe with the Solution Provider of the Year 2021 award.

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.<sup>10)</sup> In 2022, Temenos’ software revenues in the US grew to 37 per cent of total revenues, the highest share ever.<sup>11)</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.



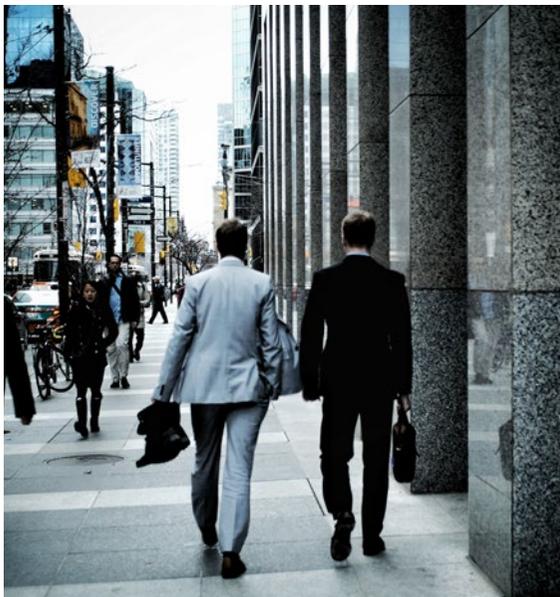
Temenos AG (SWX: TEMN) is a specialised supplier of business systems to banking and finance. The head office is located in Geneva, Switzerland. The company has a total of 59 offices in 39 countries. Temenos has more than 3,000 customers in more than 150 countries around the world. Their system is used 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/2020/09/2020-interim-report.pdf>

<sup>11)</sup> <https://www.temenos.com/wp-content/uploads/2023/02/Temenos-Q4-2022-Results-Press-Release-2h9e96fr1.pdf>



# Our offering to the private sector

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

## Lasernet by Formpipe.

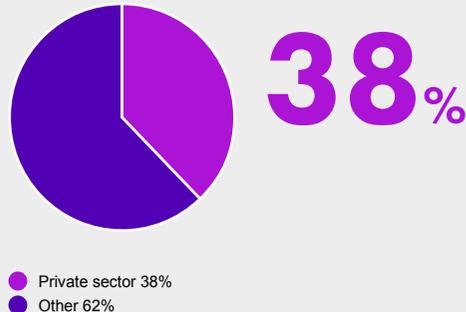
Used today by more than 2,000 companies worldwide. With Lasernet, content is produced, individualised, formatted and distributed from different systems and data sources to the format that best suits the company in its communication with customers or other business partners.

## Autoform DM by Formpipe.

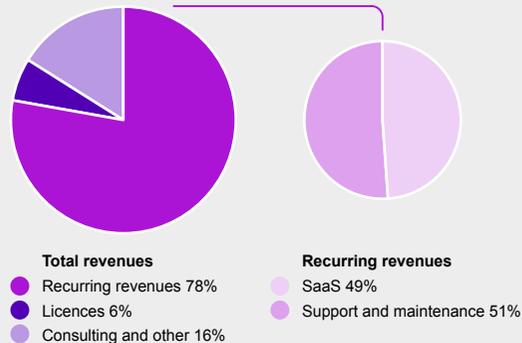
A flexible and powerful digital archive. The product provides customers with a versatile archiving for advanced applications, quickly and easily with high performance. A standard connection to Lasernet means that the products are successfully packaged as one common solution to customers in, for example,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





## CUSTOMER CASE – JMP

## JMP is implementing its digital transformation with the Lasernet platform

James M. Pleasants (JMP) Equipment Company is an American distributor of industry-leading heating, ventilation and air conditioning (HVAC) and heating, ventilation and sanitary-ware equipment. Founded in 1958, JMP has evolved over the years into an employee-owned company with a strong focus on service at every stage, from system design to product selection, installation and maintenance.

Prior to 2019, JMP used the AX2012 ERP system to support its accounting and ordering departments. The sales team used Excel, email and fax. The ordering process included some automation, but the sales and operations teams generated too much paper. Almost 1,000 boxes of paper were generated to support a company of 200 employees.

**“It has been wonderful to see how Lasecnet has helped the JMP team achieve their digital transformation goals.”**

**– Anders Terp, Partner Manager, Formpipe US**

– We used a general ERP solution to handle all logistics and accounting needs. When we started considering a Dynamics AX upgrade, it became clear that we needed an ERP system that also integrated the sales process, says Martin Messick, Vice President of Information Technology at JMP.

Formpipe was able to offer and implement Lasernet to simplify and transform JMP's document processes through Dynamics. Today, all of JMP's processes are automated.

## Effective transformation to Dynamics

Under Martin Messick's leadership, JMP embarked on a complete digital transformation and technology upgrade to address its document management issues. It switched to Dynamics 365 F&O (Finance and operations) and CE (Customer engagement) and moved all sales and order processes to the cloud. The goal was to reduce the company's manual processes and the excessive use of paper.

JMP chose Lasernet to simplify and streamline the transformation to Dynamics. By using Lasernet, JMP has been able to avoid costly development time. Lasernet, which is fully integrated with Dynamics, offered a solution that eliminated the risk of long programming delays with SQL Server Reporting Services (SSRS). Lasernet's integration with Dynamics and Sharepoint has also enabled better structure and document organisation.

JMP's initiative to implement a digital transformation of document management has successfully led to improved processes, saving a lot of time and money. Lasernet was implemented and introduced to the company's sales and operations departments, with the result that all quote, order and packing documents are now generated digitally and automatically.

## Successful co-operation

Anders Terp, Partner Manager at Formpipe US, confirms that the co-operation has been very successful:

– It has been wonderful to see how Lasernet has helped Martin and the JMP team achieve their digital transformation goals.

Martin Messick agrees:

– The power of Formpipe's Lasernet platform, integrated with both Dynamics 365 Customer Engagement and Dynamics 365 Finance & Operations, has streamlined our processes and created significant efficiencies. The manual work has been reduced and the paper output has also been greatly reduced. Ultimately, our digital transformation is about improving our customers' experience.



## JMP Equipment Company

**Customer:** James M. Pleasants (JMP) Equipment Company

**Operations:** Retailer of industry leading solutions for energy efficient systems

**Head office:** Greensboro, North Carolina, USA

**Facts:** Founded in 1958 by James M. Pleasants, JMP is now an employee-owned company with 15 offices in the southeastern United States. The company provides products and solutions for energy-efficient systems that maximise customers' productivity. JMP represents almost 50 product lines and offers complete standard and customised solutions as well as package solutions.

**“The power of Formpipe's Lasernet platform, integrated with both Dynamics 365 Customer Engagement and Dynamics 365 Finance & Operations, has streamlined our processes and created significant efficiencies.”**

**– Martin Messick, Vice President for Information Technology, JMP**



## PARTNERCASE – DXC

## Vital partnership with Formpipe strengthens DXC's customer offering

DXC Technology is a leading Global Fortune 500 IT-services company with 130,000 employees across 70 countries. The company manages and modernises business and mission-critical systems and integrates them with new digital solutions to create better business outcomes for its customers. DXC's global reach, innovation platforms, extensive partner network and world-class talent have made the company highly successful in the global IT sector.

Ivana Pirochtova is Partner Manager at DXC in the UK for all European strategic partnerships. She is also responsible for DXC's partnership with Microsoft, within the Microsoft Alliance. Ivana is a key figure in the long-standing partnership between DXC and Formpipe, supporting customisation and collaboration. She emphasises Formpipe's ability to provide smart solutions, meet tight deadlines and deliver quality under pressure. This applies, for example, when a variety of documents need to be designed, built and tested in just a few weeks, and then go live and work flawlessly.

– Together with Formpipe, we have implemented Lasernet in a number of Dynamics projects.

**“Formpipe is one of our most important strategic standalone ISVs within Microsoft Dynamics.”**

– Ivana Pirochtova, Partner Manager, DXC

We have worked together on large, complex projects, successfully delivering on time, on budget, overcoming obstacles and maintaining a satisfied and engaged customer base.

## Key strategic independent software vendor (ISV) for Microsoft Dynamics

DXC is one of only two global Microsoft GSI (Global System Integrator) Partners with market leadership for Microsoft's three cloud platforms: Azure, Microsoft 365 and Dynamics 365. DXC builds, plans and executes business transformation strategies through a proven and innovative approach via Microsoft Catalyst, a visioning and planning programme using Microsoft Dynamics 365, Microsoft Power Platform and Microsoft Cloud.

– Formpipe is one of our most important strategic ISVs (Independent Software Vendor) within Microsoft Dynamics. Formpipe's solutions and services help strengthen our offering to both new and existing customers.

## Investment in the partnership continues

There is a long list of joint projects where Formpipe has installed Lasernet and connected it to Dynamics. They also assist with upgrades and provide training for customers. DXC has extensive experience in meeting the challenges of innovation and has a clear and confident vision of how to best accompany customers on their digital transformation journeys. Formpipe's solutions and deliveries have helped to strengthen DXC's offering, such as FO Connector and Lasernet, CE Connector and DM integration.

– Formpipe is a very important strategic partner to DXC as an independent software vendor. We continue to invest in our partnership with new business offers and joint proposals for new, existing and joint customers.

**“We continue to invest in our partnership with new business offers and joint proposals for new, existing and joint customers.”**

– Ivana Pirochtova, Partner Manager, DXC



## DXC Technology Company

**Partner:** DXC Technology Company

**Operations:** IT services for the outsourcing of business processes, analysis and technology, applications and security

**Head office:** Ashburn, Virginia, USA

**Facts:** DXC Technology is a global IT services company. DXC manages and modernises business-critical systems and integrates them with new digital solutions in order to create better business outcomes for its customers. It has a broad customer base, including aerospace and defence, banking and finance, insurance, media, energy, healthcare and the public sector.



## EMPLOYEE CASE STUDY – NICOLE OJEDA

## The US support team is growing

Nicole Ojeda is a Support Manager at Formpipe in the US, with responsibility for Microsoft Dynamics and banking customers. Nicole was hired in 2019 as the European support team's first employee in the US. Several of Formpipe's solutions, such as Lasernet Connector, Lasernet Core and Autoform DM, have been successful in the US market and have grown rapidly. Customers are located in the USA, Canada and South America.

in 2022, Nicole had the opportunity to learn more about Autoform DM when the solution was integrated into the Lascript Connector. Autoform DM is a complete Windows-based digital archiving solution commonly used in the banking sector. The experience has increased her understanding of the products and processes used in banking and how they can be applied in Dynamics. The banking segment is becoming increasingly important, with high security standards and availability requirements, and the possibility of 24/7 support.

### Telework advantage in recruitment

A growing customer base requires a larger support team and Nicole is now in a recruitment phase, which she finds stimulating.

**“All companies and industries benefit from an even distribution between women and men. Formpipe is already good at this, we have many women in leading roles.”**

– Nicole Ojeda, Support Manager, USA

– We have a lot of applicants. Formpipe is an attractive company, where employees have a lot of autonomy and freedom.

The ability to work remotely provides an advantage in recruitment.

The company's policy that employees can work anywhere makes it easier to both find and retain talent.

– People are happier when they know they are trusted, which leads to a positive working atmosphere. Having geographical flexibility, and also being able to travel while working, is a unique privilege.

Working from her home in Miami, Nicole has successfully built many strong relationships remotely. She emphasises that working remotely requires a high degree of personal responsibility, but also creates positive independence. Colleagues are located all over the world and have different backgrounds and experiences. Despite, or because of, the geographical dispersion, there is a strong sense of community and camaraderie.

– We feel that we are part of something bigger, everyone contributes with their unique perspective and we help each other.

## Young woman in the IT sector

Nicole herself is a regular traveller, including visiting family in Nicaragua. Her family has always been very important to her; her parents are immigrants from Nicaragua and she sees them as her great role models.

– They came to the US to give their children more opportunities. Growing up, I was influenced by their values, such as that hard work and perseverance pay off. My parents pushed me and gave me the support I needed to get my education and graduate. It was thanks to them that I was able to become the first person in my family to have a university degree.

For Nicole, being a young woman in the IT industry is only an advantage.

– All companies and industries benefit from an even distribution between women and men. Formpipe is already good at this, we have many women in leading roles and we try to set a good example. Giving women equal opportunities in key positions should be a matter of course in all companies.

Now Nicole is looking forward to expanding the support team in the US in 2023 and beyond.

– We are gaining more and more customers and continue to build relationships, internally and externally. Creating valuable relationships between people and data is also an extension of our corporate culture and core values. The value I personally prioritise is “Respect and Trust”, as I feel this is the foundation of Formpipe's culture.

## Nicole Ojeda

**Age:** 28

**Title:** Support Consultant in the USA

**Education:** Computer engineering degree

**Lives and works in:** Miami, Florida, USA

**Family:** Parents, brother, partner and two dogs

**Leisure time interests:** Painting, puzzles, interior design, walking and playing with my dogs

**Favourite music:** Alternative, indie, reggaeton, Spanish music and pop

**Favourite food:** Nicaraguan food

**Role model:** Ada Lovelace

**Life motto:** You already have what it takes

**“We feel that we are part of something bigger, everyone contributes with their unique perspective and we help each other.”**

– Nicole Ojeda,  
Support Consultant, USA

PUBLIC SECTOR

# A digital society to rely on.

## Public sector

Formpipe is passionate that the digitalisation of the public sector will create value for society and its citizens. By putting people at the heart of the innovation process, the Company is involved in developing a sustainable and inclusive digital society to rely on.

External factors that affect public operations change quickly. The operations must be able to adjust faster to be able to deliver according to expectations. Something particularly highlighted by the coronavirus pandemic. An effective digitalisation is a crucial component to be able to continue providing world-class welfare.

Formpipe has a strong commitment to value-creating digitalisation. Over many years in a market-leading position, the Company has delivered systems for document and case management and automated processes.

### Customers

Hundreds of authorities, municipalities, universities and state and municipally owned companies build their operations today around Formpipe's record keeping, document and case management system, and supplementary optional services.

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

### Market driving forces

Rapid technological advances in areas such as smartphones, tablets and broadband, as well as the development of e-services in other industries, have spurred citizens, businesses and organisations to make greater demands on the service from the public sector. When we have the opportunity to do large-scale shopping, report an insurance claim or open a new bank account over the internet, we also want to be able to easily ask questions, submit an application and file a report with public agencies too. We expect quicker replies and automated decisions – as well as 24/7 availability. Public sector employees also expect it to be easy to get a hold of the information they need.

### Demand for greater efficiency

Managing cases is a comprehensive administrative task for authorities, municipalities and regional health-care providers. Over time, this management has become increasingly automated, but the potential for efficiency enhancements is still very extensive. Automation and self-service reduce the administrative burden on citizens, businesses and employees alike. Digitalisation efforts will gradually become even more significant.

### Compliance with laws and requirements

Transparency and disclosure policies are necessary both for the work of the EU and in different forms among the Member States. Laws and regulations govern which information must be available. In a time with rapid and revolutionary technical development, the regulations are being challenged. The new General Data Protection Regulation (GDPR) is an example of this. A modern and legally assured handling is in demand, adapted to the requirements of the legislation and the possibilities of digitalisation. Digitisation and archiving of cases, documents and records increases quality, availability and traceability.

### Data quality and information security

The ability to manage and use data in a smart way is a key issue for most organisations. It is simply a prerequisite to be able to make the right decisions and to create efficiency and readily available services. At the same time, data volumes and the complexity of data are increasing at a rapid pace, as well as the risks of data breaches. With new solutions and technical advances, the needs are growing for new regulations and compliance requirements, such as GDPR. Organisations that maintain high data quality provide legal security, enable preservation of information and can re-use data for new ideas.



### Cloud services

The Danish Agency for Digitisation highlights the possibilities of cloud services and has published a guide to help public organisations use cloud services effectively and securely. The Danish Agency for Digitisation's summary states that the use of cloud services in many ways contributes positively to development and operations of solutions in the public sector, and that the public sector's organisations in most cases can use cloud services on the same terms as traditional solutions.

According to Swedish Government Official Reports<sup>12)</sup>, many organisations in Swedish public administration see possibilities in being able to outsource IT operations and instead use cloud services. However, to a large extent they would like clarifications regarding the legal circumstances. The Swedish Agency for Digital Government (DIGG) concludes that the Swedish public sector is in need of advice and clarifications regarding the type of cloud services that may be procured with regard to the integrity of the information and its transfer to third countries.<sup>13)</sup> Judgments such as Schrems II have meant that many public organisations in the EU are reluctant to procure solutions that are provided for in the public cloud.<sup>14)</sup>

### Developed with existing platform

Formpipe sees clear examples that customers are happy to stay with existing platform providers for document and case management and develop their operations together with them. Gartner recommends customers with Content Services Platforms, which Formpipe provides, to carefully evaluate the gains of replacing them. Often, these platforms are closely

integrated with other systems and many operating processes, which can entail a significantly higher cost than upgrading the existing platform.<sup>15)</sup>

### European opportunities

Today, digital information is highlighted as a key factor in the EU, not least as an enabler of strong financial growth. This is an area where Europe is seen as being able to take the conductor's baton as a global leader and role model for the digital economy.

The EU's digital strategy talks about a digital transformation that affects everyone. The digital strategy aims at getting this transformation to function for people and businesses, at the same time that it contributes to achieving the EU's goals on climate neutrality by 2050. It brings up important incentives and plans for digitalisation that point out a direction and a context where companies like Formpipe have a given place. Companies that have knowledge, experience and technology to realise the shift to a digital society. A society that is driven by digital solutions that put people first, shape new opportunities for businesses and increase the development of reliable technology to promote an open and democratic society and a vital and sustainable economy.

In the EU digital strategy, three focus areas are brought up to utilise the possibilities of digitalisation:

- Technology that works for people
- A fair and competitive digital economy
- An open, democratic and sustainable society

## Future

In the public sector, Formpipe's business is being driven towards the long-term goal of becoming the preferred comprehensive supplier of digital administration in the EU.

Based on Formpipe's document, record and case management platforms, the Company is seeking an extended commitment among existing customers with products and services. In customer projects, many add-ons to the platforms are co-created. Something that then creates benefit for the Company's 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.

Formpipe is growing organically in the public sector by becoming a comprehensive supplier of digital administration in the current Danish and Swedish markets. This is complemented by an active acquisition agenda that aims on entering new countries.



<sup>12)</sup> <https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2021/01/sou-20211/>

<sup>13)</sup> <https://www.digg.se/download/18.79c617c17db5871992f0b7/1647952779859/rattsligt-stod-till-offentlig-forvaltning-avseende-digitalisering.pdf>

<sup>14)</sup> <https://www.nyteknik.se/premium/svenska-myndigheter-ratar-microsofts-moln-bygger-eget-7028064>

<sup>15)</sup> <https://www.gartner.com/document/4007000>



## Denmark

Many EU countries express a desire to build a digital infrastructure on a par with the Danish one. In the UN eGovernment survey 2022, Denmark has the highest EGDI value globally for the third time in a row. Denmark is also one of eight countries in Europe and one of six countries in the European Union in the highest (VH) classification class.<sup>16)</sup> Denmark is recognised for its ability to collaborate between the state, regions and municipalities in public digital solutions. The administration has a holistic approach to digitalisation, something that the survey calls completely unique to Denmark. It is a recipe for success to ensure coherent and user-friendly solutions for citizens and businesses. Denmark is also ranked at the top of other large public digitalisation surveys, such as the OECD Digital Government Index and the European Commission's Digital Economy and Society Index (DESI).

According to the employers' organisation Dansk Industri, modernisation and digitalisation of the public sector can free up DKK 20 billion by 2025. Money that can then be fed back to the public sector and contribute to better service and welfare.

Formpipe has contributed products and services to the public sector in Denmark for more than two decades and several of the Company's customers and employees have been involved since then. This extensive experience of digitalisation of business processes makes Formpipe a competent digitalisation partner. A dedicated team based in Copenhagen offers customers service in the entire value chain.

Formpipe has a leading position in the market with around 40 per cent of the municipalities as customers in document and case management. The Danish analysts Devoteam ranks the Danish Content Services market, known there as ESDH (ECM), every year. In 2022, as in previous years, Formpipe's platform Acadre was among the highest ranked systems in the market.<sup>17)</sup> The company also has a leading position in grants management in several government agencies.

### Examples of Formpipe's customers

The Danish Business Authority, Syddjur Municipality, the Region of Southern Denmark, Nordea Foundation, the Danish Prosecution Authority and the Danish Agricultural Agency are examples of customers in the Danish public sector.

**"2022 has been a difficult year with Russia's invasion of Ukraine, the energy crisis and global inflation – events that have been very challenging for us as individuals and as a company. By working together and continuing to do all we can as businesses, we can ensure the building of a sustainable, trusting and inclusive digital society. Together we are stronger."**

**– Thomas à Porta, Business Area Manager, Public Sector Denmark**

# 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, which provides accurate record keeping and control over the organisation’s data. The product has more than 70,000 users.

## Adoxa by Formpipe.

An application that provides customers automated regulatory compliance. The product continuously conducts searches of the operations’ systems and combines this with a smart regulatory framework that helps correct deficient data quality and meet GDPR requirements. Adoxa is mentioned as the only product from Europe in Gartner’s report “Market Guide for File Analysis Software.”<sup>18)</sup> More than 50 organisations use the product.

## 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.

## Signeringsportalen by Formpipe.

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

## TAS by Formpipe.

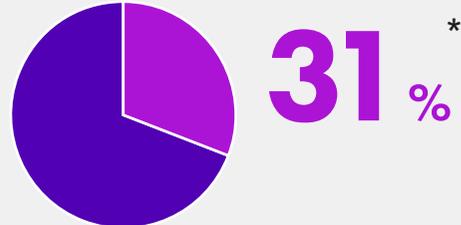
A secure and smooth grants management platform for public organisations. More than DKK 20 billion is paid out with the help of TAS every year, with the fastest speed and the largest amount of automated digital processes in the whole of Europe.

## TAP by Formpipe.

A configurable standard platform for application and grant management. Used by the Danish Agricultural Agency to distribute EU grants to Danish farmers every year.

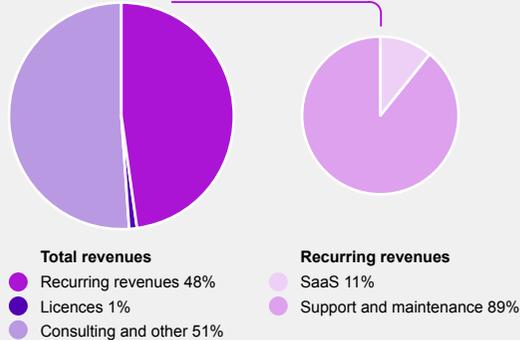
## Key ratios

### Share of net revenue



- Danish public sector 31%
- Other 69%

### Distribution of revenue types, Denmark



\* The large transaction with the Landbrugsstyrelsen has been deemed to affect comparability and has therefore been recognised under Other instead of Denmark. If it had been included instead, Denmark would have had a 40 per cent share of net turnover. Not counting the LBST deal, the three business areas have the following shares of net revenue: Private 36 per cent, PUB-SE 28 per cent and PUB-DK 35 per cent (Other 1 per cent).

<sup>16)</sup> Source: <https://desapublications.un.org/sites/default/files/publications/2022-09/Web%20version%20E-Government%202022.pdf>  
<sup>17)</sup> Source: Devoteam, 2022  
<sup>18)</sup> <https://www.formpipe.com/en/about-us/media/news--blogs/2020/formpipe-recognised-in-gartners-market-report/>



CUSTOMER CASE – THE DANISH AGRICULTURAL AGENCY (LANDBRUGSSTYRELSEN)

## Largest contract in Formpipe's history

In October 2022, Formpipe, in collaboration with Capgemini Denmark, won the procurement for the delivery of digital operations and development for the Danish Agricultural Agency. This is Formpipe's largest ever contract with a business value of approximately DKK 80–100 million.

The contract runs for four years with an option to extend for a further three years. The order value amounts to a minimum of DKK 7 million annually in the form of a recurring fee to Formpipe for maintenance and management. With additional fees for further development and adaptations of existing solutions, the order value is estimated to total DKK 200–250 million.

### Extensive experience with CAP-TAS

The Danish Agricultural Agency has long used the CAP-TAS platform to manage applications and payments of EU subsidies to Danish farmers. The application process is based on complicated rules and is very complex. The highly automated digital process has brought significant benefits, such as reducing processing time, minimising error rates and optimising the user experience for farmers.

Formpipe started working on the system more than 15 years ago. The solid experience with the CAP-TAS platform has provided great domain knowledge and a unique insight into the infrastructure's surrounding systems.

**“It is a great compliment that we are able to continue our long-standing co-operation with the Danish Agricultural Agency.”**

– **Thomas à Porta, Business Area Manager, Formpipe Denmark**

## Co-operation to meet the demands of tomorrow

The Danish Agricultural Agency was looking for a supplier who could ensure smooth operations by providing, implementing and maintaining software for the platform. They required the provider to offer a combination of local domain knowledge, more services for application operation, scaling from a global approach and attractive pricing. Formpipe's collaboration with Capgemini, one of the world's largest IT companies, was the formula for winning the contract.

Jon Emil Simonsen, Operations Manager at the Danish Agricultural Agency, explains that it was important to bring together application development, system operation and application maintenance of CAP-TAS in a single contract:

– With the new contract, we are very well placed to offer a better user experience. We look forward to getting started.

## Global delivery model with a strong position in the public sector

Capgemini offers a global delivery model with a strong position in the public sector and agriculture. Formpipe will now be able to combine its local domain knowledge with Capgemini's international expertise in digitised agriculture.

– We are very proud to have won the contract and look forward to working with Capgemini Denmark. It is a great compliment that we can continue our long-standing co-operation with the Danish Agricultural Agency, says Thomas à Porta, business area manager for Formpipe Denmark.

Jakob Villadsen is the project manager for the contract and has been part of the CAP-TAS project since its inception in 2010. He also looks forward to developing the relationship with the Agency.

– The contract expands our cooperation into new and exciting areas. I am also very much looking forward to the cooperation with Capgemini. Now we will develop the CAP-TAS platform and with great commitment continue to support the Danish Agricultural Agency for many years to come.

**“We will now continue to support the Swedish Board of Agriculture with great commitment for many years to come.”**

– **Jakob Villadsen, Project Manager, Formpipe Denmark**



**Ministeriet for Fødevarer,  
Landbrug og Fiskeri**  
Landbrugsstyrelsen

## The Danish Agricultural Agency

**Customer:** The Danish Agricultural Agency, Denmark

**Operations:** Government

**Head office:** Copenhagen, Denmark

**Facts:** The Danish Agricultural Agency (Landbrugsstyrelsen) is an authority under the Danish Ministry of Food, Agriculture and Fisheries. The Agency's approximately 1 200 employees work across the country to provide optimal conditions for sustainable growth and green transition in the areas of agriculture, plants and horticulture.

**“With the new contract, we are very well placed to offer a better user experience.”**

– **Jon Emil Simonsen, Chief Operations Officer, Danish Agricultural Agency**



EMPLOYEE CASE – RENÉ GINGER-MORTENSEN

## New agreement with the Danish Agricultural Agency

René Ginger-Mortensen is the product owner for Formpipe's TAP product in the grants management team in Denmark. He has worked with the Danish Agricultural Agency as a customer for 14 years, first as a tester in connection with the first delivery of CAP-TAS (TAP), and later as a test manager and team leader. René gained his technical expertise from Copenhagen Business School, where he also taught programming and worked as a database engineer during his studies.

Today he leads the team working on the maintenance and further development of TAP. As product owner, René is involved in technical and functional design and has managed the latest TAP release and associated support. The team has played a major role in the success of the new contract with the Danish Agricultural Agency.

**“We are constantly trying to find smarter ways to work. Bringing the team along on the journey is a prerequisite for development and success.”**

**– René Ginger Mortensen, product owner for TAP by Formpipe**

– Thanks to our long-standing relationship, we understood their challenges. We knew what problems they were facing, what they needed to solve and how we would continue to support their business. Our focus is and has always been to ensure that the Danish Agricultural Agency obtains the functionality that gives them the most value and best meets their needs, within existing frameworks.

## Important to see the big picture

With a background in economics, computer science and organisation with a focus on IT, and two years as a sergeant with responsibility for training in the Danish Armed Forces, René has gradually developed a structure for organising, coordinating and leading the team in a continuous improvement process. The grant management system is very complex, so the ability to work on the details while focusing on the big picture is important. René emphasises the importance of employees who are curious, fearless and able to see the big picture.

– Such talent is quite rare. We are constantly trying to find smarter ways to work. Bringing the team along on the journey is a prerequisite for development and success.

A values-driven company like Formpipe, which allows people to grow, is more likely to retain its talent, according to René.

– The combination of good products, dedicated employees, technical knowledge, personal commitment and good customer relations is key.

## The “why” question drives the need for change

According to René, in addition to delivering quality, one must also dare to ask the question “why” in order to successfully help customers with their challenges. The requirements specifications are often technical, but there may be completely different solutions that respond better to the overall system. Giving the customer what they need, but not necessarily what someone in the customer's organisation thinks they need, is part of quality assurance.

– Sometimes you have to be honest with the customer and tell them they have the wrong focus. Our knowledge, experience and good relationships allow us to question and clarify what we think they really need. Instead of just building new features based on a technical requirement, we try to understand and eliminate the root problem. Our job is to guide the customer's architects and testers to understand why it is important to always look at the big picture, so that together we can really help the end-users.

Now the goal is to ensure a smooth transition from previous operational suppliers and help the Danish Agricultural Agency through future challenges.

– We will provide a stable platform for the Agency and develop our partnership with Capgemini to support their needs. I look forward to developing our cooperation.

## René Ginger–Mortensen

**Age:** 46

**Title:** Product owner TAP by Formpipe

**Education:** Master's degree in IT and Economics from Copenhagen Business School

**Comes from:** Frederiksværk, Denmark

**Lives and works in:** Lives in Farum, works in Ballerup, Denmark

**Family:** Wife and 2 children (son 11 and daughter 8)

**Leisure time interests:** Fishing, Formula 1, Golf

**Favourite music:** Pop, rock or whatever I feel like in the moment

**Favourite food:** Good food

**Life motto:** Be honest and admit when you are wrong

**“In addition to delivering quality, one must also dare to ask the question “why” in order to successfully help customers with their challenges.”**

**– René Ginger Mortensen,  
product owner for  
TAP by 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. The company'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 e-archives 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. The past year has been a challenging one, for the world, for our society and for the Formpipe family. On the other hand, it has brought us closer as individuals and as a company with a strong passion to continue creating valuable relationships between people and data, through the excellent products and services we provide.”**

— 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.

An application that provides customers automated regulatory compliance.

## Signeringsportalen

by Formpipe.

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

## Teams app

by Formpipe.

Streamlining the workflow through collaboration surrounding working documents and cases in Microsoft Teams. This results in quality-assured record keeping of finished documents with selected metadata that is transferred to the source system.

## 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.

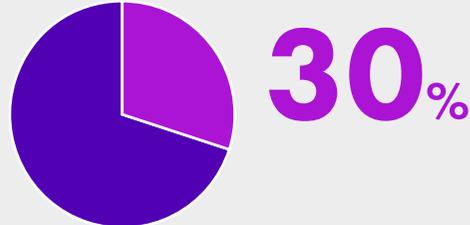
## PortalBas

by Formpipe.

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

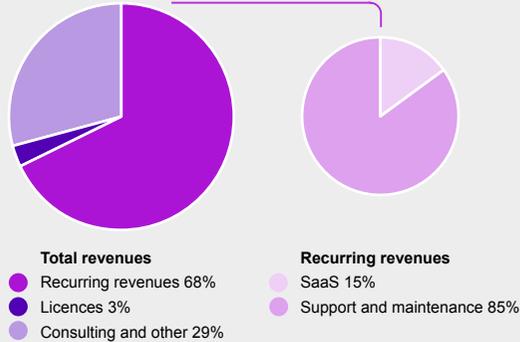
## Key ratios

Share of net revenue



- Swedish public sector 30%
- Other 70%

Distribution of revenue types, Sweden



Total revenues

- Recurring revenues 68%
- Licences 3%
- Consulting and other 29%

Recurring revenues

- SaaS 15%
- Support and maintenance 85%



## CUSTOMER CASE – CITY OF MALMÖ

## Streamlining towards a digital society with the citizen in focus

The City of Malmö and Formpipe's co-operation started in 2011, when Formpipe won a tender for a document and case management system with its Platina product. In June 2022, a new exclusive agreement was signed for the management and further development of Platina and related modules. This means even closer cooperation between the parties and a common agenda for at least another ten years, under a new, renewable contract.

This long-term collaboration creates a better understanding of challenges and needs, making it easier to jointly create new options and solutions. The City of Malmö provides knowledge, documentation and processes. Together with Formpipe, they have developed a trustee register, an allocation function, a voting solution and a further development of Formpipe's product for managing meetings, Meetings Plus. The collaboration has also generated improvement suggestions for Formpipe's products Adoxa and Teams for Platina.

– We have had a close dialogue on the need for specific functions. The city of Malmö has been given the opportunity to test new versions so that we can take a position on the development and the future. In return, Formpipe has received valuable

input that helps them to be proactive, says Ingegerd Svensson, Head of Section at the Department of Management and Support at the City of Malmö.

## Unbroken digital case chain

The City of Malmö is a large and complex organisation with 14 departments, 27,000 employees and around 3,000 Platina users. Platina has become an important system for democracy as a central, citizen-centred function. All documentation and public documents that are not in other organisational systems must be in Platina. It should be easy to integrate features and options, and manage the entire case flow. The goal is a completely unbroken digital chain.

**“We are pleased with the co-operation with Formpipe and the development of the basic functionality.”**

– Ingegerd Svensson, Head of Section, City of Malmö

– As we have come a long way with our digital case chain, we encounter needs that no one else has experience with. We are therefore pleased with the co-operation with Formpipe and the development of the basic functionality. Another challenge is that we are a large organisation, where the introduction of new processes and functions takes longer than in smaller municipalities. The scope of documents is much larger and more people are affected when a process changes and everyone has to work the same way in the system. The decision-making and anchoring chain is therefore longer, explains Ingegerd Svensson.

## Digitalisation for the future

Now that Formpipe has taken over the City of Malmö’s management and further development of Platina, Ingegerd Svensson hopes for better efficiency between customer and supplier, as the new model means more direct co-operation with Formpipe.

– Communication now takes place directly with Formpipe, which supplies the basic product plus support, management and development. This makes co-operation easier and faster. We now hope to increase the pace of our activities.

The City of Malmö also looks forward to getting more or better functions that enable Platina to be used for processing, registration, follow-up and searching for more case types. A completely unbroken case chain means efficient digitalisation for the future.

**“Communication now takes place directly with Formpipe, which supplies the basic product plus support, management and development. This makes co-operation easier and faster. We now hope to increase the pace of our activities.”**

– Ingegerd Svensson, Head of Section, City of Malmö



## City of Malmö

**Customer:** City of Malmö

**Operations:** Municipality

**Head office:** Malmö, Sweden

**Facts:** The City of Malmö is Sweden’s fastest growing metropolis, with around 350,000 inhabitants and 180 different nationalities. The city is lined with old cobbled streets and buildings with sights such as the Turning Torso, the famous cold baths and St Peter’s Church. The largest employers include the City of Malmö, Region Skåne and Malmö University.



EMPLOYEE CASE – CHARLOTTA FUNKESON

## Close co-operation creates competitiveness

Charlotta Funkeson is a project manager at Formpipe's project office in Linköping, where she has worked since December 2021. During the recruitment phase, she was struck by the company's values and warm, family-like atmosphere.

– There was something about Formpipe that felt exciting and different. Even though I didn't come from the IT side and was actually happy with my job at the time, I was completely sold.

The project office plays an important role and is in many ways the bridge between customers and Formpipe. The internal co-operation has resulted in a well-functioning, structured project team that ensures that the established processes are followed. The combination of good products, a good organisation and good processes is a prerequisite for customer satisfaction. But behind all this are the people, says Charlotta, describing what it's like to walk into the office and be greeted by cheerful employees who exude confidence about the future.

– Our climate gives us motivation and energy, which we pass on to our customers. Close collaboration, both internally and externally, and human relationships, are what ultimately create valuable relationships between people and data.

**“Being responsive to customer needs and constantly finding new solutions that provide real benefits in everyday life creates favourable conditions for long-term relationships.”**

– Charlotta Funkeson, Project Manager

## Full-service provider of digital management

One of the long-term goals for the business area is to become a full-service provider of digital administration and to strengthen the company's position in the Nordic region and the EU. This requires a stable delivery organisation that meets customer expectations.

– Thanks to our long experience and insight into the Swedish public sector, we have well adapted systems that can also be used by our Nordic neighbours. We have a strong foundation to build on.

Charlotta believes that close co-operation with customers is an important part of the company's competitiveness in eGovernment. Customers know they are getting competent staff who know their products and how to implement them to maximise the benefits to the end-user.

– We work together with the customer, reviewing what needs to be done and ensuring that both parties have the same understanding of what needs to

be delivered. Our shared expectations allow us to deliver in the best possible way, with the different competences required.

## Lead from start to finish

The advantage of being a full-service provider and managing projects from start to finish is being able to ensure delivery, but also to meet and ideally exceed customer expectations. As a project manager, Charlotta guides the customer all the way together with the project team. Structure and well thought-out work processes that can be implemented regardless of project size are essential. But processes are not everything, and requirements can change along the way.

– Even if we plan and follow our processes, things can happen. It is important to have a strong team that can help the customer. We want our customers to feel safe and comfortable working with us, while also receiving valuable knowledge and clear guidance.

Being responsive to customer needs and constantly finding new solutions that provide real benefits in everyday life creates favourable conditions for long-term relationships.

– I am proud to see the benefits that our products and quality solutions bring to Sweden. I believe that our ability to build relationships strengthens the overall value for the customer.

## Charlotta Funkeson

**Age:** 31

**Title:** Project leader

**Education:** Project management, Qualified purchasing and procurement

**Lives and works in:** Linköping

**Family:** Husband and poodle Prince

**Leisure time interests:** Charcuterie and bubbles

**Favourite music:** Pop

**Favourite food:** Raw beef

**Role models:** Mother

**Life motto:** Always take happiness in advance

**“I am proud to see the benefits that our products and quality solutions bring to Sweden.”**

– Charlotta Funkeson,  
Project Manager

## CUSTOMER CASE – SUNDSVALL MUNICIPALITY

## Future-proof e-archiving for Sundsvall Municipality

Digital development is still on the rise in the Swedish public sector. At the same time, the digital legacy presents a growing challenge. Digital documents and information sources risk being lost or inaccessible in the future as new technologies replace old ones. Sundsvall Municipality, which was named Sweden's Digital Municipality in 2021, is a pioneer in promoting electronic infrastructure in the public sector. A new solution is now being developed in collaboration with Formpipe, using the digital archiving product Long-Term Archive by Formpipe.

Sundsvall Municipality has been using the Long-Term Archive since 2018. The archiving system enables the preservation of information, documents and metadata in a secure and structured way, regardless of format. The municipality wanted to work on the solution to create better conditions for future transition and increase the availability of stored information.

– The digital legacy means being locked into systems where data cannot be accessed. What we need is a long-term and sustainable solution that is more modular and can be integrated with other systems, says Niklas Edén, specialist in e-archives and information management at Sundsvall Municipality.

**“The digital legacy means being locked into systems where data cannot be accessed. What we need is a long-term and sustainable solution that is more modular and can be integrated with other systems.”**

– Niklas Edén, specialist in e-archives and information management at Sundsvall Municipality

## More flexible archives and a more flexible public sector

One of the municipality's initiatives, “Increase the Pace of E-archives”, has been developed to take a new approach to the development of digital archives. The work is being done in collaboration with Formpipe and could mean major progress in how the Swedish public sector works with the preservation of the digital heritage. The goal is to make it possible to easily connect municipal archives to different platforms through an API that is independent of format and platform. The aim is to deliver archived information in a more accessible and accurate way.

– The e-archive is incredibly important because it contributes to something positive for the people of Sundsvall. Getting access to old cases or building permit documents is an important door to every citizen's past and future, says Emelie Holmlund, development and improvement manager at Sundsvall Municipality.

## A renewed mindset is necessary

Sundsvall Municipality believes that a fundamental change is required among IT suppliers in the Swedish public sector. A renewed and long-term mindset is necessary to build an inclusive, digital society.

– A prerequisite is that suppliers' tools contribute to secure preservation in the best possible way. A functioning e-archive is extremely important, says Niklas Edén.

The co-operation between Sundsvall Municipality and Formpipe has been underway for a long time. It has generated new thinking about how Long-Term Archive can be used and it has provided a deeper understanding of the digital challenges facing the Swedish public sector. The consensus and close co-operation shows that a strong relationship between customer and supplier is crucial in order to achieve a successful transformation of the Swedish public sector, now and in the future.

**“Getting access to old cases or building permit documents is an important door to every citizen's past and future.”**

– Emelie Holmlund, development and improvement manager, Sundsvall Municipality



## Sundsvall Municipality

**Customer:** Sundsvall Municipality

**Operations:** Municipality

**Head office:** Sundsvall

**Facts:** Sundsvall is a municipality with a rich history and a vibrant present, with a population approaching 100,000 people. Sundsvall's stone-clad city centre is lined with Victorian architecture, wide avenues and attractions such as Kulturmagasinet and the city park 'Vängåvan'. The municipality's largest employers are Sundsvall Municipality, Mid Sweden University Sundsvall and Region Västernorrland.

OUR SHARE



OUR SHARE

# Formpipe's share 2022.

## Our share

The Formpipe share is listed on the Nasdaq Stockholm exchange, with the short name FPIP. Market value at year-end was MSEK 1,193.

Equity totals SEK 5,421,782.50 for 54,217,825 shares at par value 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 assets and profit.

### Share price and trading volume of shares in 2022

In 2022, the Formpipe share price dropped from SEK 45.00 to the closing price of SEK 22.00 on 30 December. The highest price paid for the year was SEK 44.45 on 3 January. The lowest price paid was SEK 19.76 on 16 December. A total of 6,3 million shares were traded in 2022 at a value of SEK 169 million.

### Appropriation of profits

The Board of Directors proposes that the Annual General Meeting on 27 April 2023 resolve not to pay any dividend for 2022 (SEK 0.70 per share), which entails a total dividend of MSEK - (37.8).

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 programme

The AGM held on 27 April 2022 resolved to offer staff a new share-related incentive programme based on warrants. This programme was subscribed with 93,800 warrants and a duration of three years. In total, the Company has three outstanding programmes of a total of 1,093,800 warrants each, 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 2022. The twenty largest shareholders represent 77.6 (74.1) per cent of the equity. In all, Formpipe had approximately 3,400 shareholders as of the date above.

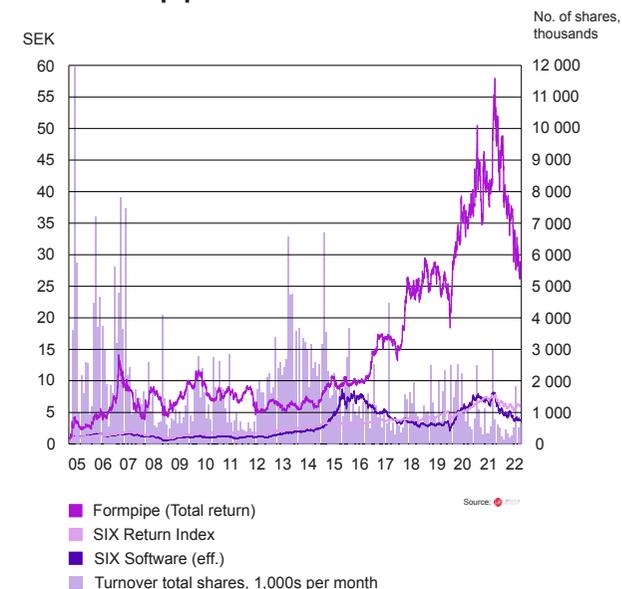
### Ownership structure total shares 31/12/2022

Shareholders	Holdings, no.	Holdings, %
Aktiebolaget Grenspecialisten	5,564,128	10.26%
Bjäringer, Martin	4,670,000	8.61%
Alcur Select	4,458,763	8.22%
Swedbank Robur Microcap	3,929,191	7.25%
SEB Sv Småbol Chans/Risk	3,519,322	6.49%
Tin Ny Teknik	3,196,465	5.90%
Wernhoff, Thomas	2,900,000	5.35%
Nordea Småbolagsfond Sverige	2,421,130	4.47%
Avanza Pension	1,526,162	2.81%
Northern Trust Company, London Branch	1,449,109	2.67%
Sundin, Carl Christian Quintus	1,201,440	2.22%
Nordea Institutionella Småbolagsfon	1,155,190	2.13%
Per Josefsson Invest AB	1,000,000	1.84%
Jce Asset Management AB	992,000	1.83%
SEB Life International	931,442	1.72%
Alfredson, Joakim	787,000	1.45%
Alcur	641,858	1.18%
Andersson, Willmar	626,286	1.16%
EFG Bank / Geneva, W8imy	578,658	1.07%
Blomdahl, Håkan	500,000	0.92%
Euroclear Bank S.A/N.V, W8-Imy	444,833	0.82%
Jonsson, Christer	408,260	0.75%
AB Wallinder & Co.	376,632	0.69%
SHB Luxembourg CL Acct Swden	359,620	0.66%
Nordlander, Bo	328,159	0.61%
Karlsson, Carl Mårten	304,282	0.56%
Gilstring, Kåre	300,000	0.55%
Syringa Capital AB	270,000	0.50%
Kalmar County	265,125	0.49%
Nordnet Pensionsförsäkring AB	259,846	0.48%
Other	8,852,924	16.33%
<b>Total</b>	<b>54,217,825</b>	<b>100.00%</b>

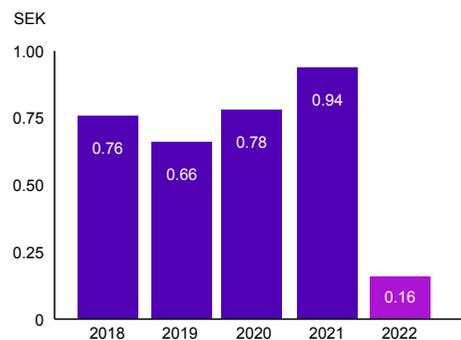
## Development of share capital

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 31/12/2022</b>			<b>54,217,825</b>	<b>5,421,782.50</b>	<b>54,217,825</b>	<b>0.1</b>

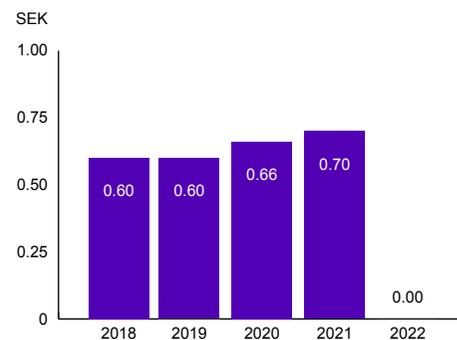
## The Formpipe share – total return



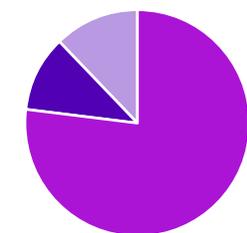
## Earnings per share



## Dividend per share



## Distribution of shareholdings



- > 500,000 shares 77%
- 100,000–500,000 shares 11%
- < 100,000 shares 12%

BOARD OF DIRECTORS AND GROUP MANAGEMENT

# Formpipe Software 2022.

## 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: 4,670,000



**Åsa Landén Ericsson**  
**Board member**

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



**Peter Lindström**  
**Board member**

Elected: 2016  
Date of birth: 1970  
Shareholding: 45,000



**Peter Gille**  
**Board member**

Elected: 2022  
Date of birth: 1962  
Shareholding: -



**Johan Stakeberg**  
**Board member**

Elected: 2022  
Date of birth: 1968  
Shareholding: -

\* For a full presentation of the Board, see the Corporate Governance Report, page 104.

# Group Management



**Christian Sundin**  
CEO

Shareholding: 1,201,440  
Share options: 535,800



**Staffan Hugemark**  
VP Business Area, Private Sector

Shareholding: 164,026  
Warrants: -



**Thomas à Porta**  
VP Business Area, Public Sector Denmark

Shareholding: 7,000  
Warrants: -



**Mats Kaludjeric Bergman**  
VP Business Area, Public Sector Sweden

Shareholding: 12,000  
Share options: 3,000



**Joakim Alfredson**  
CFO

Shareholding: 787,000  
Warrants: -



**Lina Elo**  
Director of HR

Shareholding: 2,000  
Share options: 2,000



**Erik Lindeberg**  
Director of Business Development

Shareholding: 50,364  
Share options: 20,000

# KEY RATIOS

# Formpipe Software 2022.

# Key ratios

MSEK	2022	2021	2020	2019	2018
<b>Sales</b>					
Net sales	485.1	473.2	403.1	393.8	406.4
Software revenue	336.8	347.7	286.1	261.1	253.9
Recurring revenues	320.3	278.4	253.5	229.7	209.3
Licensing	16.6	69.3	32.5	31.4	44.6
SaaS	93.8	66.1	54.6	45.1	30.8
Maintenance and Support	226.5	212.3	198.9	184.7	178.5
Consulting and other	148.3	125.5	117.1	132.6	152.5
<b>Growth and distribution</b>					
Sales growth, %	2.5%	17.4%	2.4%	-3.1%	4.1%
Growth in software revenues, %	-3.1%	21.5%	9.5%	2.8%	8.1%
Growth in recurring revenues, %	15.0%	9.8%	10.4%	9.7%	15.1%
Share of net sales, software revenue, %	69.4%	73.5%	71.0%	66.3%	62.5%
Share of net sales, recurring revenues, %	66.0%	58.8%	62.9%	58.3%	51.5%
<b>Margins</b>					
Operating margin before depreciation and items affecting comparability (EBITDA), %	14.9%	28.6%	25.9%	25.6%	24.5%
Operating margin (EBIT), %	3.2%	14.5%	13.2%	12.1%	13.1%
Profit margin, %	1.8%	10.7%	10.3%	8.9%	9.8%
<b>Return on capital</b>					
Return on operating capital employed, %	3.6%	17.2%	14.1%	13.3%	14.8%
Return on capital employed, %	3.5%	15.7%	12.6%	10.9%	11.5%
Return on equity, %	2.0%	12.2%	10.4%	8.9%	10.6%
Return on total capital, %	4.0%	19.5%	14.8%	14.1%	7.7%

MSEK	2022	2021	2020	2019	2018
<b>Capital structure</b>					
Operating capital	469.7	411.6	384.0	372.4	344.1
Capital employed	474.5	429.6	442.6	406.1	467.9
Equity	442.0	429.6	398.9	400.1	391.0
Interest bearing net debt (+)/cash (-)	39.4	-4.7	5.5	-0.7	-46.7
Debt/equity ratio, %	56.5%	61.0%	55.4%	59.3%	55.7%
<b>Cash flow and liquidity</b>					
Cash flow from operating activities	80.7	99.0	115.0	63.7	121.4
Cash flow from investing activities	-91.9	-58.7	-92.0	-42.2	-40.6
Cash flow from financing activities	-6.3	-84.6	3.1	-112.5	-40.1
Cash flow for the year	-17.4	-44.3	26.0	-91.1	40.6
Free cash flow	-11.1	40.3	23.0	21.5	80.8
Cash and cash equivalents	4.8	18.1	58.6	33.7	123.8
<b>Personnel</b>					
Total staff, annual average, count	279	260	233	222	227
Total staff at year-end, count	283	274	245	221	222
<b>Share data</b>					
Total shares at year-end, thousands	54,218	53,726	53,464	53,174	52,887
Average total shares before dilution, thousands	54,112	53,617	53,343	53,015	52,523
Average total shares after dilution, thousands	54,139	53,875	53,549	53,343	52,881
Earnings per share before dilution, SEK	0.16	0.94	0.78	0.66	0.76
Earnings per share after dilution, SEK	0.16	0.94	0.77	0.66	0.75
Dividend per share	-	0.70	0.66	0.60	0.60
Equity per average total shares	8.17	8.01	7.48	7.55	7.44

MANAGEMENT REPORT

# Financial year 2022.

# 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 fiscal year 2022.

## Group structure

Formpipe Software AB (publ) is the Parent Company in a Group with seven wholly owned subsidiaries: Formpipe Intelligo AB, Formpipe Software A/S, Formpipe Lasernet A/S, Formpipe Lasetnet GMBH, Formpipe Software Benelux B.V., Formpipe Software Ltd., and Formpipe Inc.

The company Alkemit AB was acquired during the year and then merged into Formpipe Software AB. The company Formpipe Software Holding A/S was also merged into Formpipe Software A/S during the year.

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 (formerly Enterprise Content Management, ECM) 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.

The Company's operations are divided into three business areas: Public Sector Sweden, Public Sector Denmark and Private 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 licence revenues for the Company's software products and contractually recurring revenues for support and maintenance and delivery revenues from implementation and upgrade projects. Formpipe also provides its products as cloud services (Software as a Service) where operation, maintenance, upgrades and support are included in the current agreement. This provides the Company a stable, repetitive revenue stream as most customers continually renew their agreements. Through complete, industry-tailored solutions that can scale to meet the changing needs of the customer's organisation, we generate repeat business from additional development and enhancements.

These developments and enhancement projects often lead to more users and supplemental products are covered, thereby increasing both licence revenues and extended support and maintenance 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

Formpipe's business model utilises the Company's partner network to complete a large number of business deals and customer projects. Knowledge about Formpipe's products combined with understanding of the customers' business makes our certified partners central to the work of helping our customers realise the potential of our offerings. Formpipe actively works to evaluate and develop the partner network to increase its reach in the market.

Within the private sector, our partners create value for customers in such sectors as retailing, the manufacturing sector and the financial sector, mainly through ERP consulting in connection with the new purchase or upgrade of business systems.

Together, we are taking our product Lasernet to a global market.

In the public sector, Formpipe's partner network forms a complement to our own delivery capacity that is close to the business.

### 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 of them are run based on our mission to build valuable relationships between people and data.

## Financial year 2022

2022 was characterised by a turbulent environment due to the war that broke out in Ukraine at the beginning of the year. Formpipe was greatly affected by this, as a large part of the Company's development resources, amounting to nearly 80 people, are located in Ukraine. In addition to the immediate challenges for these individuals and the initial difficulties in keeping the business going, the first few months were characterised by great anxiety on a personal level for the Company's employees. After many years of joint development projects, many people in the organisation have personal and strong relationships with staff in Ukraine. The development resources in Ukraine are not employed by Formpipe. They are part of Sigma's operations, but have been linked to Formpipe's products for many years.

In a miraculous way, Sigma in Ukraine succeeded very quickly in establishing working conditions which meant that they were back at largely full utilisation of these resources only one month after the outbreak of the war, which is why the pace of development did not suffer to any great extent.

The outbreak of the war and the subsequent sanctions against Russia caused widespread disruption to global trade in general and had an impact on foreign exchange markets, with the Swedish krona weakening significantly against other currencies.

Since Formpipe's reporting currency is in Swedish kronor (SEK), these currency fluctuations have had a relatively large impact on the Company's income statement. In particular, the Company's off-shore development in Ukraine has become more expensive due to the higher dollar exchange rate.

The business has continued to develop according to the growth plan communicated in early 2021. Earnings were severely impacted in 2022 by the capacity investments made in 2021 and 2022, which will provide increased growth and a stronger margin development going forward. In 2022, we see clear signs that these investments are starting to bear fruit, and as we now reduce the pace of cost increases, the strong revenue growth will mean continuously increasing margins going forward.

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 3 per cent to MSEK 485 (473) with an EBIT of MSEK 16 (69). As planned, the result for 2022 was weaker than in previous years as a result of the aggressive growth initiatives implemented in the Private and Public sectors Sweden. The second half of the year was also negatively

affected by the development challenge following the introduction of a new legal requirement for digital identification in Denmark, as described below. The comparison with the previous year should also take into account the deal concluded in 2021 with the Danish Agricultural Agency (Landbrugsstyrelsen), which is to be considered as a one-off. The deal with Landbrugsstyrelsen entailed licence revenues of MSEK 41 and a profit contribution of MSEK 26 for the year.

The recurring revenues developed well and amounted to MSEK 320 (278), which represented 66 per cent (59) of the total revenues. Annual Contract Value (ACV) developed well during the year and amounted to MSEK 49 (37), strongly driven by the international successes in the Private Sector business area.

### Private sector

The product Lasernet further confirmed its potential during the year and extensive focus was placed on continuing to structure the business area to enable increased growth for Lasetnet. Lasetnet, which is a well-integrated add-on to the ERP systems, is seen as a natural part of introduction 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 docu-

ment management. The co-operation with Temenos has deepened during the year and Temenos now includes Lasetnet in most of its offers. During the year, Formpipe has also established sales capacity in Singapore to obtain even better leverage on Temenos business in Asia. In addition to Temenos, other system suppliers in Banking have expressed an interest in including Lasetnet in their offerings and towards the end of the year we received our first customers for the systems Thought Machine and Mambu, two fast-growing system suppliers that are gaining market share in the banking segment.

Both Microsoft and Temenos see strong growth in the U.S. market, which means that Formpipe has strengthened and will continue to strengthen its presence in the U.S., both in terms of its own staff, but also by increasing the number of certified partners.

### Public Sector Sweden

The consulting company Alkemit AB was acquired in early 2022, adding 19 consultants. Alkemit was a partner of Formpipe with high expertise and knowledge of the company's products and customers in the Swedish public sector. The acquisition gave the business area the opportunity to be organised based on clearer roles and thereby the possibility to better meet the customer's needs in different phases.

The year has been characterised by the restructuring, and after a challenging first half of the year, significant efficiency increases and profitability improvements were seen in the second half of the year. The business area is developing in the right direction and the implemented changes were well received by the company's customers.

## Public Sector Denmark

The public sector Denmark business area had a challenging year, with both positive and negative events.

During the year, Grants Management received a strategically important contract from the Danish Agricultural Agency (Landbrugsstyrelsen) for the continued development and delivery of the system developed by Formpipe for the management and payment of EU subsidies to agriculture. Given that in 2021, the Danish Agricultural Agency bought the right to freely procure the further development of the system, it is very gratifying that Formpipe once again received renewed confidence from the Company's largest customer. The agreement, which is for 4+3 years, will initially entail lower margins than historically, but is strategically important and guarantees a long-term stable business.

A release of the company's second product in Grants Management, TAS, was made in the middle of the year to solve the upcoming legal requirement to support MitID. It was a major product release that unfortunately led to consequential problems for some customers. As a result, the Company had to invest a lot of time in supporting customers and the Company's resources could not be charged to the normal extent, which had a negative impact on the business area's profitability. Formpipe continues to see good growth opportunities in this area and is investigating the potential for TAS in the Swedish market.

Formpipe's operations directed at the Danish municipal market continued its positive development and was 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 2023

Formpipe sees continued growth potential for Lasernet, which attracts ever larger and more internationally spread customers. Lاسernet is an explicit growth area for the Company and will continue to increase its establishment in both the US and Europe in 2023. In addition to the external help from Microsoft Dynamics' success, close cooperation with Temenos entails major opportunities for Lاسernet and Formpipe. Lاسernet 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 Lاسernet 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 Lاسernet in their offerings means that Lاسernet now has an even broader market to address.

Within the business areas for the public sectors in Denmark and Sweden, the goal is to further assist the customers in their digitalisation journey. The strong position that Formpipe has in the public sec-

tor is one of the Company's most valuable assets and through an in-depth dialogue with the customers, new solutions will be developed and offered to the broad customer base. The Swedish business is now developing in the right direction and will continue to increase its offering and thus be given better conditions to support customers in their ambitions. The Danish business has worked through the effects of the new legal requirement (MitID) that had a negative impact on the second half of 2022 and is now looking forward to a more normal existence. Work on the new contract at the Danish Agricultural Agency has begun and gives the organisation better conditions for long-term planning of its activities.

The investment journey, which started in 2021, to increase the Company's resources in order to increase the growth rate continued in 2022, resulting in an expected negative impact on profitability. The company will continue its growth ambitions in 2023, but expects the rate of cost increase to be lower, which means that margins will gradually strengthen. The Company's stronger growth is mainly driven by the growth in recurring revenues, which is expected to continue and thus automatically generate increasing profitability.

## 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, 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, e-mail, 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 more than USD 15 billion in 2022.<sup>19)</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>20)</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>21)</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. Lasetnet 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. Lasetnet is

a natural complement to Dynamics and improves the customer experience through efficient document management.

Through the acquisition of EFS in 2020, Formpipe has further strengthened its position in this area as EFS' product Autoform together with Lasetnet forms a valuable complement to the business systems from Temenos, a well-established and ever stronger system supplier to the financial sector. As a result of Formpipe's success with Temenos, other banking system suppliers have also wanted to include Lasetnet in their offerings, which significantly increases the product's potential in that market segment.

### 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.

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>22)</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.

<sup>19)</sup> Enterprise Application Software Forecast Q422, Gartner, Inc. 2022

<sup>20)</sup> Market Trends: Cloud Shift — 2020 Through 2024, Gartner, Inc. 2020

<sup>21)</sup> Enterprise Application Software Forecast Q420, Gartner, Inc. 2020

<sup>22)</sup> Regeringen.se

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>23)</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 2022

The following resolutions were passed at the Annual General Meeting on 27 April 2022:

- The Annual General Meeting re-elected Board members Annikki Schaferdiek (Chairman), Peter Lindström, Åsa Landén Ericsson, and newly elected Board members Peter Gille and Johan Stakeberg.
- The incentive programme that was offered to the employees after the Annual General Meeting and 93,800 warrants were issued.
- SEK 0.70 per share (0.66) was distributed to shareholders, comprising a dividend totalling SEK 37,775,517.50 (35,286,178.62).

<sup>23)</sup> www.danskindustri.dk

## Acquisitions

On 1 January, Formpipe acquired 100 per cent of the shares in Alkemit AB. Alkemit was a successful partner for Formpipe's products in the Swedish public sector with a turnover of MSEK 25 and 19 competent employees. The purchase consideration amounted to the equivalent of MSEK 33 million (Enterprise Value), which was paid in connection with the takeover and financed through a combination of own cash (SEK 23 million) and newly issued shares.

## Higher number of shares

In connection with the acquisition of Alkemit AB, 238,968 new shares were issued as partial payment of the purchase price.

By utilising warrants issued to the staff in the programme from 2018, a total of 252,800 new shares were issued.

After these increases, the number of shares and votes in the Company amount to 54,217,825 and the Company's share capital is SEK 5,421,782.50.

## Formpipe named Solution Provider of the Year 2021 by Temenos

At the beginning of the year, Formpipe was named the Solution Provider of the Year 2021 by Temenos, one of the world's leading suppliers of banking systems. In the past 15 years, Formpipe has developed its partnership with Temenos and is proud to note that Formpipe's products are some of the first partner solutions to be made available on Temenos' large cloud platform, Temenos Banking Cloud.

## Significant orders

Formpipe received many orders throughout the year, of which several were fairly larger, with a subsequent positive effect on the year's earnings.

Of particular importance is the successful procurement of the Danish Agricultural Agency. Formpipe was chosen as the main supplier in a service agreement where Formpipe's responsibility includes further development and system maintenance. The assignment is carried out in collaboration with a subcontractor responsible for support and operation. The agreement runs for four years with an option to extend for a further 3 years and the order value amounts to a minimum of MDKK 7 annually in the form of a recurring fee to Formpipe for maintenance and management. Including additional fees for further development and adaptations of existing solutions, the order value is estimated to total MDKK 200–250, where an estimated 40 per cent relates to Formpipe's services.

## Significant events after the end of the period

### Change of CEO

Christian Sundin will leave the position as CEO of Formpipe Software AB (publ). The Board has initiated a recruitment process and until a new CEO is appointed, Christian Sundin will continue in the role to ensure a smooth succession.

## 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.

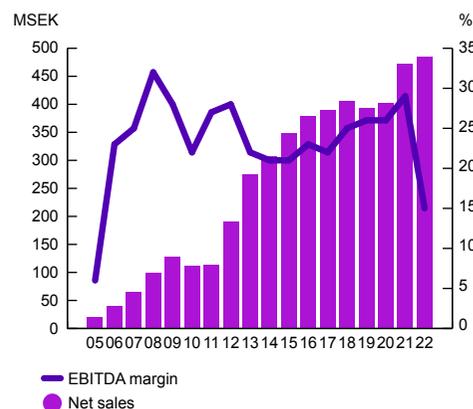
The first full year with a completed transition was 2011 and system revenues amounted to 94 per cent of the revenues.

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.

### Net sales and profitability



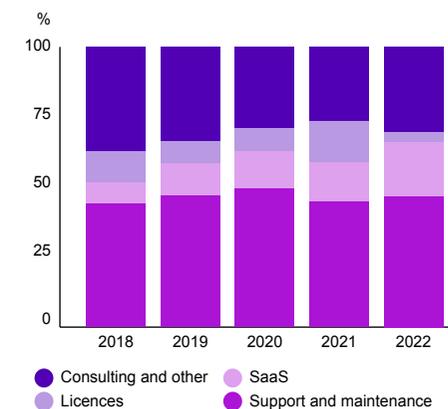
In 2019, the delivery revenues decreased as a result of the phase-out of one of three framework agreements at the customer, the Danish Agricultural Agency.

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 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 investments in the business to establish stronger growth going forward that started in 2020 were continued. This has provided a good return

### Sales revenue distribution



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.

### Revenues

Net sales for the year totalled MSEK 485.1 (473.2), which is equivalent to a growth of 3 per cent. Software revenues decreased by 3 per cent compared to the previous year and amounted to MSEK 336.8 (MSEK 347.7), while the previous year included a large one-off licence deal amounting to MSEK 40.9. Excluding this deal, software revenue growth was 10 per cent year-on-year.

Total recurring revenues for the period increased by 15 per cent from the previous year and amounted to MSEK 320.3 (278.4), corresponding to 66 (59) per cent of net sales.

Currency exchange rate effects have had a negative effect of MSEK 17.7 on net sales compared with the previous year.

## Expenses

Operating expenses increased by 16 per cent over the previous year, amounting to MSEK 469.4 (404.7).

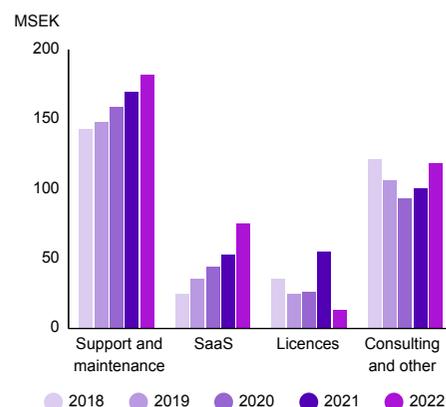
A large part of Formpipe's operating expenses are linked with staff, and staff expenses for the year totalled MSEK 282.3 (248.2), an increase of 14 per cent. The number of employees at year-end was 283 (274), and the average for the year was 279 (260). The distribution of personnel along with salaries and other remunerations appears in Note 8.

Cost of sales totalled MSEK 67.3 (50.9) and consists primarily of third-party providers of consulting and products and sales commissions to partners in the Private business area.

Other expenses amounted to MSEK 117.0 (91.4), where the off-shore resources of product development accounted for MSEK 56.0 (44.2). Since the Company's off-shore development is invoiced in USD, this year's currency fluctuations have resulted in an increase of MSEK 8.0 compared to the previous year.

Capitalised development work at the Company's own expense during the year amounted to MSEK 53.9 (52.5).

## Sales growth by revenue type



Depreciation for the year amounted to MSEK 56.7 (66.6). The comparative figure for 2021 includes a write-down of MSEK 14.4 regarding the product TAP, which was made in connection with the sale of the license rights to the Danish Agricultural Agency.

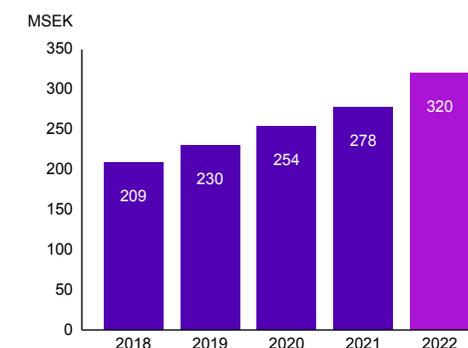
Net financial items amounted to an expense of MSEK -4.4 (-2.1) and consist of interest expenses of MSEK -1.4 (-1.4) and exchange-rate differences as an expense of MSEK -2.2 (-0.1).

Tax expense for the year amounted to MSEK 2.5 (16.0).

## Profit

Operating profit before depreciation and items affecting comparability (EBITDA) for the year amounted to MSEK 72.4 (135.1), with an EBITDA margin of 14.9 (28.6) per cent. Exchange rate effects have not affected EBITDA to any significant extent compared to last year.

## Recurring revenues



Operating profit for the year totalled MSEK 15.7 (68.5), which corresponds to a profit margin of 3.2 (14.5) per cent. Currency exchange rate effects have had a negative effect of MSEK -1.2 on EBIT compared with the previous year.

Profit before tax was MSEK 11.3 (66.5), corresponding to a margin of 2.3 (14.0) per cent.

Profit for the year totalled MSEK 8.8 (50.4), which corresponds to a profit margin of 1.8 (10.7) per cent and is distributed per share according to the table below.

As planned, the result for 2022 was weaker than in previous years as a result of the aggressive growth initiatives implemented in the Private and Public sectors Sweden. The second half of the year was also negatively affected by the development challenge following the introduction of a new legal requirement for digital identification in Denmark, as described above. The

comparison with the previous year should also take into account the deal concluded in 2021 with the Danish Agricultural Agency (Landbrugsstyrelsen), which is to be considered as a one-off. The deal with Landbrugsstyrelsen entailed licence revenues of MSEK 41 and a profit contribution of MSEK 26 for the year.

Earnings per share	2022	2021
Total outstanding shares at year-end	54,217,825	53,726,057
Average total shares before dilution	54,112,000	53,616,828
Average total shares after dilution	54,138,643	53,874,650
Profit or loss for the year attributable to Parent's shareholders, KSEK	8,759	50,435
Earnings per share attributable to shareholders of the Parent Company:		
- per number of shares outstanding, SEK	0.16	0.94
- per average total shares before dilution, SEK	0.16	0.94
- per average total shares after dilution, SEK	0.16	0.94

## Parent Company

The parent company's net sales amounted to MSEK 155.9 (148.0) and profit for the year to MSEK -6.9 (93.2).

## Comments on the statement of financial position

### Investments and business combinations

Total investments during the year amounted to MSEK 91.9 (58.7).

Investments in acquisitions for the period totalled MSEK 30.3 (-).

### Intangible assets

Formpipe continually invests resources in product development for new and existing applications. A total of MSEK 56.3 (57.1) 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 5.3 (1.7) and mainly comprised computer and office equipment.

## Financial position and liquidity

### Cash and cash equivalents

Cash and cash equivalents amounted to MSEK 4.8 (18.1) at the end of the period. At year-end, Formpipe had interest-bearing liabilities of MSEK 44.2 (13.7), of which MSEK 11.7 (13.7) pertained to leasing liabilities according to IFRS 16. At year-end, the company has an overdraft facility amounting to MSEK 75, which will be reduced to MSEK 50 after January. At the end of the period, the overdraft facility was unutilised (MSEK -). The Company's net debt at year-end accordingly amounted to MSEK 39.4 (-4.4), which corresponds to a net cash of MSEK 4.8 (18.1) excluding IFRS 16-related liabilities.

The company's cash flow was squeezed during the year as a result of the lower operating profit and the weakened Swedish krona. The development of the

operating result has been deliberate and an effect of the communicated growth strategy. The company has a strong underlying operating cash flow 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 4.0 (4.2) at the end of the period.

### Equity

Equity at year-end was MSEK 442.0 (429.6), corresponding to SEK 8.15 (8.00) 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 27.4 from the previous year-end.

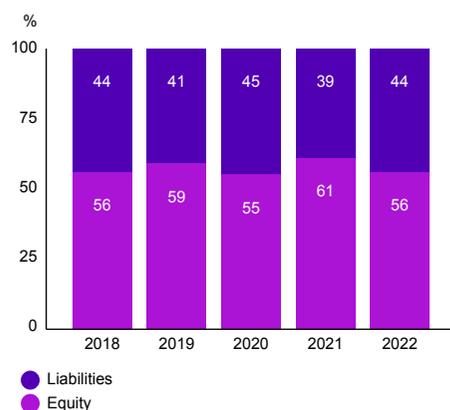
### Interest-bearing liabilities

A loan of MSEK 40.0 was raised during the year as payment for the acquisition of subsidiaries.

During the period January–December, the Company repaid MSEK 23.2 (51.1) of which lease liabilities account for MSEK 13.6 (MSEK 7.4).

At year-end, the company has an overdraft facility amounting to MSEK 75, which will be reduced to MSEK 50 after January. At the end of the period, the overdraft facility was unutilised (MSEK -). Leasing-related liabilities amounted to MSEK 11.7 (13.7) at

## Debt/equity ratio



the end of the period. The Company's total interest-bearing liability amounted to MSEK 44.2 (13.7) at the end of the period.

## Debt/equity ratio

The Group's equity ratio was 56 (61) per cent at year-end.

## Comments on the cash flow statement

Cash flow from operations amounted to SEK 80.7 (99.0) million.

Annual cash flow from investing activities amounted to MSEK -91.9 (-58.7), investments in intangible assets amounted to MSEK 56.3 (57.1), investments in tangible and financial assets amounted to MSEK 5.3

(1.7) and investments in acquisitions amounted to MSEK 30.3 (- MSEK).

Cash flow from financing activities amounted to MSEK 6.3 (-84.6) and is comprised of the raising of loans for MSEK 40.0 (- MSEK), repayment of loans of MSEK 9.7 (43.8), repayments of leasing-related liabilities of MSEK -13.6 (-7.4), new share issue as cash for acquisition of subsidiary for MSEK 10.0 (MSEK -), paid-in proceeds for shares as a result of redemption of the personnel's warrant programme of MSEK 6.5 (4.7), paid proceeds for the buy-back of warrants of MSEK -2.2 (-4.1), paid-in premiums from a new warrant programme for the personnel of MSEK 0.3 (1.3) and paid dividends totalling MSEK -37.8 (-35.3).

The Group's total cash flow for the year amounted to MSEK -17.4 (-44.3).

## Significant risks and uncertainty factors

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

Formpipe's net sales of MSEK 485.1 (MSEK 473.2) comprised 66 per cent (59 per cent) of recurring revenue. Recurring revenues recur each year and thus constitute a stable and secure base for company 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. The delivery organisation is primarily found in the Group's Danish operations. The Danish market has greater flexibility and better opportunities to quickly redeploy the workforce based on changes in demand, which is a more manageable risk for the Group. In the Swedish business, a more extensive delivery capacity is being built up, which means an increased risk in the transition phase. In the longer term, these operations should also have relatively low risk as the planning possibilities for the resources should be good.

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 11.3 (66.5), with changes to several factors:

Sensitivity analysis	Change	Effect on pre-tax profit, MSEK
Demand for licences	+/- 5%	+/- 0.8
Demand for delivery	+/- 5%	+/- 7.4
Staff expenses	+/- 5%	-/+ 14.1
STIBOR*	+/- 100 bps	-/+ 0.6
DKK/SEK	+/- 5%	+/- 1.0
EUR/SEK	+/- 5%	-/+ 0.1
GBP/SEK	+/- 5%	-/+ 0.1
USD/SEK	+/- 5%	+/- 0.1

\* 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 documentation. 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. For Formpipe's part, earnings

have been negatively affected by the weakened Swedish krona against the USD, as development hours in Ukraine are invoiced in USD. The currency-driven cost increase amounted to MSEK 8.0 compared to the previous year.

### Guidelines on remuneration for senior executives

The AGM resolved to approve the proposal of the Board for guidelines to 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 2022 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 2023 Annual General Meeting are essentially unchanged, but are described in detail in accordance with the new guidelines applicable for 2023 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 income.

Formpipe's share capital was SEK 5,421,782.50 at year-end 2022, allocated to 54,217,825 shares.

As of 31 December 2022, Formpipe had three warrant programmes outstanding for a total of 1,093,800 warrants registered for employees. The warrants can increase the total shares outstanding and voting rights in the Company by a maximum of 2.0 per cent. A new share issue in connection with the redemption of the 2020/2023 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 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 2022.

At the end of 2022, there were no agreements limiting the right to transfer shares.

## Proposed appropriation of profit

Appropriation of profits, SEK	
<b>The following retained earnings are at the disposal of the Annual General Meeting:</b>	
Non-restricted reserves	204,034,196
Profit for the year	-6,884,922
	<b>197,149,274</b>
<b>The Board of Directors proposes:</b>	
To be carried forward	197,149,274
	<b>197,149,274</b>

The Board of Directors proposes that the Annual General Meeting on 27 April 2023 resolve not to pay any dividend for 2022 financial year (SEK 0.70 per share), which entails a total dividend of SEK 0.00 (SEK 37,775,517.50).

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 43 (46) per cent.

Group equity was MSEK 442.0 (429.6) at the end of the period and net debt was MSEK 39.4 (-4.4).

## Corporate governance report

The Formpipe Corporate Governance Report is on pages 101–109 of this Annual Report.

## Sustainability Report

Formpipe's statutory sustainability report can be found on pages 69–74 in the Annual Report.

SUSTAINABILITY REPORT

# Sustainability report for 2022.

# Sustainability Report

This is Formpipe's statutory sustainability report for the financial year 2022. The report comprises the Parent Company Formpipe Software AB and its subsidiaries. Information on the corporate structure and business model is on page 57 in the Management Report.

## A driving actor in value-creating digitalisation

Formpipe has the ambition to be a driving actor in the value-creating digitisation of public administrations and private organisations. Through Formpipe's offerings, the long-term conditions are improved for our customers, our customers' customers and the environment. By utilising modern information technology, working life and the day-to-day are made more efficient and easier. Time is freed up for individuals, which in the long term provides a higher quality of life. The environmental footprint decreases as a result of less travel and lower resource utilisation in the form of paper, printing, storage, transports, etc.

Resource and efficiency gains as a result of using Formpipe's systems for structured and increasingly automated information management make it possible for public organisations to meet demands for a higher level of service and to do more with fewer resources. Formpipe's operations are run from a

long-term sustainable perspective where all of the Company's stakeholders' needs are met.

With customers in public and private organisations, high standards are set on good business ethics, IT security and data integrity. An inability to meet these standards leads to worse financial circumstances and in the short term also negative consequences for the Company's continued existence. Through its high product quality, Formpipe is on the forefront in terms of developing and providing software and solutions for high-quality and secure information management. Through continuous development work, it is ensured that the customers' and society's growing demands are met.

## Steering documents

Guidance for compliance in the sustainability area are in the Company's policies regarding: Corporate Social Responsibility (CSR), the Personnel Handbook, Salaries, Equality Plan, Sexual harassment preparedness plan, the Management Manual, Information Security, IT Security and Quality Assurance.

## Core values

Formpipe is a value-driven software company. We stand up for our brand and continuously develop our corporate culture. Formpipe's goal is for all employees to promote long-term customer relationships by living according to our values. Our culture is unique and we work actively to maintain it and to measure and monitor it through our regular pulse surveys described under the heading Employees and social involvement.

The organisation is divided into three business areas: private sector, and public sector in Sweden and Denmark. All of them are run based on the Company's mission to build valuable relationships between people and data. Formpipe's values lay the foundation for the employees' way of acting, interacting, making decisions and managing the work in the future.

## 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

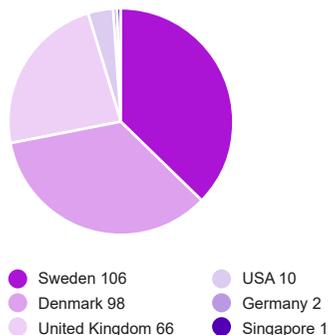
## Lead by example

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

## Employees by country



## Stakeholders



## Customer engagement and product quality

Strong customer engagement is of central importance to Formpipe's operations. A customer engagement in the continuous maintenance and further development of the Company's products is one way to strengthen its relevance and for investments in new services to come to the maximum benefit of the customers.

Product quality is also a prerequisite for being the customers' first choice and a long-term participant in a competitive market.

Each business area conducts regular customer surveys supplemented by customer dialogues in order to strengthen the offering in the long term and meet customers' business needs. The surveys measure the Customer Net Promoter Score, cNPS – an increasingly popular metric for customer engagement. Formpipe continuously sends out surveys with the cNPS question: "how likely is it that you would recommend Formpipe as a supplier?".

Space is also provided for suggestions from customers on future product improvements or product development. Besides the cNPS measurements, there are also active user associations that contribute to the products' development through a set process.

**Target:** Our ambition remains to achieve a higher cNPS result than other comparable companies.

**Results:** The result will be followed up as data for comparable companies is made available, something that is currently missing. Until then, the results of all measurements are documented and saved.

## Business ethics and IT security

Formpipe's customers set high standards on good business ethics, IT security and data integrity. These areas are important success factors for the Company's long-term financial conditions and survival.

### IT security and data integrity

Formpipe is and has been successful in its work in IT and information security. Information in various forms is one of the Company's most important assets. Formpipe is certified according to ISO 27001 – an internationally recognised standard that shows that the Company conducts systematic information security work in the organisation and protects its information assets.

### Corruption, bribes and money laundering

Formpipe does not offer, does not request and does not accept bribes or other illegal payments to win or keep business. The Company intends to only do business with business partners who conduct business that is consistent with legislation and whose business is financed in a legal manner. Formpipe does not promote money laundering and follows the general guidelines on combating money laundering that exist in applicable laws and conventions.

### Human rights

Formpipe supports and respects human rights regardless of where we work and we follow the UN Guiding Principles on Business and Human Rights and the UN framework for reporting guiding principles.

## Employees and social involvement

At Formpipe, employees safeguard each other and live according to the Company's core values. Both managers and employees have a responsibility to contribute to creating a good working climate and resolving any challenges that may arise. Offering a good working environment contributes to possibilities of attracting and keeping skilled personnel, which is a prerequisite for the Company's continued development. By employees thriving and having fun together, Formpipe can supply good products and maintain a good relationship to its customers. This in turn leads to better financial results and Formpipe remaining in the market as a relevant employer and supplier.

### Working environment

Formpipe strives to create a working environment where our employees thrive, have fun and are committed. The employees are involved, can influence their work situation and are given the opportunity of personal development. Formpipe has long measured the employees' commitment, motivation and well-being by annually conducting an employee survey. In 2019, the Company shifted from the earlier annual employee surveys to a new tool where continuous "pulses" are taken to better be able to take the temperature of the employees' commitment. Since 2020, the ever-popular Employee Net Promoter Score (eNPS) has been measured in these pulses.

Formpipe's eNPS at the end of 2022 was: 33.

**Target:** Measuring a higher eNPS than other comparable companies.

**Results:** The result will be followed up as data for comparable companies is made available, something that is currently missing. Until then, the results of all measurements are documented and saved.

### Gender distribution, diversity and non-discrimination

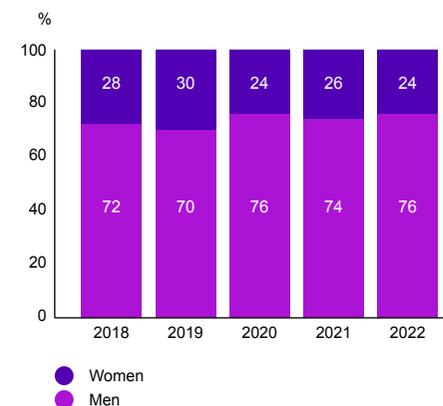
Formpipe's basic philosophy is to recruit qualified employees and promote equal rights and opportunities regardless of gender, cross-gender identity or expression, ethnic identity, religion or other beliefs, functional variation, sexual orientation or age. This approach permeates the entire company. Formpipe permits no form of discrimination, whether direct or indirect. The Company is convinced that a richer diversity leads to broader perspectives and by extension to a more sustainable and innovative corporate culture.

**Target:** The percentage of women shall be above the average for the IT industry.

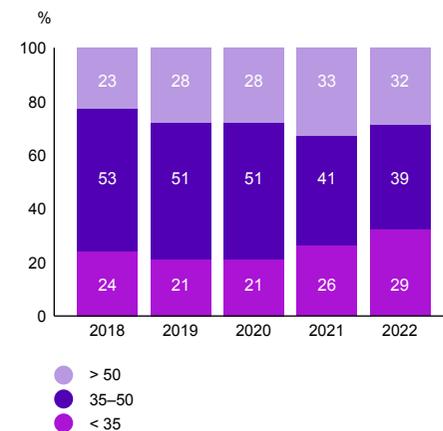
**Results:** A comparison has been made between the Swedish part of the organisation and the Swedish IT and Telecom Industry average. The Swedish part of the company has 30 per cent women, which is the same breakdown as TechSverige reports in its surveys of Swedish companies in the industry.

For Formpipe as a whole, the proportion of women is 24 per cent. In other words, the 2022 targets have not been met.

### Percentage women and men



### Employees by age group



## Diversity on the Board

Formpipe strives to meet the guidelines in the Swedish Corporate Governance Code, which is administered by the Swedish Corporate Governance Board (SCGB), with regard to the Board of Director's composition. The SCGB's target for listed companies was an even gender distribution where the boards consist of at least 40 per cent women.

**Target:** An even gender distribution with at least 40 per cent women.

**Results:** The target was not achieved in 2022. The percentage of women on the Board was 33 per cent at year-end.

## Social commitment

As our operations have a very low environmental impact, we will focus primarily on social engagement and sustainability, and in 2023 we will launch an internal project on this particular theme.

The challenges experienced by our colleagues in Ukraine in 2022, as well as the disaster currently unfolding in Turkey and Syria, have fuelled our drive. We want to use our unique team spirit and the commitment that is such a prominent part of our values and everyday life to make a difference outside Formpipe, our customers and our partners. The project is still in the start-up phase, so we are waiting until next year's reporting to present measurable targets and results.

## Community involvement

Every year, Formpipe allocates money for charity. This money is distributed during the year based on what is happening in the surrounding world and how well the initiatives harmonise with Formpipe's core values.

In connection with the escalating war in Ukraine in February 2022, Formpipe has made targeted contributions to support the company's contracted developers living in the country. More than SEK 300,000 has been given to secure continued income during this very trying time.

## Environmental impact

Formpipe safeguards a sustainable environment for current and future generations by limiting negative environmental and climate impact to the furthest extent possible in the scope of our operations. Formpipe's products shall also make it easier for the customer and the customer's customer to minimise their environmental impact.

## Sustainable IT

By maintaining the IT equipment, its lifespan is increased and the need to invest in new equipment is reduced. All electronic waste is collected and source sorted to be recycled in the best way. Centralised operations with virtual servers reduce the energy use and save resources



## Travel

Formpipe strives for employees to have to travel as little as possible and to use web meetings, webinars, etc. to the furthest extent possible. To further support this, the “Work from Anywhere” policy was published in May 2021. The policy allows teleworking in agreement with your immediate superior. The support offered to the company's customers is primarily solved remotely, which, combined with the option of working in another location, reduces the need to travel. Digital meetings have proven to be worthy replacements for many physical meetings, providing faster and more efficient solutions for the customer.

In the cases travel is needed, it shall take place in an environmentally friendly and cost-effective manner.

## Energy use

In our work to safeguard the environment, Formpipe endeavours to make conscientious choices and to reduce electricity consumption by, for example:

- using suppliers who offer green electricity
- turning off computers, screens and lighting when not used
- using premises of the right size

## Materials and recycling

Formpipe has a deliberate environmental thinking with regard to the purchase of office materials, food and other products. The Company strives to purchase energy-saving office machines and products

that are environmentally labelled, organic, locally produced and recyclable. Formpipe works for greater recycling of materials and source sorting of e.g. paper and glass. The Company strives to choose environmentally adapted packaging and to not use disposable items.

## Onboarding and training

Formpipe actively works to develop the onboarding process for new employees. In this, many parts of the sustainability report are already included and in 2023 the Company will continue to further integrate these targets and approaches into the process and see how this can be supplemented with further training efforts by our employees.

## Development of the sustainability report

As a result of a perceived increased standardisation in the reporting of sustainability targets, Formpipe intends to investigate the possibility of even more clearly reporting on ESG criteria for the Company's impact. The Company hopes this will enable comparability between Formpipe and other actors in the industry, something that Formpipe believes benefits a long-term positive development for the Company, all of its stakeholders and society in general. The Company continuously monitors the development.

FINANCIAL STATEMENTS

# Financial statements for 2022.

# Consolidated income statement

KSEK	Note	2022	2021
<b>Net sales</b>	5, 6	485,098	473,204
<b>Operating expenses</b>			
Cost of sales	5, 6	-67,291	-50,916
Other costs	5, 7, 28	-116,984	-91,414
Staff expenses	5, 8	-282,332	-248,232
Own work capitalised		53,922	52,471
<b>Operating profit before depreciation (EBITDA)</b>		<b>72,414</b>	<b>135,113</b>
Depreciation	14, 15, 26	-56,695	-66,596
<b>Operating profit (EBIT)</b>		<b>15,719</b>	<b>68,517</b>
Income from financing activities	9, 11	5,239	2
Expenses from financing activities	9, 11, 26	-9,672	-2,065
<b>Profit/loss after financial items</b>		<b>11,286</b>	<b>66,453</b>
Tax on profit/loss for the year	10, 23	-2,526	-16,017
<b>Profit/loss for the year</b>		<b>8,759</b>	<b>50,435</b>
<i>Of which attributable to:</i>			
Shareholders of the Parent Company		8,759	50,435
<b>Total</b>		<b>8,759</b>	<b>50,435</b>
<i>Other comprehensive income:</i>			
Items that may be reclassified to profit/loss			
Currency differences		26,666	13,741
Other comprehensive income for the year, net after tax		26,666	13,741
<b>Total comprehensive income for the year</b>		<b>35,425</b>	<b>64,177</b>
<i>Of which attributable to:</i>			
Shareholders of the Parent Company		35,425	64,177
<b>Total</b>		<b>35,425</b>	<b>64,177</b>
<b>KSEK</b>		<b>2022</b>	<b>2021</b>
Earnings per share, based on income attributable to shareholders of the Parent over the year (SEK per share)	12		
– before dilution		0.16	0.94
– after dilution		0.16	0.94
Average total shares before dilution, thousands		54,112	53,617
Average total shares after dilution, thousands		54,139	53,875

# Consolidated statement of financial position

KSEK	Note	31/12/2022	31/12/2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b> 14			
Capitalised expenditure		158,251	134,681
Goodwill		441,367	390,647
Other intangible non-current assets		12,695	12,205
<b>Total intangible non-current assets</b>		<b>612,313</b>	<b>537,533</b>
<b>Property, plant and equipment</b> 15			
Other equipment		19,231	19,508
<b>Total property, plant and equipment</b>		<b>19,231</b>	<b>19,508</b>
<b>Financial assets</b>			
Other financial assets	16, 17	1,681	1,519
Other non-current receivables	6, 16, 17	2,430	3,495
<b>Total non-current financial assets</b>		<b>4,112</b>	<b>5,014</b>
<b>Non-current receivables</b> 23			
Deferred tax assets		4,003	4,182
<b>Total non-current receivables</b>		<b>4,003</b>	<b>4,182</b>
<b>Total non-current assets</b>		<b>639,658</b>	<b>566,237</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade and other receivables	17, 18	83,484	75,411
Current tax assets		16,025	7,986
Other receivables	17	26	141
Accruals and prepaid income	6, 17, 19	38,570	36,409
<b>Total current receivables</b>		<b>138,105</b>	<b>119,947</b>
Cash and cash equivalents	17, 20	4,781	18,065
<b>Total non-current assets</b>		<b>142,886</b>	<b>138,012</b>
<b>TOTAL ASSETS</b>		<b>782,545</b>	<b>704,249</b>

KSEK	Note	31/12/2022	31/12/2021
<b>EQUITY</b>			
Share capital	21	5,422	5,373
Other paid-in capital		229,177	214,497
Revaluation reserves		49,478	22,812
Retained earnings including profit for the year		157,942	186,957
<b>Total equity</b>		<b>442,019</b>	<b>429,638</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowing from credit institutions	17, 22	22,500	-
Deferred tax liabilities	23	36,060	31,424
Non-current lease liabilities	26	5,083	6,241
<b>Total non-current liabilities</b>		<b>63,643</b>	<b>37,665</b>
<b>Current liabilities</b>			
Borrowing from credit institutions	17, 22	10,000	-
Current lease liabilities	26	6,631	7,477
Trade and other payables	17	34,703	20,606
Current tax liabilities		-	1,968
Other liabilities	24	12,042	12,141
Accrued expenses and deferred income	6, 17, 25	213,508	194,755
<b>Total current liabilities</b>		<b>276,884</b>	<b>236,946</b>
<b>Total liabilities</b>		<b>340,526</b>	<b>274,611</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>782,545</b>	<b>704,249</b>

# Consolidated statement of changes in equity

KSEK	Note	Equity attributable to shareholders of the Parent				Total
		Share capital	Other paid-in capital	Other reserves	Retained earnings including profit for the year	
<b>Equity on 1 January 2021</b>		5,346	212,640	9,071	171,807	398,865
<b>Comprehensive income</b>						
Profit/loss for the year		-	-	-	50435	50435
Other comprehensive income		-	-	13741	-	13741
<b>Total comprehensive income</b>		-	-	13741	50,435	64,177
<b>Transactions with shareholders</b>						
Dividends	12	-	-	-	-35286	-35286
New warrant issue	21	26	4666	-	-	4692
Warrant buy-back	21	-	-4119	-	-	-4119
Paid-in premiums for staff share option programme	21	-	1310	-	-	1310
<b>Total transactions with shareholders</b>		26	1857	-	-35286	-33403
<b>Equity on 31 December 2021</b>		5,373	214,497	22,812	186,957	429,638
<b>Equity on 1 January 2022</b>		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>		-	-	26,666	8,759	35,425
<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>		49	14,680	-	-37,776	-23,046
<b>Equity on 31 December 2022</b>		5,422	229,177	49,478	157,940	442,017

## Income statement – Parent

KSEK	Note	2022	2021
<b>Net sales</b>	27	155,877	147,956
<b>Operating expenses</b>	27		
Cost of sales		-16,174	-9,650
Other costs	7	-64,000	-63,782
Staff expenses	8	-76,834	-84,147
Depreciation		-3,821	-2,984
<b>Total operating expenses</b>		<b>-160,830</b>	<b>-160,562</b>
<b>Operating profit/loss</b>		<b>-4,952</b>	<b>-12,607</b>
Income from financing activities	9, 11	14,285	106,220
Expenses from financing activities	9, 11	-22,568	-6,020
<b>Profit/loss after financial items</b>		<b>-13,235</b>	<b>87,594</b>
Appropriations	27	5,741	3,319
Tax on profit/loss for the year	10, 23	609	2,249
<b>Profit/loss for the year</b>		<b>-6,885</b>	<b>93,161</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	31/12/2022	31/12/2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b> 14			
Capitalised expenditure		8,539	9,301
Goodwill		29,141	-
Customer contracts		3,444	-
<b>Total intangible non-current assets</b>		<b>41,124</b>	<b>9,301</b>
<b>Property, plant and equipment</b> 15			
Other equipment		2,012	1,174
<b>Total property, plant and equipment</b>		<b>2,012</b>	<b>1,174</b>
<b>Financial assets</b>			
Shares in subsidiaries	16	345,213	345,213
Other non-current financial assets		30	-
Other non-current receivables	6.16	2,430	3,495
<b>Total non-current financial assets</b>		<b>347,674</b>	<b>348,708</b>
<b>Non-current receivables</b>			
Deferred tax assets	23	2,880	2,249
<b>Total non-current receivables</b>		<b>2,880</b>	<b>2,249</b>
<b>Total non-current assets</b>		<b>393,689</b>	<b>361,431</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade and other receivables	18	24,066	23,397
Current tax assets		6,694	6,785
Loans to group companies	27	70,655	124,098
Other receivables		27	109
Accruals and prepaid income	19	8,042	6,699
<b>Total current receivables</b>		<b>109,483</b>	<b>161,089</b>
Cash and cash equivalents	20	4,073	15,898
<b>Total non-current assets</b>		<b>113,557</b>	<b>176,987</b>
<b>TOTAL ASSETS</b>		<b>507,246</b>	<b>538,419</b>

KSEK	Note	31/12/2022	31/12/2021
<b>EQUITY</b>			
<b>Restricted equity</b>			
Share capital	21	5,422	5,373
Statutory reserve		17,691	17,691
		<b>23,112</b>	<b>23,063</b>
<b>Non-restricted equity</b>			
Share premium reserve		198,030	183,350
Retained earnings		6,004	-49,381
Profit/loss for the year		-6,885	93,161
		<b>197,149</b>	<b>227,130</b>
<b>Total equity</b>		<b>220,262</b>	<b>250,193</b>
<b>Untaxed reserves</b>			
Tax allocation reserves		-	-
<b>Total untaxed reserves</b>		<b>-</b>	<b>-</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowing from credit institutions	22	22,500	-
Deferred tax liabilities		709	-
<b>Total non-current liabilities</b>		<b>23,209</b>	<b>-</b>
<b>Current liabilities</b>			
Borrowing from credit institutions	22	10,000	-
Trade and other payables		17,477	10,162
Liabilities to group companies	27	152,949	191,893
Other liabilities	24	4,233	3,935
Accrued expenses and deferred income	25	79,115	82,236
<b>Total current liabilities</b>		<b>263,775</b>	<b>288,226</b>
<b>Total liabilities</b>		<b>286,984</b>	<b>288,226</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>507,246</b>	<b>538,419</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 2021</b>		<b>5,346</b>	<b>17,691</b>	<b>181,493</b>	<b>-14,095</b>	<b>190,435</b>
<b>Comprehensive income</b>						
Profit/loss for the year		-	-	-	93,161	93,161
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>93,161</b>	<b>93,161</b>
<b>Transactions with shareholders</b>						
Dividends	12	-	-	-	-35,286	-35,286
New warrant issue	21	26	-	4,666	-	4,692
Warrant buy-back	21	-	-	-4,119	-	-4,119
Paid-in premiums for staff share option programme	21	-	-	1,310	-	1,310
<b>Total transactions with shareholders</b>		<b>26</b>	<b>-</b>	<b>1,857</b>	<b>-35,286</b>	<b>-33,403</b>
<b>Equity on 31 December 2021</b>		<b>5,373</b>	<b>17,691</b>	<b>183,350</b>	<b>43,780</b>	<b>250,193</b>
<b>Equity on 1 January 2022</b>		<b>5,373</b>	<b>17,691</b>	<b>183,350</b>	<b>43,780</b>	<b>250,193</b>
<b>Comprehensive income</b>						
Profit/loss for the year		-	-	-	-6,885	-6,885
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</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>

# Cash flow statement

KSEK	Note	Group		Parent Company	
		2022	2021	2022	2021
<b>Cash flow from operating activities</b>					
Operating profit/loss		15,719	68,517	-4,952	-12,607
<b>Items not affecting cash flows</b>					
– Depreciation		56,695	65,787	3,790	2,984
– Other items		7,510	-8,112	-6,983	369
<b>Other items affecting liquidity</b>					
Interest revenue		95	1	517	486
Interest expense		-2,330	-1,916	-2,106	-1,273
Income tax paid		-17,817	-7,682	-	-1,239
<b>Cash flow from operating activities before changes in working capital</b>		<b>59,872</b>	<b>116,595</b>	<b>-9,734</b>	<b>-11,279</b>
Increase (-)/decrease (+) in work in progress		-375	39	-	-
Increase (-) / decrease (+) trade receivables		-1,981	-12,178	-18,094	-8,906
Increase (-) / decrease (+) other current receivables		1,364	-1,351	65,272	-1,585
Increase (+) / decrease (-) trade payables		11,458	4,624	5,801	-4,604
Increase (+) / decrease (-) non-current liabilities		10,379	-8,702	-29,734	58,802
<b>Cash flow from changes in working capital</b>		<b>20,846</b>	<b>-17,568</b>	<b>23,245</b>	<b>43,708</b>
<b>Cash flow from operating activities</b>		<b>80,718</b>	<b>99,027</b>	<b>13,511</b>	<b>32,429</b>

KSEK	Note	Group		Parent Company	
		2022	2021	2022	2021
<b>Cash flow from investing activities</b>					
Investment in intangible non-current assets	14	-56,289	-57,068	-2,138	-4,785
Investment in property, plant, and equipment	15	-5,313	-1,678	-1,569	-842
Investment in financial assets	16	-	-	1,065	-1,684
Investments in subsidiaries	28	-30,252	-	-32,147	-
<b>Cash flow from investing activities</b>		<b>-91,854</b>	<b>-58,746</b>	<b>-34,790</b>	<b>-7,311</b>
<b>Cash flow from financing activities</b>					
New share issue	21	10,082	4,692	10,082	4,692
Issue of warrants	21	6,798	1,310	6,798	1,310
Warrant buy-back		-2,151	-4,119	-2,151	-4,119
Raising of loans	22	40,000	-	40,000	37,016
Repayment of loans	22	-9,698	-43,803	-7,500	-43,499
Repayment of lease liabilities	22, 26	-13,550	-7,419	-	-
Dividend paid	13	-37,776	-35,286	-37,776	-35,286
<b>Cash flow from financing activities</b>		<b>-6,294</b>	<b>-84,625</b>	<b>9,454</b>	<b>-39,886</b>
<b>Cash flow for the year</b>		<b>-17,430</b>	<b>-44,343</b>	<b>-11,825</b>	<b>-14,768</b>
Currency translation differences for cash and cash equivalents		4,146	3,815	-	-
Cash and cash equivalents at start of year		18,065	58,593	15898	30,666
<b>Cash and cash equivalents at year-end</b>	<b>20</b>	<b>4,781</b>	<b>18,065</b>	<b>4,073</b>	<b>15,898</b>

# Notes

All amounts in these notes are stated in SEK thousands (KSEK) unless otherwise specified. The closing date is 31 December 2022.

## 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, the U.S. and Singapore.

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 231 31, SE-104 35 Stockholm, Sweden. The visiting address is Sveavägen 168, Stockholm.

The Parent is listed on the Nasdaq Stockholm Stock Exchange.

On 31 April 2023, the Board of Directors approved the consolidated financial statements for publication on 5 April 2023.

## 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 represent-ed 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 compli-ance 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 consolidat-ed financial statements as they are eliminated in the consol-idated 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 finan-cial 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 good-will 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 eco-nomic useful life and is subject to amortisation over the Par-ent's income statement. Consolidated goodwill is not subject to amortisation.

Preparation of financial statements in accordance with IFRS requires using several significant accounting estimates. Man-agement 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 func-tion 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 finan-cial 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 as-sessment of whether the Group exercises control over another company. The Group also assesses if controlling influence ex-ists 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. Sub-sidiaries 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 instru-

ments issued at the transfer date. The purchase price also in-cludes 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 busi-ness 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 recog-nised as incurred.

When the business combination is taken in more than one step, the previous equity stakes in the acquired business are remeas-ured 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 in-come. Contingent consideration classified as equity is not reval-ued 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 recog-nised 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 applica-tion of Group policies.

Group contributions from the Parent to subsidiaries are recog-nised as an increase in the holding in the subsidiary, while at that time an assessment is made as to whether there is objec-tive evidence that the shares may be impaired. Group contribu-tions received by the Parent are recognised using the same poli-cies 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 compo-

nent. 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 re 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 re 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.

In the parent company, goodwill is amortised on a straight-line basis over its estimated useful life, which is estimated to be 10 years for the goodwill recognised in the annual report.

#### 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 collecting 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 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.

## 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.

	2022		2021			
	Profit/loss for the year	Equity	Profit/loss for the year	Equity		
<b>KSEK</b>	<b>8,899</b>	<b>442,534</b>	<b>50,437</b>	<b>429,640</b>		
<b>Sensitivity analysis, currency risk</b>						
DKK	+/- 10%	1,468	33,369	+/- 10%	6457	39,479
EUR	+/- 10%	-75	814	+/- 10%	203	1,005
GBP	+/- 10%	64	7,466	+/- 10%	-774	7,200
USD	+/- 10%	-244	-1,347	+/- 10%	-159	-951
<b>Total</b>	<b>+/- 10%</b>	<b>1,212</b>	<b>40,303</b>	<b>+/- 10%</b>	<b>5727</b>	<b>46,733</b>

### (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 2021 financial year or at the end of the 2022 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 2022 and 2021 would have been affected as per the table below.

### (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.

### (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 - (32,500) with variable interest linked to SEB's reference rate. A change of 10 bps in the underlying reference interest rate would have changed profit for the year and equity by plus or minus KSEK 374 (21).

### (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 2023.

The Company's net debt (interest-bearing liabilities less cash and cash equivalents) amounted to KSEK 69,432 (-4,347) at year-end.

KSEK	< 1 yr	1-2 yrs	2-5 years	> 5 years
<b>2022</b>				
UB				
Non-current lease liabilities recognised and valued as per IFRS 16	-	4,520	226	-
Non-current liabilities to credit institutions	-	20,000	2,500	-
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>24,520</b>	<b>2,726</b>	<b>-</b>
<b>2021</b>				
UB				
Non-current lease liabilities recognised and valued as per IFRS 16	-	7,701	151	-
Current lease liabilities recognised and valued as per IFRS 16	5,865	-	-	-
Trade payables and other liabilities	34,715	-	-	-
<b>Total</b>	<b>40,580</b>	<b>7,701</b>	<b>151</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 estimates 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.

### 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 de-

preciation 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.

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 2022, 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.

### 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:

- 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).

## 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 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

- 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. 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. For Formpipe's part, earnings have been negatively affected by the weakened Swedish krona against the USD, as development hours in Ukraine are invoiced in USD. The currency-driven cost increase amounted to MSEK 8.0 compared to the previous year.

### Uncertainties attributable to COVID-19

As of 1 April 2022, Covid-19 ceased to be classified as a socially dangerous disease and currently poses no risk to Formpipe. The organisation continues to monitor developments and takes the necessary action should the situation change.

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	2022				2021			
		SE	DK	Private	Other	SE	DK	Private	Other
		Public	Public			Public	Public		
Formpipe Software AB	Sweden	x		x	x			x	x
Formpipe Intelligo AB	Sweden			x					x
Formpipe Software Holding A/S	Denmark						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	Netherlands			x					x
Formpipe Inc.	The U.S.			x					x
Formpipe Software Ltd	UK			x					x

#### Geographic distribution of external revenues

A geographic breakdown of the external revenues from all products and services are identified as follows:

2022	SE	DK	Private	Other	Group
	Public	Public			
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>

2021	SE	DK	Private	Other	Group
	Public	Public			
Sweden	123,178	-	17,625	4,085	144,888
Denmark	-	150,287	25,643	40,923	216,853
Other Nordic	0	0	2,926	26	2,952
UK	-	-	29,219	18	29,237
Rest of Europe	-	119	42,790	18	42,927
North America	-	-	25,104	-	25,104
Rest of world	-	-	11,235	9	11,244
<b>Total</b>	<b>123,178</b>	<b>150,406</b>	<b>154,541</b>	<b>45,079</b>	<b>473,204</b>

#### Income statement by segment

2022	SE	DK	Private	Other	Group
	Public	Public			
Licences	4,406	1,559	10,601	-	16,565
SaaS	15,054	8,181	70,524	0	93,760
Maintenance and Support	84,520	64,930	73,117	3,929	226,497
Delivery services	41,758	77,062	29,456	-0	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	0	-	0
<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>8,760</b>

2021	SE	DK	Private	Other	Group
	Public	Public			
Licences	10,789	5,790	11,774	40,923	69,276
SaaS	13,149	6,920	46,025	0	66,094
Maintenance and Support	80,992	57,863	69,279	4,152	212,286
Delivery services	18,248	79,833	27,463	4	125,549
<b>Total sales</b>	<b>123,178</b>	<b>150,406</b>	<b>154,541</b>	<b>45,079</b>	<b>473,204</b>
Expenses, external	-80,078	-96,757	-140,944	-20,313	-338,091
Intra-Group net	372	-391	19	-	0
<b>Total expenses</b>	<b>-79,705</b>	<b>-97,148</b>	<b>-140,925</b>	<b>-20,313</b>	<b>-338,091</b>
<b>EBITDA</b>	<b>43,473</b>	<b>53,258</b>	<b>13,616</b>	<b>24,766</b>	<b>135,113</b>
Depreciation					-66,596
<b>EBIT</b>					<b>68,517</b>
Net financial items					-2,064
Tax					-16,017
<b>Profit/loss for the year</b>					<b>50,436</b>

### Information about customers

The Group is domiciled in Sweden. Revenues from external customers in the SE Public segment amount to KSEK 145,737 (123,178), total revenues from external customers in the DK Public segment amount to KSEK 151,733 (150,406) and total revenues from external customers in the Private segment amount to KSEK 183,699 (154,541) and total revenues from external customers in the Other segment amount to KSEK 3,929 (45,079).

Revenues of KSEK 37,714 (70,029) relate to one single external customer of which KSEK 37,714 (30,106) is attributable to the DK Public segment and KSEK -(40,923) is attributable to the Other 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.

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
Total capitalised expenses	70,777	36,904	45,245	5,325	158,251
<b>Goodwill</b>					
Sweden	89,020	191,019	161,328	-	441,367
Total goodwill	89,020	191,019	161,328	-	441,367
<b>Other intangible assets</b>					
Sweden	5,499	-	-	-	5,499
Denmark	-	135	-	-	135
UK	-	-	7,061	-	7,061
North America	-	-	-	-	-
Total other intangible assets	5,499	135	7,061	-	12,695
<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>
2021	SE Public	DK Public	Private	Other	Group
<b>Capitalised expenditure</b>					
Sweden	62,432	-	10,698	6,291	79,421
Denmark	-	30,977	23,132	-	54,109
UK	-	-	1,138	-	1,138
North America	-	-	12	-	12
Total capitalised expenses	62,432	30,977	34,981	6,291	134,681
<b>Goodwill</b>					
Sweden	59,880	176,032	154,735	-	390,647
Total goodwill	59,880	176,032	154,735	-	390,647
<b>Other intangible assets</b>					
Sweden	1,918	-	-	-	1,918
Denmark	-	203	-	-	203
UK	-	-	10,084	-	10,084
North America	-	-	-	-	-
Total other intangible assets	1,918	203	10,084	-	12,205
<b>Total intangible assets</b>	<b>124,230</b>	<b>207,212</b>	<b>199,800</b>	<b>6,291</b>	<b>537,533</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>
2021	SE Public	DK Public	Private	Other	Group
<b>Property, plant and equipment</b>					
Sweden	9,486	-	-	-	9,486
Denmark	-	7,374	94	-	7,468
UK	-	-	2,359	-	2,359
Rest of Europe	-	-	41	-	41
North America	-	-	153	-	153
<b>Total tangible assets</b>	<b>9,486</b>	<b>7,374</b>	<b>2,648</b>	<b>-</b>	<b>19,508</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 83–86. 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	A point in 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	2022	2021
Contract assets long-term component	Other non-current receivables		2,430	3,495
Contract assets short-term component	Accruals and prepaid income	Note 19	1,868	1,868
			<b>4,298</b>	<b>5,363</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	2022	2021
Contract liability, short-term component	Accrued expenses and deferred income	Note 25	183,623	157,421
			<b>183,623</b>	<b>157,421</b>

The increase in contract liabilities from 2021 to 2022 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 2022.

### 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 369,000 (303,800) during the 2022 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	
	2022	2021	2022	2021
<b>PricewaterhouseCoopers AB</b>				
Audit assignment	1,502	1,429	476	474
Auditing services other than audit assignment	68	67	-	-
Tax consultancy	234	125	-	-
Other services	181	67	-	-
<b>Total PricewaterhouseCoopers AB</b>	<b>1,986</b>	<b>1,688</b>	<b>476</b>	<b>474</b>

	Group		Parent Company	
	2022	2021	2022	2021
<b>Other auditors</b>				
Audit assignment	177	443	-	-
Tax consultancy	87	125	-	-
Other services	34	67	-	-
<b>Group total</b>	<b>2,285</b>	<b>2,322</b>	<b>476</b>	<b>474</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 1,615 (1,871), of which KSEK 642 (534) is for PwC Sweden. Audit activities in addition to the audit assignment amount to KSEK 68 (67), 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

	2022	2021
<b>Parent Company</b>		
Salaries and other benefits	59,613	52,161
Pension cost	7,138	6,279
Social security contributions	21,152	18,639
<b>Subsidiaries</b>		
Salaries and other benefits	149,701	151,187
Pension cost	9,031	8,693
Social security contributions	8,991	7,277
<b>Group</b>		
Salaries and other benefits	209,313	198,384
Pension cost	16,169	14,972
Social security contributions	30,143	26,234

	Group		Parent Company	
	2022	2021	2022	2021
<b>Number of employees at year-end</b>				
Formpipe Software AB, SE	100	95	100	95
Formpipe Intelligo AB, SE	6	6	-	-
Formpipe Software A/S, DK	86	83	-	-
Formpipe Lasernet A/S, DK	12	13	-	-
Formpipe Lasetnet GmbH, DE	1	2	-	-
Formpipe Software Benelux BV, NL	-	-	-	-
Formpipe Inc, USA	12	13	-	-
Formpipe Software Ltd.	66	62	-	-
<b>Total staff</b>	<b>283</b>	<b>274</b>	<b>100</b>	<b>95</b>
<b>Average staff</b>	<b>279</b>	<b>260</b>	<b>98</b>	<b>86</b>

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

		Basic salary/ Director's fee	Variable remuneration	Pension cost	Other remunerations	Total
Annikki Schaeferdiek (Chairman)	2022	450	-	-	-	450
Peter Lindström	2022	200	-	-	-	200
Åsa Landén Ericsson	2022	200	-	-	-	200
Peter Gille	2022	200	-	-	-	200
Johan Stakenberg	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>

**Salary and employee benefits – Board, senior executives 2021**

		Basic salary/ Director's fee	Variable remuneration	Pension cost	Other remunerations	Total
Bo Nordlander (Chairman of the Board)	2021	380	-	-	-	380
Peter Lindström	2021	190	-	-	-	190
Annikki Schaeferdiek	2021	190	-	-	-	190
Åsa Landén Ericsson	2021	190	-	-	-	190
Martin Bjäringer	2021	190	-	-	-	190
Erik Syrén	2021	190	-	-	-	190
Christian Sundin (CEO)	2021	2,169	115	651	185	3,120
Other senior executives, 6 persons	2021	9,297	932	1,337	465	12,031
<b>Total 2021</b>		<b>12,796</b>	<b>1,048</b>	<b>1,988</b>	<b>650</b>	<b>16,481</b>

**Members, Board of Directors**

	Group		Parent Company	
	2022	2021	2022	2021
Women	2	2	2	2
Men	4	4	4	4

**Boards of Directors for subsidiaries**

Members, Board of Directors	Women	Men	Women	Men
	2022	2022	2021	2021
Formpipe Intelligo AB, SE	-	3	-	3
Formpipe Software A/S, DK	-	3	-	3
Formpipe Lasernet A/S, DK	-	3	-	3
Formpipe Lasernet GmbH, DE	-	-	-	2
Formpipe Software Benelux BV, NL	-	-	-	2
Formpipe Inc, USA	-	1	-	1
Formpipe Software Ltd.	-	1	-	1

The Board of Directors in subsidiaries received no remuneration for 2022.

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	
	2022	2021	2022	2021
Women	1	1	1	1
Men	6	6	6	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 the basic salary. All variable remuneration plans have defined maximum allocation and outcome limits.

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.

**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, 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.

**Note 9. Financial income and expenses**

	Group		Parent Company	
	2022	2021	2022	2021
<b>Income from financing activities</b>				
Dividends received from subsidiaries	-	-	-	103,359
Interest income	93	1	420	486
Other financial income	2	1	-	-
Exchange rate differences	5,144	-	13,865	2,376
	<b>5,239</b>	<b>2</b>	<b>14,285</b>	<b>106,220</b>

	Group		Parent Company	
	2022	2021	2022	2021
<b>Expenses from financing activities</b>				
Interest expense bank borrowings	-1,442	-992	-1,372	-873
Interest expenses, lease liabilities	-263	-386	-	-
Other interest expenses	-9	-7	-396	-56
Exchange rate differences	-7,317	-149	-20,454	-4,747
Other financial expenses	-641	-531	-346	-344
	<b>-9,672</b>	<b>-2,065</b>	<b>-22,568</b>	<b>-6,020</b>

## Note 10. Income tax

	Group		Parent Company	
	2022	2021	2022	2021
Current tax	-294	14,630	-	-
Deferred tax	2,820	1,387	-609	-2,249
	<b>2,526</b>	<b>16,017</b>	<b>-609</b>	<b>-2,249</b>

Deferred tax refers to capitalisation of tax loss carryforwards of KSEK -331 (-1,552)), utilisation of accumulated tax loss carryforwards from previous years totalling KSEK 166 (-507) and deferred tax expenses attributable to intangible assets of KSEK -2,673 (664), revaluation effects of a changed tax rate of KSEK (-) and deferred tax assets attributable to IFRS 16 Leases of KSEK 18 (9).

At the end of the period, the Group has accumulated losses of MSEK 3.5 (3.5) where that related to loss carryforwards are not capitalised in the Group. All other loss carryforwards in the Group are capitalised as deferred tax assets, also refer to 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	
	2022	2021	2022	2021
Profit/loss before tax	11,286	66,453	-7,494	90,912
Expected tax rate according to the current Swedish tax rate of 20.6%	2,325	13,690	-1,544	18,728
Effect of other tax rates for foreign subsidiaries	-69	70	-	-
Non-taxable income	-6	-	-1	-21,292
Non-deductible expenses	572	76	113	50
Difference between accounting and tax depreciation	-518	539	-	-
Tax attributable to previous years	105	298	-	-
Tax attributable to intangible assets	-	-	-	-
Effect of subsidiaries' tax rates	-	-	-	-
Capitalised loss carryforwards	173	837	823	265
Utilisation of loss carryforwards	-55	507	-	-
Deferred tax expense attributable to intangible assets	-	-	-	-
<b>Tax expense</b>	<b>2,526</b>	<b>16,017</b>	<b>-609</b>	<b>-2,249</b>

The weighted effective tax rate was 22.4 (24.1) per cent.

## Note 11. Exchange-rate differences – net

### Exchange rates (against SEK)

	Average price January–December		Closing day rate, 31 December	
	2022	2021	2022	2021
DKK	1.43	1.36	1.50	1.38
EUR	10.63	10.14	11.12	10.24
GBP	12.47	11.80	12.55	12.21
USD	10.12	8.58	10.42	9.04

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

	Group		Parent Company	
	2022	2021	2022	2021
Other revenues and expenses – net	-400	-1,772	-450	-279
Financial items – net	-2,173	-149	-6,589	-2,376

## 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.

	2022	2021
Profit or loss for the year attributable to shareholders of the Parent	8,759	50,435
Weighted average outstanding common shares (thousands)	54,112	53,617
<b>Earnings per share before dilution (SEK per share)</b>	<b>0.16</b>	<b>0.94</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).

	2022	2021
Weighted average outstanding common shares (thousands)	54,112	53,617
Adjustments for:		
– share options 2018 to 2021 (thousands)	-	113
– share options 2019 to 2022 (thousands)	27	104
– share options 2020 to 2023 (thousands)	-	41
– 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)	54,139	53,875
<b>Earnings per share after dilution (SEK per share)</b>	<b>0.16</b>	<b>0.94</b>

### Note 13. Dividend per share

The Board of Directors proposes that the Annual General Meeting on 27 April 2023 not to pay a dividend (SEK 0.70 per share) (corresponding to a total of SEK 37,608,239.90).

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 2021</b>						
Opening carrying amount	380,218	130,643	7,142	3,546	2,073	523,623
Exchange rate differences	10,429	1,677	666	310	145	13,227
Purchases	-	55,210	-	99	1,759	57,068
Depreciation	-	-38,231	-1,659	-857	-1,020	-41,766
Impairment losses	-	-14,618	-	-	-	-14,618
<b>Closing carrying amount</b>	<b>390,647</b>	<b>134,681</b>	<b>6,150</b>	<b>3,098</b>	<b>2,957</b>	<b>537,533</b>
<b>As of 31 December 2021</b>						
Cost	390,647	613,257	55,766	7,128	8,581	1,075,380
Accumulated amortisation	-	-463,959	-49,616	-4,030	-5,624	-523,229
Accumulated impairment	-	-14,618	-	-	-	-14,618
<b>Carrying amount</b>	<b>390,647</b>	<b>134,681</b>	<b>6,150</b>	<b>3,098</b>	<b>2,957</b>	<b>537,533</b>
<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>

	Goodwill	Capitalised expenditure	Customer relations	Technology	Brand names	Total
<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>

Capitalised expenditures represent essentially only product development.

#### Parent Company

	Goodwill	Capitalised expenditure	Customer contracts	Total
<b>Financial year 2021</b>				
Opening carrying amount	-	6,851	-	6,851
Purchases	-	4,785	-	4,785
Depreciation	-	-2,335	-	-2,335
<b>Closing carrying amount</b>	<b>-</b>	<b>9,301</b>	<b>-</b>	<b>9,301</b>
<b>As of 31 December 2021</b>				
Cost	60,785	45,519	22,019	128,323
Accumulated amortisation	-60,785	-36,218	-22,019	-119,022
<b>Carrying amount</b>	<b>-</b>	<b>9,301</b>	<b>-</b>	<b>9,301</b>
<b>Financial year 2022</b>				
Opening carrying amount	-	9,301	-	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>

#### Impairment testing of goodwill in the Group

The group's goodwill at the end of the year amounted to KSEK 441,367 (390,674). 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 (59,880) for SE Public, KSEK 191,019 (176,032) for DK Public and KSEK 161,332 (154,735) for Private.

During the 2022 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 2021 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 forecasting period is five years. Cash flow beyond the explicit forecast period has been set at an annual growth rate of 2 (2) per cent.

#### 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.

#### 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, %	2022	2021
<b>Segment:</b>		
SE Public	8.5%	8.0%
DK Public	8.5%	8.0%
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.

## Note 15. Property, plant and equipment

Group	Group			Parent Company	
	Other equipment	Lease assets IFRS 16	Total	Other equipment	Total
<b>Financial year 2021</b>					
Opening carrying amount	5,404	21,734	27,138	981	981
Exchange rate differences	349	382	731	-	-
Purchases	2,450	561	3,012	842	842
Divestment and disposals	-3,633	-1,386	-5,019	-	-
Depreciation	-2,070	-7,482	-9,552	-649	-649
Reversed accumulated depreciation on disposals	2,049	1,150	3,199	-	-
<b>Closing carrying amount</b>	<b>4,550</b>	<b>14,959</b>	<b>19,508</b>	<b>1,174</b>	<b>1,174</b>
<b>As of 31 December 2021</b>					
Cost	28,819	34,688	63,506	11,728	11,728
Accumulated amortisation	-24,269	-19,729	-43,998	-10,554	-10,554
<b>Carrying amount</b>	<b>4,550</b>	<b>14,959</b>	<b>19,508</b>	<b>1,174</b>	<b>1,174</b>

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>

## Note 16. Financial assets

Group	Parent Company			
	2022		2021	
<b>Shares in subsidiaries</b>				
Opening cost			345,213	344,636
Shareholder contribution			-	578
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			
	2022		2021	
<b>Other non-current financial assets</b>				
Other financial assets	1,681	1,519	-	-
Other non-current receivables	2,430	3,495	2,430	3,495
<b>Closing value, financial assets</b>	<b>4,112</b>	<b>5,014</b>	<b>2,430</b>	<b>3,495</b>

The Group had no collateral or mortgages issued during the financial years 2022 and 2021.

	Group		Parent Company			
	2022	2021	2022	2021		
<b>Pledged assets</b>						
Mortgages	-	-	-	-		
The Group had the following subsidiaries at the end of the period. All subsidiaries are consolidated in the Group.						
<b>Subsidiaries</b>						
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 Lasetnet GmbH	Germany	Software sales	Limited Liability Company	141866	100%	-
Formpipe Software Benelux BV	Netherlands	Software sales	Limited Liability Company	853770153	100%	-
Formpipe Inc.	The U.S.	Software sales	Limited Liability Company	141194334	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 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>

31 December 2021	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	1,519	-	1,519
Other non-current receivables	3,495	-	3,495
Trade and other receivables	75,552	-	75,552
Accrued income	13,123	-	13,123
Cash and cash equivalents	18,065	-	18,065
<b>Total</b>	<b>111,754</b>	<b>-</b>	<b>111,754</b>
<b>Liabilities in the statement of financial position</b>			
Borrowing from credit institutions	-	-	-
Trade and other payables	20,606	-	20,606
Accrued employee-related expenses	22,117	-	22,117
<b>Total</b>	<b>42,723</b>	<b>-</b>	<b>42,723</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	
	2022	2021	2022	2021
Trade and other receivables	83,484	75,411	24,066	23,397
	<b>83,484</b>	<b>75,411</b>	<b>24,066</b>	<b>23,397</b>

The Group has no non-current trade receivables. Fair value regarding current trade receivables equals the carrying amount.

As at 31 December 2022, trade receivables were KSEK 83,484 (75,411). They were distributed as follows: KSEK 27,102 (23,644), KDKK 22,630 (24,542), KGBP 1,339 (854), KEUR 259

(548) and KUSD 274 (210). The consolidated trade receivables of 83,484 includes an impairment reserve of the consolidated trade receivables for anticipated credit losses of KSEK 836 (308). The age analysis of trade receivables is as follows:

	Group		Parent Company	
	2022	2021	2022	2021
<b>Past due trade receivables on the statement of financial position date:</b>				
Less than 3 months	12,337	16,315	1,507	4,045
More than 3 months	5,847	24	229	-221
	<b>18,183</b>	<b>16,339</b>	<b>1,737</b>	<b>3,824</b>

As of 31 December 2022, the Group had written down the trade receivables by KSEK 836 (308) for doubtful debts. The impairment reserve pertains to a total of two customers and 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	
	2022	2021	2022	2021
Prepaid expenses for goods sold	4,617	3,368	203	129
Pre-paid insurance	669	672	488	576
Prepaid IT expenses	2,702	2,205	1,041	708
Prepaid rent	1,356	869	1,216	1,018
Prepaid sales and marketing expenses	15,108	15,890	1,894	365
Accrued income	10,993	11,255	1,896	1,917
Accrued income (Contract asset)	1,065	1,868	1,065	1,868
Other	2,062	282	239	119
<b>Total</b>	<b>38,570</b>	<b>36,409</b>	<b>8,042</b>	<b>6,699</b>

## Note 20. Cash and cash equivalents

	Group		Parent Company	
	2022	2021	2022	2021
Cash and cash equivalents	4,781	18,065	4,073	15,898
	<b>4,781</b>	<b>18,065</b>	<b>4,073</b>	<b>15,898</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 2020</b>	<b>53,464</b>
New share issue – share option redemption	262
<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>

The total number of shares is 54,217,825 (53,726,057) with a quota value of SEK 0.1 (0.1) per share. All shares issued are fully paid up.

### New issue – acquisitions

On 1 March 2022, the Company issued 238,968 shares as partial payment of the purchase price for the acquisition of Alkemit AB.

### New share issue – share option redemption

On 01 June 2022, the Company issued 252,800 shares for redemption by the staff warrant programme 2019/2022.

### 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.

On 30 April 2019, 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 9 May 2022 to 20 May 2022 at a price of SEK 25.79 per new share. The paid-in option premiums totalling SEK 615,000 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:

	2022		2021	
	Average exercise price, SEK per share	Share options (total)	Average exercise price, SEK per share	Share options (total)
<b>At 1 January</b>	<b>32.76</b>	<b>1,500,000</b>	<b>24.55</b>	<b>1,500,000</b>
+ Allocated	42.36	93,800	42.53	500,000
- Exercised	25.79	-252,800	17.90	-262,150
- Bought back	25.79	-226,200	17.90	-234,850
- Expired	25.79	-21,000	17.90	-3,000
<b>As of 31 December</b>	<b>36.76</b>	<b>1,093,800</b>	<b>32.76</b>	<b>1,500,000</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	
		2022	2021
22/05/2022	25.79	-	500,000
26/05/2023	29.95	500,000	500,000
24/05/2024	42.53	500,000	500,000
23/05/2025	42.36	93,800	-
		<b>1,093,800</b>	<b>1,500,000</b>

The weighted average fair value of the options allocated during 2022, determined using the Black-Scholes Pricing Model, was SEK 2.97 (2.62) per option. Significant input data to the model included the weighted average share price of SEK 35.30 (35.44)

## Note 22. Borrowings

	2022	2021
<b>Non-current</b>		
Bank borrowings	22,500	-
<b>Total non-current</b>	<b>22,500</b>	<b>-</b>
<b>Currency</b>		
Bank borrowings	10,000	-
<b>Total current</b>	<b>10,000</b>	<b>-</b>
<b>Total borrowings</b>	<b>32,500</b>	<b>-</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 32,500 (-), of which KSEK - (-) refers to the utilised portion of the Group's overdraft facilities.

	2022	2021
SEK	32,500	-
<b>Total</b>	<b>32,500</b>	<b>-</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 2022 or 2021.

as of the grant date, exercise of the exercise price of SEK 42.36 (42.53) per new share, volatility of 25 (25) per cent, estimated time to expiry of the warrants of 1,075 (1,075) days and annualised risk free interest of 0.00 (0.00) per cent. The options do not carry a right to payment of dividend, which is included in the calculation.

The Group has credit facilities of KSEK 75,000 (50,000). 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:

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.

	Cash and cash equivalents	Borrowing from credit institutions	Interest-bearing current/non-current liabilities	Total
<b>Net debt at 31 December 2020</b>	<b>58,593</b>	<b>43,692</b>	<b>20,495</b>	<b>-5,594</b>
Cash flow	-44,343	-43,803	-7,419	6,879
Exchange rate differences	3,815	110	81	3,624
Other non-cash items	-	-	562	-562
<b>Net cash as of 31 December 2021</b>	<b>18,065</b>	<b>0</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>

## 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.

	2022	2021
Deferred tax assets	4,003	4,182
Deferred tax liabilities	36,060	31,424

Gross changes to deferred tax assets are as follows:

	2022	2021
<b>Opening balance</b>	<b>4,182</b>	<b>3,645</b>
Unutilised loss carryforwards	-935	-24
Loss carried forward, not reported previously	655	516
Exchange rate differences	101	45
<b>Closing balance</b>	<b>4,003</b>	<b>4,182</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 2020</b>	<b>3,550</b>	<b>95</b>	<b>3,645</b>
Unutilised loss carryforwards	-24	-	-24
Deferred tax asset attributable to leased assets	-	516	516
Exchange rate differences	45	-	45
<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>

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 to KSEK - (-) and in the Private segment, there is a loss carryforward amounting to

KSEK 6,462 (4,731) where a related tax loss carryforward is not capitalised in the Group. In 2022, KSEK 935 (24) of the tax loss carryforwards were utilised, and KSEK - (-) was capitalised.

Gross changes to deferred tax liabilities are as follows:

	2022	2021
<b>Opening balance</b>	<b>31,424</b>	<b>28,434</b>
Increase due to business combination	709	-
Recognised in income statement	3,616	2,768
Exchange rate differences	310	222
<b>Closing balance</b>	<b>36,060</b>	<b>31,424</b>

Of the deferred tax liabilities of KSEK 36,060, a total of KSEK 4,735 (4,512) 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 2020</b>	<b>28,434</b>	-	<b>28,434</b>
Recognised in income statement	2,768	-	2,768
Exchange rate differences	222	-	222
<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>

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	
	2022	2021	2022	2021
<b>Current liabilities</b>				
Value-added tax	9,131	7,636	2,774	2,639
Other current liabilities	2,911	4,505	1,459	1,296
<b>Total other current liabilities</b>	<b>12,042</b>	<b>12,141</b>	<b>4,233</b>	<b>3,935</b>

## Note 25. Accrued expenses and deferred income

	Group		Parent Company	
	2022	2021	2022	2021
Staff-related accrued expenses	21,028	22,117	11,129	11,282
Deferred income (Contract liability)	183,623	157,421	63,780	64,625
Other accrued expenses	8,858	15,217	4,206	6,329
	<b>213,508</b>	<b>194,755</b>	<b>79,115</b>	<b>82,236</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:

	2022	2021
Within 1 year	6,829	8,075
Between 1 and 2 years	1,689	4,186
Between 2 and 5 years	70	923
More than 5 years	-	-
	<b>8,587</b>	<b>13,184</b>

### Commitments for operating leases as at 31 December 2020

Repayment of leasing liability in 2021	-7,698
Additional leasing in the form of new leases and indexation of current leases	543
Exchange rate differences	377
Less: short-term leases expensed on a straight-line basis	
<b>Lease liabilities recognised as at 31 December 2021</b>	<b>13,717</b>

### Commitments for operating leases as at 31 December 2021

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>

The following amounts related to leases are recognised in the balance sheet:

Lease liabilities	31/12/2022	31/12/2021
Non-current lease liabilities	5,083	6,241
Current lease liabilities	6,631	7,477
	<b>11,713</b>	<b>13,717</b>

### Closing carrying amounts for ROU assets

	31/12/2022	31/12/2021
Office premises	10,684	13,771
Vehicles	615	959
Equipment	309	183
	<b>11,608</b>	<b>14,913</b>

Additional ROUs during 2022 amounted to KSEK 11,520 (561), divestments amounted to KSEK -13,914 (-244) and exchange-rate differences amounted to KSEK 424 (395).

The following amounts related to leases are recognised in the income statement:

Depreciation on ROUs	2022	2021
Office premises	-7,477	-6,783
Vehicles	-643	-608
Equipment	-91	-91
	<b>-8,211</b>	<b>-7,482</b>

<b>Interest expenses, lease liabilities</b>	<b>2022</b>	<b>2021</b>
Office premises	-94	-359
Vehicles	-31	-23
Equipment	-6	-5
	<b>-131</b>	<b>-386</b>
	<b>2022</b>	<b>2021</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)	-202	-72
Expenses attributable to variable leasing payments that are not included in lease liabilities (included in other expenses)	-3	-1
	<b>-205</b>	<b>-73</b>

The total cash flow for leases in 2022 amounted to KSEK -13,550 (-7,419).

## 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>Transactions with Group companies</b>	<b>2022</b>	<b>2021</b>
Sales to Group companies	2,013	467
Purchases from Group companies	-5,578	-4,242
Interest income from Group companies	328	486
Interest expenses to Group companies	-387	-53
Dividends from Group companies	-	103,359
Group contributions from Group companies	5,741	3,319
Loans to group companies	70,655	132,898
Liabilities to group companies	152,949	191,893

## Note 28. Business combinations

Acquisition of Alkemit AB. 1 January 2022. Merged into Formpipe Software AB on 23 December 2022.

Alkemit AB was acquired on 1 January in order to strengthen Formpipe's expertise and capacity to create deeper cooperation with customers in the SE Public business area, a step in the long-term strategy to become a complete supplier of digital administration. Alkemit AB is one of Formpipe's leading partners in the Swedish public sector and has in recent years successfully built an organisation for the delivery of Formpipe's products and offers management, development projects and support. The acquisition was for 100 per cent of the shares in Alkemit AB and has impacted the Group statement of financial position and cash and cash equivalents as specified below. Since the transaction date, Alkemit AB has contributed MSEK 18.7 in sales and MSEK 6.3 in operating profit before depreciation and non-recurring transaction related expenses (EBITDA).

The transaction has led to goodwill which consists of synergy effects and staff. Adjustments to the carrying amount is represented by the excess price embedded in the purchase price in regard to customer relationships, technology and brand names. This adjustment also considers the effect of deferred tax. No portion of the recognised goodwill is anticipated to be income tax deductible. For additional information regarding goodwill, refer to Note 14.

The acquisition statement of financial position is subject to final adjustment no later than one year after the transaction date.

<b>Consideration and recognised amounts of identifiable net assets</b>	<b>Fair value</b>
Property, plant and equipment	191
Intangible assets	3,444
Financial assets	30
Trade and other receivables	4,034
Cash and cash equivalents	7,625
Trade payables and other liabilities	-5,877
Deferred tax liability	-709
<b>Acquired net assets</b>	<b>8,736</b>
Goodwill	29,141
<b>Cash consideration</b>	<b>37,877</b>
– Settlement with issued own shares	-10,082
– Liquid funds in company acquired	-7,625
<b>Changes to Group cash and cash equivalents at acquisition</b>	<b>20,170</b>

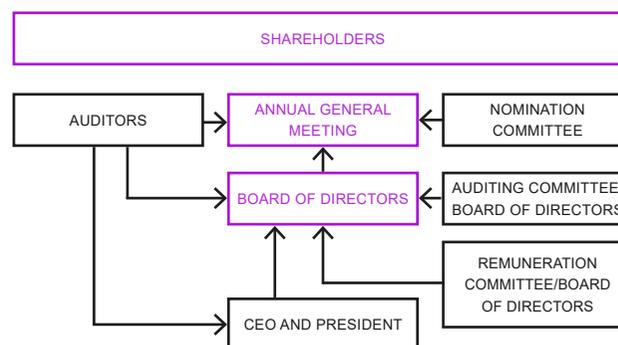
# Corporate governance report

## Introduction

Formpipe Software AB (publ) ("Formpipe") is a Swedish Public Limited company domiciled in Stockholm. In 2022, 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 2022 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 2022, Formpipe had approximately 3,400 shareholders owning a total of 51,217,825 shares. The largest single shareholder as of 31/12/2022 was Aktiebolaget Grenspecialisten,

holding 10.3 per cent of voting rights and equity. The 20 largest shareholders owned a total of 75.5 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 shareholders' 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 2022

The Formpipe Annual General Meeting was held on 27 April 2022 at the Company's premises in Stockholm. Legal Counsel Johan Hessius 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 Company encouraged the shareholders to use this opportunity to reduce the risk of the spread of the virus that causes COVID-19.

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 Peter Lindström, Åsa Landén Ericsson, Annikki Schaeferdiek and Martin Bjäringer, and new election of Peter Gille and Johan Stakeberg.
- 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.
- Issuing of warrants for staff.
- 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 2023

The Formpipe Annual General Meeting of Shareholders 2023 will take place on 27 April at the Company's premises in Stockholm. Information regarding shareholders providing notice of their intent to participate in the 2023 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 2022 AGM resolved that the Nomination Committee for the 2023 AGM shall consist of three members. The Chairman of the Board shall contact the three 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 (i.e. the year when the AGM that established the current principles was held) and other reliable information that was provided to the Company at this time. Documented shareholding through pension or endowment insurance can be taken into account. These shareholders shall each appoint a representative, who shall form the Nomination Committee for the mandate period to the next Annual General Meeting. The Nomination Committee can choose to co-opt the Chairman of the Board. 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 2023 AGM at [www.formpipe.se](http://www.formpipe.se).

**The members of the Nomination Committee for the period prior to the 2023 AGM are:**

Emil Hjalmarsson, representing AB Grenspecialisten	5,564,128 shares
Marika Svårdström, representing Martin Bjäringer	4,670,000 shares
Celia Grip, representing Swedbank Robur Microcap	3,979,366 shares
Annikki Schaeferdiek, Chairman of Formpipe Software AB	182,000 shares

## 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 2022

At the Annual General Meeting on April 27, 2022, the Board members were re-elected; Annikki Schaeferdiek (Chairman), Peter Lindström (Board member), Åsa Landén Ericsson (Board member), Martin Bjäringer (Board member) and Peter Gille (Board member) and Johan Stakeberg (Board

member) were newly elected. The Board has held 11 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 assess-

Board member	Participation/ total meetings	Audit Committee	Remuneration Committee	Independent	Other
<b>Annikki Schaeferdiek</b> Chairman of the Board since 2022 Board member since 2017 Year of birth: 1969 Shareholding: 182,000	11/11	Yes	Yes	Yes	Annikki holds a Master of Science in Engineering from the Institute of Technology at Linköping University. Annikki has 20 years' 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>Peter Lindström</b> Board member since 2016 Year of birth: 1970 Shareholding: 45,000	11/11	Yes	Yes	Yes	Peter has an executive MBA from the School of Economics and Management at Lund University and an electrical engineering degree from the Faculty of Engineering at Lund University. Peter is the Executive Vice President, Head of Sales at and a part of the management group at Axis Communications AB. Peter has more than 25 years' extensive experience from senior roles in the IT industry, both at a regional and global level.
<b>Åsa Landén Ericsson</b> Board member since 2017 Year of birth: 1965 Shareholding: 18,000	11/11	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, Board member of ENEA AB, Rejlers AB and Acando AB.
<b>Martin Bjäringer</b> Board member since 2020 Year of birth: 1959 Shareholding: 4,670,000	10/11	Yes	Yes	Yes	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: -	7/7	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 he 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: -	6/7	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. He has acted as a private investor and consultant in portfolio companies since 2018.

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.

ment in regard to their independence in relation to the Company and shareholders.

## The Board's work plan

The Board's work plan was approved on 27 April 2022 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 2022. During 2022, the committees have held separate meetings to address these issues (two meetings of the Audit Committee and two meetings of the Remuneration Committee).

## CEO and Group management

CEO Christian Sundin manages the Group and its operations within the framework approved by the Board of Directors.

**Christian Sundin**

Chief Executive Officer

Born: 1971

Employed since: 2006

Shareholding: 1,201,440

Warrants: 535,800

Christian was employed as CFO at Formpipe prior to taking over the CEO post in 2007. Christian has a background within the Ericsson Corporation and solid experience of implementing larger IT systems. Christian has a degree in Economics. Christian does not hold any material assignment outside Formpipe and has no material shareholding or part ownership in any companies other than Formpipe.

The latest valid instruction to the CEO was passed by the Board on 27 April 2022. 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 2022 financial year**

The 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 the re-

spective business area manager is a member of Group management and responsible for the results within that business area. In addition to the business area managers, Group management also includes the CEO, CFO, CTO, Director of HR and Director of Business Development. 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 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 Au-

thority 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 reporting 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 2022**

The AGM resolved to approve the proposal of the Board for guidelines to 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 2022 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 contri-

bution 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 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.

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.

Reservation has been made in the annual accounts for variable remuneration attributable to 2022, and this will be paid soon after the 2023 AGM.

The guidelines for the remuneration of senior executives proposed to the 2023 Annual General Meeting are essentially unchanged, but are described below in detail in accordance with the guidelines applicable for 2023.

## Guidelines for remuneration of senior executives 2023

The guidelines for the remuneration of senior executives proposed to the 2023 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 2023 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**

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 Content 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 2022, and this will be paid soon after the 2023 AGM.

## **Remuneration**

### **Remuneration to the Board**

The 2022 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 fixed remuneration in 2022 amounted to KSEK 2,229 and the variable remuneration amounted to KSEK 176 in accordance with set targets. In addition to this, pension in an amount of KSEK 668 and other remuneration amounting to KSEK 117 were expensed during the year (Note 8).

### **Remuneration to other senior executives**

Basic salary for other senior executives for 2022 was KSEK 8,972. Variable remuneration for the same period totalled KSEK 476 and pension contributions were KSEK 1,178. Other remuneration totalled KSEK 310 (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 1,752 was paid in fees to the auditors and auditing company for 2022. 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, 4 April 2023

Annikki Schaeferdiek  
Chairman of the Board

Johan Stakeberg  
Board member

Martin Bjäringer  
Board member

Åsa Landén Ericsson  
Board member

Peter Lindström  
Board member

Peter Gille  
Board member

Christian Sundin  
Chief Executive Officer

Our auditor report was submitted on 4 April 2023  
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 2022 except for the corporate governance report and sustainability report on pages 101–109 and 69–74, respectively. The Company's annual report and consolidated financial statements are included in this document on pages 56–110.

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 2022, 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 2022, and of its 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 101–109 and 69–74, 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 101–109. 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 (391) is recognised in the form of goodwill tied

to corporate acquisitions. This amount corresponds to nearly 56 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.
- In evaluating the assumptions, as described in note 14, and in verifying that the model used complies with IFRS, we have used PwC's valuation experts to test and evaluate the models

and methodology used, as well as significant assumptions.

- 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 1–55 and 117–122. 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 2022 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 101–109 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 69–74 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, §4a of the Securities Market Act (2007:528) for Formpipe Software AB (publ) for the year 2022.

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 2022 and has been the Company's auditor since 2004.

Stockholm, 4 April 2023

PricewaterhouseCoopers AB

Erik Bergh  
Authorised Public Accountant

# Remuneration report

## Introduction

This report describes how the guidelines for remuneration for senior executives for Formpipe, adopted by the 2022 AGM, were applied in 2022. 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 91–92 in the Annual Report for 2022. Information on the Remuneration Committee's work in 2022 is in the corporate governance report on pages 101–109 of the Annual Report for 2022. 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 2022.

## Significant events 2022

The CEO summarises the Company's overall results in his account on pages 6–9 of the Annual Report 2022.

## 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 found on pages 67 and 106–107 in the Annual Report for 2022. In 2022, 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			Extraordinary items	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					
Christian Sundin	2022	2,229	117	176	-	-	668	3,190	Fixed: 94% Variable: 6%	
Christian Sundin	2021	2,169	185	115	-	-	651	3,120	Fixed: 96% Variable: 4%	

<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 behaviour that is 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 2022.

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	The Group's annual growth in net sales* in excess of 8 per cent with a cap of 19 per cent	33%	a) 40% b) 118
	The Group's annual growth in ACV in excess of 25 per cent with a cap of 69 per cent	33%	a) 20% b) 58
	The Group's annual growth in operating profit before depreciation (EBIT), exceeding -60% with a cap of -40%	34%	a) 0% b) 0

\* The licence deal with the Danish Agricultural Agency is not included in the calculation of the bonus outcome.

## Comparative information for changes in remuneration and the Company's results

Remuneration and Company profit (KSEK unless otherwise specified)	2022	Change from previous year	
		KSEK	%
<b>Chief Executive Officer</b>			
Christian Sundin	3,190	70	2.2%
<b>Company's results</b>			
Group operating margin (%)	3.2%	-11.3 percentage points	
<b>Average remuneration based on number of full-time equivalents employed in Formpipe</b>			
Average remuneration excluding senior executives	788	0	0.0%

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 that are highly likely to continue in future, such as support and maintenance revenues, administration agreements, and revenues from licence leasing agreements.

### Software revenue

Total of all licence revenues, revenues from SaaS and revenues from support and maintenance.

### Annual pace of recurring revenues (ARR)

Recurring revenues for the last month of the period multiplied by 12 with the aim of obtaining the recurring revenue for the next 12 months attributable to agreements recognised as revenue at the end of the period.

### ARR IN

Opening value of Annual rate of recurring revenues for the period. During the period acquired ARR 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 Annual rate of recurring revenues 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/loss 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 income as a percentage of average working capital.

**Return on capital employed**

Net operating profit plus revenues from financial activities as a percentage of average working capital.

**Return on equity**

Profit for the year as a percentage of average equity.

**Return on total capital**

Net 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 outstanding shares at year-end.

**Earnings per average total shares after dilution**

Profit for the year divided by the average number of outstanding shares after dilution effects 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

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)).

Photographs/image agencies: Mats Högberg (pages 1, 6, 9, 52, 53, 69, 73 and 75), Jonas Krøner (pages 4, 33 and 38), Thomas Tolstrup (page 13), Framed by DaVinci (page 28), Jens Panduro (page 36), Werner Nystrand (page 42), Satu Knape (page 44), Unsplash (pages 12, 23, 26, 30, 40 and 119), iStock (pages 10, 16, 18, 19, 20, 24, 32, 34, 48, 51, 54 and 56), Adobe Stock (page 46).

Print: Larsson Offsettryck AB, environmentally certified as per ISO 14001 and Nordic Ecolabelled. 2023.

