

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

The shareholders of Formpipe Software AB (publ), company reg. no. 556668-6605, (the “**Company**”) are hereby invited to attend the Annual General Meeting (AGM) to be held on Tuesday, 25 April 2017, at 14.00 at the Company’s premises at Sveavägen 168, Stockholm.

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

Shareholders who wish to attend the AGM must:

- both be registered on Wednesday, 19 April 2017 in the register of shareholders kept by Euroclear Sweden AB;
- and notify their intended participation to the Company by post to Formpipe Software AB, Årsstämma 2017, Box 23131, 104 35 Stockholm, by fax to +46 (0)8-555 290 99, by telephone to +46 (0)765-25 77 12 or by e-mail to [stamman@formpipe.com](mailto:stamman@formpipe.com), by 16:00 on Wednesday, 19 April 2017 at the latest.

The notification shall include name and Swedish personal or company registration number and preferably also address and telephone number. If a shareholder intends to exercise his or her rights through an authorised representative, power of attorney and other documents of authorisation should be enclosed to the notification. Power of attorney forms are available on the Company’s website at [www.formpipe.se](http://www.formpipe.se) and can be sent without cost to those shareholders who request this and who state their postal address. If a shareholder wishes to exercise the right to bring along a representative (a maximum of two representatives) to the AGM, such participation must be notified to the Company in accordance with the above. Shareholders whose shares are registered in the name of a nominee must temporarily re-register the shares in their own name with Euroclear Sweden AB in order to be entitled to attend the AGM. Such registration, which normally takes a few days, must be carried out by Wednesday, 19 April 2017 and should therefore be requested from the nominee in good time before this date.

### **Authorised representatives**

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

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

At the time of issue of this notice, there are a total of 51,273,608 outstanding shares and votes in the Company. The Company does not hold any of its own shares.

### **Proposed Agenda**

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

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

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6. Report of the managing director
7. Presentation of the annual accounts and the consolidated financial statements
8. Presentation of the auditor's report and the auditor's report in respect of the consolidated financial statements
9. Decision on the adoption of the income statement and balance sheet and the consolidated income statement and balance sheet
10. Decision on allocation of the Company's results according to the adopted balance sheet
11. Decision on discharge from liability for the members of the board of directors and the managing director
12. The Nomination Committee's account of its own work, its proposal in regard to the board of directors, the chairman of the board, auditor and fees, and principles for appointment of the Nomination Committee
13. Determination of the number of board members
14. Determination of the remuneration for board members and the auditor
15. Election of board members and the chairman of the board and election of the auditor
16. Determination of principles for appointment of the Nomination Committee
17. The Board's proposed resolution to authorise the Board to resolve on issues of shares and convertibles
18. The Board's proposed resolution to authorise the Board to acquire and dispose of the Company's own shares
19. The Board's proposed resolution regarding guidelines for remuneration to senior management and officers of the Company
20. The Board's proposed resolution regarding incentive program 2017/2020 through the issue of share warrants
21. The Board's proposed resolution to authorise the Board to re-purchase warrants
22. Closing of the AGM

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

The Nomination Committee to the AGM 2017, consisting of Bo Nordlander, in his capacity as chairman of the Company, Jens Ismunden representing AB Grenspecialisten, Staffan Ringvall representing Handelsbanken Fonder and Peter Larsson representing a shareholder group consisting of himself, Thomas Bill, Martin Bjäringer, Carl Rosvall och Lars Sveder, proposes that the AGM elect lawyer Johan Hessius at the law firm Lindahl as chairman of the AGM.

#### **The Board's proposal to decide on allocation of retained earnings according to the adopted balance sheet (item 10)**

The Board of Directors proposes that the AGM resolves that SEK 0.30 per share is paid in dividend to the shareholders for the financial year 2016 and that the record date for the dividend shall be 27 April 2017. If the AGM resolves in accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden AB on 3 May 2017.

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

The Nomination Committee proposes the following:

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

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Item 14 – That the remuneration is set to SEK 350,000 for the chairman of the Board and SEK 175,000 each for the other the members of the Board that are elected by the General Meeting and are not employees in the Company. The total remuneration to the Board thus totals SEK 1,050,000, which is an increase with SEK 200,000 compared with the previous year. The remuneration includes work in the Audit and Remuneration Committees. Fees for the auditor are proposed to be paid in accordance to invoice.

Item 15 – That the AGM decides to re-elect Martin Henricson, Peter Lindström and Bo Nordlander as members of the Board and to elect Annikki Schaeferdiek and Åsa Landén Ericsson as new members of the Board. As the chairman of the board it is proposed that the AGM re-elects Bo Nordlander. It is noted that Charlotte Hansson och Kristina Lindgren have declined re-election.

That the AGM re-elects the auditing firm PricewaterhouseCoopers AB as the auditors of the Company until the end of the AGM held in 2018. PricewaterhouseCoopers AB intends to appoint the authorised auditor Aleksander Lyckow as the principal auditor.

Item 16 - Principles for appointment of the Nomination Committee

The Nomination Committee proposes that the AGM resolves that the Nomination Committee shall consist of four members. The chairman of the Board shall contact the three largest shareholders or shareholder groups (this refers to shareholders whose shares are registered directly or in the name of a nominee) in accordance with Euroclear Sweden AB's share register as at the last trading day in June of the current year (i.e. the year the annual general meeting on which current principles have been established has been held) and other reliable information the Company has received as of this date. Documented shareholdings through pension or endowment insurance may be taken into account. These shareholders each appoint a representative which, together with the chairman of the Board, shall be the Nomination Committee for the period until a new committee is appointed by mandate from the next AGM. The names of the three representatives and the names of the shareholders they represent shall be announced no later than six months before the AGM 2018.

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

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

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

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

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

The Board proposes that the AGM authorise the Board to, within the limits of the articles of association, until the next AGM, on one or more occasions, resolve to issue new shares and/or convertibles. The Board is proposed to be authorised to take decisions to the extent that the Company's share capital may be increased by an amount equal to not more than 10 percent of the registered share capital at the time of the 2017 AGM. The purpose of the issues shall be to acquire or finance acquisitions of all or parts of companies or businesses, through the issue with or without deviation from the shareholders' preferential rights, or through payment in kind or by set-off of claims or on other terms. The issues shall be made at market terms less the discount that may be required to achieve sufficient subscription interest.

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

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

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

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

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

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

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

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

**The Board's proposed resolution regarding guidelines for remuneration to senior management and officers of the Company (item 19)**

The Board proposes that the AGM approve the Board's proposed guidelines for remuneration to the Company's CEO and other senior executives as follows. The Board's proposal is broadly consistent with previously applied principles for compensation. The guidelines apply to contracts concluded after the 2017 AGM, or where the modification to the compensation accordingly. The Board has not appointed any separate remuneration committee, and questions relating to remuneration and other employment terms are instead managed by the full Board.

The Company shall offer market-based conditions to enable the Company to recruit and retain skilled personnel. The remuneration shall consist of fixed salary, variable compensation, long-term incentive plan, pension, severance conditions and other customary benefits. Payment is based on the individual's commitment and performance relative to predetermined targets, both individual and joint objectives for the Company. Evaluation of individual performance is continuous. The fixed salary, as a rule is evaluated once a year and must take into account the individual's qualitative performance. The fixed salary for the CEO and other senior officers should be competitive. The variable remuneration shall take into account the individual's level of responsibility and degree of influence. The size of the variable compensation is related to the degree of fulfillment of financial targets set by the Board. The variable represents a maximum of 40 percent in addition to fixed salary. All variable remuneration plans have maximum award and vesting limits. Variable compensation for the financial year 2016 has been reserved in the annual report and will be distributed in close connection with the annual general meeting 2017. The Company has introduced share-incentive program for all staff (including the CEO and other senior executives) to promote the Company's long-term interests. The Board shall continually assess whether additional stock option plans or any other form of share or share based incentive program should be proposed to the AGM. The CEO and other senior executives have defined-contribution plans. Retirement age for the CEO and senior executives is at age 65. Retirement benefit is based solely on the budgeted salary. At the CEO's dismissal, at the termination by the Company, six months' notice and six months' severance payment apply. Other income received by the CEO during the period of severance payment is paid is deducted from severance payment. Upon termination from the CEO, six months' notice applies. The Company and the other senior executives have a mutual notice period of 3 to 6 months. In the event the Company becomes the subject of a public offer which means that at least 30 percent of its shares are held by the same shareholder, the CEO has, at its or the Company's dismissal, the right to a special severance payment equal to 12 fixed monthly salaries at the time of notice of termination. No deductions shall be made from such severance payment, and the payment shall be payable in full upon termination of employment and replaces the grant that the CEO normally is entitled to under his contract.

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

**The Board's proposed resolution regarding incentive program 2017/2020 through the issue of share warrants (item 20)**

The Board proposes that the AGM resolves to adopt incentive program 2017/2020 through issue of warrants to employees in the Company on the following terms.

The Board considers it to be desirable and in the interest of all shareholders that the Company's employees have a long term interest in the Company's share developing well. A personal and long term ownership engagement is also expected to stimulate an increased interest for the business and the Company's result as a whole, increase the motivation as well as further strengthening the solidarity within the Company.

The maximum dilution effect of incentive program 2017/2020 is estimated to not more than 1.0 percent of the total number of shares and votes in the Company, provided that the warrants are fully subscribed for and exercised.

The issue encompasses not more than 500,000 warrants of series 2017/2020 and is made with deviation from the shareholders preferential rights, and on the following terms.

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

The Company shall issue not more than 500,000 warrants. Each warrant entails a right to subscribe for one (1) new share in the Company.

**2. Subscription right and allotment**

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

Allotment shall be made in accordance with the following:

- Employees of the Company shall be guaranteed allotment of not less than 2,000 warrants per subscriber.
- After allocation of the guaranteed warrants to the respective subscriber, the remaining warrants are allocated to all subscribers who have subscribed for additional warrants pro rata in proportion to the number of warrants subscribed for. When calculating the pro rata allocation a weighting shall be used, with a maximum of 20,000 warrants per employee. It should be noted that the maximum limits only are used in the pro rata calculation and do not constitute an upper limit on the final allotment.
- Final determination of the number of warrants subscribed for shall be made by the Company's Board by the end of the subscription period, and the Board shall resolve on any rounding deemed necessary.

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**3. Issue price**

The warrants are issued at a price equal to market value of the warrants, calculated by using the Black & Scholes warrant valuation model as of 24 April 2017, based on a subscription price at the time of exercise of 120 percent of the average volume weighted price paid for the Company's share on Nasdaq Stockholm during the period from 18 April 2017 up to and including 24 April 2017.

**4. Subscription period**

The warrants shall be subscribed for during the period from 26 April 2017 up to and including 10 May 2017 on a separate subscription list. The Board shall have the right to extend the subscription period.

**5. Exercise period**

The warrants may be exercised by application for subscription for new shares during the period from 11 May 2020 up to and including 22 May 2020.

**6. Strike price**

The subscription price when exercising a warrant shall be 120 percent of the average volume weighted price paid for the Company's share on Nasdaq Stockholm during the period from 18 April 2017 up to and including 24 April 2017, but in no event less than the share's quotient value.

**7. Allotment and payment**

Resolution on allotment shall be made as soon as possible after the end of the subscription period and be announced to the subscribers on or around 15 May 2017. Payment for the warrants shall be made in cash not later than 5 June 2017. The Board shall have the right to extend the payment period.

**8. Increase of the share capital**

The Company's share capital can increase with not more than SEK 50,000, provided that the warrants are fully exercised (and provided that the quotient value is not changed and that no re-calculations have been made under the complete terms for incentive program 2017/2020).

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

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

**10. Authorisation**

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

**11. Articles of Association**

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

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Provided that the warrants are fully subscribed for and exercised, the Company's share capital can increase with SEK 50,000 by issue of not more than 500,000 shares, each share with a quotient value of SEK 0.10, provided that no increase occurs because of the complete terms for the warrants in case of share issues etc. The new shares represents, if fully exercised, about 1.0 percent of the total number of shares and votes in the Company. The dilution effects have been calculated as the maximum number of shares and votes that may be issued divided by the total number of shares and votes respectively in the Company before such issue.

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

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

The Board proposes that the AGM authorise the Board, during the period until the next AGM, on one or more occasions to resolve to repurchase, at the current market price (which shall be based on the volume weighted average price of the Company share for a period close to the period for repurchase), up to 50 percent of the total of 1,000,000 warrants issued as decided by the AGM 2014 (maximum number of warrants that can be repurchased is thus 500,000). The warrants that are subject to the decision entitles its holder to subscribe for new shares in the Company for SEK 6.41 per share from 8 May 2017 up to and including 19 May 2017.

Further, the Board proposes that the AGM authorise the Board, during the period until the next AGM, on one or more occasions to resolve to repurchase, at the current market price (which shall be based on the volume weighted average price of the Company share for a period close to the period for repurchase), up to 50 percent of the total of 500,000 warrants issued as decided by the AGM 2015 (maximum number of warrants that can be repurchased is thus 250,000). The warrants that are subject to the decision entitles its holder to subscribe for new shares in the Company for SEK 9.54 per share from 9 May 2018 up to and including 20 May 2018.

A repurchase of the warrants as above shall be conditional upon each individual warrant holder who wish to have warrants repurchased using an equivalent amount of the invested warrants to subscribe for new shares. Oversubscription is thus not possible.  
*Example:* If the warrant holder wishes to have 50 percent of warrants held repurchased, he must use the remaining 50 percent of his warrants to subscribe for new shares. If the warrant holder wishes to have 25 percent of its warrants repurchased, he must use at least 25 percent of the total number of held warrants to subscribe for new shares.

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

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

**Other**

Shareholders may request that the Board and the CEO provides information about conditions that may affect the assessment of an item on the agenda for the AGM, conditions that may affect the assessment of the Company's or its subsidiaries' financial situation and the Company's relationship with other group companies. The Board and



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the CEO shall provide such information at the AGM if it can be done without material injury to the Company.

Accounting documents and audit report, auditor's opinion on the application of guidelines for remuneration to senior executives and the Board's complete proposals for resolutions under items 17-21 above and other documents in accordance with the Companies Act will be made available on the Company's office, address as above, and on the Company website [www.formpipe.se](http://www.formpipe.se) at the latest from Tuesday, 4 April 2017. Copies of those documents are also sent free of charge to those shareholders who so request and provide their postal addresses. The documents will also be available and presented at the general meeting.

**Formpipe Software AB (publ)**  
Stockholm in March 2017  
The Board