

Press Release, Tuesday February 16, 2021

Formpipe presents new growth strategy and financial targets.

The software company Formpipe presents a new growth strategy and new financial targets when the company today publishes its fourth quarter and full year 2020 results. The new strategy captures opportunities to deliver on a number of markets with the self-developed and successful product Lasernet.

” Formpipe has a stable and profitable business for the public sector, a strong organization and high-quality products that meet an increasing demand as digitalization progresses. With an average annual sales growth exceeding 12 percent since 2016, Lasernet is an important part of Formpipe's continued growth journey. As per the acquisition of EFS in July 2020, our opportunity to scale sales of Lasernet increased, and we see significant potential in accelerating our growth the upcoming years.”
Says Christian Sundin, President and CEO of Formpipe.

Key points in growth strategy 2021-2025

- Formpipe develops and sells software and cloud services in digital information services through a strong network of certified partners and by our own organization.
- The business model is based on increasing the recurring revenue by selling our products as SaaS to the greatest possible extent.
- Strategic acquisitions complement organic growth.
- Investments in sales and delivery capacity to support partners and meet demand for Lasernet.
- Focus on accelerated growth in the US and Europe.

While entering a strategic growth journey, the company sets new financial targets:

- The average annual revenue growth will amount to 10 percent 2021 – 2025
- 70 percent of total revenue will consist of recurring revenue by 2025
- The operating margin will gradually be strengthened and exceed 20 percent in 2025
- Over time, at least 50 percent of the year's net income will be distributed as dividends to our shareholders

This is a translation of the original Swedish version. In the event of any discrepancies between the two versions, the original Swedish version shall take precedence.

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Investments in growth will primarily take place through capacity building with focus on the USA and Europe. The build-up phase provides a not insignificant short-term negative margin impact before we reach the goals above.

” This is an aggressive venture that gives us the opportunity to make use of the momentum in the market, to develop Formpipe long-term. During the pandemic, we see an increased opportunity to recruit necessary and coveted expertise. We therefore take on some initial investments that will give a short-term negative margin impact but that will deliver good yield long-term.” Christian Sundin finalizes.

Presentation for investors, analysts and media:

Formpipe’s president and CEO Christian Sundin, will present the fourth quarter and full year 2020 results alongside the new growth strategy and financial targets at a webcast, today the 16th of February at 01.00 PM.

How to participate in the webcast

Link to register for the event:

https://www.lyyti.in/LIVE_Q_Formpipe_Software_Feb_16th_0854

Live broadcast of the event will be available through this link:

<https://www.redeye.se/events/803053/803053>

Report and presentation will be made available for download at:

[Financial reports \(formpipe.com\)](#)

For additional information, contact:

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Formpipe builds valuable relationships between data and people. Driven by our core values, since 2004 we have developed premium software that provides you with the right information, in the right context, at the right time. Every time.

We help over 5,500 clients worldwide to digitize and automate business processes. Together with our customers and partners, we co-create a digital society where people thrive. We have offices in Sweden, Denmark, United Kingdom, USA and Germany. Formpipe Software is a publicly listed company on Nasdaq Stockholm.