



2022 annual and sustainability report



Fortnox in brief	3	Sustainability	30	Financial reporting	
The year in brief	4			– Financial statements	64
Comments from the CEO	6	Corporate governance		– Notes	72
Comments from the Chairman	8	– Corporate governance report	43	– Auditors report	124
Vision, business idea, business model, strategy and goals	10	– Group management	49		
Our offering	12	– Board of directors	52	Additional information	
Business areas	22			– Definitions and reason for use of alternative performance measures	130
The share	28	Directors report	54		

FORTNOX HELPS BUSINESSES START, GROW AND DEVELOP

WHAT?

Fortnox offers products, packages, solutions and integrations to cover business's financial and administrative needs by creating easy flows in accounting, invoicing, financing and for managing employees.

FOR WHOM?

Our primary customer groups have largely been small businesses and accounting firms. But our focus has gradually widened to include sole traders as well as large businesses. That is why today, Fortnox's customers operate in essentially every industry and include businesses and firms of every size. The offering is intended for all users connected to a business: from the owner, customers, suppliers, employees and board to accounting consultants, auditors and bank contacts.

WHERE?

Our focus is on the Swedish market. Fortnox has customers across the entire country. The company is headquartered in Växjö with offices in Malmö, Linköping and Stockholm.

HOW?

Fortnox sells its products in two ways: directly to customers and indirectly through accounting firms. Revenue is generated in three ways: through subscriptions, through transaction-based use and through lending. Products can be purchased individually, as a package – designed to meet the customer's overall needs, or as solutions – combined to meet specific industry needs.

HISTORY

Fortnox was established in 2001 in Växjö, with a focus on bookkeeping software that was available online – an idea so innovative that it took the market several years to catch up. Since then, the company has grown quickly and expanded its offering, both organically and through acquisitions. In 2007, it was listed on NGM Nordic SME and on April 13, 2022, it took the step to Nasdaq Stockholm. At the end of 2022, Fortnox had 44,815 shareholders.

the year IN BRIEF

SEK 233 480,000

ARPC

Number of customers

37% + 36% = 73%

Growth

Operating margin

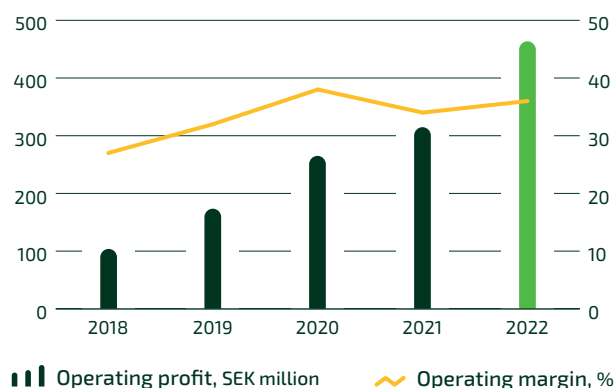
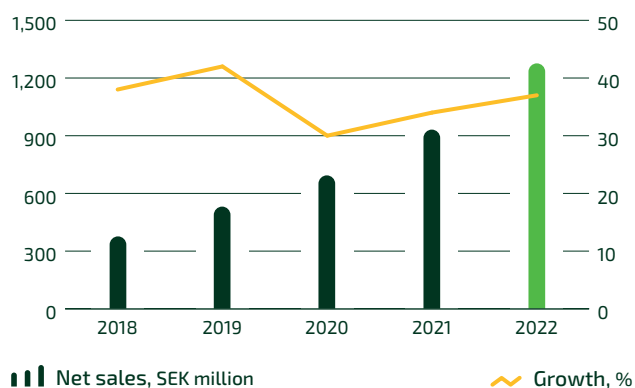
RoF**

	+/-%*	2022	2021	2020	2019	2018
Net sales (SEK million)	37	1,276	932	694	532	374
Growth (%)	–	37	34	30	42	38
Operating profit (SEK million)	47	464	315	265	173	103
Operating margin (%)	–	36	34	38	32	27
Profit after tax (SEK million)	44	347	241	205	135	78
Earnings per share (SEK) – after dilution	43	0.57	0.40	0.34	0.22	0.13
RoF (%)**	–	73	68	69	75	65
Number of subscription customers	13	480,000	425,000	367,000	313,000	257,000
ARPC (SEK)***	20	233	194	169	154	133

*Percentage change in 2022 compared with 2021.

** RoF – "Rule of Fortnox," which alludes to "Rule of 40" – an indicator for software as a service (SaaS) companies that says that combined sales growth and operating margin should be above 40 percent to be long term sustainable.

***Average revenue per subscription customer and month, R12.





Q1

41%

Growth

32%

Operating margin

+16K

Subscription customers

204

ARPC

- Our website is an important sales channel. During the quarter, the new Fortnox.se was launched to provide a better user experience focused on the customer's needs.
- A 10:1 share split was carried out on January 20.



Q2

34%

Growth

34%

Operating margin

+15K

Subscription customers

212

ARPC

- Partnership with Mynt AB to launch the Fortnox Business Card, a company card that will automate the majority of receipt reporting for customers.
- The launch of Firm Insights, which provides automated and insightful input for improvements for accounting consultants based on current data.
- On April 13, trading in Fortnox's shares began on Nasdaq Stockholm's main market.



Q3

40%

Growth

44%

Operating margin

+10K

Subscription customers

223

ARPC

- Fortnox purchased the remaining 68.1 percent of Agoylt AB, which offers a modern cloud solution for managing accounts closing, tax and annual accounts.
- An impressive nine new features in Fortnox Payroll. Combined with the updates carried out in recent years, these new features have made the program a complete payroll system that can be adapted to suit various businesses.



Q4

34%

Growth

35%

Operating margin

+14K

Subscription customers

233

ARPC

- Launch of the integration with the Swedish Tax Agency. This, in combination with connections to more banks, is an important step towards fully automated bookkeeping.
- Fortnox Business Mailbox was approved, which allows customers to receive emails from for example Swedish authorities. Business Mailbox is a unique product that can be connected to our AI services for data capture and bookkeeping suggestions, enabling emails to be handled automatically as soon as they arrive.

CONTINUED GROWTH AND MORE CUSTOMER VALUE FOR SWEDISH BUSINESSES



It was impossible to miss that 2022 was a year characterized by major, transformative events. War broke out in Europe, with ripple effects far beyond the borders of the region. We saw goods shortages, energy crises and inflation create challenges for individuals, companies and nations.

Despite this turbulence, the number of Fortnox customers grew to 480,000 (425,000) by the end of the year, and average revenue per customer (ARPC) grew to SEK 233 (194) – a sign that what we do is relevant and useful for Sweden's business owners. On the investment side, we kept our pace up and continued to build for the future. Despite our high rate of investment, at the end of the year the operating profit (EBIT) amounted to SEK 464 million, sales to nearly SEK 1.3 billion and the operating margin to 36 percent. Sales growth of 37 percent combined with the operating margin meant that we reached a Rule of Fortnox of 73 percent.

We remained focused on our customers

Several improvements and new features were introduced in 2022. Some of them already had an effect on our performance during the year, while others – such as the Fortnox Business Card – have their future ahead of them.

Our ambition is to help businesses become more successful, and with this as a base we develop products, enter into strategic partnerships and carry out acqui-

sitions. This resulted in, for example, the acquisition of the remaining shares in Agoylt AB, with whom we worked closely to develop the Annual Accounts & Taxes product in cooperation with accounting consultants – an important puzzle piece in our offering for the accounting industry. Our foundation, of course, rests with our own products, which we also continuously refine. One example is Fortnox Insights, a tool that tracks and manages deviations in customers' bookkeeping so that accounting consultants can focus on helping businesses grow.

We purchased a majority holding in Cling Group, which has developed an interactive solution that helps small and medium-sized enterprises (SMEs) to design, share and digitally sign business documents. This solution immediately complemented Marketplaces' offering and will also, over time, become a natural complement to the offering in other business areas.

During the year, we also focused on developing products for very small businesses with zero to four employees. Furthermore, we worked to create customer value, not just for a business's finance functions but for all of its employees, for example through the Fortnox Business Card. We entered into a partnership with the fintech company Zaver to move closer to the payment flow in our platform.

And we began a partnership with Bokadirekt, which gives businesses within beauty and health direct access to Fortnox's smart functions.

Other important and exciting new offerings included Offerta Flex, which allows our large customer base to access the offering in Offerta in a digital, scalable way. Our digital mailbox, Fortnox Business Mailbox, was also approved by the Swedish authorities. Business Mailbox is a unique product that can be connected to our AI services for data capture and bookkeeping suggestions, enabling emails to be handled automatically as soon as they arrive. Additionally, we launched Fortnox Connect, previously called Fortnox Appmarket. Besides the change of name, we released a number of new features – such as app recommendations, customer ratings, and a clearer structure and navigation – with the aim of making it easier for businesses to find just the right solutions.

Last but not least, we took several important steps towards fully automated bookkeeping through an integration with Skatteverket and connections with more banks. Real-time bookkeeping creates a solid foundation for Fortnox Insights, which provides our customers with

“OUR AMBITION IS TO HELP BUSINESSES BECOME MORE SUCCESSFUL.”

significant input allowing them to make improvements based on current data. If the customer wishes, we can also combine this real-time data with our function for real-time credit ratings, which provides us with sufficient information to purchase their invoices and thereby help them to strengthen their cash flow.

The above is a selection of what we introduced and delivered during the past year's four quarters, including new features, initiatives and launches. We entered into partnerships, we carried out acquisitions and we continued to release new products. And in everything we've done, our full focus has remained on our customers.

686 employees behind everything we do

2022 was a highly active year. Our sales and earnings also grew. Last year, I wrote that I was looking forward to this year with a sense of expectation, hope and confidence. Now, with 2022 in the rearview mirror, I can only say that it turned out well, and for that I would like to thank all of our employees. It takes a lot for an organization to pursue the type of growth that we have generated while also taking good care of the talented crew of employees who decided to join the company. To realize our vision of helping businesses all around the country become more successful, we need to attract and retain people who have that little something extra. That is why it is so rewarding that our latest employee survey indicated increased satisfaction and a strong level of commitment. Not only that, but over 60 percent of our employees chose to participate in our employee stock purchase plan (ESPP).

We continue working on realizing our vision

Last year was exciting and eventful for Fortnox, in an operating environment that was no less eventful. As we now enter 2023, it is – as always – not exactly clear how the world will change. But I can say with conviction that we will continue to prioritize the work closest to our hearts: realizing our vision and thereby contribute to creating a prosperous society shaped by thriving businesses.

Tommy Eklund,
CEO Fortnox.



2022, an eventful year

The past year was characterized by transformative events. Any reflection over 2022 has to start with Russia's invasion of Ukraine, which has redrawn the geopolitical map and left unfathomable human suffering in its wake.

Despite these challenging times, at the end of the day I'm optimistic about Fortnox and the world at large. For Fortnox, this year was successful as well as eventful. We attracted more customers and our sales per customer increased as we grew and refined our ecosystem of services. We are financially stable and have a history of demonstrating that we can navigate the ups and downs of economic fluctuations.

A stable Fortnox

During the year, the Swedish economy was dominated by high inflation, driven in part by the energy crisis that arose as a result of the war. The long period of marginal costs for capital is behind us, and low or even negative key interest rates as the typical monetary strategy are a thing of the past. We saw a shift in 2022 when the Riksbank raised its rates.

Fintech has become an increasingly important part of Fortnox's offerings, and we are focused on developing our financial services. I have great expectations for this area. In the business climate that is currently developing, with increasing capital costs, cash flow and liquidity are becoming growing challenges for businesses. We want to help solve these challenges. Our offering includes invoice distribution and factoring, services that we can now offer to many more customers.

Even if the general assessment is that things are headed for a recession, there

is reason to believe that the downturn might be milder than expected, since necessity is the mother of invention. Crises tend to fuel the best ideas, and many of the difficult choices made by politicians and business owners today will bear fruit tomorrow. The world has bounced back from worse crises and in recent years we have seen evidence of the resilience of the global market economy.

One of Fortnox's advantages right now is our resourceful approach to finances. We have long had a profitable bottom line and are financially equipped for tough times. This feels safe and stable.

A vision of thriving businesses

Corporate governance is important for Fortnox, and everyone from the Board and management to individual employees are to act in line with laws and regulations. This requires clear control, distinct areas of responsibility and goal-oriented structures for good follow-up. There is more about this in the corporate governance report.

In 2022, Fortnox continued to work on sustainability issues, internally as well as in our offering. The solution to future challenges in this area – tomorrow's innovations – lies in enterprise. We are laying the groundwork for this by improving conditions for hundreds of thousands of Swedish businesses.

The keystone of Fortnox's vision is to create a society shaped by thriving businesses. That is why we intend to help make it easy to start, grow and develop businesses. We want to help build a society that will grow in the footsteps of entrepreneurship. And much is left to be done. We have an exciting time ahead of us!


We can finally meet again

Last year, I wrote that my hope for 2022 was to once again meet all of our employees. The decline of the pandemic means that we can finally meet on the job again. I would like to extend my sincere thanks to everyone who has successfully and productively worked remotely or at home for several years. And I mean everyone – from customer support to developers as well as the management team.

I'm so happy to once again hear voices and laughter in the offices, and it is a true delight to meet some of our nearly 700 employees. The priceless conversation in the halls, the synergies that are created when talking to other people – the value of these things cannot be overstated.

It is important for people to enjoy their job, and I think the spirit at Fortnox is one that instills optimism. We are entering 2023 with confidence and a sense of expectation.

Olof Hallrup,
Chairman of the Board, Fortnox



“We want to help build a society
that will grow in the footsteps
of entrepreneurship.”

VISION

Our vision is to create a prosperous society shaped by thriving businesses.

BUSINESS IDEA

Fortnox's business platform is the hub for businesses in Sweden, making it possible for companies to start, grow and develop. Fortnox's technology and platform help businesses and organizations reach their goals.

The offering, which includes products, integrations, packages and solutions, creates easier flows in accounting, invoicing, financing and for managing employees.

With smart technical solutions, broad entrepreneurial expertise and specific industry knowledge, we give businesses in every industry better conditions for conducting their operations.



GOALS

In 2020, Fortnox set a goal of doubling the number of customers and average revenue per customer in five years' time. This means that the company is to have more than 700,000 customers and average monthly revenue per customer (ARPC) that exceeds SEK 300 by the end of 2025.

Strategy

Fortnox employs a variety of strategies to realize its vision, enact its business idea and reach its operational goals.

Proactive development is an important part of Fortnox's work to generate organic growth, thereby helping the company reach its established operational goals.

Fortnox also works actively with acquisitions and strategic partnerships as additional ways of expanding its operations through new products and services, both in its existing core operations and by adding new verticals, to make us even more relevant for individual businesses. Regardless of whether initiatives are organic or structural, the important thing is that they are scalable and do not add costs when they take off and start growing.

Some initiatives from 2022

- Increased focus on attracting more sole traders and small businesses with zero to four employees. Traditionally, Fortnox's strongest foothold has been with businesses with five to nine employees, but there are now ongoing initiatives to increase the share among even smaller businesses. This is adding new customers and over time – as the businesses grow – their use of Fortnox is expected to grow as well. A customized offering is needed to reach these businesses. In line with this, a new connection was established between the Fortnox Basic Payroll and Fortnox Receipts & Expense products and the Fortnox Travel product, making it possible for even the smallest businesses to easily pay out reimbursements for expenses and business trips alongside salary.
- Fortnox Insights was launched to strengthen the offering to Sweden's accounting consultants. Insights is a tool that tracks and manages deviations in customers' bookkeeping and provides accounting firms with new opportunities to provide their customers with advice and support for making business decisions.
- The launch of Fortnox's digital mailbox, Fortnox Business Mailbox, was approved. Businesses can receive mail such as tax assessments, income declarations and annual report receipts.
- Business Mailbox is unique in that it can also be connected to AI services to capture and provide bookkeeping suggestions.
- An increased focus on strengthening Fortnox's relationship with all of the employees at a business – not just those who work in accounting – combined with initiatives within finance to build a relationship at the transaction stage, led to the development of the Fortnox Business Card, which was prelaunched during the autumn. The card, a partnership with the fintech company Mynt AB, will be free of charge for Fortnox customers and automate accounting from card purchases to bookkeeping.
- The acquisition of Capcito and its Monto platform in 2021 helped accelerate the roll-out of the factoring offering to Fortnox customers. The ability to assess and evaluate a business's creditworthiness in real time allows Fortnox to confidently set a price for, and offer the purchase of, customers' invoices.
- In line with the ambition to move closer to where payments happen, a partnership was started with the fintech company Zaver, which develops easy and efficient payment solutions that make it easier for Fortnox customers to receive payments.
- Fortnox's large customer base will be able to access Offerta's offering through Offerta Flex. While the interaction between Offerta (in Business Area Marketplaces) and its customers is manual, Offerta Flex will offer a scalable digital method for Fortnox's other customers to access the offering.
- Fortnox has worked closely together with Agoylt AB on the Accounts Closing & Tax product, which was developed in cooperation with accounting consultants – an important puzzle piece in our offering for the accounting industry. Focus was originally on medium-sized accounting firms, but larger ones have shown such interest that the offering is now being developed to serve both. Fortnox acquired just over 30 percent of Agoy in 2021, and the remaining shares were purchased in 2022.
- The company also acquired 51 percent of the shares in Cling Group AB, a company with an interactive solution that helps SMEs to design, share and digitally sign business documents. Cling's technical solution immediately complemented Marketplaces' offering and is expected to become a natural complement to the offering in other business areas over time.

Business model

Fortnox sells its products in two ways: directly to customers or indirectly through accounting firms. Revenue is generated in three ways: through subscriptions, through transaction-based use and through lending.

Subscriptions run for three or 12 months, with a fixed monthly fee per product and user.

For transaction-based services, the customer pays for each managed transaction, which is typical for tasks such as invoicing and payslips. This business is, to a large extent, connected to a company's employees and ongoing operations.

The third way that Fortnox generates revenue is from lending, which includes invoice mortgaging, factoring and corporate loans.



- Subscription-based, 73%
- Transaction-based, 21%
- Lending-based, 6%

PRODUCT AREAS

Our products give businesses everything they need to conduct their operations. Bookkeeping and invoicing are obvious foundations, but we also offer other necessary products and functions – all in a seamless flow.

Our products undergo continuous development with new functions and our offering is continuously expanding. Automated and real-time are central values for us. We have also developed our financial services based on business needs. This gives businesses the opportunity to grow at the rate they want, with a clear view of their liquidity.

Fortnox's products function in all industries. With our open API and our partnerships with a large number of suppliers, banks and authorities, businesses can

build solutions for their specific needs. We also help connect businesses with accounting consultants who use Fortnox. Accounting consultants and businesses can use our products to work together and allocate tasks accordingly.

In our product areas, we work continuously to deliver customer value in every aspect of the business process.

As a result, we are now in a position to offer a complete business platform.



PRODUCT AREAS AND PRODUCTS

Product areas

accounting

- Bookkeeping
- Bookkeeping Approval & Review
- Supplier Invoice Approval
- Invoice Data Capture
- Fixed Assets Register
- Read
- Audit Access

BILLING

- Invoicing
- Basic Invoicing
- Inventory
- Quote
- Order
- Autogiro
- Time

REPORT

- Annual Accounts & Taxes
- Reconciliation & Reporting
- Group Reporting

PEOPLE

- Payroll
- Basic Payroll
- Expense Management
- Business Card
- Employees Approval
- Travel
- Employee

engage

- Insights
- Archive Storage
- Stock Companies
- Business Mailbox
- BusinessID
- Start page
- ToDo
- App

Products

INFRASTRUCTURE



New 2023

PAYMENT SOLUTIONS

Payment Service
Invoice Service
Reminder Service

FINANCE SERVICES

Invoice Factoring
(Capcito & Fortnox)
Business Loan
(Capcito)
Invoice Discounting
(Capcito)

FINANCIAL INSIGHTS & CREDIT DECISIONS

Financial
Decision Support
(Monto)

BUSINESS PROPOSAL

Business Opportunities
(Offerta)
Find Service Companies
Quotes & Contracts
(Cling)
Signing
(Cling)

CONNECT

Integrations
Purchasable
Integrations
Developer Portal



BOOKKEEPING IN REAL TIME PROVIDES A BETTER OVER- VIEW AND MORE CONTROL

Product area

Accounting

Innovation and smart solutions help us create a reliable accounting service that helps businesses make better decisions, every day.

Bookkeeping is the foundation of our service and something every business needs to address. We want to digitalize and automate recurring tasks. We want bookkeeping to be checked and updated in real time. Along with linking together the administrative ecosystem for businesses, this allows us to provide insights and proactive advice to accounting consultants and business owners.

Highlights

- A **major investment in the bank and transactions area** means that we can offer **integration with tax accounts** – with associated automatic bookkeeping through the Regulations function. Regulations allows recurring transactions to be processed automatically. The bookkeeping from bank statements function is now available for all customers with Danske Bank, Handelsbanken, Länsförsäkringar Bank and SEB.
- We have continued to invest in the accounts payable flow, and the ability to interpret and complete accounting have been combined in the same view. This makes the flow and management clearer and simpler. In 2022, we interpreted over 16 million supplier invoices.



THE CORE OF EVERY-
THING IS TO BE PAID
FOR THE WORK YOU DO

Product area **Billing**

We make it easier for our customers to do business and create efficient ways to receive payments. We provide easy-to-use and efficient invoicing solutions for small and large businesses. Invoices end up in the company's bookkeeping directly – rather than needing to be managed in three or four steps. Businesses and their needs are as different as people, so we make sure there are different ways to receive payments. Regardless of whether a business wants to send its own invoices and then manage and check every step, or if it just wants to receive payments and allow Fortnox to handle the work, we have a solution. Our financial services are well integrated into our invoicing product. This makes it easy to receive payments directly when generating an invoice, or to receive help with distribution, bookkeeping, reconciling and handling any reminders.

We take care of everything that happens before and after a company has received payment – sending quotes, time that needs to be invoiced and keeping track of the number of goods in inventory.

Highlights

- **Basic Invoicing** – Basic Invoicing, which was previously available in the Fortnox App, is now available on computers through a simple web interface.
- **Invoicing** – our most central product has undergone a serious transformation. Improvements have been made when it comes to creating and distributing invoices as well as the ability to process and send invoices simultaneously or to provide invoice rebates in the app.
- **Time** – some of the improvements that were made to the product during the year include better overviews and greater flexibility in follow-up and analysis, including the ability to set different prices for the same service based on who carried it out.



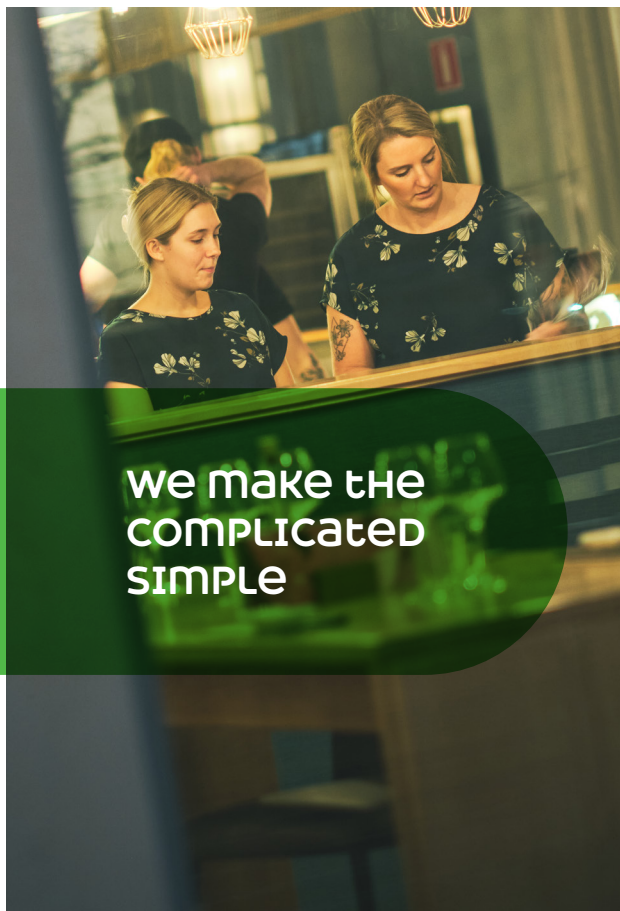
EFFICIENCY AND CONTROL
FOR ACCOUNTS CLOSING
AND REPORTING

Product area **Report**

Our product area strives to help businesses put things in order and to offer efficiency and control when it comes to everything related to accounts closing and reporting. We help businesses and accounting consultants with smart, automated and simplified business reporting. Our Annual Accounts & Taxes and Reconciliation & Reporting products automate and simplify the closing of interim and annual accounts. At the group level, we have Fortnox Group Reporting, which in addition to reporting offers everything from consolidation to digital submission of annual accounts. Together, these form a complete offering for accounts closing, tax and consolidated reporting. Company Manager gives users a clear overview and allows them to better manage all of their businesses in Fortnox. Our products save time for businesses, which can also rest assured that the programs are regularly updated as new laws and regulations enter into force.

Highlights

- After Fortnox's previous investment in the company, Agoylt AB was acquired in July and became a wholly owned subsidiary. **Annual Accounts & Taxes**, which we partnered on with Agoy, is now ready to be launched to a wider audience.
- In December, we presented the new product **Fortnox Group Reporting**. This was a request from many customers and completes an already seamless suite for ongoing accounting and reporting, all in the same platform.



We make the
complicated
simple

Product area People

We make complicated regulations and convoluted administration easy to manage – and create security for businesses and their employees. A job and salary are some of the most important things in a person's life. This is where we play a central role by offering solutions for everything from payroll and expenses to sickness absence and vacation. Many of these tasks can be a hassle for business owners, but we can help make them simple. A business can feel confident that it is following the most recent regulations since our systems are updated automatically. And work can be shared easily between accounting firms, businesses and employees.

Highlights

- **Expenses directly in payroll with Fortnox Basic Payroll** – Managing expenses and business travel has now been automated for even the smallest businesses, thanks to a new link between Basic Payroll and Expense Management as well as Travel. Employees register their receipts or journey with a few clicks in the Fortnox App, after which they are automatically included in the next salary payment.
- **Fortnox Payroll – the clear choice for companies**
In 2022, Fortnox Payroll continued to grow, with functions that make everyday business tasks easier. A few of these functions include the ability to create custom contracts, managing bookkeeping accounts by wage type, support for special income tax for foreign residents, managing interest payment and issuing payslips, plus the ability for employees to alter their basic information themselves.



automated insights
and unrestricted
mobility in systems

Product area Engage

Our value-generating information and services guide the user throughout the entire business journey. Using AI, we analyze the customer's data and provide insights that help businesses make well-founded business decisions.

We are responsible for the "Start" page, the first page the user sees when logged in to Fortnox. This is where we make sure that the user has the right information at the right moment about what needs to be done and the current status of the business. We also make sure that the most important functions are readily available through the Fortnox App. The services in Stock Companies help future business owners get started right away. All relevant documents are easily available in Archive Storage.

Highlights

- Automated **Insights** for our accounting consultants address central areas in accounting, such as deviations in costs, VAT or sales. Insights initially gives accounting firms new conditions to advise and support their customers in their business decisions.
- In the autumn, we released our own **BusinessID** – a secure personal ID that provides users with access and unrestricted mobility throughout the Fortnox digital ecosystem.
- Our new **Business Mailbox** ensures that documents in digital information flows from authorities and other agents end up in the right place from the start.



WE HANDLE ALL OF
OUR CUSTOMERS'
PAYMENT PROCESSES

Product area

Payment solutions

With our payment solutions, business owners can receive payments quickly and efficiently. We also communicate clearly with their end customers and offer them a flexible way to pay.

Our role is to make everyday tasks simpler for business owners by managing their customer invoices and payments. We offer automated services such as delivering invoices, maintaining sub-ledgers, sending reminders to end customers and registering payments as they come in. We also give customers access to a practical invoice portal.

Highlights

- During the year, we launched a **checkout** for businesses' customers – the end consumers – with various payment methods to choose from.
- We also launched the **Invoice Service** product in the Fortnox App and expanded the ways businesses can remind their customers about overdue invoices.



QUICK access to
FINANCING
- THE INSIDE TRACK TO GROWTH

Product area

Finance Services

The product area helps businesses with smart, flexible financing solutions for everything from growth to dips.

By understanding our customers' needs, we can offer customized financing. Depending on the situation, we can offer businesses financing solutions to help them succeed, regardless of whether the goal is to strengthen cash flow or invest for growth. Thanks to our real-time data, we can provide a smart, relevant offering that even includes automated payment flows and bookkeeping.

We mainly focus on SMEs that need financing solutions in various forms.

Highlights

- We have made it possible for businesses to **select and sell invoices** with a few clicks of the button, thereby increasing their liquidity.
- During the year we also improved our **Business Loan** offering with a better customer interface and associated reports.



SOUND FINANCIAL DECISIONS

- DRIVEN BY BETTER DATA

Product area

Financial Insights & Credit Decisions

We help company decision makers better understand their own business's finances and risk profile – or someone else's – by offering immediate business insights and analyses.

A single integration is all it takes to access information from some 30 sources of data, providing an overview of their potential customers as well as existing.

We focus on credit and finance managers, accounting consultants and business owners who want a better understanding of their business or someone else's.

Highlights

- We built and launched an API and an interface to help creditors better **assess credit risks** for SMEs.
- There was a great deal of focus during the year on developing and integrating support for financial decision making in Fortnox's own automatic **credit assessment**.



WE MAKE SURE THAT CONSUMERS AND COMPANIES FIND EACH OTHER

Product area

Business Proposal

We help consumers find professional assistance, and help service providers find new customers and business opportunities. Consumers who require assistance write a request on offertars.se and wait for responses from companies that are interested in the job. We focus primarily on business owners within the construction, moving and cleaning industries who want to find new customers and business opportunities. However, businesses in other industries can also take advantage of our offering.

Highlights

- In 2022, we built a digital sign-up flow, **Offerta Flex**, to make it easier for businesses to become customers with Offerta. This includes a more flexible payment model for our customers and more digitalized invoice management. Further development of the Offerta product will continue during 2023.
- The new product **Quotes & Contracts** meets many business owners' need to send clear and appealing quotes. We also offer easy digital **Signing** for quotes and contracts.



WE ARE GROWING
TOGETHER WITH
OTHERS

Product area

Connect

Through our open API, we can offer a variety of suppliers the opportunity to connect with us. This gives our customers solutions that are tailored to the precise needs of their operations – solutions like e-commerce, work order systems, or budget and forecast management. Today, we have hundreds of external services available in Fortnox.

The "Connect" page is an aggregate view that appears for our external partners after they log in to Fortnox. On this page, all users can purchase or activate integrations. A great deal of development went into the Connect page during the year, with more visible customer ratings and personalized content tailored to the user's operations. When we highlight new integrations, we also create visibility for our external partners, which is appreciated by both our partners and our users, who get help finding what they need.

Highlights

- **Multiple search paths combined with recommendations** simplify and shorten the customer's search for the right integration.
- A clearer explanation of **categories** makes it easier for businesses to find integrations that are suited to their industry.
- **Customer ratings** – now users can also search for integrations with high ratings.



WORLD-CLASS SERVICE
FOR CUSTOMERS AND
COLLEAGUES

Product area

Infrastructure

We help our colleagues at Fortnox make deliveries and help our customers use Fortnox in the best way possible. We provide both our colleagues and customers with sustainable, well-chosen and sometimes proprietary support systems, frameworks and platforms. We are continuing our journey towards becoming a world-class service organization with services adapted to our target groups and their needs.

This product area provides our internal target groups with support systems and allows us to secure our Group-wide public website. Naturally, our central focus is on ensuring that our customers receive the best support, which requires a good management system and stable infrastructure for telephony and chat. We can help with this! We also keep an eye on the "My subscription" service so customers have good insight into their business with us.

Highlights

- At the beginning of the year, the new platform for **Fortnox.se** was launched, with new technology allowing editors to better own and design their content.
- During the spring, central **data storage** was implemented in the Group – a precondition for more data-driven decisions and quality-assured follow-up going forward.
- **In-App Support**, where customers can more efficiently find solutions to their problems, went live in early winter. This service also offers easy-to-use, smart contact channels for support.
- The new solution for our **Resellers**, with a new customer management feature, increased insight and better self-service, which we invested in during 2021, was rolled out broadly in 2022.



Release Party at FORTNOX

NEW PRODUCTS IN 2022

In 2022, we released several smart, powerful new products that will make a significant difference in customers' business processes. More automation, more real-time data, more leverage!

You can see some of them here, or read more at fortnox.se/produktnyheter. (In Swedish only.)

» Payroll now even more flexible

Customized for more collective agreements with expanded agreements. New kinds of payroll for net deductions and new registration codes.

» Bookkeeping from bank statements

Now with Tax Account and Regulations. A total of 16 new functions for more automated bookkeeping!

» Insights

Less manual work for firms. Insights into incoming VAT, sales, equity capital levels and cost deviations.

» Sell your invoice in a few clicks

Sell your invoices directly in Fortnox. Receive information about invoices you can sell to increase your liquidity.

» Business Mailbox

Digital mail with AI services. All mail from authorities and other actors collected directly in Fortnox.

Smart solutions that support Sweden's businesses

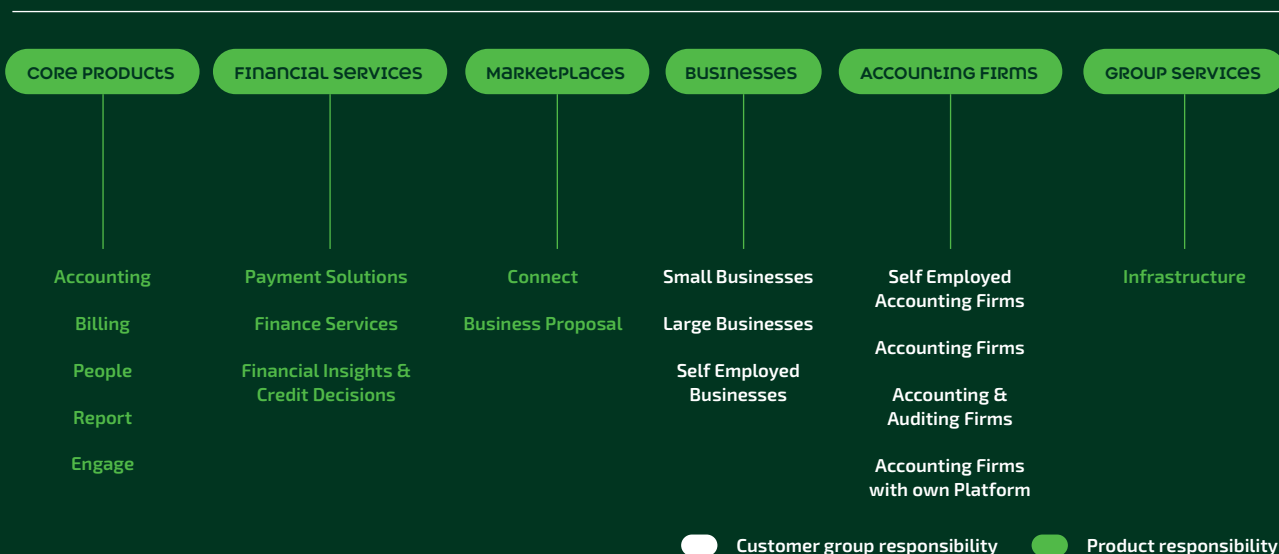
BUSINESS AREAS

Fortnox has six business areas. Five of them – **Core Products, Accounting Firms, Businesses, Marketplaces and Financial Services** – generate revenue. The sixth is **Group Services**, which works Group-wide with finances, HR, legal, communication, IT & operations, workplace, infrastructure, quality and risk.

Each business area is responsible for a clearly defined area in the form of products or customer groups. The business areas

are also broken down according to a structure that focuses on *product, support, sales & market* and *development*. These four functions also work across the business areas, which lays the foundation for a shared and unified view, an efficient working method and a shared focus on areas that are fundamental for operations. The functions are responsible for producing relevant performance measures as well as identifying and defining Group-wide processes and guidelines.

Business areas

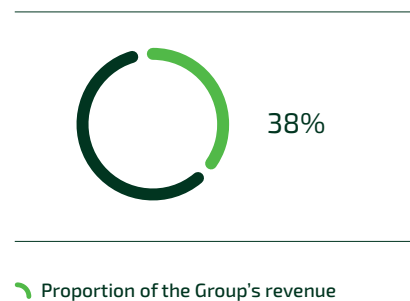
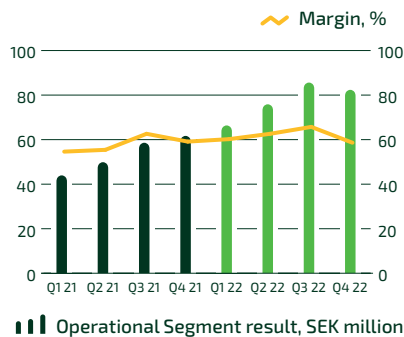
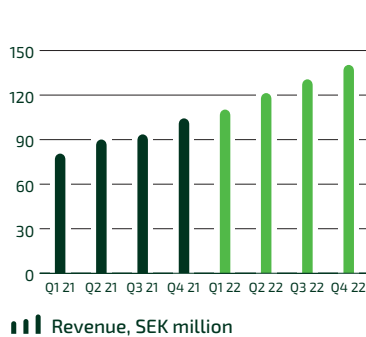


CORE PRODUCTS

at the CORE OF OUR OFFERING

Core Products can be thought of as the core of our development work at Fortnox. The business area carries out product development, user support and digital additional sales in five of Fortnox's product areas – Accounting, Billing, People, Report and Engage. The focus is on automated and digitalized products and services that make it easy for businesses of all kinds to manage their administrative needs. **Core Products** has also developed the backbone of Fortnox's offering in AI, which is used for services like Fortnox Insights.

Insights offers automated advice and information based on operational data from a business, something that can be connected to products in several product areas. Since **Core Products** is focused on development, its main sales channels to the market are business areas Accounting Firms and Businesses, although a certain amount of digital additional sales are managed by **Core Products** itself. At the same time, the business area is a sales channel for products from **Marketplaces** and **Financial Services**.



Jesper Svensson
Business Area Manager, Core Products

Highlights from 2022

- In May, the Fortnox mobile app reached more than 200,000 unique users for the first time, an increase of 54 percent compared with the year-earlier period. Automating important functions made the app an even more powerful complement to the computer.
- In September, the integration with the Swedish Tax Agency went live, making it possible to connect Fortnox to tax accounts for efficient digital management of tax transactions.
- The Fortnox Business Mailbox was approved by the Agency for Digital Government in November.

Business Mailbox can be connected to AI that structures and, when necessary, processes the contents.

- In the autumn, customers were allowed to preregister for the Fortnox Business Card – a product that will automate and simplify receipt reporting for businesses. The card – the result of a partnership with the fintech company Mynt – will be launched in 2023 and be offered free of charge to all customers, who in their turn can offer it to all of their employees. Transactions will be tracked in real time and can then be matched against the receipt and automatically logged.

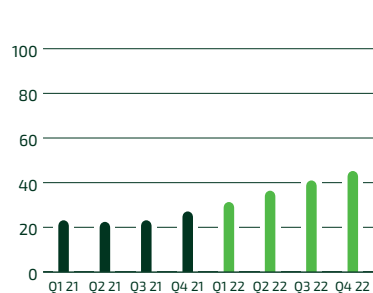


FINANCIAL SERVICES

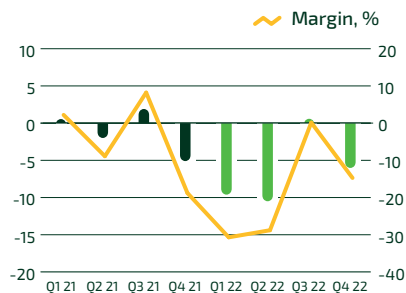
MORE GROWING POWER WHEN NEEDED

Financial Services develops and offers financial services with a focus on products and solutions that optimize cash flow, primarily for SMEs. By combining smart technology, real-time data and automation, **Financial Services** can offer customized solutions that are based on the conditions of the individual business. **Financial Services** offers invoice mortgaging, factoring and corporate loans

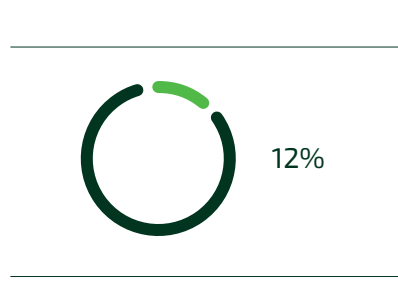
– invoice distribution, reminder services and payment solutions as well as credit ratings in real time. The credit rating ability provides security for the financing business since it makes it possible to set a price on risk based on real-time information rather than historical data.



Revenue, SEK million



Operational Segment result, SEK million



Proportion of the Group's revenue

Highlights from 2022

- In May, we entered into a partnership with the fintech company Zaver as part of our work to offer Fortnox customers new, easy payment solutions when they conduct business with consumers. In the Fortnox invoice portal, consumers can now pay invoices digitally and in four different ways: Swish, installment payments, direct bank transfers or "pay later." This means that Fortnox's customers receive payments more quickly and strengthen their liquidity.

- Connecting the financial offering, which was added through the acquisition of Capcito in 2021, to the existing Fortnox customer base led to good results during the year and the business area's net revenue grew just over 60 percent.
- Technology from the subsidiary Monto helped automate credit transactions during the year. A gradual roll-out of this offering was initiated, where a customer can be paid directly with a single click through so called factoring, when creating a new invoice.



Michael Hansen
Business Area Manager,
Financial Services

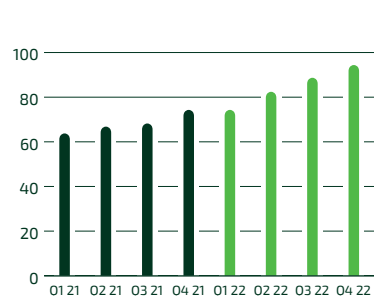


ACCOUNTING FIRMS

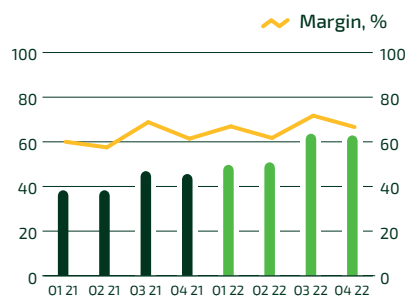
TAKING ACCOUNTING FIRMS TO THE NEXT LEVEL

Accounting Firms manages marketing and sales of the offerings from **Core Products** and **Financial Services** to accounting firms and their consultants, supplemented with its own development of industry-specific solutions. With cutting-edge technology, an integrated accounting process is created, where businesses and employees are connected and can work together with accounting

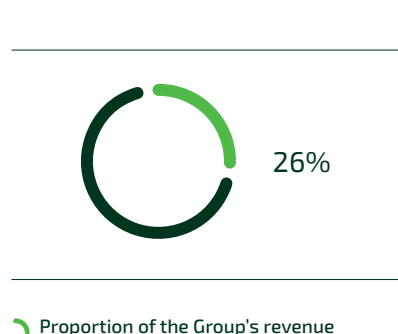
firms, banks and authorities. In addition to software, firms can also receive support from Fortnox's accounting firm experts. The goal is to create added value by offering accounting firms what they need to be able to focus on the parts of the job that make the biggest difference – the actual interaction with their customers. Today, more than 23,000 firm consultants use Fortnox.



Revenue, SEK million



Operational Segment result, SEK million



Proportion of the Group's revenue

Highlights from 2022

- During the year, we launched automated business insights, a service that advises consultants about possible measures for a specific customer based on current and updated bookkeeping data such as expenses, VAT, sales and share capital. Insights give firms new conditions for advising and supporting their customers in their business decisions. For example, it alerts a customer if a company's share capital falls below 60 percent, well ahead of when it might be time to prepare an initial balance sheet for liquidation purposes. This information allows consultants to contact their customers and help them avoid this scenario.

- Personal interaction is incredibly important for building deep relationships and being a genuine partner for firms. After additional pandemic-related shutdowns at the beginning of the year, it was a relief when customer activities could finally resume in the autumn. Accounting Firms participated in the Ekonomimässan trade fair and arranged several events and courses for, and together with, their firm customers. Accounting Firms also held physical meetings with reference groups – meetings to determine what the next steps in development should be and to confirm that they are meeting needs and preferences in the market.



Camilla Skoog
Business Area Manager,
Accounting Firms

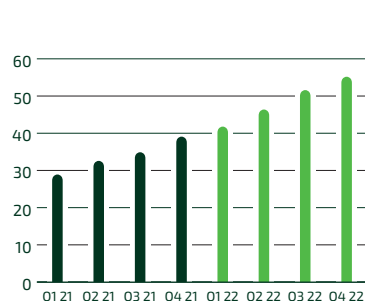


BUSINESSes

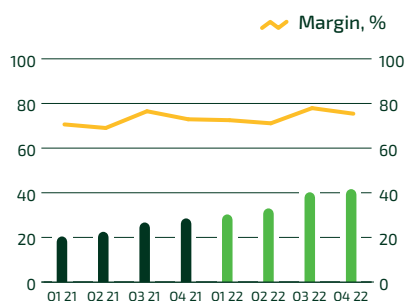
GIVING BUSINESSES a Head Start

Businesses manages marketing and sales of the offerings in **Core Products** and **Financial Services** to business customers. The product offering includes automated, insight-driven and scalable financial and business systems that businesses can purchase and customize directly in Fortnox's digital interface. The business area is also responsible for developing industry-

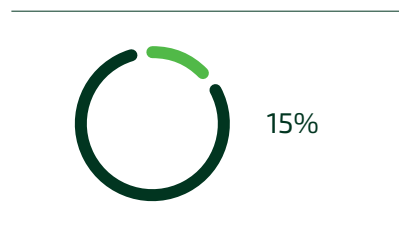
specific solutions for defined customer groups, such as tradespeople or property owners. The goal is to understand and continuously identify the needs that businesses have during their lifetime and then package, market, sell and support them with products, apps and solutions that can help businesses become more successful.



Revenue, SEK million



Operational Segment result, SEK million



Proportion of the Group's revenue

Highlights from 2022

- Partnership with Bokadirekt, Sweden's leading business system and marketplace for booking services in beauty and health. The partnership means that Fortnox will be integrated into Bokadirekt, which will enable companies in the beauty and health industry to receive direct access to smart functions to assist them with their business processes. Every month, Bokadirekt processes more than two million bookings for approximately 22,000 specialists.
- Fortnox's new website was launched in April. Being able to communicate more information more clearly and dynamically is incredibly

important since the website is the company's main channel for direct sales. The three packages offered to businesses were also adjusted – Base, Standard and Plus – and this led to a review of the actual value of the offering for customers.

- During the year, continuous work was carried out to develop the offering to suit industries beyond Fortnox's historic focus group: SMEs. This resulted in products and solutions that suit sole traders as well as a new offering specifically for larger businesses.



Ola Bergqvist
Business Area Manager, Businesses

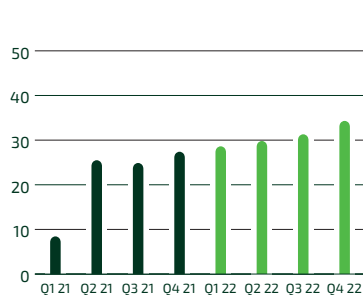
marketPLaces

a HUB FOR GROWTH AND BUSINESS OPPORTUNITIES

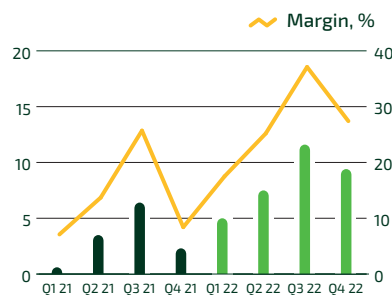
Buyers and sellers meet daily in **Marketplaces**: consumers can request professional help from service providers, primarily within construction, moving and cleaning, while service providers can find new customers. This service – Offerta – was added to Fortnox through an acquisition in 2021. The business area develops, supports and offers service brokerage and products that simplify interactions

between service providers and consumers. It is also responsible for Fortnox Integrations, where businesses can integrate Fortnox with a large variety of systems from partners based on Fortnox's open API*. This means that with just a few clicks, customers can connect other programs and services with Fortnox, creating their own business system.

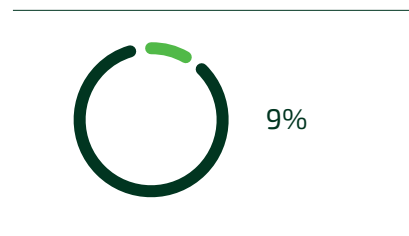
*An API (application program interface) works as a bridge between two systems and offers a way to control the transfer of information.



Revenue, SEK million



Operational Segment result, SEK million



Proportion of the Group's revenue

Highlights from 2022

- The acquisition of Cling Group AB in November added an interactive solution that helps SMEs to design, share and sign business documents such as quotes. The technical solution complements Marketplaces' offering, and the digital signing function is also expected to become a natural complement to the offering in other business areas over time.
- Offerta Flex was first offered in November. Offerta Flex is a web-based self-service product that provides a scalable way of rolling out the offering to the rest of Fortnox's customer base.
- Fortnox Integrations (previously Appmarket) continued to grow, and the number of apps hosted passed 300 during the autumn.



Anna Bergius
Business Area Manager, Marketplaces



the share

The Fortnox share was listed on NGM Nordic SME under the ticker FNOX on May 14, 2007. Since April 13, 2022, the company's share has been traded on Nasdaq Stockholm. An extraordinary general meeting on December 27, 2021 resolved to carry out a 10:1 split of the company's shares, meaning that every existing share was split into ten shares of the same class. As of December 31, 2022, the number of shares amounted to 609,744,700. The share capital totaled SEK 1.2 million.

Owners and ownership structure

The ten largest owners controlled 50.1 percent of the capital and votes as of December 30, 2022. Swedish companies, funds and private individuals owned 66.22 percent (60.39) of the share capital, while foreign shareholdings amounted to 33.78 percent (39.61). The number of shareholders amounted to 44,822 (34,491), ungrouped. The free float is estimated to amount to 76 percent, according to Bloomberg.

Repurchase mandate

At the extraordinary general meeting on October 21, 2022, the Board was authorized to buy back a maximum of 318,562 shares in the company on one or more occasions until the 2023 Annual General Meeting. The purpose of these share repurchases is to secure the company's obligations under its current employee stock purchase plan. Shares are to be purchased on Nasdaq Stockholm at market price. No repurchases were made in 2022.

Share turnover and trading

The average daily turnover of Fortnox shares amounted to 1,143,754 shares. A total of 493,240,150 shares were traded in 2022 at a combined value of approximately SEK 24.5 billion.

Share performance

The Fortnox share price fell 19.2 percent during the year, from SEK 58.5 to SEK 47.29 on December 31, 2022. During the same period, the OMXS Software and Computer Services PI fell 36.0 percent. The company's market capitalization on December 31 was SEK 28.8 billion.

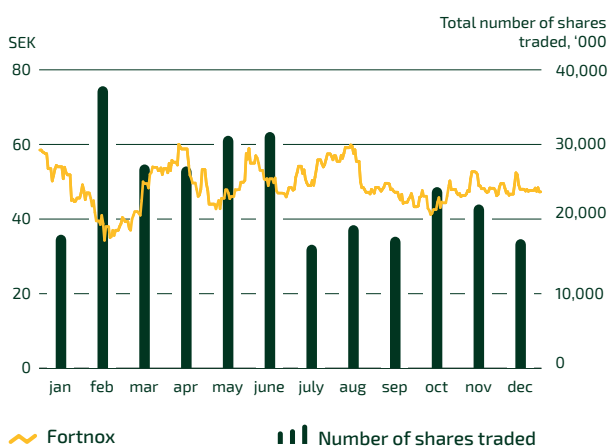
Return

The total return during the year was -19.04 percent. The highest closing price for the share was SEK 60.05 on April 12 and the lowest closing price was SEK 34.28 on February 17.

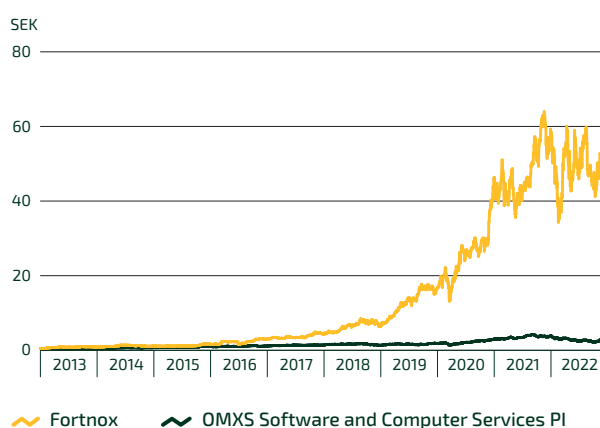
Dividend policy

Fortnox strives to provide long-term stable dividends to its shareholders. When the operating cash flow exceeds what the Group can invest in profitable expansion in the long term, and provided that the target for the capital structure is met, the surplus is distributed to the shareholders. Fortnox has a long-term goal to distribute 30–50 percent of the Group's profit after tax.

PRICE TREND JANUARY 1-DECEMBER 31, 2022



PRICE TREND, 2013-2022



Ten largest owners

	No. of shares	Capital and votes (%)
FIRST KRAFT AB	124,780,710	20.46
STATE STREET BANK AND TRUST CO, W9	42,085,031	6.90
SWEDBANK ROBUR FONDER	39,377,718	6.46
JP MORGAN CHASE BANK NA, W9	18,505,490	3.03
MORGAN STANLEY & CO INTL PLC, W8IMY	14,879,112	2.44
BNY MELLON NA (FORMER MELLON), W9	13,916,308	2.28
AMF – FÖRSÄKRING OCH FONDER	13,500,000	2.21
GOLDMAN SACHS INTERNATIONAL, W8IMY	13,083,242	2.15
NORTHERN TRUST COMPANY, LONDON BRANCH	12,912,184	2.12
BENGTSSON, PEDER KLAS-ÅKE	12,420,000	2.04
Total ten largest owners	305,459,795	50.10
Other	304,284,905	49.90
Total	609,744,700	100.00

Ten largest countries by owners

	No. of shares	Capital and votes (%)
Sweden	403,797,226	66.22
US	86,126,398	14.12
UK	53,136,714	8.71
Luxembourg	33,937,297	5.57
Belgium	9,609,199	1.58
France	8,706,871	1.43
Norway	5,781,609	0.95
Switzerland	4,009,882	0.66
Finland	1,513,562	0.25
Denmark	1,093,892	0.18
Total ten largest countries by owners	607,712,650	99.66
Total other countries	2,032,050	0.34
Total Dec 30, 2022	609,744,700	100.00

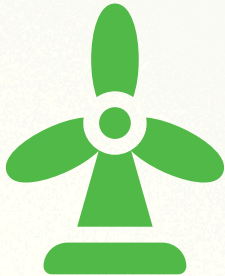


a PROSPEROUS SOCIETY

At Fortnox, our view of sustainability is tightly interwoven with our vision of a prosperous society built by thriving businesses. By laying the groundwork for hundreds of thousands of Swedish businesses, we can help create a more secure and prosperous society. We believe that the answer to many of tomorrow's challenges can be found in the business sector. With our broad offering, we are creating scope for innovation and development for a more sustainability society. To continue to create customer value, we are focusing on maintaining an attractive workplace with sustainable employees. Our employees, current and future, are the key to our success, and our broad community involvement is increasingly important for remaining relevant as a vision-driven employer brand.

You can read more about our sustainability work on the following pages. Our expressed ambition is to always take steps forward in our various focus areas.





energy

100%

Share of purchased renewable energy
At Fortnox, we work to reduce our negative impact on the environment and climate. We are to reduce our carbon footprint through measures such as using 100% renewable energy.



climate

90%

Share of reused electronics
As part of our efforts to reduce our negative impact on the environment and climate, we strive to become more circular and therefore reuse electronics to the greatest extent possible.



people

4.1

Employee Satisfaction Index, ESI
Fortnox's employees are the company's most important asset on our journey towards our vision of creating a society built by successful businesses. Our ambition is to create an attractive workplace that supports well-being and commitment.



IMPORTANT FOR FORTNOX AND THE WORLD AROUND US

To identify our sustainability priorities and focus areas, we carried out our first materiality analysis in 2019, which has since been revised and developed every year. In the materiality analysis, we have collected information about what is important for us and for our stakeholders, thereby identifying several areas where we can make a difference.

environment

- Sustainable products and services
- Energy use
- Employee commuting
- Business travel

SOCIAL

- Diversity and equality
- Inclusion
- Attracting and retaining expertise
- Community involvement
- Employeeship
- Leadership

economy

- Growth
- Customer satisfaction
- Profitability
- Resource and cost efficiency
- Innovation and product development
- Compliance
- Value chain partnerships
- Procurement and partnership requirements
- Information security

FOCUS AREAS



OUR MOST IMPORTANT ISSUES

The areas that Fortnox has chosen to focus on, and how we follow up on them, are illustrated below:

Important area	SDG	Performance measures	Target
Climate impact	13	<ul style="list-style-type: none"> Carbon footprint, business travel Share of renewable electricity used in server halls and offices 	<ul style="list-style-type: none"> Phase out fossil fuel for business travel by car 100% renewable electricity used in server halls and offices
Diversity, inclusion and equality	5	<ul style="list-style-type: none"> Inclusion index* (*employee perception of security, support, acceptance, participation, engagement) 	<ul style="list-style-type: none"> An inclusive workplace
Sustainable business	16	<ul style="list-style-type: none"> Share of employees who have completed all of our training in information security 	<ul style="list-style-type: none"> 100% ISO 27001 certification
Responsible supply chain	12	<ul style="list-style-type: none"> Share of reused and recycled electronics (decommissioned electronics) Carbon footprint from electronics 	<ul style="list-style-type: none"> A circular economy through reusing and recycling as large a portion of materials as possible. Establish a strategy to reduce the carbon footprint from electronics by 2025.
Attractive employer	3	<ul style="list-style-type: none"> ESI – Employee Satisfaction Index Leader index, regarding leadership Attendance rate 	<ul style="list-style-type: none"> Target 4.2 of 5.0 Target 4.0 of 5.0 Target 97%
Community engagement	11	<ul style="list-style-type: none"> Community engagement that makes a difference 	<ul style="list-style-type: none"> New strategy

CLIMATE IMPACT

We want to contribute to developing a sustainable society by reducing our climate impact.

Reduced resource consumption

We work deliberately to reduce our negative impact on the environment and climate. Fortnox's Sustainability Policy guides our overall sustainability efforts. The policy also governs our environmental work. We also have related guidelines that support our initiatives and focus on the most important environmental topics for us, such as business travel and energy use.

While we do not conduct any environmentally hazardous operations, like most other companies we have an environmental impact. We work to minimize emissions and resource consumption that affects the environment. At Fortnox, we strive to use our resources wisely and to recycle or reuse resources to the greatest extent possible. The use of electronics is a large part of our environmental impact, which is why we continuously implement measures to recycle or reuse decommissioned electronics to the greatest possible extent. During the previous year (2021), 91% of our decommissioned electronics were reused. In 2022, this figure was 90%. This somewhat lower figure is due to the fact that some devices were in such poor condition they could not be reused.

Fortnox has also decided to use electronics longer, thereby reducing our turnover rate for electronic equipment.

Renewable energy and reduced travel

Fortnox has offices in four locations around Sweden, and we continuously work together with our landlord to find more sustainable solutions for energy consumption. For example, during the year we analyzed where and when electricity is used, which allowed us to implement energy-saving measures such as motion detection and shutting off equipment to make smarter use of resources. All of our offices purchase renewable energy.

When the Covid-19 pandemic struck, we pivoted quickly and found new forms for digital collaboration. We have continued with this more sustainable way of working and made it part of our daily life. Even though we live in an increasingly digital world, physical interactions are sometimes necessary to run our operations. To reduce our environmental impact, we are working to phase out fossil fuel for our business travel by car. We also encourage our employees to choose trains instead of cars.

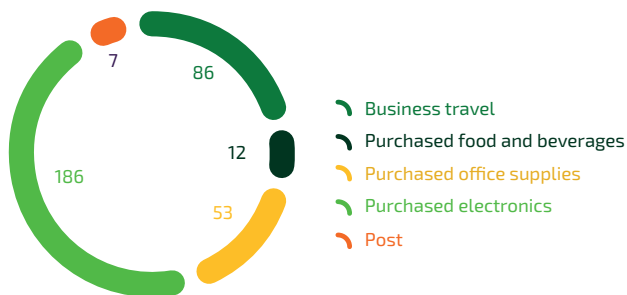


EMISSIONS: SCOPE 1, SCOPE 2, SCOPE 3

	Scope 1	Share of total emissions	Scope 2	Share of total emissions	Scope 3	Share of total emissions	Total CO ₂ e
2020	3 tonnes CO ₂ e	0.4%	70 tonnes CO ₂ e	10%	601 tonnes CO ₂ e	89%	674
2021	5 tonnes CO ₂ e	0.5%	14 tonnes CO ₂ e	1%	1,064 tonnes CO ₂ e	98%	1,083
2022	6 tonnes CO ₂ e*	1.6%	26 tonnes CO ₂ e	7%	344 tonnes CO ₂ e	92%	376

* Figure shows emissions from the refrigerants used in our server halls. Since data could not be obtained from suppliers, we rounded up the emission figures from 2021 by 20% since this is how much we estimate that the operations have grown in size.

Total emissions for 2022 are significantly lower than the previous years reported. This is partly due to the fact that Fortnox purchased considerably fewer electronic devices during the year than in 2021, when larger purchases were made due to uncertain logistics flows. The electronics purchases in previous years could be used in 2022.

SCOPE 3 2022, tonnes CO₂e

The EU Taxonomy Regulation

The Taxonomy Regulation is part of the EU's action plan for sustainable finances and defines environmentally sustainable investments. For an activity to be considered sustainable under the Taxonomy Regulation, it needs to contribute substantially to at least one of six environmental objectives and do no significant harm to any of the other objectives. There are also requirements for social issues such as human rights and work environment.

For the 2021 operating year, we reported the proportion of the company's activities that are Taxonomy-eligible. For Fortnox, this was 0% (refer to the 2021 Annual Report). For the 2022 operating year, the requirements are more comprehensive. Companies also need to disclose the proportion of Taxonomy-aligned green assets and the proportion of turnover, operating expenditure and capital expenditure related to these assets. In 2022, a new lease was signed that is classified as eligible. No other areas of Fortnox's activities are classified as eligible. The results are presented in the table below.

Turnover				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Minimum safeguards	Taxonomy-aligned proportion of turnover, year N	Taxonomy-aligned proportion of turnover, year N-1	Category (enabling activity)	Category (transitional activity)	
Economic activities ¹⁾	Code(s)	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems						
		SEK million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																					
Total (A.1 + A.2)																					
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Turnover of Taxonomy-non-eligible activities (B)		1275,6	100%																		
Total (A+B)		1275,6	100%																		

¹⁾ Activity 1 is Taxonomy-eligible in its entirety. However, only a proportion of it is Taxonomy-aligned. Therefore, Activity 1 may be reported under both A1 and A2. However, only the proportion reported under A1 may be counted as Taxonomy-aligned in the CapEx KPI of the non-financial undertaking.

The Taxonomy uses the same definition of turnover as Directive 2013/34/EU of the European Parliament and of the Council on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (Article 2(5)).

Capex				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)											
Economic activities	Code(s)	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems						
		SEK million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A1. Environmentally sustainable activities (Taxonomy-aligned)																					
Acquisition and ownership of buildings	7.7																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Acquisition and ownership of buildings	7.7	3,7	1,5%																		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,7	1,5%																		
Total (A.1 + A.2)		3,7	1,5%																		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
CapEx of Taxonomy-Non-eligible activities (B)		247,6	98,5%																		
Total (A+B)		251,3	100%																		

Capital expenditure refers to expenditure for property, plant and equipment and intangible assets during the financial year before depreciation, amortization and any remeasurements, including impairment, for the relevant financial year and excluding fair value changes.

Opex				Substantial contribution criteria							DNSH criteria (Does Not Significantly Harm)												
Economic activities ¹⁾	Code(s)	Absolute OpEx	Proportion of mitigation	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards							
		SEK million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (Taxonomy-aligned)																							
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																							
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																							
Total (A.1 + A.2)																							
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
OpEx of Taxonomy-Non-eligible activities (B)		24,9	100%																				
Total (A+B)		24,9	100%																				

¹⁾ Activity 1 is Taxonomy-eligible in its entirety. However, only a proportion of it is Taxonomy-aligned. Therefore, Activity 1 may be reported under both A1 and A2. However, only the proportion reported under A1 may be counted as Taxonomy-aligned in the OpEx KPI of the non-financial undertaking. For activities listed under A2, columns 5 to 17 may be filled in on a voluntary basis by non-financial undertakings.

The calculation of operating expenditure includes operating expenditure not recognized as assets, including: costs relating to short-term leases, research and development, maintenance and repairs as well as other any other direct expenditures relating to the day-to-day servicing of property, plant and equipment by the company or by a third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

With the support of documentation prepared together with an external advisor and tools on the EU's website, Fortnox assessed its activities in relation to the regulation, mainly with respect to the "Construction and real estate" and "Information and communication" sectors. We found that only the leases entered into

in 2022 are Taxonomy-eligible. By comparing the criteria for green assets under the taxonomy with the energy performance data received from the property company, we determined that Fortnox does not have any Taxonomy-aligned assets.



attractive work- place and sustainable employees

Our work at Fortnox to ensure that everyone thrives over the long term is central to the value we create for our customers and is essential for our long-term success.

Our goal is for Fortnox to be an attractive employer for existing employees and the preferred choice for future employees.

We build our goals on insights and in close dialog with employees in the form of meetings and discussions as well as through regular questionnaire surveys.

Fortnox's employees are the company's most important asset on our journey towards our vision of creating a society built by thriving businesses. Our ambition is to create an attractive workplace that supports well-being and commitment. This work continued in 2022. Here are some of the important initiatives we carried out.

Our work with current and future employees is based on skills-based recruiting, where an individual's skills, and no other attributes, are in focus. This permeates our overall work with our employees, and all of our managers undergo mandatory recruitment training to raise awareness about their unconscious biases. This is important, not least when it comes to ensuring an inclusive workplace where diverse backgrounds and experiences are appreciated.

Employer brand

At Fortnox, we work continuously to improve our employer brand, and in 2022, we initiated a project to identify what needs to be developed in this area. Our employer brand is the basis for our talent management. We work continuously to create an attractive, thriving and engaging workplace with an innovative corporate culture, a mindset where we embrace change, and clear development and career opportunities.

In 2022, we were named a Career Company of the Year for the third consecutive year. The jury's choice was motivated by Fortnox's unique employer brand, investments in talent through Fortnox Academy and inspirational communications. Every year, Career Company lists the 100 top employers in Sweden. The list, which is based on a thorough vetting process and jury evaluation, focuses on career and development opportunities for students and young talent at the beginning of their careers. We are, of course, very proud of this distinction, which is a sign of how well our work in this area is going.

Recruitment and career development

Fortnox works continuously with recruitment and career development. One of Fortnox's recruitment and talent management initiatives is Fortnox Academy. This is a trainee program where we offer developers, testers and product designers the opportunity to work with a development team at Fortnox. Our goal is to find new employees who want to help take Fortnox to the next level, and whose trainee position at Fortnox might lead to employment. In 2022, we offered places in Fortnox Academy for the third consecutive year.

Those who have the chance to participate in Fortnox Academy learn about operations and what development entails at Fortnox, and have the chance to actively steer their own personal development. During the program, the participants have supervisors to guide them through their tasks. At the end of the program, Fortnox evaluates the participants and, if all parties are in agreement, offers them a job.

Health and well-being

Our employees' health and well-being is important to us. MåBra is Fortnox's concept for employee well-being and rest. Because every employee's individual need for rest looks different, Fortnox currently offers everything from workouts to massages and mindfulness. During recurring theme weeks focused on this area, the company invites its employees to take part in cooking classes,

gym classes, lectures and other activities. At the headquarters in Växjö, we have a well-equipped gym that everyone is free to use.

Similar premises and initiatives are available at all of our offices around Sweden and are open to every employee. We also offer our employees annual fitness subsidies. We believe that thriving employees create the conditions for a prosperous society.

Equality, inclusion and diversity

Fortnox wants to create a climate that supports and embraces diversity because we are convinced that different perspectives are the basis for a thriving organization. This is described in our Equality and Diversity Policy. The work climate at Fortnox is to be positive and inclusive, with mutual respect and consideration between employees. All employees have a shared responsibility to actively promote this philosophy, and everyone has the right to protect their own integrity. Fortnox is to ensure that all employees have the same conditions to complete their work tasks.

Human rights

Fortnox follows the Universal Declaration of Human Rights, which is well integrated into our everyday work. When it comes to employees, we focus on skills development based on individual needs and we take a preventive approach to equality, such as through anti-discrimination measures.





OUR EMPLOYEES IN BRIEF

	2020	2021	2022
Number of employees*	401	596	686
of whom, permanently employed (a)	366	546	623
New employees (permanently employed) (b)	102	232	166
Departures (permanently employed) (a)	26	52	89
Employee turnover**	8.1%	11,9%	15,7%

* Number of employees refers to everyone employed at Fortnox at the end of year, including fixed-term employees.

** Employee turnover was calculated according to a different method for 2022 to better reflect how we monitor our operations. Employee turnover for 2020 and 2021 have been recalculated using the same formula.

** Employee turnover 2022 = $(c/((a \cdot 2021 + a \cdot 2022)/2))$

	2020	2021	2022	Target
Leader index*	4.2	4.1	4.3	4.0
Attendance rate**	97%	98%	97%	97%
Inclusion index***	N/A	N/A	4.4	N/A
ESI****	4.1	4.1	4.1	4.2
eNPS*****	N/A	26	26	N/A

*Leader index – an index that measures employee perceptions of our leaders' abilities in relation to communication, following up on decisions and timetables, conflict management, change management and trust in employees. This is measured once per year on a scale of 1–5.

** Attendance rate is calculated as an average figure for the year. Employees at Capcito Finans AB and Monto.ai AB are not included.

***Inclusion index is a performance measure that looks at employee perceptions of security, support, acceptance, participation and engagement. This is measured once per year on a scale of 1–5.

**** ESI Employee Satisfaction Index is a performance measure that looks at employee perceptions of comfort, pride and engagement. This is measured once per quarter on a scale of 1–5. The figure shows the average of the figures achieved over the year.

***** eNPS – Employee Net Promoter Score is a performance measure that looks at how likely employees are to recommend our workplace. A score over zero indicates that more employees would recommend us than would warn potential new employees away from working at Fortnox. This is measured ten times per year. The figure shows the average for the year.

Our ESI in the fourth quarter of 2022 was 4.3. Our eNPS in the most recent measurement was 42. Fortnox is proud of that its results remained strong, and we hope and believe that our efforts to create the right conditions for our leaders and employees are making a difference. Our first inclusion index was measured during the year and resulted in an index of 4.4, which can be interpreted as a good result. The goal of the inclusion index is to find a baseline and, in subsequent years, be able to continue measuring these parameters and actively work on the issue in order to improve results.

RESULTS IN GENDER EQUALITY % (women/men)

	2020	2021	2022
Total within the entire Group	42/58	39/61	38/62
Board of Directors	40/60	33/67	40/60
Executive Management Team	43/57	22/78	25/75

WORK LOAD

	2020	2021	2022
Workload index*	4.0	4.0	4.1

*Estimated perception of employees regarding workload. A higher figure indicates that more employees perceive their workload to be reasonable. This is measured once per year on a scale of 1–5.

SUSTAINABLE BUSINESS

Fortnox's business idea is inherently sustainable. Tomorrow's innovations, technology and solutions for today's societal problems can be found in enterprise. By helping hundreds of thousands of Swedish businesses become more successful, we are creating the necessary conditions to solve these problems. But sustainable business processes also include acting responsibly and minimizing the risk of any negative impact on our surroundings. We help our customers with this in a variety of ways.

Fortnox shoulders a heavy responsibility since we have access to customers' bookkeeping and confidential information. We take this responsibility very seriously and have strict requirements for how we act as a company and as employees, and how we do business.

Code of Conduct

Our Code of Conduct provides ethical guidelines for how we conduct ourselves at Fortnox. These guidelines permeate our entire organization and everything we do every day. The Code of Conduct is based on Fortnox's goals and values, providing a framework for how we are expected to act. Being familiar with the Code of Conduct, and understanding and complying with it, are all an essential part of who we are as employees and what we stand for. It is all about how we act and do business – every day. Regardless of whether we are interacting with our colleagues at Fortnox or others, we need to be aware of our shared responsibility. Each employee is obligated to familiarize themselves with our Code of Conduct and to act in accordance with it.

Anti-corruption

Fortnox wants to contribute to a sound and sustainable corporate climate and combat corruption and similar crimes to the greatest extent possible.

Our employees' knowledge and awareness is maintained through mandatory training and through our values. Fortnox therefore strives to ensure that procedures are followed to identify and understand the risks of corruption and therefore be able to apply preventive measures.

Whistleblowing

Fortnox encourages anyone who detects a breach of our Code of Conduct and/or other improprieties to report them. In addition to the traditional information and reporting channels, reports can be filed anonymously through a separate whistleblower function, wb.2secure.se, which is accessible through fortnox.se. To ensure privacy and maintain trust in the system, an independent third-party supplier is responsible for its operation.

Below are the number of reported incidents of corruption at Fortnox:

	2020	2021	2022
Number of incidents	0	0	0

Responsible supply chain

At Fortnox, we hold our suppliers to the same strict requirements as we have for ourselves. They are to meet the same requirements as Fortnox when it comes to caring for the environment, labor conditions, human rights and anti-corruption.

In the event of any deviations from our Supplier Code of Conduct, our employees and our suppliers' employees are encouraged to report them.

The Supplier Code of Conduct is based on the principles in the UN Global Compact, the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Secure processing of personal data and information

For Fortnox, it is very important to maintain a high standard of security and protection when it comes to personal data. As the world becomes more digitalized and new opportunities for innovation arise, the risk that sensitive information might fall in the wrong hands is greater than ever. Fortnox needs customers and consumers to trust our services. That is why we dedicate time and effort to security aspects throughout the entire supply chain. Our Information Security Policy guides our employees in this work and is part of the broader framework for managing information security. We process personal data in accordance with prevailing data protection laws and requirements, for example the General Data Protection Regulation (GDPR) in Europe. This work is prioritized highly and in the autumn we carried out several training sessions across the entire organization in order to further raise awareness among our employees. Our ambition is to be ISO 27001 certified, and we have already started on that journey. You can read more on our website about how we work with data security.

Risk management

A very important part of Fortnox's operations is our ability to identify and manage various types of risks, which is why we have clear structures for how we handle risk management. Read more about our risks and risk management on page 58.



OUR CUSTOMERS

Over the last few years, sustainability has become one of the most pressing issues affecting Fortnox's customers. We have participated in and organized various events and entered into partnerships with different companies in order to highlight sustainability issues.

Our vision – to create a prosperous society built by thriving businesses – inspires us and gives us the scope to help our customers in several ways. Another key aspect is highlighting how they can become more sustainable and take further steps to reduce their climate impact. We aim to reach more customers and inspire them to do more.

In partnership with GoClimate, we launched an app that our customers can use to easily obtain an overview of their operations from a sustainability perspective. For example, the app calculates total the carbon emissions from their operations and proposes measures to reduce them. Raising awareness makes it possible for more to be done, and when Fortnox can make it

easier, inspire and help many others to do more, then we can all go farther together.

Education

During the year, Fortnox also entered into a partnership with Position Green, which, through courses in various aspects of sustainability, aims to help customers better understand sustainability and how they can start to make their businesses more sustainable.

Through these partnerships, we want to provide our customers with more knowledge and inspiration so their businesses can become more successful and more sustainable.

community engagement

The next generation of entrepreneurs and tomorrow's social enhancer are out there, and that is why Fortnox's engagement in the community beyond its immediate operations is incredibly important. Given this, we are partnering with players who meaningfully promote the values we represent. Our vision permeates all of the focus areas we have prioritized for our community engagement.

Partnerships for the future

Fortnox currently supports several different associations that aim to foster children and young people's curiosity when it comes to technology, digital creativity, entrepreneurship and business enterprise. This includes Hello World and the Junior Achievement organization.

Fortnox is also a national partner of NyföretagarCentrum, which has a clear focus on young business owners, diversity, inclusion and gender equality. A project was started in 2022 to create a new strategy that aims to further strengthen our role as a driving force in the community.





Corporate Governance Report

Fortnox AB (publ) is a Swedish public limited company, Corporate Registration Number 556469-6291, whose shares have been listed on Nasdaq Stockholm's main market since April 13, 2022. Corporate governance is defined as the tools used directly or indirectly by the shareholders to govern the company and its operations. Corporate governance in Fortnox is based on such rules and regulations as Swedish law, the Companies Act, the Accounting Act, the Annual Accounts Act, Nasdaq/OMX Stockholm's rules for issuers, internal

regulations and the instructions and recommendations issued by relevant organizations, such as the Swedish Corporate Governance Board. The company applies the Swedish Corporate Governance Code ("the Code"), which can be applied to all Swedish companies whose shares have been admitted to trading on a regulated market in Sweden.

No deviations from the Code or other regulations occurred during 2022.



Shares and shareholders

As of December 31, 2022, the number of shares amounted to 609,744,700, distributed among 44,815 shareholders (grouped ownership). Each share carries one vote at a general meeting and all shares

carry equal rights to the company's assets and profit. As of December 31, 2022, the single largest shareholder, First Kraft AB, held 20.5 percent of the shares. The ten largest known shareholders accounted for 50.1 percent of the shares and voting rights in the company.

The company's ten largest shareholders as of December 31, 2022:

Shareholder

FIRST KRAFT AB
STATE STREET BANK AND TRUST CO, W9
SWEDBANK ROBUR TOTAL
JP MORGAN CHASE BANK N. A
MORGAN STANLEY & CO INTL PLC, W8IMY
BNY MELLON NA (FORMER MELLON), W9
AMF- FÖRSÄKRING OCH FONDER
GOLDMAN SACHS INTERNATIONAL, W8IMY
THE NORTHERN TRUST COMPANY
BENGTSOON, PEDER KLAS-ÅKE
TOTAL TEN LARGEST SHAREHOLDERS

Share

20.5%
6.9%
6.5%
3.0%
2.4%
2.3%
2.2%
2.2%
2.1%
2.0%
50.1%

Annual General Meeting

The highest decision-making body at Fortnox is the Annual General Meeting (AGM), which is the forum at which the shareholders can exercise their influence. All shareholders who are registered in the share register and who have notified their intent to participate in time are entitled to attend the Meeting and vote for their total shareholding. Shareholders can participate in the AGM in person or by proxy. The AGM is to be held within six months of the close of the financial year and is normally held in Växjö.

Official notice of the AGM is to be issued not earlier than six weeks and not later than four weeks prior to the Meeting. The official notice contains information concerning registration and entitlement to participate in the AGM, an agenda showing the business to be addressed, information on the proposed dividend and the main content of other proposals.

At the AGM, Fortnox shareholders pass resolutions concerning the following, among other matters:

- Adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet
- Appropriation of profit
- Discharge from personal liability of the Board of Directors and the CEO
- Fees payable to Board of Directors and auditors
- Election of Board of Directors and the Chairman of the Board
- Election of auditor
- Resolution concerning principles for establishing, and instructions for, the Nomination Committee and its work
- Guidelines for remuneration of senior executives
- Introduction of incentive program
- Authorization to decide on the issuance of shares

In addition, the shareholders pass resolutions on potential amendments to the company's Articles of Association. The Articles of Association are the fundamental governing document for the company and stipulate, among other things, the operations the company conducts, where the Board of Directors has its registered office, the size of the share capital and the number of shares, the shareholders' entitlement to participate in the AGM and the business to be addressed at the AGM. Information, such as the official notice and proposals ahead of the AGM and minutes of the company's previous general meetings, is published on Fortnox's website, www.Fortnox.se.

Extraordinary general meetings are held when necessary, and in 2022 this occurred on one occasion.

2022 Annual General Meeting

The AGM for the 2021 financial year was held on March 30, 2022, at Fortnox AB, Bollgatan 3B, Växjö, Sweden.

Maria Arnoldsson, Cirio Advokatbyrå, was elected Chairman of the Meeting. The AGM adopted the income statement and balance sheet as presented. In addition, the consolidated statement of comprehensive income and statement of financial position were adopted. The AGM discharged the Board of Directors and the CEO from personal liability. In addition, the following main resolutions were passed:

Election of Board of Directors and auditor

Anna Frick, Lena Glader, Magnus Gudéhn, Olof Hallrup and Per Bertland were reelected as regular Board of Directors. In accordance with the proposal from the Nomination Committee, Olof Hallrup was reelected Chairman of the Board. In accordance with the proposal from the

Nomination Committee, the registered accounting firm KPMG AB was elected as auditor. KPMG AB appointed Authorized Public Accountant Dan Beitner as auditor-in-charge.

Fees

It was resolved that Board fees would be payable in an amount of SEK 300,000 to Board of Directors and SEK 700,000 to the Chairman of the Board. It was resolved that special fees for committee work would be payable in an amount of SEK 50,000 to members of the Audit Committee and SEK 125,000 to the Chairman of the Audit Committee as well as SEK 25,000 to members of the Remuneration Committee and SEK 50,000 to the Chairman of the Remuneration Committee.

Dividend

The AGM resolved, in accordance with the proposal from the Board of Directors and the CEO, to distribute SEK 0.08 per share to the shareholders as dividends and that the remaining funds at the AGM's disposal would be carried forward.

Authorization to decide on issuance of shares

The AGM resolved to authorize the Board during the period up to the next AGM to make decisions on the new issuance of shares. The Board may make decisions to such an extent that the company's share capital will be increased by an amount corresponding to a total of not more than 10 percent of the registered share capital on the date of the AGM. The purpose of the authorization is to be able to implement or finance acquisitions or, alternatively, to finance existing operations.

Incentive programs

The AGM resolved on the introduction of an incentive program through the issuance of not more than 750,000 warrants to the subsidiary Fortnox Service AB for further transfer to senior executives and other key individuals at market value. Each warrant entitles the holder to subscribe for one new share in the company during the period April 1–June 30, 2025.

The AGM adopted all proposals presented ahead of the AGM by the Board of Directors and the Nomination Committee. All resolutions were passed with the necessary majority.

Extraordinary general meeting on October 21, 2022

An extraordinary general meeting (EGM) was held on October 21, 2022, for the purpose of introducing a long-term employee stock purchase plan for current and future permanent employees of the Fortnox Group.

The EGM was held by means of postal voting with the support of temporary legal regulations. This means that the EGM was held without the physical presence of shareholders, proxies or external parties and that voting rights were exercised through advance voting in the manner stipulated in the official notice.

The meeting passed the following main resolutions:

The EGM resolved, in accordance with the Board's proposals, to authorize the Board to acquire, on one or more occasions up to the 2023 AGM, a maximum of 318,562 shares in the company. The purpose of the buy-back of shares in own custody is to be able to safeguard the company's undertakings under the employee stock purchase plan and to cover costs and social security contributions attributable to the employee stock purchase plan. The shares are to be acquired on Nasdaq Stockholm at a price within the registered span of share prices at the time in question, meaning the span between the highest price paid and the lowest selling price.

The EGM also resolved, in accordance with the Board of Directors' proposal and disapplying the preferential rights of shareholders, to transfer not more than 242,400 of the shares acquired by the company to participants in the employee stock purchase plan free of charge.

Finally, the EGM authorized the Board to transfer, on one or more occasions up to the 2023 AGM, a maximum of 76,162 shares on Nasdaq Stockholm or to a bank or other financial institution. The purpose of the authorization is to be able to transfer shares in own custody to cover costs, including social security contributions, attributable to the employee stock purchase plan.

2023 Annual General Meeting

The 2023 AGM will be held on March 30, 2023 at Fortnox AB, Bollgatan 3B, Växjö, Sweden. Prior notice of attendance at the AGM can be made up to March 24, 2023.

Shareholders will also be offered an opportunity to exercise their voting rights through postal voting. Details concerning the procedures for postal voting and registration for the AGM will be published in the official notice of the AGM.

Information about registration for the AGM and the proposals from the Nomination Committee will be published on the company's website not later than March 1, 2023. Fortnox's audited annual report, proxy forms and proposed resolutions will be available from the company's head office and on the company's website not later than March 9, 2023.

Nomination Committee

According to the Code, the Nomination Committee shall comprise at least three members, of whom the majority are to be independent in relation to the company and to the Executive Management Team. The AGM shall appoint and decide how the Board of Directors are to be appointed. The Nomination Committee shall perform the duties stipulated in the AGM's instructions and the Code. These primarily comprise formulating proposals concerning the election of Chairman of the AGM, members of the Board and Chairman of the Board as well as the fees payable to the Board of Directors and the auditor.

The AGM on March 30, 2022, resolved that the Nomination Committee for 2023 would comprise members appointed by each of the three largest shareholders in terms of voting rights on the last banking day in August 2022 as well as the Chairman of the Board. The member representing the largest shareholder in terms of votes shall be appointed Chairman of the Nomination Committee, unless the members agree otherwise. On the basis of their shareholding, the largest shareholders were asked in turn to appoint members of the Nomination Committee.

The Nomination Committee for the 2023 AGM comprises:

- Mathias Svensson (Chairman), First Kraft AB
- Monica Åsmyr, Swedbank Robur
- Peter Nichols, Vor Capital LLP
- Olof Hallrup, Chairman of the Board, Fortnox

First Kraft AB, Swedbank Robur Fonder AB and Vor Capital LLP jointly represented more than 30 percent of the total number of voting rights in Fortnox AB as of August 31, 2022.

Board of Directors

The second-highest decision-making body after the general meeting of shareholders is the Board of Directors, which has ultimate respon-

sibility for Fortnox's organization and management as well as control of the company's financial conditions. According to Fortnox's Articles of Association, the Board shall consist of at least three and not more than ten members elected annually at the AGM for the period until the end of the next AGM. There is no rule stating a maximum period in office for members of the Board.

The 2022 AGM voted to reelect Anna Frick, Lena Glader, Magnus Gudéhn, Olof Hallrup and Per Bertland as regular Board of Directors. Olof Hallrup was reelected Chairman of the Board.

Olof Hallrup (Chairman of the Board) is regarded as independent in relation to the company and its management, but not in relation to major shareholders. Other Board of Directors are regarded as independent in relation to the company and its management as well as in relation to major shareholders. Accordingly, the Board fulfills the requirements of the Code, namely that a majority of the Board of Directors must be independent in relation to the company and its management and that at least two of the Board of Directors must also be independent in relation to the company's major shareholders.

Additional information about the Board and management is available at www.fortnox.se.

The work of the Board of Directors

During the financial year, 15 minuted Board meetings were held. In accordance with the rules of procedure for the Board of Directors, the Board addressed the fixed items that were on the agenda of its various scheduled Board meetings, such as the business situation, forecasts, financial outcomes, liquidity, year-end accounts, and interim reports. It also addressed overall issues concerning strategic direction, structure, organizational changes, and business acquisitions. A common feature was the Group's efficiency and fulfillment of financial objectives.

Four Board meetings focused on reviews and approval of interim reports. One meeting addressed operational planning as well as a review of the business plan and strategies. At one scheduled Board meeting, the Group's auditor presented his observations from the examination of the Group's internal control and financial statements. The statutory Board meeting held after the AGM decided on various matters, including company signatories, the Board of Directors' rules of procedure, the CEO's instructions including reporting instructions, and the timetable for scheduled Board meetings during the year. The Board held extraordinary Board meetings during the year, including meetings to address decisions concerning acquisitions. Ahead of Board meetings, the members received written material concerning the business to be addressed. This material included the CEO's written report about the business, which is also sent to the Board each month.

The CEO of Fortnox participates in Board meetings as a presenter. Secretarial duties on the Board in 2022 were performed by the CFO, who was co-opted to the Board. Where necessary, other salaried employees presented business to the Board. In such cases, these salaried employees only attended the portion of the meetings devoted to the business that they were presenting. The Board decides on rules of procedure for the work of the Board of Directors and on the CEO's instructions, including reporting instructions for the CEO of the Group. The rules of procedure establish regulations for the work, in addition to what is stipulated in the Swedish Companies Act and the Articles of Association.

Board of Directors 2022

Name	Position	Member since	Independent ¹⁾	Board meetings ²⁾	Audit Committee	Remuneration Committee
Olof Hallrup	Chairman	2018	Yes/No	15/15	5/5	2/4
Anna Frick	Member	2016	Yes/Yes	15/15	4/5	2/4
Lena Glader	Member	2021	Yes/Yes	15/15	5/5	
Magnus Gudéhn	Member	2019	Yes/Yes	15/15		4/4
Per Bertland	Member	2021	Yes/Yes	15/15		1/4
Andreas Kemi ³⁾	Member	2018	Yes/Yes	6/15	1/5	

1. Pertains to independence in relation to the company and its management as well as independence in relation to the company's major shareholders.
2. Of which, two Board meetings held by correspondence.
3. Stepped down in conjunction with the AGM on March 30, 2022.

For information about related-party transactions, refer to Note 29 of the Annual Report.

Role of Chairman of the Board

The Chairman organizes and directs the work of the Board of Directors so that it can be exercised in accordance with the Swedish Companies Act, other laws and ordinances, applicable regulations for companies listed on the stock market, and the Board's internal governing documents. The Chairman monitors the business through continuous contact with the CEO and is responsible for ensuring that other Board of Directors receive satisfactory information and decision-making documentation. The Chairman also makes sure that the work of the Board of Directors and the CEO is continuously evaluated and that the Nomination Committee is informed of the results of the evaluation. The Chairman represents the company in ownership matters.

Evaluation of the Board's work

The Chairman of the Board performs an evaluation of the work of the Board of Directors through discussions with individual Board of Directors. A number of issues are addressed, such as the climate of co-operation, the breadth of knowledge and how Board work is conducted. The intention is to gain an understanding of the members' perceptions of how the Board work has been conducted and the actions that can be taken to enhance its efficiency and improve its work. The Chairman continuously reports on the evaluation to the Board of Directors and once annually to the Nomination Committee. The Board continuously evaluates the CEO's work by monitoring the business's development and by examining the CEO's written reports, which are issued to the Board on a monthly basis. The CEO is evaluated continuously in conjunction with Board meetings not attended by the CEO. The results of the evaluation are then reported back to the CEO by the Chairman of the Board.

Working approach of the Executive Management Team

The CEO has appointed an Executive Management Team. During 2022, the Executive Management Team consisted of the Group's CEO, CFO (deputy CEO) and the managers of the following business areas: Accounting Firms, Businesses, Core Products, Financial Services, Marketplaces and Group Services. The Executive Management Team meets on average every 14 days, but the members also work in close contact with each other, essentially on a daily basis. During the year, issues of both an operational and a strategic character were addressed continuously. Where necessary, larger meetings were held at which senior executives from Fortnox Group companies and managers of various functions participated. Additional information about the Executive Management Team is available at www.fortnox.se.

Auditors

Auditors are appointed by the AGM and their assignment applies until the AGM held the year after the election of auditors. The auditors are tasked with examining Fortnox's annual report and accounts, and the management performed by the Board and the CEO. The auditor reports observations to the shareholders through the auditor's report presented to the AGM.

The registered accounting firm KPMG AB was elected as auditor for the period until the close of the 2023 AGM. Dan Beitner has served as auditor-in-charge, and KPMG AB has conducted the audit of Fortnox AB and of its significant subsidiaries. The auditors participated in the Board meeting ahead of the annual report, during which the auditors reported on their material observations from their reviews. The auditors also participated in three meetings of the Audit Committee, where verbal and written debriefings were given regarding the continuous management and internal control.

Audit Committee

Since the statutory Board meeting on March 30, 2022, the Audit Committee has consisted of Lena Glader as Chairman and Anna Frick and Olof Hallrup as members. The Audit Committee exercises supervision of the Group's financial accounting and reporting of the performed audit. This includes such tasks as quality assuring the consolidated financial statements by examining interim reports and the Annual and Sustainability Report, evaluating the auditors' work and examining and evaluating the Group's internal control work. The committee is also responsible for ensuring the Group's compliance with prevailing laws and regulations and overseeing legal and tax-related issues.

The Audit Committee met five times during the year and addressed such matters as internal governance and control, the auditor's examination and reporting, and internal financial reporting.

Remuneration Committee

Fortnox's Board of Directors also has a Remuneration Committee. The Remuneration Committee plays an advisory role and is also involved in preparing matters subject to adoption by the AGM before these are addressed and decided on by the Board of Directors.

The main tasks of the Remuneration Committee are to prepare decisions by the Board of Directors on matters involving remuneration principles, remuneration and other terms of employment for executive management, to prepare and evaluate programs for variable remuneration for executive management, and to monitor and evaluate the application of the guidelines for executive remuneration resolved by the AGM. The Board of Directors appoints the committee members annually at the statutory Board meeting or when a committee member needs to be replaced. The committee members appointed in March 2022 were Olof Hallrup (Chairman), Magnus Gudéhn and Per Bertland.

The Remuneration Committee met four times during the year and, in addition to monitoring and evaluating the application of guidelines for executive remuneration, addressed such matters as a long-term employee stock purchase plan for current and future permanent employees of the Fortnox Group, which was adopted at the EGM on October 21, 2022.

Remuneration

Remuneration of the Board of Directors for the forthcoming financial year is resolved every year by the AGM. For the period until the close of the 2023 AGM, the AGM resolved that total fees of SEK 2,200,000 (1,380,000) should be payable, distributed so that SEK 700,000 (460,000) would be payable to the Chairman and SEK 300,000 (230,000) to each AGM-elected Board of Director. It was resolved that remuneration to the Audit Committee would be SEK 125,000 (50,000) for the committee Chairman and SEK 50,000 (25,000) for other committee members. It was resolved that remuneration to the Remuneration Committee would be SEK 50,000 (30,000) for the Chairman and SEK 25,000 (15,000) for other committee members.

Guidelines for remuneration of senior executives and information on the remuneration of the CEO and other senior executives are available in Note 5 of the 2022 Annual Report.

Remuneration of the auditors is payable on the basis of applicable agreements and, for extra assignments, according to invoices.

Internal control and risk management concerning financial reporting

The Board is responsible for the company's internal governance and control and for ensuring that financial reporting complies with the laws and regulations applicable for companies listed on NASDAQ OMX Nordic Stockholm, and Swedish law in respect of the Swedish Companies Act, the Swedish Annual Accounts Act and the Swedish Corporate Governance Code. In addition, Fortnox has prepared internal instructions, procedures, systems and a division of roles and responsibilities designed to ensure satisfactory internal control.

Control environment

The purpose of Fortnox's internal control is to ensure compliance with regulations and guidelines and to safeguard the implementation of financial reporting. These safeguards are achieved by creating favorable conditions for control activities related to material processes involving the financial reporting.

The control environment constitutes the foundation for Fortnox's internal control and encompasses the way the Board and management act and thus determine "the tone at the top", allocate responsibilities and authorities within the organization, disclose information about the business's targets, and communicate overall values concerning internal control.

The control environment involves creating a healthy risk culture and is made tangible through such factors as corporate culture, integrity, ethics, competencies, management philosophy, organizational structure, authorities and responsibilities as well as related governing documents and instructions.

Fortnox's operations are organized in business areas. The Business Area Managers are responsible for regularly overseeing the development of internal control within Fortnox. The Business Area Managers are members of Fortnox's Executive Management Team. Fortnox's decentralized organization with a number of subsidiaries imposes rigorous demands on and presupposes that the division of responsibilities within and between the Group's Executive Management Team, the business area management teams, the subsidiary management teams and boards of directors are well defined and that communication between them works well.

Rules of procedure and authorization instructions for boards of directors as well as CEO instructions for subsidiaries are reviewed and adopted at statutory board meetings in the subsidiaries. Instructions concerning governing documents, accounting policies, guidelines and procedures are regularly issued to the employees concerned. Authorization procedures at Fortnox AB and in all subsidiaries regulate the decision-making process for important agreements, major investments and other material decisions and constitute an important part of the Group's control environment.

Risk management

Risk assessment forms the basis of the Group's internal control as well as the starting point for the controls that are designed, documented and continuously evaluated. Fortnox has established an annual process for business-wide risk assessment in order to provide the Board and management with increased insight into the risks to which the organization is exposed.

Fortnox's framework for risk management is designed to promote transparency, ensure that decisions and investments are in line with the business's risk appetite, and to ensure that effective measures and controls are applied to be able to manage significant risks. The risk assessment process and measures are intended to ensure that the risks Fortnox is exposed to are within the tolerance levels decided by the Board in accordance with Fortnox's Risk Management Policy.

For a more comprehensive description of financial and share-related risks, refer to the administration report and Note 25 of the Annual Report.

Follow-up

Monitoring activities are used to evaluate the internal control's existence and function. The company uses self-assessments to assess the appropriateness and efficiency of the internal control, including determining whether control activities have been implemented and are effective. Self-assessments are performed at least once a year and the results are reported to the Executive Management Team and the Audit Committee.

The Group's and the subsidiaries' compliance with Fortnox's minimum requirements for internal control and processes for financial reporting is also checked continuously by the CFO (deputy CEO) and/or the relevant heads of accounting. The Group's subsidiaries issue monthly reports of their income statements and balance sheets and relevant performance measures. The consolidated monthly report is analyzed by the Executive Management Team.

Information and communication

An important part of internal control is to ensure an efficient dissemination of relevant information to internal and relevant external stakeholders. Fortnox must ensure that all applicable policies and guidelines are made available to the relevant parties. In addition, information is shared on a continuous basis within the framework of regular operational follow-ups and internal meetings.

Financial reporting is governed by the Group's financial manual, which is updated and communicated to the Executive Management Team and to relevant employees annually. The accounting department has continuous operational responsibility for the financial statements. For this reason, the Heads of Finance and Accounting in the Group meet regularly to discuss issues connected to financial reporting in order to ensure compliance with the Group's guidelines and instructions and to identify potential improvements. The Group's financial development is also addressed at every Board meeting, and the Board receives thorough monthly reports from the CEO concerning the financial position and operational development.

Internal audit

Given the Group's structure and processes for internal control of financial reporting, the Board has concluded that establishing a special internal audit function would not be warranted.

Information

The information disclosure within the company complies with the Information Policy established for the Fortnox Group by the Board. The policy stipulates what is to be communicated, by whom and how the information should be released in order to ensure that external and internal information is complete, correct, relevant, clear-cut and reliable. Fortnox's information disclosure to shareholders and other stakeholders takes place through the issuance of press releases, year-end and interim reports and the annual report as well as via the company's website (Fortnox.se). Press releases, financial reports and presentation material for the past few years are published on the website, along with information concerning corporate governance.

Group management



Tommy Eklund

Group CEO

Born: 1976

Employed since: 2020

Education: Tommy holds a Master's of Science in physics and computer science from Linköping University

Background: Tommy has extensive experience of leading companies and businesses within the tech industry and has previously been CEO for the IST Group AB. Prior to that, he has held several leading roles within the Saab Group.

Other positions and commitments: Chairman of the Board in Växjö Tennis Club and Board of Director of Linnaeus University (Linnéuniversitetet).

Own and related parties shareholdings: 350,000 shares.



Roger Hartelius

CFO and deputy CEO

Born: 1972

Employed since: 2017

Education: Roger has a Master's Degree in economics from Linnaeus University (Linnéuniversitetet).

Background: Roger has held leading roles in international tech companies, among others, CEO and CFO of IST International AB, CFO of Readly International AB and CFO of Sörman Information AB.

Own and related parties shareholdings: 200,000 shares and 2,000 warrants for series 2021/2024.



Jesper Svensson

Business Area Manager Core Products

Born: 1972

Employed since: 2013

Education: Jesper has studied computer science.

Background: Jesper has held several leading roles within tech companies, including among others, as CTO and development manager of Fortnox and Head of Development and Head Architect of Boss Media AB.

Own and related parties shareholdings: 120,520 shares and 2,000 warrants for series 2021/2024.



Johan Lundgren

COO / Business Area Manager Group Services

Born: 1983

Employed since: 2021

Education: Johan has a Masters in Industrial and Financial Management from School of Business, Economics and Law (Handelshögskolan), Göteborg University.

Background: Johan has held several leading roles within Hennes & Mauritz AB, including global chief economist for their expansion department and a corresponding role for Global Sales and Operations.

Other positions and commitments: Board Director of Meitner AB

Own and related parties shareholdings: 7,500 shares and 5,000 warrants for series 2021/2024.



Ola Bergqvist

Business Area Manager Businesses

Born: 1978.

Employed since: 2019

Education: Ola has a Bachelor's Degree in economics from Linnaeus University (Linnéuniversitetet).

Background: Ola has experience from leading roles within Fortnox and PostNord AB, inter alia Sales Manager, Team Manager Consumer Solutions and Product Manager.

Other positions and commitments: Board assignment for Nyföretagarcentrum Sweden.

Own and related parties shareholdings: -



Anna Bergius

Business Area Manager Marketplaces

Born: 1976.

Employed since: 2021

Education: Anna has a Degree in business and economics from Stockholm University.

Background: Anna has many years' experience of leading roles within tech and media companies, inter alia Business Area Manager and Marketing Manager of Blocket AB and Schibsted, and Head of Nordics at Betsson. Anna is also a mentor in several networks.

Other positions and commitments: Board Director of Lotstornet AB, Deputy Board Director of Everpoint Holdings AB and Alabio AB.

Own and related parties shareholdings: 5,199 shares and 5,000 warrants for 2021/2024.



Michael Hansen

Business Area Manager Financial Services

Born: 1971

Employed since: 2021

Education: Michael has a Bachelor of Science in Business Administration from Kristianstad University (HKR) (Högskolan Kristianstad).

Background: Michael has a long background as founder, CEO and at board level from the majority of industries, with digitalisation, change and growth as a common thread. He has also done investments in over 20 young and fast-growing companies and most recently founded and served as CEO for the fintech companies Capcito and Monto.

Other positions and commitments: Chairman of the Board in the edtech company Binogi AB and Everysport Media Group AB (listed on Spotlight) and Board of Director of a number of unlisted growth companies, e.g. Capcito Finance AB and Monto. ai AB.

Own and related parties shareholdings: -



Camilla Skoog

Business Area Manager Accounting Firms

Born: 1973

Employed since: 2013

Education: Camilla has studied systems science and economics at Linnaeus University (Linnéuniversitetet).

Background: Camilla has held several leading roles in sales, product management and business development within tech companies

Other positions and commitments: Board of Director in Carasent AB.

Own and related parties shareholdings: 120,000 shares.

Board of Directors



Olof Hallrup

Chairman of the Board and remuneration committee and member of the audit committee

Born: 1958

Elected to the Board: 2011

Education: Olof has a Bachelor of Law Degree from Lund/Stockholm University and a Bachelor of Economics from Lund University.

Background: Olof has a managerial background and has been active within Investment AB Kinnevik and Stena AB during 1980s and 1990s when he worked with financial issues.

Other positions and commitments: Chairman of the Board of ArtOn24 AB. Board Director of A-fastighetsbolaget i Växjö, Viktor Hallrup AB, Östers Support AB (publ), Nordic e-holding invest AB and Nordiska Virkesbörsen AB. Deputy Board Director of Proper Gadget Concept AB and Nordic E-Commerce Group AB.

Own and related parties shareholdings: 124,780,710 shares.



Lena Glader

Board Director and Chairman of the audit committee

Born: 1976

Elected to the Board: 2021

Education: Lena has an MBA in business and economics from the Hanken School of Economics (Svenska Handelshögskolan) University in Helsinki.

Background: Lena began her professional career as a stock analyst at Alfred Berg in 2000 and has since then been a partner of Shared Value in London, responsible for Investor Relations at Tele2 AB, run her own advisory agency in Singapore and been Operations Manager at Diplomat Communications AB. CFO between 2014 and 2018 of Eastnine AB.

Other positions and commitments: Lena has since 2019 been CFO of Storskogen Group AB that was listed on Nasdaq Stockholm during the autumn, 2021. Chairman of the Board in Storskogen Soumi Oy and Board of Director in Storskogen UK Ltd, Storskogen Danmark ApS, Storskogen Norway AS, Storskogen Schweiz AG, Storskogen Deutschland GmbH and Storskogen Singapore Pte. Ltd.

Own and related parties shareholdings: 1,900 shares.



Anna Frick

Board Director and Chairman of the audit committee

Born: 1968

Elected to the Board: 2016

Education: Anna has an MBA from Stockholm School of Economics (Handelshögskolan i Stockholm), specialisation financing and marketing

Background: Anna has over 20 years' experience as a Marketing Manager and consultant in digital transformation, strategy and communication, both nationally and internationally. Previous roles include Deputy CEO and Board Director of Garbergs Reklam AB, external CEO of Oakwood Creative AB, Board of Director of Nordnet Bank AB (publ), LeoVegas AB (publ), Logistea AB (publ) and Above Agency AB (part of ARC Arise TopCo AB).

Other positions and commitments: Anna is Board of Director in Svea Bank AB, Cell Impact AB (publ), Zinzino AB (publ), Medhelp Care AB (publ).

Own and related parties shareholdings: 30,760 shares.



Magnus Gudén

Board Director and member of the remuneration committee

Born: 1962

Elected to the Board: 2019

Education: Magnus has a Master of Science in Mechatronics from the Royal Institute of Technology (Kungliga Tekniska Högskolan).

Background: Magnus has more than 30 years' experience in management, sales and digital innovation in finance, telecom and industry. He has held many different roles at the consulting company HIQ, 15 years thereof as CEO for different HIQ companies. Magnus has also been a consultant, strategic advisor and mentor in his own company.

Other positions and commitments: Magnus is CEO and Board of Director of IT-Total Sweden AB and Chairman of the Board of Qlocx iBoxen Digital AB.

Own and related parties shareholdings: 20,000 shares.



Per Bertland

Board Director and member of the remuneration committee

Born: 1957

Elected to the Board: 2021

Education: Per has a Bachelor's Degree in economics from Lund University.

Background: Per has 20 years' experience of working in leading positions in listed companies. CEO of Beijer Ref AB from 2013 to 2021. Responsible for around 50 company acquisitions in Europe, Africa, Asia and Oceania. Per has been involved in developing private labels and contributed to sustainable solutions within the HVAC industry.

Other positions and commitments: Chairman of the Board in Aktiebolaget Dendera Holding and Inwido AB (publ). Board of Director of Beijer Ref AB (publ), IV Produkt Aktiebolag, Lindab International AB (publ), Small Cap Partners AB and advisor in Aeternum.

Own and related parties shareholdings: 21,000 shares.

Auditor



Dan Beitner

Auditor-in charge, KPMG

Elected by Annual General Meeting: 2021

Education: Graduate in law and economics, Stockholm University

Background: Certified public accountant. Active as accountant since 2000 with a special focus on listed and financial companies Board of Director in FAR (CPA).

Postal address: KPMG Vasagatan 16 Box 382, SE- 101 27 Stockholm, Sweden

Administration report

The Board of Directors and the CEO of Fortnox AB (publ), Corporate Registration Number 556469-6291 and with its registered office in Växjö, Sweden, hereby submit the Annual Report and the consolidated financial statements for the 2022 financial year.

Since the Corporate Governance Report is not part of the administration report, this report also includes disclosures on the Group's internal control and risk management.

Group structure

Fortnox AB (publ) is the Parent Company of the Group comprising the companies Fortnox AB, Fortnox Finans AB, Fortnox Försäkringar AB, Fortnox Service AB, Fortnox Lagerbolag AB, Offerta Group AB, Capcito Finance AB, Monto.ai AB, Capcito Lending 2 AB, Agoylt AB and Cling Group AB.

Since April 13, 2022, the Fortnox share has been traded on Nasdaq Stockholm's main list.

General information about the business

Fortnox is a business platform that connects people, businesses, and organizations. We help businesses start, grow, and develop. With smart technical products, solutions and services, and the ability to connect them with hundreds of external parties, we are a hub for businesses in Sweden. Our vision is to create a prosperous society built by successful businesses.

Established in 2001, Fortnox is headquartered in Växjö with offices in Malmö, Linköping, and Stockholm.

Business model

Fortnox sells its products in two ways: directly to customers or indirectly through accounting firms. Revenue is generated in three ways: through subscriptions, through transactions (based on use) and through lending.

Subscriptions run for three or 12 months, with a fixed monthly fee per product and user.

For transaction-based services, the customer pays for each managed transaction, which is typical for tasks such as invoicing and salary specifications. This business is, to a large extent, connected to a company's employees and operating activities.

The third way that Fortnox generates revenue is from lending. Through invoice financing, factoring and corporate loans, Fortnox can help customers with their cash flow. For invoice financing and factoring, the tenure is generally 30 days, while corporate loans have a tenure of up to two years.

Product areas

Our products give businesses everything they need to conduct their operations. Bookkeeping and Invoicing are obvious foundations, but we also offer other necessary products and functions – all in a seamless flow.

Our products undergo continuous development with new functions and our offering is continuously expanding. Automated and real-time are central values for us, and we have also developed our financial services on the basis of the companies' requirements. This gives businesses the opportunity to grow at the rate they want and with a clear view of their liquidity.

Fortnox's products function in all industries. With our open API and our partnerships with a large number of suppliers, banks and authorities, businesses can build solutions for their specific needs. We also help connect businesses with accounting consultants who use Fortnox. Accounting consultants and businesses can use our products to work together and allocate tasks accordingly. In our product areas, we work continuously to deliver customer value in every aspect of the business process. As a result, we are now able to offer a complete business platform.

Financial targets

In 2020, Fortnox set a goal of doubling the number of customers and average revenue per customer in five years' time. This means that the company is to have more than 700,000 customers and average monthly revenue per customer (ARPC) that exceeds SEK 300 by the end of 2025.

Dividend policy

Fortnox strives to provide long-term stable dividends to its shareholders. When the operating cash flow exceeds what the company can invest in profitable expansion in the long term, and provided that the target for the capital structure is met, the surplus is distributed to the shareholders. Fortnox has a long-term goal to distribute 30–50 percent of the Group's profit after tax.

Multiyear overview

Multi-year overview Group	2022	2021	2020	2019	2018
Net sales, SEK million	1,275.7	932.0	693.7	532.1	374.4
Profit after financial items, SEK million	452.7	308.8	262.2	171.7	101.5
EBIT-margin, %	36%	34%	38%	32%	27%
Return on equity, %	31%	33%	55%	61%	59%
Total assets, SEK million	2,302.1	1,971.2	931.4	574.9	444.8
Equity/assets ratio, %	56%	50%	50%	49%	37%
Average number of employees	580	468	335	273	226

Multi-year overview Parent Company	2022	2021	2020	2019	2018
Net sales, SEK million	1,041.5	766.2	611.0	464.2	322.4
Profit after financial items, SEK million	473.9	306.9	238.3	158.1	97.7
EBIT-margin, %	46%	40%	39%	34%	30%
Return on equity, %	33%	34%	48%	49%	43%
Total assets, SEK million	1,933.5	1,507.4	728.1	511.1	354.7
Equity/assets ratio, %	67%	64%	63%	57%	55%
Average number of employees	429	374	284	229	190

For further information about the key figures above, see further under the section: Definitions and reason for use of alternative performance measures.

Significant events that occurred in 2022

Crisis in Europe

Russia's invasion of Ukraine impacted the year. However, the Group cannot see any major long-term repercussions for Fortnox's financial position or performance since the Group has no operations, customers or employees in the countries concerned (Belarus, Russia and Ukraine). At the same time, the Group cannot rule out the possibility that a deteriorating macro-outlook – in the wake of the ongoing energy crisis, rising inflation, higher interest rates and continued global supply chain problems – could have a major impact on the conditions of the Group's customers. The company's management is following developments and continuously assessing the situation.

Share split

In accordance with a resolution passed by the extraordinary general meeting on December 27, 2021, a split of the company's shares was carried out in January 2022, whereby each share was split into ten shares (10:1 share split). Following the split, the total number of Fortnox shares is 609,744,700.

Change of listing

On April 13, 2022, Fortnox switched listing from NGM Nordic SME to Nasdaq Stockholm's main market. This represents a natural step for Fortnox on its journey to become the obvious hub for businesses in Sweden.

Partnership agreements

During the year, Fortnox entered into a number of partnership agreements in order to join forces to achieve synergies and deliver more customer value. In the second quarter, Fortnox entered into partnerships with, the fintech companies Mynt AB and Zaver AB, among others. These partnerships will result in the launch of the Fortnox Card (a business card that will automate large parts of the receipt reporting process) and make it possible to offer Fortnox's customers smoother payment solutions.

During the fourth quarter, the Group entered a partnership with Boardeaser AB, which will result in Fortnox Consolidated Reporting, a product that offers consolidation support, for example when preparing consolidated accounts.

Board of Directors

At the AGM on March 30, 2022, all Board of Directors were reelected apart from Andreas Kemi, who declined reelection.

Business acquisitions

At the beginning of the third quarter, Fortnox acquired all the remaining shares in AgoyIT AB, approximately 68 percent, from the company's other owners. The purchase consideration paid was SEK 34.1 million. The products Accounts Closing & Tax and Reconciliation & Reporting are ready to be launched to a broader audience and, together with Agoy's owners and management, Fortnox agrees that the work to be carried out in the next phase will be conducted most efficiently with Fortnox as a clear owner. The products Accounts Closing & Tax and Reconciliation & Reporting streamline the customer's work on everything from period reconciliation, accounts closing and annual accounts to the preparation of tax returns. The products are therefore a natural complement to Fortnox's offering.

During the fourth quarter, 51 percent of the shares in Cling Group AB was acquired for a purchase consideration of SEK 8.5 million. Cling has developed a technical tool that makes it possible to customize quotes and track the quote in real time. Cling was consolidated in the Marketplaces business area in conjunction with the closing date, with the acquisition strengthening the offering to Marketplaces' customers. Over time, the tool's digital signing function will become a natural complement to the offering in the Group's other business areas.

Group development in 2022

Group – net sales and earnings

Net sales amounted to SEK 1,275.7 million (932.0), up SEK 343.7 million or 36.9 percent. Acquisitions accounted for SEK 68.7 million or 7.4 percentage points of this increase. Net sales for the full year increased as a result of higher revenue per existing customer, new customers and products, and the further development of existing products. Accordingly, organic growth for the full year increased year on year and amounted to 29.5 percent (21.1).

Operating expenses totaled SEK 834.1 million (633.9), up SEK 200.2 million or 31.6 percent, primarily due to higher employee benefit expenses, depreciation/amortization and other external costs pertaining to premises, infrastructure, and marketing as a result of organic growth and acquisitions.

Operating profit totaled SEK 464.2 million (314.7), up SEK 149.6 million or 47.5 percent. Adjusted for acquisitions, operating profit totaled SEK 513.9 million. The adjustment was mainly attributable to Capcito, which had a negative impact of SEK 41.4 million.

The operating margin was 36.4 percent (33.8). Adjusted for acquisitions, the operating margin was 42.6 percent. The operating margin increased year on year, mainly due to a lower share of costs for purchased services and other external costs in relation to net sales. This was driven by lower bad debt losses and reduced costs for invoice data capture resulting from the use of proprietary products.

Profit before tax amounted to SEK 452.7 million (308.8), up SEK 143.9 million or 46.6 percent. Financial expenses increased year on year, mainly due to the earnings effect of participations in associated companies as well as interest expenses for the revolving credit facility.

Group – liquidity, cash flow and financial position

The Group's cash flow from operating activities was SEK 441.0 million (316.4). This result and the increase in deferred income had a positive impact on cash flow, while the lending operations had a negative impact as a result of increased receivables, primarily attributable to factoring and corporate loans.

The Group's cash flow from investing activities amounted to SEK -185.2 million (-477.4), an improvement that was attributable to the completion of two major business acquisitions in 2021. This was partly offset by additional investments in internally generated assets.

The Group's cash flow from financing activities amounted to SEK -194.5 million (121.7). The negative cash flow from financing activities is attributable to a settlement of current interest-bearing liabilities of SEK 113.9 million, which arose in conjunction with business acquisitions in 2021. In addition to the settlement of interest-bearing liabilities,

the year-on-year decrease is also attributable to the signing of the revolving credit facility in 2021, which resulted in an increase in new loans of SEK 200 million.

The Group's investments in tangible and intangible assets, excluding acquisitions, amounted to SEK 139.3 million (100.8). Capitalized development costs accounted for SEK 129.1 million (86.9). Capitalized development costs included internally generated development costs of SEK 84.2 million (48.6). The increase was primarily attributable to a higher number of employees in product development. Development costs increased and pertained to the development of existing and upcoming products.

Depreciation/amortization and impairment of tangible and intangible assets amounted to SEK 129.2 million (84.9). Impairment was mainly attributable to insurance-related services and amounted to SEK 4.8 million (0.3).

At the end of the period, current assets excluding cash and cash equivalents totaled SEK 541.6 million (388.4), driven by growth in the lending operations.

At the end of the period, the Group's cash and cash equivalents amounted to SEK 434.7 million (373.3). The earnings trend and increase in operating liabilities contributed to a year-on-year increase in cash and cash equivalents, while acquired companies, investments in intangible assets, an increase in receivables in the lending operations and settlement of interest-bearing liabilities had a negative impact.

Non-current liabilities comprise a lease liability of SEK 128.8 million (147.1), credit of SEK 200 million (200) withdrawn from the revolving credit facility, a recognized liability of SEK 97.8 million (90.7) for the estimated consideration debt for the remaining shares of Capcito and Cling, and deferred tax liabilities of SEK 37.2 million (36.4) attributable to completed acquisitions.

Current liabilities amounted to SEK 557.4 million (515.2). The year-on-year increase was primarily attributable to deferred income, which included the value of warrants received in conjunction with entering into a partnership agreement with Mynt AB amounting to SEK 26.1 million. Revenue from the warrants is recognized only when there is a very high probability that the terms associated with the warrants will be met. Excluding the value of the warrants, deferred income increased in line with net sales of subscription-based services.

The Group's working capital amounted to SEK 418.9 million (246.5). The year-on-year increase was primarily attributable to the growth in the lending operations, which was partly offset by the increase in deferred income.

Employees

The average number of employees in the Group was 580 (468), of whom 220 (182) were women. See the section "Employees" in the sustainability report and in Note 5 for additional information.

Guidelines for remuneration of senior executives and information on the remuneration of the CEO and other senior executives are available in Note 5 of the 2022 Annual Report.

Parent Company

Parent Company revenue is mainly derived from subscription services for financial administration.

Parent Company – net sales and earnings

Net sales amounted to SEK 1,041.5 million (766.2), up SEK 275.3 million or 35.9 percent. As in the Group, net sales increased due to existing and new customers and products.

Operating expenses totaled SEK 622.6 million (506.4), up SEK 116.2 million or 22.9 percent. As a result of improvements to the Parent Company's cost structure, the proportion of costs in relation to net sales has declined and contributed to higher profitability during the year.

Operating profit totaled SEK 475.4 million (305.2), up SEK 170.2 million or 55.8 percent. The operating margin for the year was 45.6 percent (39.8). The cost structure was continuously improved during the year and contributed to the development of the operating margin.

Profit before tax amounted to SEK 473.9 million (306.2), up SEK 167.7 million or 54.8 percent. Financial expenses increased year on year, mainly due to interest expenses for the revolving credit facility and impairment of participations in associated companies of SEK 7.2 million. Increased interest income from subsidiaries as a result of higher loan amounts and upward interest rate adjustments offset this to a certain extent.

Parent Company – liquidity, cash flow and financial position

The Parent Company's cash flow from operating activities amounted to SEK 520.3 million (312.8) and was positively impacted by profit before tax of SEK 473.9 million and an increase of SEK 99.6 million in operating liabilities. Cash flow from operating activities was negatively impacted by an increase of SEK 30.9 million in operating receivables. The increase in operating liabilities and operating receivables was primarily attributable to higher deferred income and to accounts receivable.

The Parent Company's cash flow from investing activities amounted to SEK -473.6 million (-562.7), a decrease attributable to the completion of major business acquisitions in 2021, which was partly offset by an increase in intra-Group loans in order to finance the lending operations with own funds.

The Parent Company's cash flow from financing activities amounted to SEK -63.8 million (180.4), with the decline primarily attributable to the signing and utilization of the revolving credit facility in December 2021, amounting to SEK 200 million.

The Parent Company's investments in tangible and intangible assets, excluding acquisitions, amounted to SEK 84.5 million (77.0). Capitalized development costs accounted for SEK 76.8 million (67.1). Capitalized development costs included internally generated development costs of SEK 55.5 million (42.4). The increase was primarily attributable to a higher number of employees in product development and fewer consultants. Development work increased and pertained to the further development of existing and the development of new products.

Investments in financial non-current assets during the year amounted to SEK 39.6 million (724.5), a decrease mainly attributable to the completion of two major business acquisitions in 2021.

Depreciation/amortization and impairment of tangible and intangible assets amounted to SEK 54.0 million (42.9). Impairment for the year totaled SEK 4.2 million (0.3) and primarily pertained to insurance-related services.

At the end of the period, cash and cash equivalents amounted to SEK 253.1 million (270.1). The year-on-year decrease is primarily attributable to intra-Group loans to Capcito and Fortnox Finans during the year of SEK 330 million, which had a negative impact on the Parent Company's cash and cash equivalents. The intra-Group loans granted were mainly used to finance the lending operations, but also to settle current interest-bearing liabilities.

At the end of the period, short-term receivables totaled SEK 656.1 million (283.1). The increase was due to intra-Group loans granted during the year, primarily to finance the lending operations with own funds, but also to settle current interest-bearing liabilities that arose in conjunction with the acquisition of Capcito.

Current liabilities amounted to SEK 438.3 million (336.5). The increase was primarily attributable to deferred income, which increased in line with net sales.

At the end of the period, working capital amounted to SEK 470.9 million (216.8). The year-on-year increase was primarily attributable to higher deferred income and an increase in short-term receivables with Group companies.

Share and ownership structure

The Parent Company's shares are listed on Nasdaq Stockholm's main market. Fortnox AB's registered share capital on December 31, 2022 was SEK 1.2 million and the number of registered shares was 609,744,700.

The company has one (1) share class, whereby each share entitles the holder to one vote at general meetings. On December 31, 2022, the closing price was SEK 47.29 and the market capitalization was SEK 28,834 million. On the same date, the single largest shareholder, First Kraft AB, held 20.5% of the shares. See the section "The Fortnox share" under financial information for additional information about the share and shareholders.

Research and development operations

Innovation and a high rate of renewal in Fortnox's customer offering are critical for continued success. Product development is conducted in Fortnox AB and in the subsidiaries Fortnox Finans AB, Fortnox Lagerbolag AB, Offerta Group AB, Capcito Finance AB, Monto.ai AB, Cling Group AB and Agoylt AB, and consists of both continuous improvements in existing product areas and the development of new services and products.

Proactive development activities are an important feature of Fortnox's strategy and are decisive in Fortnox's efforts to realize its financial objectives.

At year-end, the carrying amount of this platform was SEK 351.1 million (223.3).

Significant risks and risk management

Fortnox's governance is based on the company's Articles of Association, the Swedish Companies Act, the Swedish Payment Services Act, the EU Money Laundering Directive and other applicable Swedish and international laws and regulations as well as internal governing documents.

Fortnox defines risk as something that can negatively affect Fortnox's achievement of goals. Internal governance is based on Fortnox's ability to detect, prevent, and manage the risks to which the business is exposed efficiently and appropriately. Risk is a natural part of all business operations, but it can be managed, and it is the responsibility of the Executive Management Team to ensure that risks are identified, assessed, and managed. This, in turn, requires an effective and structured risk management process.

Fortnox's overall objective with risk management is to ensure a systematic approach to identifying risks and to ensure they are managed at an early stage. The objective is also to make risk management a natural part of daily operations by creating a culture and an awareness of risks among all employees and knowledge of how to manage them in order to achieve business goals. Risk assessment forms the basis of the Group's internal control as well as the starting point for the controls that are designed, documented, and continuously evaluated. As part of this, Fortnox has established an annual process a business-wide risk assessment. The risk assessment process and measures are intended to ensure that the risks Fortnox is exposed to are within the tolerance levels decided by the Board of Directors in accordance with Fortnox's Risk Management Policy.

The following is a description of the significant risks identified in Fortnox's business, which are divided into different risk categories attributable to Fortnox's business: strategic, operating, sustainability, regulatory and financial risks. Fortnox has thereby assessed the materiality of the risks on the basis of the probability that a particular event will occur and the magnitude of the expected adverse effects, resulting in an assessment of the probability and magnitude of the risk should it materialize on a scale of "low", "medium" and "high". This assessment is based on the experience and opinion of the Board. The statement below is based on information available as of February 2023.

Strategic risks

Market conditions, growth and continued profitability

Demand for Fortnox's products and services may be affected by changes in the macroeconomic environment, such as growth, economic cycles, pandemics, and changes in customer behavior. Other macroeconomic factors may have a negative effect on customer intake, the ability to retain existing customers and income from existing services if, for example, the number of invoices sent were to decrease. If any of the above risks were to materialize, this could have a negative effect on the business's growth and revenue.

Risk assessment:

Fortnox assesses the level of risk as medium. The risk level has risen from low due to global events during the year.

Management:

Fortnox's strategy is to continue to invest in the business through the development of new and existing products in order to meet customer demand and increase its market share. According to the existing strategy, future earnings are dependent on the ability to increase the number of customers in the limited geographic market in which Fortnox is currently active. Future earnings are also dependent on successfully creating demand for additional products and services for existing customers.

Competition

The markets in which Fortnox is active are exposed to competition. There is a risk that Fortnox will be unable to meet competition from large and more efficient companies with significantly greater financial, technical and marketing resources, including new players that are not yet active. There is no player in Sweden that offers the kind of platforms that Fortnox provides with a similar range of services. If Fortnox fails to develop, acquire, or enter into collaborations to add new products and services to its platforms to meet customer demand, this could have a negative effect on the business through reduced growth and increased costs for generating new customers.

Risk assessment:

As in the preceding year, Fortnox assesses the level of risk as medium.

Management:

Fortnox invests in continuous further development of its product portfolio in the areas Fortnox considers important for continued growth and to maintain market share. The general focus for Fortnox's development is primarily mobile solutions and a considerably higher degree of automation.

Key competencies

Fortnox's business is largely dependent on the experience, skills and knowledge of the key employees who develop and implement Fortnox's strategy and operations. In connection with acquisitions, Fortnox may also be dependent on the experience, skills and knowledge of the founders and key employees in the acquired companies, which means that it is important that they remain with the Group after the acquisitions are completed. The loss of many key employees, or an inability to recruit experienced, qualified and trained individuals as needed, may cause disruption to operations, which could have a negative impact on development, growth and, in turn, earnings. Furthermore, the ability to attract and retain critical human resources is an uncertainty factor, especially in a labor market where demand for, and the price of, talented employees is increasing.

Risk assessment:

As in the preceding year, Fortnox assesses the level of risk as medium.

Management:

Fortnox works actively to ensure re-growth and identify future leaders. Senior executives are evaluated regularly in order to identify any need for ongoing training and skills development. In addition to market-based salary setting, Fortnox also has various forms of incentive programs for key employees within the Group. Welcoming many new employees places high demands on culture and skills transfer. Fortnox has a well-developed process for introduction and onboarding that is continuously evaluated and developed. Employee

engagement and pride are paramount to Fortnox's success. Fortnox monitors this on an ongoing basis through its annual employee survey.

Risks related to continued expansion through acquisitions

Fortnox follows an active acquisition strategy, and part of its future growth is expected to be in the form of strategic acquisitions with the aim of expanding the business in order to offer new products and services. Risks identified and taken into consideration prior to each acquisition may also be misjudged and have a negative impact on value and prospects, and incur unexpected costs as a result of such misjudgments or shortcomings. Furthermore, there is a risk of costly or unsuccessful integration processes in connection with acquisitions. A failed integration with Fortnox's business could result in reputational damage.

Risk assessment:

Fortnox assesses the level of risk as medium. The level of risk has increased since the preceding year due to several completed acquisitions.

Management:

The Business Development and Acquisition function closely monitors and evaluates potential acquisitions, together with external consultants. Fortnox works continuously to improve the integration process for completed acquisitions in accordance with the Integration Policy.

Operating risks

Cyberattacks and other external threats

Given that a large portion of the Swedish business community is connected to Fortnox's platforms in one way or another and that significant financial flows pass through these platforms on a daily basis, Fortnox is particularly exposed to risks associated with cyberattacks, insider attacks and fraud. Shortcomings in, or circumvention of, Fortnox's data and cybersecurity measures may result in an infringement and/or loss. Such losses may be caused by DDoS attacks, viruses, spyware or other unauthorized access or damage to Fortnox's systems or data (including confidential or proprietary information and customers who use Fortnox's products and services).

Risk assessment:

Fortnox assesses the level of risk as medium. During the year, Fortnox devoted considerable resources to improving its infrastructure, implemented additional security controls and expanded its workforce, which reduced the level of risk from high to medium.

Management:

Fortnox works continuously to improve its security measures in accordance with Fortnox's Information Security Policy and IT Policy. The risk is managed through a clear division of roles and responsibilities, action plans and business intelligence.

Brand and reputation

Fortnox's success depends on its ability and efforts to maintain and improve its brand and the reputation of its platforms. Given how important it is for the market to perceive Fortnox and its platforms as stable and reliable, there is a risk that future success will deteriorate if Fortnox fails to build and maintain this perception of its platforms.

Furthermore, having partnership agreements relating to the book-keeping service in place with all major accounting firms and providers in Sweden is important for Fortnox as a brand. Should Fortnox lose several of these partnerships, this could impair its ability to maintain and expand the customer base, which could have a negative effect on development, growth, and revenue.

Risk assessment:

Fortnox assesses the level of risk as medium. The level of risk has increased from low since Fortnox has become a major market player.

Management:

The risk is managed and prevented by following and continuously updating existing and implementing new governing documents to strengthen the business in the areas of communication and crisis management.

Risk of shortcomings in business-critical processes

Fortnox's proprietary digital platforms form the core of the business, which means that Fortnox's success largely depends on seamless processes and the availability and functionality of the platforms. The ability to provide products and services therefore places high demands on software, technical systems, and infrastructure. Inadequate protection systems, technical errors, fraud, or external events, such as power failures or similar events that cause business disruptions or interruptions, may result in a loss of data. Replacing or attempting to recover a large amount of lost customer data or other data as well as data lost by Fortnox's customers could be costly and time consuming, and such loss could damage Fortnox's reputation and lead to customer claims.

Risk assessment:

Fortnox assesses the level of risk as medium, as in the preceding year. During the year, Fortnox managed this risk by expanding its workforce and implementing additional controls in business-critical processes.

Management:

Fortnox continuously monitors the risk of occurrence of various scenarios that may affect the functionality and stored data of Fortnox's products and services, and continuously reviews and monitors the internal control structure related to business-critical processes.

Risk of business-critical services provided by partners becoming unavailable

In addition to its own proprietary platforms, Fortnox uses services provided by partners to conduct its operations and provide its customer offering. Failure on the part of any of these partners to provide or perform their services could lead to, for example, a reduced range or cause more or less critical functions on the platforms to become unavailable. Should this occur, it could have a negative impact on Fortnox's revenue, costs, and growth. Disruptions and problems affecting the services could also have negative effects on Fortnox's costs, earnings, reputation, and brand.

Risk assessment:

Fortnox assesses the level of risk as high due to the fact that, in addition to the risks in the preceding year – which included the Group's dependence on services, licenses and agreements with suppliers, and automated communication with authorities and other companies – IT risks have also been included as well as a more extensive dependence on our critical business partners has been identified. This has contributed to the level of risk increasing from low to high.

Management:

Fortnox works continuously to become less dependent on its partners for critical and material processes, and to maintain effective continuity management. Fortnox has also taken steps to reduce and control these risks insofar as possible through a scalable technical platform with open APIs and the introduction of internal processes and procedures.

Sustainability risks

Climate

Given the industry we serve, our assessment is that there is no material environmental and climate-change risk that could impact us directly. We do not conduct any hazardous environmental operations. However, we impact the environment and the climate indirectly, primarily through our travel, purchasing (mainly of electronics) and energy consumption at our offices. As we return to working in the office, there is a risk that we will revert to our former travel habits, which could in turn increase our climate impact. There is also a risk that we will not live up to the expectations of our employees and customers to conduct structured environmental and climate work. This is a prerequisite for us to be a successful and competitive player in the market.

Risk assessment:

Fortnox assesses the level of risk as low.

Management:

Our environmental and climate work is regulated in our Sustainability Policy and our guidelines for environmental work. To comply with the policy and guidelines, we endeavor to purchase renewable electricity and heat for our offices and to travel by train instead of other transport modes to the greatest extent possible. We have also decided to use electronics longer, thereby reducing our turnover rate for electronic equipment, while at the same time continuously working to ensure that our electronic equipment is recycled and reused to the greatest extent possible.

Equal treatment, human rights

We endeavor to attract the right expertise and to be an inclusive employer so that our employees feel that they can be themselves. If our employees do not feel included and perceive that they are being discriminated against when working for us, there is a risk that we will ultimately no longer be considered a relevant employer.

Risk assessment:

Fortnox assesses the level of risk as low.

Management:

In accordance with the Swedish Discrimination Act, Fortnox conducts preventive and promotive work to counteract discrimination and takes active measures to ensure equal rights and opportunities and an inclusive workplace. Employee satisfaction surveys are carried out, with questions related specifically to this area. Leadership programs focus actively on highlighting issues involving discrimination.

Business ethics and anti-corruption

At Fortnox, we have zero tolerance for unethical business practices and corruption. Potential infringements could harm our reputation and result in sanctions and fines.

Risk assessment:

Fortnox assesses the level of risk as low.

Management:

Business ethics and anti-corruption work are regulated in Fortnox's Code of Conduct and in our Anti-Corruption Policy. All operations are analyzed annually to identify any risk of corruption, and all employees receive annual training in the area. Potential breaches of Fortnox's Code of Conduct can be reported anonymously through a whistleblower system.

Financial risks

Liquidity and refinancing risk

Liquidity and refinancing risk refers to the risk of not having access to cash, cash equivalents or unutilized credit facilities to meet payment obligations and to make the necessary investments in the business operations. If Fortnox fails to obtain the necessary financing in the future, or if financing is obtained only on less favorable terms, this could have a negative impact on the company's financial position and lead to increased financing costs. A protracted recession could also have a negative impact.

Risk assessment:

Fortnox assesses the level of risk as low. The level of risk has decreased from medium as a result of improved financing opportunities, cash flow generated during the year and the introduction of a new role as Head of Treasury with responsibility for liquidity planning.

Management:

Fortnox applies and continuously updates the Group's Financing and Dividend Policy to ensure an adequate liquidity reserve and takes the measures necessary to ensure that Fortnox has sufficient capital and liquidity reserves in relation to other risks facing the business. By sufficient liquidity reserves, we mean that the Group's cash and cash equivalents should exceed three months of continuous expenditure.

Credit risks

Credit risk is the risk that a customer or counterparty cannot fulfill its obligation to Fortnox and thereby causes a financial loss. Credit losses arise mainly from the Group's accounts receivable, receivables from corporate loans, receivables from invoice financing and receivables related to factoring.

Risk assessment:

As in the preceding year, Fortnox assesses the level of risk as medium. This risk has increased as a result of greater exposure and an expanded product range in financing activities, although the reorganization of the financing operations and the appointment of a Group-wide Head of Credit & Operations has strengthened the Group's governance and responsibility in its credit activities, and thereby appear to have offset this effect to a certain extent.

Management:

Financial credit risks related to cash, cash equivalents and financial instruments are limited by using counterparties with a high credit rating and by applying Fortnox's Financing and Dividend Policy.

Changes in the value of intangible assets

As of December 31, 2022, the Group's intangible assets amounted to approximately SEK 1,107 million, of which approximately SEK 610 million was attributable to goodwill and approximately SEK 351 million to platforms. Since goodwill has an indefinite useful life, the value of recognized goodwill is tested at least annually to determine whether future growth and profitability could lead to impairment. Significant impairment may arise from unfavorable market conditions that apply to either Fortnox specifically, the company from which the goodwill originates, the entire sector or more generally.

Fortnox's capitalized costs attributable to platforms consist of capitalized development costs, with new software development carried out to achieve new or improved products or functions, are recognized as an asset if the product or function is technically or commercially feasible, and the company has sufficient resources to complete the development and then use or sell the intangible asset. If the Group fails to maintain its competitiveness with its platforms, it may not be able to attract and retain existing customers to the same extent, which means that the fair value of the asset may not correspond to the carrying amount. A negative development could therefore force the Group to recognize an impairment loss corresponding to all or part of the carrying amount.

Risk assessment:

As in the preceding year, Fortnox assesses the level of risk as medium with respect to goodwill and low with respect to capitalized costs attributable to platforms.

Management:

Fortnox's strong market presence enables changes, trends and new requirements from customers and other stakeholders to be identified, which forms the basis for a focused approach to developing the right products.

Regulatory risks

GDPR

As part of its business activities, Fortnox processes personal data, mainly in connection with customers' use of Fortnox's services and products. Laws and regulations also have a significant impact on how data is processed. Failure to comply with regulations, such as the EU General Data Protection Regulation (GDPR), may result in significant consequences for Fortnox, such as the imposition of administrative fines or damages.

Risk assessment:

Fortnox assesses the level of risk as medium.

Management:

Fortnox works continuously with data protection and follows governing documents to ensure GDPR compliance. Fortnox follows up on how data is stored, distributed, and accessed, and develops processes for assessing suppliers based on their compliance with GDPR.

Regulatory compliance

Regulatory compliance risk refers to the risk of incorrect management due to non-compliance with laws, regulations and other external requirements or non-compliance with internal governing documents.

that regulate how the operations are to be conducted. Certain parts of the Group's operations are authorized to offer financial services and are regulated and subject to supervision by the Swedish Financial Supervisory Authority (Finansinspektionen), which entails stricter requirements with respect to regulatory compliance and internal governance and control. Accordingly, significant deficiencies in regulatory compliance may result in fines and, in the most serious of cases, withdrawal of the company's authorization as a payment institution, which could lead to the cessation of parts of the Group's operations and customer offering.

Risk assessment:

Fortnox assesses the level of risk as medium. The level of risk was raised from low to medium during the year due to several new acquisitions and a growing range of services in the operations that are subject to authorization.

Management:

Fortnox strives to achieve a strong and healthy culture of compliance that permeates the entire business, and to maintain a high level of expertise and sufficient resources in the area of compliance. Internal control procedures are also continuously developed in order to minimize the occurrence of any deficiencies in the operations. In its operations that are subject to authorization, Fortnox has established independent control functions for risk and compliance that continuously follow up and check that the operations comply with both external and internal regulations.

Business-related risks

The Group is dependent on effective corporate governance procedures and internal controls throughout its organization to be able to provide correct and reliable information to the relevant units within the organization and thereby to prevent fraud or other unlawful use of the business and its resources.

Risk assessment:

Fortnox assesses the level of risk as low.

Management:

Fortnox continuously develops procedures for internal control. Examples of these procedures include the division of duties between the Board of Directors and the CEO, the instructions for the CEO, reporting instructions, authorization instructions and anti-corruption guidelines.

Risks related to money laundering and terrorism ("AML/CFT")

Certain parts of the Group's operations are subject to laws and regulations regarding anti-money laundering (AML) and combating the financing of terrorism (CFT), which means that Fortnox must take appropriate measures in these areas. Failure to comply with applicable AML/CFT laws and regulations could have negative consequences for the Group's operations, development, earnings, and financial position. There is also a risk that the Group's reputation and business relationships may be damaged. Failure to comply with applicable laws and regulations may result in penalties in the form of criticism or a warning, fines, or other interventions, and may ultimately result in withdrawal of authorization.

Risk assessment:

The Group assesses the level of risk as medium. The level of risk increased from low to medium during the year due to several new

acquisitions and a growing range of services in the operations subject to authorization as well as global events during the year that affected, for example, risk classification and expanded customer controls.

Management:

The operations within Fortnox that are subject to such legislation carry out know your customers ("KYC") procedures, controls, reporting and training in accordance with applicable directives, laws, and regulations. An independent, central Head of Function monitors and inspects the functions that are responsible for the work related to AML/CFT. Fortnox continuously updates its governing documents, risk assessments, controls and processes related to AML/CFT and continuously follows up on compliance therewith.

Intellectual property

The Group owns a number of trademarks, domain names and other intangible assets in relation to its proprietary software. There is a risk that the Group may not have sufficient protection for the intangible assets used in the business operations, which may make it difficult for Fortnox to defend its trademarks, proprietary software, and other intellectual property rights.

Risk assessment:

The Group assesses the level of risk as low.

Management:

Fortnox continuously assesses the need for trademark protection and domain name protection and reviews the management of active domains. Consulting agreements are in place that give Fortnox all rights to intangible assets developed under the consulting agreement. Fortnox also has business insurance that covers intellectual property infringement (maximum of SEK 2 million per insurance period). In addition, guidelines for the use of open-source software (OSS) will be implemented, and developers will be provided with training in the guidelines in the near future.

Sustainability

At Fortnox, sustainability is a prerequisite for long-term success, for generating value for customers, owners, and employees, and for contributing to society.

Through its offering of digital solutions, Fortnox works to promote more sustainable business in Sweden. Customer efficiency is enhanced by enabling customers to avoid the physical aspect of turning to an accounting firm. Fortnox endeavors to help companies choose more digital solutions and thereby reduce the use of paper in order to achieve a more sustainable society and to simultaneously reduce costs from a financial viewpoint.

Fortnox works actively to ensure its financial stability through a satisfactory level of risk tolerance in order to meet customer needs for financial services without jeopardizing sustainable financial growth.

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Fortnox has chosen to prepare its sustainability report separately from its administration report. The sustainability report was submitted to the auditors at the same time as the Annual Report and will be included as a separate section of the Annual Report.

Significant events after the end of the financial year

Charlotta Lundberg has been appointed as the new head of the Accounting Firms business area and thus as a member of Fortnox's Executive Management Team. Camilla Skoog, who has managed the business area since 2020, will leave Fortnox to take up new challenges. Charlotta has several years of experience of senior management positions, including within EF Education. She was also previously a member of the Swedish management team of Hi3G Access AB. Charlotta will join Fortnox on March 6.

On January 1, 2023, a redistribution of the areas of responsibility of the Group's operating segments took place. This was done to provide customers with better service and to achieve a more suitable division of responsibilities between the Group's business areas. This redistribution mainly involved changes in customer and product responsibility,

which will also change how revenue and segment operating profit are recognized going forward.

For more information regarding what the results for 2022 would have looked like taking the redistribution into consideration, refer to Note 3 of the year-end report.

Expectations concerning future development

The outlook for Fortnox remains highly favorable, with a strong capacity to grow in line with increasing demand from new and existing customers. Fortnox will continue to show stability and high growth and deliver in line with its financial targets and well-functioning strategy.

Proposal for appropriation of the company's profit

The following funds in the Parent Company are available for distribution by the AGM (amounts in SEK):

Share premium reserve	419,778,390
Retained earnings	335,335,273
Profit for the year	372,850,672
Total	1,127,964,335
 The Board of Directors proposes that the available funds and unrestricted reserves be appropriated as follows:	
Dividend 609,716,738* SEK 0.12 per share	73,166,009
To be carried forward	1,054,798,326
Total	1,127,964,335

*Dividend-entitled shares

Statement by the Board pursuant to Chapter 18, Section 4 of the Swedish Companies Act (2005:551)

The Board is of the opinion that the proposed dividend will not impede the company from fulfilling its future undertakings or implementing the investments required for continued expansion. Following the dividend distribution, the Parent Company's and the Group's equity/assets ratios

will amount to 63 percent and 52 percent, respectively. April 3, 2023, is proposed as the record date for the payment of dividends.

For more information on the company's earnings and financial position, refer to the following financial statements and accompanying notes.

Consolidated statement of profit or loss and other comprehensive income

January 1 - December 31

SEK million	Note	2022	2021
Net Sales		1,275.7	932.0
Other operating income	4	22.6	16.6
Total operating income	2, 3	1,298.4	948.5
Own work capitalised		84.2	48.6
Services purchased		-91.0	-83.4
Other external costs	6, 14, 15	-217.1	-167.6
Cost of personnel	5, 22	-481.0	-346.5
Depreciation, amortization and impairment of tangible and intangible assets	11, 12, 26	-129.2	-84.9
Total operating expenses		-834.1	-633.9
Operating profit		464.2	314.7
Financial income		1.2	0.1
Financial costs		-7.5	-4.0
Profit or loss from participations in associated companies	13	-5.2	-2.0
Net financial items	7	-11.6	-5.9
Profit before tax		452.7	308.8
Tax	9	-105.9	-67.7
Profit for the year		346.8	241.1
Other comprehensive income			
Other comprehensive income		-	-
Comprehensive income for the year		346.8	241.1
Profit for the year and comprehensive income for the year attributable to: Parent Company's shareholders		346.8	241.1
		346.8	241.1
Earnings per share	10		
- before dilution, SEK		0.57	0.40
- after dilution, SEK		0.57	0.40
Average no. of shares outstanding			
- before dilution, 000s		609,745	607,939
- after dilution, 000s		609,779	608,484

Consolidated statement of financial position

SEK million	Note	2022-12-31	2021-12-31
Assets	27		
Intangible assets	11		
Goodwill		609.6	605.6
Platform		351.1	223.3
Other intangible assets		146.2	156.8
Tangible assets			
Machinery and equipment	12	35.5	36.3
Right-of-use assets	26	155.7	169.1
Financial fixed assets			
Shares in associated companies	13	-	16.6
Non-current receivables		0.3	0.3
Financial investments	13	26.1	-
Deferred tax assets	9	1.2	1.4
Total non-current assets		1,325.8	1,209.4
Accounts receivable	14, 25	92.3	74.3
Receivables factoring	15, 25	60.7	55.1
Receivable invoice financing	15, 25	204.6	168.7
Corporate loan receivables	15, 25	134.8	53.6
Prepaid expenses	16	26.4	16.6
Accrued income	16	18.3	15.1
Other receivables		4.6	5.0
Cash and cash equivalents	17	434.7	373.3
Total current assets		976.3	761.8
Total assets		2,302.1	1,971.2
Equity	19		
Share capital		1.2	1.2
Other contributed capital		420.7	419.6
Retained earnings incl. profit for the year		858.9	560.9
Total shareholders' equity attributable to Parent Company shareholders		1,280.8	981.7
Liabilities	27		
Non-current interest-bearing liabilities	20	200.1	200.0
Non-current lease liability	25, 26	128.8	147.1
Deferred tax liability	9	37.2	36.4
Other non-current liabilities	21	97.8	90.7
Total non-current liabilities		463.9	474.2
Current liabilities			
Current interest-bearing liabilities	20	-	113.9
Current lease liability	25, 26	33.9	29.1
Accounts payable	25	27.2	24.0
Tax liabilities	9	87.0	69.8
Other liabilities		57.7	41.8
Accrued expenses	23	79.3	63.4
Deferred income	23	272.2	173.3
Total current liabilities		557.4	515.3
Total liabilities		1,021.3	989.4
Total equity and liabilities		2,302.1	1,971.2

Consolidated statement of changes in equity

Equity attributable to Parent Company's shareholders				
SEK million	Share capital	Other contributed capital	Retained earnings incl. profit of the year	Total equity
Opening equity 2021-01-01	1.2	102.6	365.4	469.3
Net profit for the year			241.1	241.1
Comprehensive income for the year			241.1	241.1
Transactions with the Group's owners				
Dividends paid			-45.6	-45.6
New share issue	0.0	317.0		317.0
Total transactions with the Group's owners	0.0	317.0	-45.6	271.4
Closing equity 2021-12-31	1.2	419.6	560.9	981.7
Opening equity 2022-01-01	1.2	419.6	560.9	981.7
Profit for the year			346.8	346.8
Comprehensive income for the year			346.8	346.8
Transactions with the Group's owners				
Dividends paid			-48.8	-48.8
New share issue		0.9		0.9
Share-related remuneration		0.2		0.2
Total transactions with the Group's owners	-	1.1	-48.8	-47.7
Closing equity 2022-12-31	1.2	420.7	858.9	1,280.8

Consolidated statement of cash flows

January 1 - December 31

SEK million	Note	2022	2021
Operating activities			
Profit before tax		452.7	308.8
Non-cash adjustments	31	134.7	86.9
Income tax paid		-99.2	-62.8
		488.2	332.8
Increase (-)/decrease (+) in accounts receivable		-17.9	-21.9
Increase (-)/decrease (+) in receivables factoring		-5.6	16.5
Increase (-)/decrease (+) in invoice financing		-35.9	-19.8
Increase (-)/decrease (+) in corporate loan receivables		-81.2	-5.4
Increase (-)/decrease (+) in other operating receivables		-8.7	-15.3
Increase (+)/decrease (-) in other operating liabilities		102.2	29.5
Cash flow from operating activities		441.0	316.4
Investing activities			
Acquisitions of tangible assets		-10.1	-12.3
Acquisitions of intangible assets		-129.1	-88.5
Business acquisitions, net cash		-45.9	-357.8
Acquisition of financial assets		-	-18.8
Cash flow from investing activities		-185.2	-477.4
Financing activities			
New share issue		0.9	14.0
Borrowings		-	200.0
Repayment of loans		-116.3	-24.2
Repayment of lease liability		-30.3	-22.4
Dividends paid to Parent Company owners		-48.8	-45.6
Cash flow from financing activities		-194.5	121.7
Cash flow for the year		61.4	-39.3
Cash and cash equivalents at the beginning of the year		373.3	412.6
Cash and cash equivalents at year-end	17	434.7	373.3

Statement of profit or loss for Parent Company

January 1 - December 31

SEK million	Note	2022	2021
Net sales	2	1,041.5	766.2
Own work capitalised		55.5	42.4
Other operating income		1.0	3.0
		1,098.0	811.6
Services purchased		-56.2	-54.5
Other external costs	6, 14, 26	-171.8	-136.5
Cost of personnel	5, 22	-340.6	-272.5
Depreciation, amortization and impairment of tangible and intangible assets	11, 12	-54.0	-42.9
Total operating expenses		-622.6	-506.4
Operating profit		475.4	305.2
Profit or loss from financial items:	7		
Financial income		9.5	1.9
Financial expenses		-3.9	-0.2
Results from shares in associated companies	13	-7.2	-
Profit or loss after financial items		473.9	306.9
Appropriations	8	-	-0.6
Profit before tax		473.9	306.2
Tax	9	-101.0	-63.3
Profit for the year		372.9	242.9

Statement of profit or loss and other comprehensive income for Parent Company

January 1 - December 31

SEK million	Note	2022	2021
Profit for the year		372.9	242.9
Other comprehensive income			
Other comprehensive income		-	-
Comprehensive income for the year		372.9	242.9

Statement of financial position for Parent Company

SEK million	Note	2022-12-31	2021-12-31
Assets	27		
Intangible assets			
Platform	11	166.0	133.5
Tangible asset			
Machinery and equipment	12	30.7	32.6
Financial assets			
Shares in subsidiaries	30	827.1	768.5
Shares in associated companies	13	-	18.6
Non-current receivables		0.3	0.3
Deferred tax assets	9	0.2	0.5
Total non-current assets		1,024.3	954.1
Accounts receivable	14	78.9	61.1
Interest-bearing current receivables from Group companies		506.7	164.7
Other current receivables from Group companies		33.0	30.2
Other receivables		1.0	0.9
Prepaid expenses	16	18.4	11.2
Accrued income	16	18.0	14.9
Total current receivables		656.0	283.1
Cash and cash equivalents	17	253.1	270.1
Total current assets		909.2	553.3
Total assets		1,933.5	1,507.4
Equity and liabilities			
Equity	19		
Restricted equity			
Share capital		1.2	1.2
Development fund		166.0	132.7
Unrestricted equity			
Share premium reserve		419.8	419.7
Retained earnings		335.3	174.4
Profit for the year		372.9	242.9
Total equity		1,295.2	971.0
Non-current liabilities	27		
Non-current interest-bearing liabilities	20	200.0	200.0
Total non-current liabilities		200.0	200.0
Current liabilities	27		
Accounts payable		19.8	16.8
Liabilities to Group companies		4.3	21.0
Current tax liabilities		80.5	60.0
Other liabilities		37.4	27.1
Accrued expenses	23	51.5	39.7
Deferred income	23	244.7	171.8
Total current liabilities		438.3	336.5
Total liabilities		638.3	536.5
Total equity and liabilities		1,933.5	1,507.4

Statement of changes in equity for Parent Company

	Restricted equity		Unrestricted equity			
SEK million	Share capital	Development fund	Share premium reserve	Retained earnings	Profit for the year	Total equity
Opening equity 2021-01-01	1.2	99.2	102.6	72.8	180.7	456.6
Profit for the year					242.9	242.9
Comprehensive income for the year					242.9	242.9
Appropriation of profits				180.7	-180.7	-
Funding for own work capitalized		33.5		-33.5		-
Dividends paid				-45.6		-45.6
New share issue	0.0		317.0			317.1
Closing equity 2021-12-31	1.2	132.7	419.7	174.4	242.9	971.0
Opening equity 2022-01-01	1.2	132.7	419.7	174.4	242.9	971.0
Net profit for the year					372.9	372.9
Comprehensive income for the year					372.9	372.9
Appropriation of profits				242.9	-242.9	-
Funding for Own work capitalised		33.3		-33.3		-
Dividends paid				-48.8		-48.8
Share-related remuneration			0.2			0.2
New share issue						-
Closing equity 2022-12-31	1.2	166.0	419.8	335.3	372.9	1,295.2

See Note 19 for a more detailed reconciliation of Development fund.

Statement of cash flows for Parent Company

January 1 - December 31

SEK million	Note	2022	2021
Operating activities			
Profit or loss after financial items		473.9	306.9
Non-cash adjustments	31	61.4	42.9
Income tax paid		-83.7	-55.2
		451.6	294.5
Increase (-)/decrease (+) of operating receivables		-30.9	-25.5
Increase (+)/decrease (-) of operating liabilities		99.6	43.7
Cash flow from operating activities		520.3	312.8
Investing activities			
Acquisitions of tangible assets		-7.7	-9.9
Acquisitions of intangible assets		-76.8	-67.1
Acquisition of subsidiaries, net cash		-47.1	-79.9
Acquisition of financial assets		-	-18.6
Shareholders' contribution paid		-	-322.4
Intra-Group loan paid		-342.0	-64.7
Cash flow from investing activities		-473.6	-562.7
Financing activities			
New share issue		-	14.0
Dividends paid		-48.8	-45.6
Group contribution paid		-	-3.0
New loans from subsidiaries		-15.0	15.0
New loans		-	200.0
Cash flow from financing activities		-63.8	180.4
Cash flow for the year		-17.0	-69.5
Cash and cash equivalents at the beginning of the year		270.1	339.7
Cash and cash equivalents at the end of the year	17	253.1	270.1

Notes for the financial reporting

Fortnox AB (publ) 556469-6291

Note 1 - Significant accounting policies

(a) Compliance with standards and legislation

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the EU. Furthermore, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Rules of Accounting for Groups has also been applied.

The Parent Company applies the same accounting policies as the Group, except in the cases specified below in the section "Parent Company accounting principles".

The Group's statement of profit or loss and other comprehensive income, its statement of financial position as well as the Parent Company's statement of profit or loss and statement of financial position will be subject to adoption at the Annual General Meeting held on March 30, 2023.

(b) Valuation basis applied in preparing the financial statements

The consolidated financial statements were prepared based on the assumption of going concern. Assets and liabilities are measured at historical values. The carrying amount of financial assets and liabilities is considered a reasonable approximation of fair value.

(c) Functional currency and reporting currency

The Parent Company's functional currency is SEK (Swedish krona), which also constitutes the reporting currency for the Parent Company and the Group. This means that the financial statements are presented in Swedish kronor. Unless otherwise stated, all amounts are rounded off to the nearest hundred thousand.

(d) Estimates and judgements in the financial statements

The preparation of the financial statements in accordance with IFRS requires the company management to make estimates and judgements, and to make assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these assessments and estimates.

The assessments and assumptions are reviewed regularly. Changes in assessments are reported in the period the change is made if the change affects only this period, or in the period the change is made and future periods if the change affects both the current period and future periods.

Estimates made by the company management in the application of IFRS that have a significant impact on the financial statements and assessments made which may entail substantial adjustments to the financial statements for the following year are described in detail in Note 33.

(e) New and amended IFRS not yet applied

New and amended IFRS with future application are not expected to have any material effect on the Group's financial statements.

Amendments to IFRS 3, IAS 16, IAS 37, and annual improvements 2018–2020 are applied in accordance with IASB as of January 1, 2022.

The effective date of the IASB's amendments to IAS 1, IAS 8 and IAS 12 is January 1, 2023. The change involves among other things, guidance in determining whether a liability should be classified as non-current or current.

IFRS 17 Insurance Contracts, not yet adopted by the EU and will supersede IFRS 4, is deemed to have no effect because the insurance-related activities conducted have only been mediation of insurance contracts and therefore the Group does not conclude any Insurance contract and thus takes no Insurance risk.

(f) Classification etc.

Non-current assets and non-current liabilities in the Parent Company and the Group consist in all material respects only of amounts expected to be recovered or settled after more than 12 months from the statement of financial position date. A liability can only be classified non-current if there is an unconditional right to defer a payment beyond 12 months from the balance sheet date. If a non-current liability is expected to be settled within the normal business cycle, the liability amount is recognized as a current liability instead. Current assets and current liabilities in the Parent Company and the Group essentially consist of amounts that are expected to be recovered or settled within twelve months from the balance sheet date.

(g) Operating segment reporting

An operating segment is a part of the Group that engages in business activities from which it may earn revenue and incur expenses.

The Group applies segment reporting consistent with the internal reporting submitted to the chief operating decision-maker. In the Group, the chief operating decision-maker is the Group Executive Management Team. The main basis for separation is the segments' different responsibilities for products and target groups. See Note 3 for further description of the separation and presentation of operating segments.

(h) Consolidation principles and business combinations

(i) Subsidiaries

Subsidiaries are companies over which Fortnox AB exercises a controlling influence. A controlling influence exists if Fortnox AB has influence over the investment object, is exposed to or has the right to variable yields from its involvement and can use its influence over the investee to influence the size of its yield.

Subsidiaries are recognized according to the acquisition method. The method means that the acquisition of a subsidiary is regarded as a transaction whereby the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The acquisition analysis determines the fair value of identifiable assets acquired and liabilities assumed, as well as any noncontrolling interest, on the date of acquisition. Transaction expenses that arise, except for those attributable to the issue of equity or debt instruments, are recognized directly in profit or loss for the year.

In the case of business acquisitions where the consideration transferred exceeds the fair value of the acquired assets and assumed liabilities which are recognized separately, the difference is recognized as goodwill. When the difference is negative, a so-called bargain acquisition, this is recognized directly in profit or loss for the year.

Consideration transferred on acquisition does not include payments pertaining to the settlement of earlier business relationships. These types of settlements are usually reported in the profit or loss.

Acquisitions of subsidiaries that do not involve a 100% holding, where the owner of the remaining holdings has an option to sell their holding to Fortnox or where Fortnox has an obligation to buy, are considered to have been acquired at the time of acquisition. For this type of acquisition transactions, Fortnox has chosen to apply the "Anticipated Acquisition Method" (AAM). AAM means that a liability measured at amortized cost is recognized at the estimated future purchase price of the remaining holdings. AAM means that no non-controlling interest is recognized for this type of acquisition transaction.

(ii) Acquisition of shares in associated companies

Associated companies are companies over which the Group has significant, but not a controlling, influence over operational and financial control, usually through shareholdings between 20 and 50% of the voting rights. As of the date at which the significant influence is obtained, investments in associated companies are recognized in the consolidated financial statements using the equity method.

The equity method means that the value of the shares in the associated companies recognized for the Group corresponds to the Group's interest in the equity of the associates plus Group-related goodwill and any residual values of Group-related surplus or shortfall in value. The consolidated income statement reports "Share of profit or loss from participations in associated companies" as the Group's share of profit or loss of associated companies, adjusted for any amortization, depreciation, impairment, or dissolution of acquired surplus or shortfall values. These shares of profit or loss less dividends received from associated companies constitute the main change in the carrying amount of shares in associated companies. The Group's share of other comprehensive income in associated companies is recognized in other comprehensive income. Any difference between the acquisition value of the holding and the owner company's share of the fair value net of the associated company's identifiable assets and liabilities is recognized in accordance with the same principles as for the acquisition of subsidiaries.

In the consolidated financial statements, transaction costs attributable to associated companies are recognized directly in the profit or loss when these arise. When the Group's share of recognized losses in the associated company exceeds the carrying value of the shares in

the Group, the value of the shares is reduced to zero. Losses are also offset against non-current financial receivables without collateral, the economic substance of which is comprised of part of the owner company's net investment in the associated company. Continuing losses are not recognized, unless the Group has an obligation to cover the losses incurred by the associate.

The equity method is applied until such time when the Group no longer has significant influence. Goodwill stemming from the acquisition of joint ventures and associated companies is included in the recognized value of participations in associated companies. Unrealized gains arising from transactions with associated companies are eliminated to the extent these refer to the Group's ownership participation in the company. Unrealized losses are eliminated in the same way as unrealized gains but only to the extent there is no write-down requirement. Participations in associated companies in the Parent Company are reported according to the acquisition value method.

(iii) Transactions that must be eliminated upon consolidation

Intra-Group receivables and liabilities, revenues or costs or unrealized gains or losses arising from intra-Group transactions between Group companies are eliminated in their entirety when preparing the consolidated financial statements.

(i) Revenue

(i) Performance obligations and revenue recognition

Revenue is measured at the fair value of the consideration specified in the customer contract. The Group recognizes revenue in accordance with IFRS 15 Revenue from Contracts with Customers. Revenue is recognized when control of the product is passed to the customer or when a service is performed according to contract, its amount can be measured reliably, and future economic benefits are likely to flow to the Group.

Information about the nature and timing for satisfaction of the performance obligations in contracts with customers, including significant payment terms and related revenue recognition principles, are summarized below.

- Subscription services within financial administration - Refers to cloud-based solutions mainly in bookkeeping, Invoicing, time reporting and payroll administration. The customer acquires continuous access to the services during the subscription period. Invoices are issued upon order from the customer and is usually due within 20 days. Revenue is recognized on a straight-line basis over the useful life of the service since the customer can use the service at any time during the subscription period.
- Subscription services within service-intermediation services - Refers to individual products, packages of products, or solutions primarily within intermediation of services. The customer acquires access to the services on an ongoing basis during the subscription period. Invoices are prepared monthly, quarterly, or annually in advance and normally with payment terms of 20 to 30 days. Revenues are recognized on a straight-line basis over the service's useful life, as the customer can use the service at any time during the subscription period.
- Transaction-based services - Refers primarily to transaction-based services such as supplier invoice inter-

pretation, salary specifications, invoice distribution, stock companies and brokerage commission. The customer acquires control of the services as they are used. Invoices are prepared in arrears based on use, and normally with payment terms of 0 to 20 days. Revenue is recognized as the services are used.

- Lending-based services – Refers primarily to factoring, Invoice financing and corporate loans. For further information on lending-based services, see (m) Financial instruments below.
- Other services – Refers primarily to revenue attributable to unallocated payments, rejected money orders, administrative fees for repayment to the debtor. Revenue for unallocated payments and rejected money orders is recognized after a 12-month period, after repeated attempts to contact the customer. Administrative fees for repayment to the debtor are recognized as the services are performed.

(j) Leasing

When a contract is concluded, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to use an identified asset for a certain period in exchange for consideration.

The Group recognizes a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is initially measured at acquisition value, which consists of the initial value of the lease liability plus leasing fees paid at or before the start date plus any initial direct expenses. The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of that asset's useful life and the end of the leasing period, which in normal cases for the Group is end of the lease period.

In the rare cases where the acquisition value of the right-of-use reflects the Group's intention to exercise an option to purchase the underlying asset, the asset is depreciated to the end of the useful life.

The lease liability, which is divided into non-current and current, is initially measured at the current value of the remaining lease payments during the estimated lease period. The lease term is the non-cancellable period of a lease plus periods covered by options to extend if it is reasonably certain on the commencement date that such options will be exercised.

The lease payments are normally discounted using the Group's incremental borrowing rate which, in addition to the Group's/company's credit risk, reflects each contract's lease term and currency, and the quality of the underlying asset as security. However, the implicit interest rate of the lease is used if it is easy to determine, which is the case for some of the Group's vehicles.

The lease liability includes the current value of the following fees during the estimated lease period:

- fixed payments, including in-substance fixed charges,
- variable lease payments linked to the index (usually CPI) or interest rate (usually STIBOR), initially measured using the index or interest rate in force at the commencement date,
- amounts expected to be payable under residual value guarantees,
- the exercise price for a purchase option that the Group is reasonably certain to exercise,

- and payments for terminating the lease unless it is reasonably certain that early termination will not occur.

The amount of the liability is increased by the interest expense for each period and reduced by the lease payments. The interest expense is calculated by multiplying the liability by the discount rate.

The lease liability for the Group's premises with indexed-linked rent is calculated based on the rent that applies at the end of each reporting period. At this time, the liability is adjusted by a corresponding adjustment of the carrying amount of the right-of-use asset. Similarly, the amounts of the liability and the asset are adjusted when the lease term is reassessed. This takes place in connection with the expiry of the final termination date within the previously determined lease term for a rental contract, or upon the occurrence of either a significant event or a significant change in circumstances that are within the control of the Group and affect the current determination of the lease term.

The Group discloses right-of-use assets and lease liabilities as separate items in the statement of financial position.

For leases with a lease period of twelve months or less, or with an underlying asset of low value, less than TSEK 50, no right-of-use asset and lease liability are recognized. Leasing payments for these leases are reported as costs on a straight-line basis over the lease period.

(k) Financial income and expenses

The Group's financial income and expenses primarily include interest revenues, interest expenses, dividends, and earnings attributable to participations in associated companies.

Interest revenues or interest expenses is recognized in accordance with the effective interest method. Dividends are recognized in profit or loss on the date the Group's right to payment is determined.

The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument at:

- the gross carrying amount (amortized cost before adjusting for any loss allowance) of the financial asset, or
- the amortized cost of the financial liability.

(l) Taxes

Income tax consists of current tax and deferred tax. Income tax is recognized in profit or loss for the year except when the underlying transaction is recognized in other comprehensive income or equity, in which case the relevant tax is recognized in other comprehensive income or equity.

Current tax is tax that is payable or received for the current year, with application of the tax rates enacted or substantially enacted at the balance sheet date. Current tax also includes adjustment of current tax attributable to earlier periods.

Deferred tax is calculated using the balance sheet method, based on temporary differences between the carrying amount and tax base of assets and liabilities. The measurement of deferred tax is based on how the underlying assets or liabilities are expected to be settled or

recovered. Deferred tax is determined using tax rates and laws enacted or substantively enacted the statement of financial position date.

Deferred tax assets for deductible temporary differences and loss carry forwards are only recognized to the extent it is probable they will be utilized. The value of deferred tax assets is reduced when it is no longer considered likely they will be utilized.

Any additional income tax arising from dividends is recognized at the same time as when the dividend is recognized as a liability.

(m) Financial instruments

Financial assets and liabilities are classified as follows: financial assets and liabilities valued at amortized cost and financial assets and liabilities valued at fair value over the Income statement. The classification is based on the Group's business model and the contractual nature of the assets and liabilities.

Financial assets recognized in the statement of financial position include cash and cash equivalents, accounts receivable, receivables relating to invoice financing, factoring and corporate lending, financial investments, non-current receivables, accrued revenue, and other receivables. Financial liabilities include interest-bearing liabilities, accounts payable, accrued expenses, and other liabilities.

(i) Financial investments

Financial investments and short-term Investments consist of securities that are reported at fair value with changes in value over the income statement.

(ii) Lending based services

Refers primarily to factoring, invoice financing and corporate loans. The revenue for factoring is charged in the form of a percentage fee of the invoice's ordinary amount. The revenue is taken in full in the period when the invoice is purchased. The revenue for invoice financing and corporate lending is based on a daily calculated interest rate that is posted as income on an ongoing basis.

When invoice service is purchased, Fortnox charges the purchaser a fixed fee per invoice. When the invoice is paid by the buyer's customer after the due date, and when reminder service is purchased, Fortnox charges the buyer's customer fixed reminder fees, percentage late payment fees, any collection fees, etc.

In the case of invoice financing, the counterparty is charged monthly interest fee's calculated on loaned amount. If the counterparty is over-drawn, for example due to contesting, crediting or regress, which has led to the counterparty not having security for its loan in the financed invoice, the counterparty will be charged an overdraft charge. When the invoice is paid by the buyer's customer after the due date, Fortnox charges the counterparty's customer fixed reminder fees, percentage late payment fees, any collection fees, etc.

In the case of corporate loans (annuity loans), Fortnox charges the counterparty a monthly interest rate, and in the case of late or missed payments, a fine is charged based on a percentage of the borrowed amount. If the credit matures, the claim is recovered from the counterparty through collection and customary reminders and collection costs are charged.

In the case of factoring, which occurs with or without recourse against the seller, Fortnox will charge the seller of the invoice a fixed fee per invoice purchased and a percentage fee calculated on the invoice amount. When the invoice is paid by the seller's customer after the due date, Fortnox charges the seller's customer fixed reminder fees, percentage late payment fees, any collection fees, etc.

Revenues attributable to payment and finance-related services, including those that can be considered as remuneration (interest) for the lending services, are reported as part of the Group's net sales.

(iii) Initial measurement

Accounts receivables are recognized when they are issued. Other financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (except for accounts receivable without a significant financing component) or financial liability is initially measured at fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs directly attributable to the acquisition or the share issue. An account receivable that does not contain a significant financing component is measured at the transaction price determined in accordance with IFRS 15.

(iv) Classification and measurement subsequent to Initial recognition

Cash and cash equivalents

Cash and cash equivalents refer to immediately available money such as cash and account assets via banks and other financial Institutions. It may occur that parts are limited, for more Information see note 27.

Financial assets

At initial measurement, a financial asset is classified and measured at: amortized cost, fair value through other comprehensive income – investments in debt instruments; fair value through other comprehensive income – investments in equity instruments; or fair value through profit or loss. Subsequent measurement of financial assets takes place at amortized cost using the effective interest method.

Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets must be reclassified on the first day of the first reporting period following the change in business model.

The amortized cost is reduced by impairment losses. Interest revenue and impairment losses are recognized in profit or loss. Any impairment gains or losses arising from derecognition are recognized in profit or loss.

A financial asset is measured at amortized cost if it meets both of the following criteria, unless it is designated at fair value through profit or loss:

- it is held within a business model whose objective is to hold financial assets to collect contractual cash flows, and
- the contractual terms for the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial liabilities

Financial liabilities are classified and measured at amortized cost or fair value through profit or loss. A financial liability is measured at fair value through profit or loss if it is held for trading or, as a derivative that has been designated as such on initial recognition.

(v) Impairment of financial assets

An allowance for expected credit losses is estimated and recognized for the financial assets that are measured at amortized cost. At initial recognition, a loss allowance equal to 12-month expected credit losses is recognized. If credit risk has increased significantly since initial recognition, the allowance for credit losses is calculated and recognized based on expected credit losses for the entire remaining maturity of the asset.

For accounts receivable, which do not contain a significant financing component, and contract assets, a simplified method is applied and the allowance for credit losses is calculated and recognized based on the expected credit losses for the entire remaining maturity. This is regardless of whether the credit risk has increased significantly or when it is judged that the credit risk of a financial asset has increased significantly since the first recognition, and when calculating expected credit losses, the Group uses reasonable and verifiable information that is relevant and available without unnecessary costs or effort. This includes both quantitative and qualitative information and analysis based primarily on information about current transaction information and historical losses for similar receivables and counterparties. The information is continuously evaluated and adjusted based on the current situation.

The Group considers that the credit risk on a financial asset has increased significantly if it is overdue by more than 30 days.

The Group considers that a financial asset is in default when:

- it is unlikely that the borrower will pay all his credit obligations to the Group, without the Group having recourse such as realizing a security (if any such is held): or
- the financial asset is overdue more than 90 days.

Twelve months' expected credit losses consist of credit losses arising from default that can occur within 12 months of the balance sheet date (or a shorter period if the expected maturity of the instrument is less than 12 months).

Expected credit losses for the entire term is an expected credit loss arising from all possible defaults during the maturity of a financial instrument.

Expected credit loss measurement

Expected credit losses consist of a probability-weighted estimate of credit losses.

Credit impaired financial assets

At every statement of financial position date, the Group determines whether financial assets held at amortized cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- the issuer or borrower has significant financial difficulties,
- a breach of contract, such as default or maturity of more than 90 days,
- it is likely that the borrower will enter bankruptcy or other financial reconstruction.

Presentation of allowances for expected credit losses in the statement of financial position

Loss allowances for financial assets measured at amortized cost have been deducted from the gross assets.

Derecognition

The gross carrying amount of a financial asset is derecognized when the Group has no reasonable expectations of recovering either the entirety or a portion of the asset's contractual cash flows.

For business customers, the Group makes case-by-case assessments of the point in time and amount for derecognition, based on whether reasonable expectations of recovery exist. The Group has no expectations of significant recovery of the derecognized amounts. However, financial assets that are derecognized may still be subject to enforcement activity to comply with the Group's procedures for recovering overdue amounts.

(vi) Removal from the statement of financial position (Derecognition)

Financial assets

The Group removes a financial asset from the statement of financial position when the contractual rights to receive the cash flows from the financial asset cease, or if it transfers the right to receive the contractual cash flows through a transaction in which substantially all of the risks and rewards of ownership have been transferred, or in which the Group does not transfer or retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group removes a financial liability from the statement of financial position when the performance obligations in the contract are satisfied, cancelled, or expired. The Group also derecognizes a financial liability when the contractual conditions and the cash flows from the liability are substantially different. In this event, a new financial liability is measured at fair value based on the new conditions.

(vii) Offsetting

Financial assets and financial liabilities are offset, and the net amount is only recognized in the statement of financial position when the Group has a legally enforceable right to set off the amounts, and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(n) Tangible fixed assets

(i) Owned assets

The Group measures tangible assets at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The basics of impairment accounting are presented below.

A tangible asset is derecognized whenever it is disposed of or sold or is not expected to provide any future benefits from either its use or disposal. Gains or losses arising on the sale or disposal of an asset consist of the difference between the net selling price and the carrying amount of the asset less any direct selling costs. Gains and losses are recognized as other operating income/expenses.

(ii) Subsequent costs

Subsequent costs are only added to the carrying amount if it is probable that the future economic benefits associated with the asset will flow to the company and the cost can be measured reliably. All other subsequent costs are recognized as an expense in the period they are incurred.

(iii) Depreciation principles

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful life of tangible asset. The useful life of an asset is reviewed at least annually and land is not depreciated.

Estimated useful lives:

- Equipment, tools and installations, 5-10 years
- Right-of-use assets, 3-10 years

(o) Intangible assets

(i) Research and development

Costs for development, which is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or processes, are recognized as an asset in the statement of financial position if the company can demonstrate the technical feasibility of completing the product or the process so that it will be available for use or sale, if the company has adequate technical, financial and other resources to complete the development and intends to use or sell the intangible asset. The carrying amount includes all directly attributable costs, such as materials and services, employee benefits, registration of a legal right, amortization of patents and licenses and borrowing costs in accordance with IAS 23. Other development costs are recognized as an expense in profit or loss as incurred. In the statement of financial position, development costs are carried at cost less accumulated amortization and impairment losses (see below).

(ii) Goodwill

Goodwill is recognized at acquisition value, according to what was determined at the time of acquisition for an operation (see under "Consolidation principles and business acquisitions"), after deduction of any accumulated impairment. Goodwill is allocated to the cash-generating units. The impairment requirement is tested at least once a year or when there are indications that it needs to be tested. Goodwill is recognized as an intangible asset with an indefinite useful life and is not amortized as the Group applies IAS 38.

(iii) Other intangible assets

Other intangible assets with a determined useful life acquired by the Group are recognized at acquisition value less accumulated depreciation and any impairment (see below). Other intangible assets with a definite useful life include customer relations and acquired software. Other intangible assets with an indefinite useful life are reported at acquisition value minus any accumulated impairment.

Brands are other intangible assets with an indefinite useful life. The impairment requirement for an intangible asset with an indefinite useful life, or an intangible asset that is not yet ready for use, is tested at least once a year or when there is a need for it to be tested.

(iv) Subsequent costs

Subsequent costs for capitalized intangible assets are only recognized as an asset in the statement of financial position when they increase the future economic benefits of the specific asset to which they are attributable. All other additional expenses are recognized as costs in the period in which they occur.

(v) Depreciation principles

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful life of the intangible asset. The useful life of an asset is reviewed at least annually. Intangible assets with a determinable useful life are amortized from the date they become available for use. Leased assets are also amortized over their estimated useful life or, if shorter, over the estimated lease term.

Estimated useful lives:

- Platform, 5 years
- Acquired Platform, 5 years
- Customer relationships, 10 years

(p) Impairment

The Group's recognized assets are tested for impairment at the statement for each financial position date. IAS 36 is applied for the impairment of assets that are not financial assets which are tested in accordance with IFRS 9.

Impairment of tangible and intangible assets

If there is an indication that an asset may be impaired, the recoverable amount of the asset is determined (see below). An impairment loss is recognized when the carrying amount of an asset or cash-generating unit (group of units) exceeds the recoverable amount. An impairment is recognized as a cost in profit or loss. The recoverable amount is the higher of fair value less costs to sell and value in use. When determining the value in use, future cash flows are discounted with a discount factor that accounts for risk-free interest and the risk associated with the specific asset.

Reversal of impairment losses

Under IAS 36, an impairment loss on assets may be reversed when there are indicators that an impairment loss no longer exists and if there has been a change in the estimates used to determine the asset's recoverable amount. Impairments of goodwill are never reversed.

(q) Payouts to shareholders

(i) Dividends

Dividends are recognized as a liability following the Annual General Meeting's approval of the dividend.

(r) Earnings per share

The calculation of earnings per share before dilution is based on consolidated profit or loss for the year attributable to the Parent Company owners and on the weighted average number of shares outstanding during the year. When calculating diluted earnings per share,

the results and average number of shares are adjusted to account for the effects of potential dilutive ordinary shares which in the reported periods are derived from warrants issued to employees. Potential ordinary shares are only considered dilutive in periods when this would result in lower earnings or a greater loss per share.

(s) Employee benefits

(i) Current benefits

Current benefits are calculated without discounting and recognized as an expense when the related services are provided. A provision is recognized for the anticipated cost of profit-sharing and bonus payments when the Group has a current legal or constructive obligation to make such payments as a result of the services provided by employees and the obligation can be estimated reliably.

(ii) Defined contribution pension plans

Defined contribution plans are plans in which the company's obligation is limited to the contributions the company has undertaken to pay. In such cases, the size of the employee's pension depends on the contributions the company pays into the plan or to an insurance company, and the investment earnings on the contributions. Consequently, it is the employee who bears the actuarial risk (that benefits will be lower than expected) and investment risk (that the invested assets will be insufficient to provide the expected benefits). The company's obligations for contributions to defined-contribution plans are recognized as an expense in profit or loss as they are earned by the employees' services to the company during a period.

(iii) Share-based payments

Fortnox's current long-term incentive programs include an employee stock purchase plan under which employees can invest a certain portion of their fixed monthly salaries in shares and receive matching shares after three years, provided they remain employed. For more information about the programs, refer to Note 5. Employee stock purchase plans are classified as equity-settled share-based payments in accordance with IFRS 2 Share-based Payment. Costs for share-based payments are recognized as employee benefit expenses and correspond to the value of the services received. The costs are allocated over the term of the program and correspond to the fair value of the equity instruments granted. The fair value is determined on the grant date, meaning the date on which the equity instruments are issued to the employees.

Since the program is equity-settled, the cost is recognized as an increase in equity under other contributed capital. The recognized cost is based on the value of the number of matching shares expected to be granted under the programs at the end of the vesting period. The anticipated cost is allocated over the vesting period of the programs. Recognized costs are adjusted on every reporting date of the relevant period if the estimated number of shares to be vested changes due to changed assumptions.

Social security contributions for the employee's benefit value are expensed and allocated over the vesting period of the programs. The provision for social security contributions is based on the value of the number of matching shares deemed to be vested on each reporting date. Any remeasurement of the provision for social security contributions as a result of a changed share price is recognized in the current period.

(iv) Termination benefits

A cost for benefit is recognized at the earlier of when the company can no longer withdraw the offer of those benefits, or when the company recognizes costs for a restructuring. The benefits expected to be settled after twelve months are measured at their present value. Benefits not expected to be settled within twelve months are recognized as non-current benefits.

(t) Related party transactions

Pricing for purchases between group companies takes place according to business principles and at prevailing market prices. Internal result arising from sales between group companies have been eliminated.

Transactions with customers and suppliers with a relationship to identified key personnel in a leading position take place according to business principles and at prevailing market prices.

For more Information on related party transactions within the Group, see note 29.

(u) Provisions

Provisions are entered in the balance sheet when the company is subject to a legal or informal obligation as a consequence of a circumstance occurring and it is likely that financial resources will be required to meet the obligation and a reliable estimate of the amount can be made

At first recognition, provisions are measured at the best estimate of the amount that will be required to settle the obligation at the statement of financial position date. The provisions are reviewed on each financial position date.

(v) Contingent liabilities

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group, when there is an obligation that has not been recognized as a liability or provision since it is not probable that an out flow of resources will be required to settle the obligation, or when the amount of the obligation cannot be measured with sufficient reliability.

Parent Company's accounting principles

The Parent Company has prepared its Annual Report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation, RFR 2 Accounting for Legal Entities. Statements issued by the Swedish Financial Reporting Board for listed companies have also been applied. RFR 2 specifies that the Parent Company in the annual report for the legal entity is to apply all IFRS and statements adopted by the EU to the extent possible within the framework of the Swedish Annual Accounts Act and Pension Obligations Vesting Act, and with regard to the relationship between accounting and taxation. The recommendation specifies which exceptions and additions to IFRS may be made.

The differences between the Group's and Parent Company's accounting principles are presented below. The accounting principles for the Parent Company stated below have been applied consistently to all periods presented in the Parent Company's financial statements.

Classification and formats

The Parent Company presents an income statement, and the Group presents a statement of profit or loss and other comprehensive income. The Parent Company also uses the terms 'balance sheet' and 'cash flow statement' for the reports known in the Group as the 'statement of financial position' and 'statement of cash flows.' The Parent Company's income statement and balance sheet are presented in accordance with the Swedish Annual Accounts Act, while the statement of changes in equity and cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences compared with the Group's financial statements are that the main elements of the Parent Company's income statement and balance sheet are financial expenses, non-current assets and equity.

Subsidiaries, associates and joint ventures

The Parent Company recognizes investments in subsidiaries, associated companies, and joint ventures according to the acquisition value method and if the carrying value exceeds the replacement cost, an impairment is made at the lower value. In the case of acquisitions of participations in subsidiaries and associated companies, transaction expenses are included in the carrying amount for holdings in subsidiaries/associated companies. In the consolidated financial statements, transaction costs attributable to subsidiaries and associated companies are recognized directly in the profit or loss when these arise.

Financial instruments

The Parent Company has elected not to apply IFRS 9 for financial instruments. However, some of the guidance in IFRS 9 is still applicable – such as impairment, recognition/derecognition, hedge accounting criteria, and the effective interest method for interest revenue and interest expense.

In the Parent Company, financial assets are measured at cost less impairment, and current assets according to the lowest value principle.

Segment reporting

The Parent Company does not report segments based on the same distribution and scope as the Group, but Informs about the net sales distribution among the Parent Company's operating branches.

Tangible assets

Tangible fixed assets in the Parent Company are recognized at cost less accumulated depreciation and any impairment in the same way as for the Group, but with the addition for any revaluation adjustments.

Leased assets

The Parent Company does not apply IFRS 16, in accordance with the exemption in RFR 2. As a lessee, leasing payments are recognized as an expense on a straight-line basis over the lease term, whereby a right-of-use asset and corresponding lease liability are not recognized on the balance sheet.

Group contributions

Group contributions are recognized as appropriations.

Note 2 - Revenue

Allocation of revenues from agreements with customers

The allocation of revenues from agreements with customers in major service areas is summarized below.

From January 1, 2022, the name of the Offerta business area was changed to Marketplaces and expanded with Core Products former

product area of Connect. As of January 1, 2022, revenue has also been redistributed regarding the product Byråpartner from the Accounting firms to the Core Products and the figures for 2021 have been recalculated.

For more information on the division of the Group's operating segments, see Note 3.

Group

January 1 - December 31

2021

Group's operating segments, SEK million	Businesses	Accounting Firms	Core Products	Financial Services	Marketplaces
Type of service					
Subscription-based	119.6	227.9	257.8	0.6	84.1
Transaction-based	13.9	37.9	110.0	53.1	-
Lending-based	2.0	6.9	-	28.3	-
Others	-	0.4	1.0	13.9	2.1
Revenue from agreements with customers	135.5	273.1	368.8	95.9	86.2

2022

Group's operating segments, SEK million	Businesses	Accounting Firms	Core Products	Financial Services	Marketplaces
Type of service					
Subscription-based	171.6	281.1	346.9	6.0	123.6
Transaction-based	20.5	50.0	155.4	61.1	-
Lending-based	2.9	7.0	-	65.4	-
Others	0.0	1.6	0.1	21.8	0.5
Revenue from agreements with customers	195.0	339.7	502.4	154.2	124.1

2021

Group's operating segments, SEK million	Eliminations	Intra-Group	Group total
Type of service			
Subscription-based			689.7
Transaction-based	-13.7	1.5	202.6
Lending-based			37.3
Others		1.3	18.9
Revenue from agreements with customers	-13.7	2.9	948.5

2022

Group's operating segments, SEK million	Eliminations	Intra-Group	Group total
Type of service			
Subscription-based			929.2
Transaction-based	-16.6		270.4
Lending-based			75.3
Others		-0.5	23.5
Revenue from agreements with customers	-16.6	-0.5	1,298.4

During the year, operations were acquired, Agoylt AB and Cling Group AB. For more information on the business acquisitions carried out and their contributions to the consolidated accounts in 2022, see Note 18.

Contractual balances

Information about receivables and contractual liabilities from agreements with customers is summarized below

Group		
SEK million	2022-12-31	2022-12-31
Receivables, included in accounts receivables	92.3	74.3
Receivables, included in factoring	60.7	55.1
Receivables, included in invoice financing	204.6	168.7
Receivables, included in corporate lending	134.8	53.6
Receivables, within accrued income	18.3	15.1
Contractual debts	272.2	173.3
Parent Company		
SEK million	2022-12-31	2022-12-31
Receivables, included in accounts receivable	78.9	61.1
Receivables, within accrued income	18.0	14.9
Contractual debts	244.7	171.8

Receivables constitute sales within Sweden and primarily refer to the Group's right to compensation for transaction-based services performed but not invoiced as of the balance sheet date (where the right to invoice exists). The receivables with a maturity of more than 12 months are attributable in their entirety to corporate loans and amounted to SEK 107 million. Where the remaining performance commitment is based on continued lending. Of the opening balance of contractual debts, essentially everything has been recognized as revenue in 2022. For the closing balance of contractual debts, the remaining performance commitment is less than 12 months.

Contractual liabilities primarily refer to advances received from the customer in respect of subscription services where revenue is recognized over time.

The increase in receivables related to contractual balances is primarily attributable to the growth in lending operations, while the increase in contractual debts is primarily attributable to the growth in net sales in the Parent Company.

Note 3 – Operating segments

The Group's operations are organized into operating segments based on those parts of the operations that the company's chief operating decision-maker follows up, known as the 'management approach'.

Each operating segment has a manager who is responsible for the day-to-day operations and regularly reports the outcome of the operating segment's performance to the Executive Management Team. The Group's internal reporting is organized so that the Executive Management Team can monitor revenue and results. The Group's segments have been identified based on this internal reporting. The division into operating segments is based on the different responsibilities for products and target groups that each segment has.

The following operating segments exist:

Businesses

Responsible for sales and marketing of Core Products and Financial Services offering to companies that are not accounting firms or their clients. Businesses is responsible for the relationship with its customers. Industry-specific solutions for defined customer groups are developed within Businesses.

Accounting Firms

Responsible for sales and marketing of Core Products and Financial Services offering to accounting firms and their clients. Accounting Firms is responsible for the relationship with accounting firms and their clients. Industry specific solutions for accounting firms are developed within Accounting Firms.

Core Products

Responsible for product development, user support and sales to existing customers for services in financial administration.

Financial Services

Responsible for product development, user support and sales to existing customers for payment and financial services.

Marketplaces

Responsible for product development, user support and sales of brokerage services and products. The business area develops products and solutions that simplify the meeting between service companies and customers.

In addition to the operating segments described above, Fortnox has group-wide functions in the areas of HR, Communication, Finance, IT and operations, Legal and compliance as well as the infrastructure product area and thus supports the operating segments in their business plans and contributes to enabling them.

On January 1, 2023, a redistribution of the areas of responsibility of the Group's operating segments took place. This was done to provide our customers with better service and to achieve a more suitable division of responsibilities between the Group's business areas. This redistribution mainly involved changes in customer and product responsibility, which will also change how revenue and operational segment results are recognized going forward. For more information regarding how the results for 2022 would have looked like taking the redistribution into consideration, refer to Year-end-report and Note 3.

Group's operating segments

2021

SEK million	Businesses	Accounting Firms	Core Products	Financial Services	Marketplaces
Revenue (from external customers)	135.5	273.0	362.7	88.3	86.2
Revenue (from other segments)	-	0.1	6.0	7.6	-
Operational segment result	98.0	169.2	213.1	-4.7	12.7
Reversal of expenses capitalised expenditures for development work					
Own work capitalised					
Depreciation, amortisation and impairment					
Operating profit					
Financial items					
Profit before tax					

2022

SEK million	Businesses	Accounting Firms	Core Products	Financial Services	Marketplaces
Revenue (from external customers)	195.0	339.7	494.8	145.2	124.1
Revenue (from other segments)	-	-	7.6	9.0	-
Operational segment result	145.1	227.1	310.4	-27.2	33.3
Reversal of expenses capitalised expenditures for development work					
Own work capitalised					
Depreciation, amortisation and impairment					
Operating profit					
Financial items					
Profit before tax					

Group's operating segments

2021

SEK million	Intra-Group	Eliminations	Group total
Revenue (from external customers)	2.9		948.5
Revenue (from other segments)	-	-13.7	-
Operational segment result	-175.8		312.5
Reversal of expenses capitalised expenditures for development work	38.5		38.5
Own work capitalised	48.6		48.6
Depreciation, amortisation and impairment	-84.9		-84.9
Operating profit	-173.6		314.7
Financial items	-5.9		-5.9
Profit before tax	-179.5		308.8

2022

SEK million	Intra-Group	Eliminations	Group total
Revenue (from external customers)	-0.5		1,298.4
Revenue (from other segments)	-	-16.6	-
Operational segment result	-224.3		464.3
Reversal of expenses capitalised expenditures for development work	44.9		44.9
Own work capitalised	84.2		84.2
Depreciation, amortisation and impairment	-129.2		-129.2
Operating profit	-224.4		464.2
Financial items	-11.6		-11.6
Profit before tax	-235.9		452.7

As of January 1, 2022, the business area Marketplaces has been expanded with Core Products former product area Connect, which had a positive Impact for 2022 regarding Marketplaces revenue and operating segment result amounting to SEK 34.9 million and SEK 25.7 million, respectively. Corresponding negative Impact has occurred for Core Products.

Parent Company

SEK million	2022	2021
Revenue	1,042.5	769.2

Revenues are entirely attributable to Sweden.

Parent Company's revenue primarily consists of subscription services for financial administration and the revenues and assets are entirely

attributable to Sweden. Of the revenue, SEK 834.2 (622.4) million is attributable to subscription services within financial administration and SEK 192.2 (133.9) million constitutes of transaction-based services within financial administration.

Note 4 - Other operating income

SEK million	2022	2021
Group		
Revenue recognised payments without known counterparty	21.1	12.3
Other	1.5	4.2
	22.6	16.6

Note 5 - Employees, personnel costs and remuneration to senior executives

Employee benefit expenses

SEK million	2022	2021
Group		
Salaries and remuneration, etc.	338.9	246.8
(of which Salaries and remuneration, etc. to senior executives)	(29.1)	(22.0)
Pension provisions, contribution-based plans (see Note 22)	29.0	20.6
(of which pension provisions to senior executives)	(3.0)	(2.9)
Social security contributions	105.5	75.2
	473.5	342.6

Average number of employees

	2022	thereof men	2021	thereof men
Parent Company				
Sweden	429	63%	374	64%
Subsidiaries				
Sweden	151	57%	94	50%
Group Total	580	62%	468	61%

Gender distribution in company management

	2022-12-31	2021-12-31
	Share women	Share women
Parent Company		
Board of Directors	40%	33%
Other senior executives	14%	33%
Group		
Board of Directors	5%	15%
Other senior executives	22%	50%

Salaries and other remuneration distributed between senior executives and other employees, and social security costs in the Parent Company

2022

SEK million	Senior executives (7 people)	Other employees	Total
Parent Company			
Salaries and other remuneration	26.4	213.5	239.9
Social security contributions	11.0	88.4	99.4
(of which pension provisions)	(2.7)	(16.4)	(19.2)

2021

SEK million	Senior executives (11 people)	Other employees	Total
Parent Company			
Salaries and other remuneration	19.5	189.7	209.2
Social security contributions	8.7	68.6	77.3
(of which pension provisions)	(2.8)	(17.0)	(19.7)

Guidelines for remuneration to senior executives

The following guidelines for remuneration to senior executives at Fortnox AB were adopted at the Extraordinary General Meeting in December 2021. A successful implementation of the Company's business strategy and the safeguarding of the Company's long-term interests, including its sustainability, presupposes that the Company can recruit and retain skilled and qualified employees. This requires the Company to be able to offer market-based and competitive remuneration in each market where the Company operates. Individual remuneration levels are based on experience, competence, responsibility, and performance.

In accordance with the Company's guidelines for remuneration to senior executives, remuneration must be market-based and consist of the following components: fixed salary, variable remuneration, pension benefits, and other benefits.

Fixed salary

The fixed salary, the basic salary, will be based on the individual senior executive's area of responsibility, authority, competence, experience, and performance.

Variable remuneration

For senior executives to be able to receive a total remuneration in accordance with market conditions, they must also be able to obtain variable remuneration in addition to the fixed salary. The variable remuneration will be linked to predetermined and measurable criteria that may be financial or non-financial. Financial criteria may be based, for example, on the Fortnox Group's operating result (EBIT). The purpose of these criteria will be to promote long-term value creation.

Fulfilment of criteria for the payment of variable remuneration will be measurable over either 12 months, whereupon the outcome of financial criteria will be based on the income statement and balance sheet adopted by the Annual General Meeting, or quarterly, whereupon the outcome of financial criteria will be based on published interim reports, or a combination of both measurement periods. The remuneration committee is responsible for assessing, at the conclusion of the measurement period for fulfilment of the criteria for payment of variable remuneration, the extent to which the criteria have been met.

The variable remuneration will primarily be paid as cash remuneration, but the remuneration committee has the right to assign a maximum of 50% of the total variable remuneration for payment of shares in share-related incentive programs decided by the Annual General Meeting instead of through cash payment. The variable remuneration may amount to a maximum of 200% of the fixed cash salary for the CEO and the deputy CEO. The variable remuneration may amount to a maximum of 100% of the fixed cash salary for other senior executives. However, the total variable remuneration that the Company may pay to senior executives may never exceed 2.5% of the Company's EBIT, after the cost of the variable remuneration. The variable remuneration will not be pensionable or lead to accrual of annual leave unless this follows by mandatory collective agreement provisions.

Additional cash variable remuneration may be paid in exceptional circumstances, provided that such extraordinary arrangements are made only at individual level for the purpose of recruiting or retaining senior executives, or as remuneration for extraordinary work in addition to the person's ordinary duties. Such remuneration may not exceed an amount equal to 10% of the fixed cash salary and may not be paid more

than once per year and per individual. Decisions on such remuneration will be made by the Board following a proposal from the remuneration committee.

Pension and insurance

For the CEO, pension benefits, including sickness insurance, will be defined contribution. Variable remuneration will not be pensionable. The pension premiums for defined contribution pensions will amount to a maximum of 30% of the fixed annual cash salary.

For other senior executives, pension benefits, including sickness insurance, will be defined-contribution unless the senior executive is covered by defined-benefit pension in accordance with mandatory collective agreement provisions. Variable remuneration will not be pensionable unless this follows from by mandatory collective agreement provisions applicable to the senior executive. The pension premiums for defined-contribution pensions will amount to a maximum of 30% of the fixed annual cash salary.

Other benefits

Other benefits may include, inter alia, a company car, supplementary health insurance, and occupational health care. The aggregate value of these benefits may not exceed 10% of the fixed annual cash salary.

Agreement on severance pay to senior executives

Upon termination of employment, the period of notice may not exceed 12 months. Fixed cash salary during the period of notice and severance pay may not, taken together, exceed an amount corresponding to the fixed cash salary for two years for the CEO and twelve months for other senior executives. In the event of termination of employment by the executive, the period of notice may not exceed six months without entitlement to severance pay.

The decision-making process for establishing, reviewing, and implementation of the guidelines

The Board has established a remuneration committee. The duties of the committee include preparing the Board of Directors' decisions on proposed guidelines for remuneration to senior executives. The Board of Directors will draw up proposals for new guidelines at least every four years and submit the proposal for resolution at the Annual General Meeting. The guidelines will remain in force until new guidelines are adopted by the Annual General Meeting. The remuneration committee will also monitor and evaluate programs for variable remuneration for senior management, the application of guidelines for remuneration to senior executives, and applicable remuneration structures and levels in the Company. The members of the remuneration committee are independent in relation to the Company and company management. The CEO and other members of the executive management absent themselves during the course of the Board's consideration of and decisions on remuneration-related matters, where they are affected by such issues.

Parent Company

2022

SEK million	Basic salary Board fee	Variable Remuneration	Pension Provisions	Other Remuneration	Total
Olof Hallrup, Chairman of the Board of Directors					
Remuneration from Parent Company	0.7				0.7
Remuneration from subsidiaries					-
Anna Frick, Board of Director					
Remuneration from Parent Company	0.3				0.3
Remuneration from subsidiaries					-
Magnus Gudéhn, Board of Director					
Remuneration from Parent Company	0.3				0.3
Remuneration from subsidiaries					-
Per Bertland, Board of Director					
Remuneration from Parent Company	0.3				0.3
Remuneration from subsidiaries					-
Lena Glader, Board of Director					
Remuneration from Parent Company	0.4				0.4
Remuneration from subsidiaries					-
Andreas Kemi, Board of Director					
Remuneration from Parent Company	0.1				0.1
Remuneration from subsidiaries					-
Tommy Eklund, CEO					
Remuneration from Parent Company	3.2	4.5	1.0	0.1	8.8
Remuneration from subsidiaries					-
Roger Hartelius, deputy CEO					
Remuneration from Parent Company	1.6	1.8	0.4	0.0	3.8
Remuneration from subsidiaries					-
Other senior executives (5 people)					
Remuneration from Parent Company	6.8	4.3	1.4	2.1	14.6
Remuneration from subsidiaries					-
Total	13.8	10.6	2.7	2.2	29.2
Remuneration from Parent Company	13.8	10.6	2.7	2.2	29.2
Remuneration from subsidiaries	-	-	-	-	-
	13.8	10.6	2.7	2.2	29.2

Parent Company

2021

SEK million	Basic salary Board fee	Variable Remuneration	Pension Provisions	Other Remuneration	Total
Olof Hallrup, Chairman of the Board of Directors					
Remuneration from Parent Company	0.3				0.3
Remuneration from subsidiaries					-
Anna Frick, Board of Director					
Remuneration from Parent Company	0.3				0.3
Remuneration from subsidiaries					-
Magnus Gudéhn, Board of Director					
Remuneration from Parent Company	0.2				0.2
Remuneration from subsidiaries					-
Andreas Kemi, Board of Director					
Remuneration from Parent Company	0.3				0.3
Remuneration from subsidiaries					-
Tuva Palm, Board of Director					
Remuneration from Parent Company	0.3				0.3
Remuneration from subsidiaries					-
Tommy Eklund, CEO					
Remuneration from Parent Company	3.1	3.1	1.0	0.1	7.2
Remuneration from subsidiaries					-
Roger Hartelius, deputy CEO					
Remuneration from Parent Company	1.6	1.2	0.3	0.0	3.1
Remuneration from subsidiaries					-
Other senior executives (4 people)					
Remuneration from Parent Company	4.5	2.3	0.9	0.0	7.7
Remuneration from subsidiaries					-
Total	10.5	6.6	2.2	0.1	19.5
Remuneration from Parent Company	10.5	6.6	2.2	0.1	19.5
Remuneration from subsidiaries	-	-	-	-	-
	10.5	6.6	2.2	0.1	19.5

Share-related incentive programs to senior executives

The Group has two active incentive programs: an employee stock purchase plan (ESSP 2022) for all employees and a warrant program (2021/2024) for senior executives.

In October, an extraordinary general meeting (EGM) resolved to introduce an employee stock purchase plan (ESSP 2022) for all Group employees to enable the Group to recruit and retain employees and to encourage greater employee interest and involvement in Fortnox's operations and development. ESSP 2022 gives Group employees the opportunity to invest in shares in Fortnox ("saving shares") through monthly savings and encompasses a saving period of eight months. Provided the employee remains at the company and retains their investment in saving shares, Fortnox matches the number of shares after a three-year period ("matching shares"). The number of matching shares may amount to a maximum of 130,000, which corresponds to 0.02 percent of the total number of shares issued in Fortnox.

ESSP 2022 is classified as a share-based payment transaction under IFRS 2, where the costs of the program will be continuously expensed between November 2022 and June 2026. The program is not linked to any performance targets, but rather requires that the employee remains at the company and retains their investment in saving shares in Fortnox during the term of the program. The Group recognizes a provision for social security contributions for the employee's taxable benefit on the number of shares deemed to have been vested during the term of the program.

Based on current estimates with regard to employees remaining in their positions and retaining their shares for participation in the program, the Group had recognized costs for about 4,500 matching shares as of December 31, 2022. More information on ESSP 2022 is available on the Group's website: www.fortnox.se.

For senior executives who participate in the Group's incentive program (warrants), no cost is recognized since the senior executives have acquired the warrants at market price.

In addition to the warrant programs presented in the table below, the principal owner of Fortnox AB, First Kraft AB, issued 100,000 call options (where each option entitles one to subscribe for 10 shares) to the CEO in 2019. The call options were acquired on market terms using a promissory note, for a strike price of SEK 1.76. The options were exercised in 2022 with a strike price of SEK 20 per share.

In connection with the acquisition of Capcito Finance AB in 2021, warrant program 2018/2022 was added. The warrant program had no dilutive effect on Fortnox AB's (publ) shares since it was entirely attributable to Capcito Finance AB. The warrant program consisted of 2,009 warrants issued to senior executives and key employees within Capcito, with one warrant corresponding to one share that could be redeemed for SEK 1,524 per warrant. The premium per warrant was SEK 14.68, which was determined using a market valuation based on Black-Scholes. The warrant could be exercised during the period from April 1 to August 31, 2022. In 2022, Fortnox Finans AB acquired 1,435 warrants for a value of SEK 2.2 million, and the remaining warrants were exercised for a value of SEK 0.9 million.

Warrant program for senior executives:

In addition to the incentive program described above, below is a summary of the maximum number of warrants for senior executives that could be issued in each warrant program, number of warrants acquired (ie the number of warrants actually acquired by participants), number of forfeited warrants and current number of outstanding warrants.

Below is a summary of the terms and conditions of the programs and the input data for the valuation when determining the price of the warrants. The used valuation model is Black & Scholes. The expected volatility has been determined based on the evaluation of historical data on volatility.

2022

Program	Maximum number of options	Acquired number of options	Redeemed number of options	Forfeited number of options	Outstanding number of options 2022-12-31
2021/2024	250,000	24,000		-226,000	24,000
Total	250,000			-226,000	24,000

Program	Exercise price, SEK	Volatility	Riskfree interest	Expected dividend/year, SEK	Maturity, year	Option price, SEK
2021/2024*	55.28 (recalculated after completed share split)	41%	-0.21%	0.94	3.3	72.5

*In accordance with the terms of the warrants, recalculation has taken place with regard to the 10:1 stock split decided by the Extraordinary General Meeting on December 27, 2021, whereby each warrant entitles the holder to subscribe for 10 shares in the Company at a subscription price of SEK 55.28 per share. If a participant's employment or assignment in the Group ends, the Group has no right to buy back warrants. Share price at the time of allocation for warrant program 2021/2024, recalculated as a result of the share split, was SEK 40.5.

2022	Program	Number of outstanding options at the start of the year	Acquired options during the year	Redeemed options during the year	Weighted average share price on the exercise day, SEK	Number of outstanding options at year-end	Number of exercisable option at year-end
CEO and senior executives							
Other senior executives	2021/2024	24,000	-	-		24,000	24,000
Total		24,000	-	-		24,000	24,000

2021	Program	Number of outstanding options at the start of the year	Acquired options during the year	Redeemed options during the year	Weighted average share price on the exercise day, SEK	Number of outstanding options at year-end	Number of exercisable option at year-end
CEO and senior executives							
Other senior executives	2018/2021:1	50,000		-50,000	46.0**	-	-
Other senior executives	2018/2021:2	42,000		-42,000	44.0**	-	-
Other senior executives	2021/2024		24,000	-		24,000	24,000
Total		92,000	24,000	-92,000		24,000	24,000

**Recalculation has taken place due to the 10:1 share split that was decided by the extraordinary general meeting on December 27, 2021.

Note 6 - Fees and cost remunerations to auditors

SEK million	2022	2021
Group		
<i>KPMG</i>		
Auditing assignment	3.4	1.8
Audit-related consulting	3.1	1.3
Other services	0.8	1.6
<i>Deloitte</i>		
Auditing assignment	-	0.1
Audit-related consulting	-	-
Other services	-	1.1
Total	7.3	5.8
Parent Company		
<i>KPMG</i>		
Auditing assignment	2.2	1.1
Audit-related consulting	2.6	1.1
Other services	0.6	1.5
<i>Deloitte</i>		
Auditing assignment	-	-
Audit-related consulting	-	-
Other services	-	1.1
Total	5.4	4.7

Audit assignments refer to statutory audits of the annual and consolidated accounts as well as bookkeeping and accounting and the Board of Directors and CEO's administration, and audits and other reviews carried out in accordance with an agreement or contract. This

includes other duties that the Company's auditor is responsible for carrying out, as well as advice or other assistance that is prompted by observations during such review or the implementation of such other duties.

Note 7 – Net financial items

Group		
SEK million	2022	2021
Interest income and similar profit or loss items		
Interest income from financial assets at amortised cost	1.2	0.1
Interest expenses and similar profit or loss items		
Interest expenses from financial liabilities measured at amortised cost	-3.0	-3.1
Interest expenses, other	-4.5	-0.9
Profit or loss from interests in associated companies	-5.2	-2.0
	-12.7	-6.0
Net financial items reported in earnings	-11.6	-5.9
Parent Company		
SEK million	2022	2021
Interest income and similar profit/loss items		
Interest revenue, Group companies	8.9	1.9
Interest income, other	0.6	0.0
	9.5	1.9
Interest expenses and similar profit or loss items		
Interest expenses	-3.9	-0.2
	-3.9	-0.2
Net financial items	5.7	1.7

Note 8 – Appropriations

SEK million	2022	2021
Group contributions paid	-	-0.6
	-	-0.6

Note 9 – Taxes

Reported in the statement of profit or loss and other comprehensive income

Group

SEK million	2022	2021
Current tax expense (-)/tax income (+)		
Tax expense/income for the year	-105.5	-69.5
	-105.5	-69.5
Deferred tax expense (-)/tax income (+)		
Deferred tax on temporary differences	-0.4	1.8
	-0.4	1.8
Total reported tax expense for the Group	-105.9	-67.7

Parent Company

SEK million	2022	2021
Current tax expense (-)/tax income (+)		
Tax expense/income for the year	-100.7	-63.8
	-100.7	-63.8
Deferred tax expense (-)/tax income (+)		
Deferred tax on temporary differences	-0.3	0.5
	-0.3	0.5
Total reported tax expense for the Parent Company	-101.0	-63.3

Reconciliation of effective tax

Group

SEK million		2022		2021
Profit before tax		452.7		308.8
Tax in accordance with current tax rates for parent company	20.6%	-93.2	20.6%	-63.6
Non-deductible expenses	0.8%	-3.8	0.1%	-0.4
Other	1.9%	-8.8	1.2%	-3.7
Reported effective tax	23.4%	-105.8	21.9%	-67.7

Parent Company

SEK million		2022		2021
Profit before tax		473.9		306.2
Tax in accordance with current tax rates for parent company	20.6%	-97.6	20.6%	-63.1
Non-deductible expenses	0.6%	-2.9	0.2%	-0.5
Other	0.1%	-0.5	-0.1%	0.3
Reported effective tax	21.3%	-101.0	20.7%	-63.3

Other for the Group during 2022 and 2021 is mainly attributable to IFRS adjustments and negative results, which arose in connection with completed business acquisitions.

Not 9 – Taxes cont.

Change in deferred tax in temporary differences and carry forwards Group

SEK million	Balance as of Jan 1 2021	Recognised in profit or loss for the year	Business acquisitions	Balance as of Dec 31 2021	Balance as of Jan 1 2022	Recognised in profit or loss for the year	Business acquisitions	Balance as of Dec 31 2022
Unutilised loss/credit carry forwards	-		-	-			-	-
Tangible assets	0.6	0.7	-	1.3	1.3	-0.2	-	1.1
Accounts receivable	0.0	0.1	-	0.1	0.1	-	-	0.1
Receivables factoring	-		-	-	-	-	-	-
Purchased receivables	0.2	-0.2	-	-	-	-	-	-
Pension provisions	-		-	-	-	-	-	-
Deferred tax asset	0.8	0.6	-	1.4	1.4	-0.2	-	1.2
Intangible assets	-	1.2	-37.6	-36.4	-36.4	3.6	-4.4	-37.2
Deferred tax liability	-	1.2	-37.6	-36.4	-36.4	3.6	-4.4	-37.2

The Group recognizes deferred tax assets for tax loss carry-forwards to the extent that they are likely to be used. Within the Group, there are tax loss carry-forwards, related to the business acquisitions Capcito, Cling and Agoy. The group's tax loss carry-forwards amounts to SEK 174.5 (113.5) million at the end of the year, of which no deferred tax has been reported.

Deferred tax receivables refer to temporary differences between the carrying amount and the tax base value as of December 31, 2022, the temporary differences amounted to SEK 1.2 (1.4) million, attributable to tangible fixed assets and accounts receivable. Deferred tax liabilities are attributable to intangible assets in addition to goodwill that arising in connection with completed business acquisitions in 2021 and 2022.

Parent

SEK million	Balance as of Jan 1 2021	Recognised in profit or loss for the year	Balance as of Dec 31 2021	Balance as of Jan 1 2022	Recognised in profit or loss for the year	Balance as of Dec 31 2022
Tangible assets	0.0	0.4	0.4	0.4	-0.3	0.1
Accounts receivable	0.0	0.1	0.1	0.1	0.0	0.1
Pension provisions	-	-	-	-	0.0	-
	0.1	0.5	0.5	0.5	-0.3	0.2

As of December 31, 2022, the parent company's deferred tax assets amount to SEK 0.2 million.

Note 10 - Earnings per share

Earnings per share

	Before dilution	
SEK	2022	2021
Earnings per share	0,57	0,40

	After dilution	
SEK	2022	2021
Earnings per share	0,57	0,40

Completion of a share split in January, 2022, means that each share was divided into ten (10) shares (a 10-for-1 share split). Recalculation as a result of completed share split has been made for the comparison period.

The amounts that were used in numerators and denominators are shown below.

Earnings per share before dilution

Profit for the year attributable to the Parent Company's ordinary shareholders, before dilution

SEK million	2022	2021
Profit for the year attributable to the Parent Company's shareholders	346.8	241.1
Profit attributable to the Parent Company's ordinary shareholders, before dilution	346.8	241.1

Weighted average number of ordinary shares, before dilution

000s	2022	2021
Weighted average number of ordinary shares during the year, before dilution	609,745	607,939
Weighted average number of ordinary shares during the year, before dilution	609,745	607,939

The number of outstanding shares at year-end was 609,744,700 (609,744,700), calculated after completion of the share split.

Earnings per share after dilution

Profit for the year attributable to the Parent Company's ordinary shareholders, after dilution

SEK million	2022	2021
Profit for the year attributable to the Parent Company's ordinary shareholders	346.8	241.1
Profit attributable to the Parent Company's ordinary shareholders, after dilution	346.8	241.1

Weighted average number of ordinary shares, after dilution

000s	2022	2021
Weighted average number of ordinary shares during the year, before dilution	609,745	607,940
Effect of warrants	34	545
Weighted average number of ordinary shares during the year, after dilution	609,779	608,485

Instruments that may result in future dilution and other changes after the financial position date

At the extraordinary general meeting on October 21, 2022, it was decided to introduce a long-term share savings program for employees within the Group. A minor dilution effect may occur as a result of the fact that the Group will continuously buy in expected matching shares and hold these in its own custody until the program expires. As of December 31, the Group has no shares in its own custody.

During 2021, the company had an outstanding warrant program (2021/2024), where 24,000 warrants were subscribed during 2021. The 2021/2024 warrant program was issued in March, where participants

purchased warrants during the trading period at a value calculated according to the Black Scholes model. Each warrant entitles the holder to subscribe for one new share in Fortnox. The share options can be exercised during the period April 1 to June 30, 2024, at a predetermined share price of SEK 55.28 (recalculated after completion of the share split).

For further information about the Group's Incentive programs, see under Note 5.

Warrants

Group		2022-12-31	2021-12-31
Number of outstanding warrants at the start of the year		24,000	407,000
Issue of warrants		-	250,000
Forfeited warrants		-	-476,000
Redeemed warrants		-	-157,000
Number of outstanding warrants at the end of the year		24,000	24,000
Of which:	Exercise price		
Program 2021/2024	55.28 (recalculated after share split)	24,000	24,000
		24,000	24,000

Note 11 - Intangible assets

Group

	Internally developed intangible assets	Acquired intangible assets				
SEK million	Platform	Platform	Brands	Customer relationships	Goodwill	Total
Accumulated acquisition values						
Opening balance 2021-01-01	251.2	1.0	-	-	-	252.2
Internally developed assets	86.9	-	-	-	-	86.9
Acquired intangible assets	43.2	17.5	55.7	105.9	605.6	828.0
Closing balance 2021-12-31	381.4	18.5	55.7	105.9	605.6	1,167.1
Opening balance 2022-01-01	381.4	18.5	55.7	105.9	605.6	1,167.1
Internally developed assets	129.2	-	-	-	-	129.2
Acquired intangible assets	31.7	44.3	-	-	4.0	80.0
Closing balance 2022-12-31	542.3	62.8	55.7	105.9	609.6	1,376.3
Accumulated depreciation and impairment						
Opening balance 2021-01-01	-129.9	-1.0	-	-	-	-130.9
Impairment for the year	-0.3	-	-	-	-	-0.3
Depreciation for the year	-44.4	-1.1	-	-4.8	-	-50.3
Closing balance 2021-12-31	-174.7	-2.0	-	-4.8	-	-181.5
Opening balance 2022-01-01	-174.7	-2.0	-	-4.8	-	-181.5
Impairment for the year	-4.7	-	-	-	-	-4.7
Depreciation for the year	-65.7	-6.9	-	-10.6	-	-83.2
Closing balance 2022-12-31	-245.1	-8.9	-	-15.3	-	-269.3
Carrying amounts						
As of 2021-01-01	121.3	0.1	-	-	-	121.4
As of 2021-12-31	206.8	16.4	55.7	101.1	605.6	985.7
As of 2022-01-01	206.8	16.4	55.7	101.1	605.6	985.7
As of 2022-12-31	297.2	53.8	55.7	90.5	609.6	1,107.0

Parent Company

	Internally developed intangible assets
SEK million	Platform
Cumulative acquisition value	
Opening balance 2021-01-01	213.5
Internally developed assets	67.1
Closing balance 2021-12-31	280.5
Opening balance 2022-01-01	280.5
Internally developed assets	76.8
Closing balance 2022-12-31	357.3
Accumulated depreciation	
Opening balance 2021-01-01	-99.3
Depreciation for the year	-34.2
Closing balance 2021-12-31	-133.4
Opening balance 2022-01-01	-133.4
Depreciation for the year	-40.2
Closing balance 2022-12-31	-173.6
Accumulated impairment	
Opening balance 2021-01-01	-13.3
Impairment for the year	-0.3
Closing balance 2021-12-31	-13.6
Opening balance 2022-01-01	-13.6
Impairment for the year	-4.2
Closing balance 2022-12-31	-17.7
Carrying amounts	
As of 2021-01-01	100.8
As of 2021-12-31	133.5
As of 2022-01-01	133.5
As of 2022-12-31	166.0

The write-down of platform 2022 amounting to SEK 4.7 million regarding internally developed intangible assets is mainly attributable to insurance-related products, as these products are no longer in use.

Depreciations are included in the line Depreciation, amortization, and impairment of tangible and intangible fixed assets in the statement of income and other comprehensive income. Goodwill and brands have been assessed as having an indefinite useful life, and no depreciation has been carried out.

Customer relations were established in connection with the business acquisitions carried out 2021, and the remaining depreciation period is approximately 9 years.

Platform includes intangible assets related to in-house developed or acquired software as well as contract-based rights such as license agreements and software acquired through business acquisitions. Remaining depreciation period for platform is up to 5 years.

For information on depreciation, see the accounting principles in Note 1.

Goodwill

SEK million	2022	2021
Accumulated acquisition values opening balance	605.6	-
Acquired intangible assets	4.0	605.6
Acquisition values closing balance	609.6	605.6
Accumulated impairment opening balance	-	-
Impairment for the year	-	-
Accumulated impairment closing balance	-	-
Carrying amount at end of the year	609.6	605.6

The Group's goodwill is attributable to synergy effects for business acquisitions completed in 2021 and 2022.

Subsidiaries acquired in 2022;

Agoylt AB och Cling Group AB

Subsidiaries acquired in 2021;

Offerta Group AB, business from Bp Bolagspartner AB (operations have been started in the subsidiary Fortnox Lagerbolag AB), Capcito Finance AB, Monto.ai AB och Capcito Lending 2 AB.

For further information about the acquisitions see Note 18.

Impairment testing

In conjunction with business combinations, Group-wide excess values in goodwill and brands have arisen. Goodwill and brands has been assessed on the basis of an indefinite useful life. This is because the useful life of brands depends on a number of factors such as market development and technological development, which means the useful life cannot be established. Fortnox applies IAS 38, which means goodwill and assets with an indefinite useful life are not amortized. On the other hand, impairment tests are carried out annually or more frequently if there are indications, or it is feared, that the carrying amount of the asset will be lower than the recovery value.

Impairment testing is carried out per cash-generating unit and the value in use relates to the basis for determining the recovery value.

Carrying amount of goodwill and brands per cash-generating unit.

SEK million	2022	2021	Assumptions	
			Annual growth year 11 and beyond, %	Discount rate before tax, %
Offerta Group AB				
Goodwill	230.5	231.1	2% (2%)	14.0% (13.4%)
Brands	42.7	42.7	2% (2%)	14.0% (13.4%)
	273.2	273.7		
Fortnox Lagerbolag AB				
Goodwill	39.3	39.3	2% (2%)	13.6% (16.6%)
	39.3	39.3		
Cling Group AB				
Goodwill	6.9	-	2% (2%)	16.0% (-)
	6.9	-		
Capcito Finance AB				
Goodwill	332.9	335.2	2% (2%)	14.0% (13.5%)
Brands	13.1	13.1	2% (2%)	14.0% (13.5%)
	346.0	348.3		

Method for calculating the recovery value

For goodwill and brands, the recovery value has been calculated by calculating the value in use of the respective cash generating unit. The calculations are based on a discounting of future forecast cash flows, based on the ten-year business forecast determined by management, as a result of completed business acquisitions being judged to be or entering a period of higher growth. An indefinite horizon has been assumed in the calculation, and extrapolation of cash flows for the years after the forecast period has been based on a growth rate as shown in the table above.

Important assumptions for calculating value in use

The following assumptions are significant and common to all cash generating units when calculating value in use:

Sales: Based on the historical development of the business and expected market growth based on external information sources

Operating margin: Based on historical profitability level and the estimated efficiency of the business.

Investment needs: The investment needs of the operations are assessed on the basis of the investments required to achieve forecast cash flows initially, i.e. without expansion investments.

These values from both internal and external information sources have reflected previous experience.

Note 12 - Tangible fixed assets

Group

SEK million	Equipment, tools and installations	Improvement expenditure on other property	Total
Acquisition Value			
Opening balance 2021-01-01	41.3	3.8	45.1
Acquisitions	17.4	0.3	17.8
Closing balance 2021-12-31	58.7	4.2	62.9
Opening balance 2022-01-01	58.7	4.2	62.9
Acquisitions	10.0	0.4	10.4
Closing balance 2022-12-31	68.7	4.6	73.3
Depreciation			
Opening balance 2021-01-01	-12.1	-0.2	-12.3
Depreciation for the year	-13.8	-0.5	-14.2
Closing balance 2021-12-31	-25.8	-0.7	-26.5
Opening balance 2022-01-01	-25.8	-0.7	-26.5
Impairment for the year	-0.1		-0.1
Depreciation for the year	-10.5	-0.6	-11.0
Closing balance 2022-12-31	-36.4	-1.3	-37.7
Carrying amount			
As of 2021-01-01	29.2	3.6	32.8
As of 2021-12-31	32.9	3.5	36.3
As of 2022-01-01	32.9	3.5	36.3
As of 2022-12-31	32.3	3.2	35.5

Depreciation/Amortization is included in the line Depreciation, amortization, and impairment of tangible and intangible fixed assets in the statement of profit or loss and other comprehensive income.

Parent Company

SEK million	Equipment, tools and installations	Improvement expenditure on other property	Total
Acquisition Value			
Opening balance 2021-01-01	39.6	3.7	43.3
Acquisitions	9.6	0.3	9.9
Closing balance 2021-12-31	49.2	4.0	53.2
Opening balance 2022-01-01	49.2	4.0	53.2
Acquisitions	7.5	0.1	7.7
Closing balance 2022-12-31	56.8	4.1	60.9
Depreciation			
Opening balance 2021-01-01	-11.9	-0.2	-12.1
Depreciation for the year	-8.0	-0.4	-8.4
Closing balance 2021-12-31	-19.9	-0.7	-20.6
Opening balance 2022-01-01	-19.9	-0.7	-20.6
Depreciation for the year	-9.1	-0.5	-9.6
Closing balance 2022-12-31	-29.0	-1.2	-30.2
Carrying amounts			
As of 2021-01-01	27.7	3.5	31.2
As of 2021-12-31	29.3	3.3	32.6
As of 2022-01-01	29.3	3.3	32.6
As of 2022-12-31	27.8	2.9	30.7

Depreciation/Amortization is included in the line Depreciation, amortization, and impairment of tangible and intangible fixed assets in the statement of profit or loss.

Note 13 - Financial assets

13.1 Participation in associated companies

	Group		Parent Company	
SEK million	2022	2021	2022	2021
Interests in associated companies				
Carrying forward amount at start of the year	16.6	-	18.6	-
Shares in associated companies acquired during the year	4.5	18.6	4.5	18.6
Share in profit or loss of associated companies' profits*	-1.0	-2.0	-	-
Impairment of shares in associated company	-4.3	-	-7.2	-
Achieved controlling influence	-15.8	-	-15.8	-
Carrying amount at the end of the year	-	16.6	-	18.6

*Participation in the profit or loss after tax of the associated company. No dividend has been received.

As of 31 December 2022, the group has no shares in associated companies. Below is the share in associated companies that existed as of December 31, 2021, all of which were unlisted.

Group

2021

Associated company, SEK million	Organisation no:	Registered office	Share in capital %	Number of shares	Share in profit or loss	Share in equity	Book value
Agoylt AB	559228-1868	Stockholm	30.0	41,354	-2.0	7.5	16.6

Parent Company

2021

Associated company, SEK million	Organisation no:	Registered office	Share in capital %	Number of shares	Share in profit or loss	Share in equity	Book value
Agoylt AB	559228-1868	Stockholm	30.0	41,354	-2.0	7.5	18.6

13.2 Financial investments

In connection with the agreement entered with Mynt AB, Fortnox received 310,394 warrants in Mynt AB, with the right to subscribe for an equal number of new shares in Mynt AB during the period 1 February 2025 to and including 2 May 2025 at a subscription price of SEK 142 per share. The valuation of the warrants has affected Fortnox's financial

position and increased financial assets and current liabilities by SEK 26.1 (0) million. Revenue recognition of the warrants is only done when there is a very high probability of fulfillment of the conditions to which the warrants are attached.

Note 14 - Accounts receivable

Accounts receivables are reported after consideration of expected and determined credit losses, which amounted to SEK 14.1 (10.7) million in the Group. In the Parent Company, credit losses amounted to SEK 5.6 (5.8) million. The increase is mainly attributable to Offerta, as a result of a slightly higher turnover and the fact that the company was ac-

quired at the end of February 2021 and thus was not included during the entire comparison period.

Information on risks related to credit losses related to accounts receivable is described in more detail in Note 25.

Note 15 - Receivables- invoice financing, factoring and corporate lending

Receivables regarding invoice financing, factoring, and corporate loans are reported after consideration of expected and determined credit losses, which amounted to SEK 6.9 (12.2) million in the Group. In the Parent Company, there are no receivables regarding invoice financing, factoring, and corporate loans. The reduction is mainly attributable to a first application of IFRS 9 in 2021, apart from this effect, credit loss-

es have decreased by approximately SEK 1.5 million. The remaining reduction can be explained based on a few major credit losses in 2021, which did not occur to the same extent in 2022.

Information on credit risks in receivables regarding invoice financing, factoring, and corporate loans is described in more detail in Note 25.

Note 16 – Prepaid expenses and accrued revenue

SEK million	2022-12-31	2021-12-31
Group		
Prepaid rental expenses	5.5	4.3
Other prepaid expenses	20.9	12.3
Prepaid expenses	26.4	16.6
Accrued transaction-based revenue	17.9	14.2
Other accrued revenue	0.5	0.9
Accrued revenue	18.4	15.1
Parent Company		
Prepaid rental expenses	3.9	3.0
Other prepaid expenses	14.5	8.2
Prepaid expenses	18.4	11.2
Accrued transaction-based revenue	17.9	14.2
Other accrued revenue	0.0	0.7
Accrued revenue	18.0	14.9

Note 17 – Cash and cash equivalents

Group		
SEK million	2022-12-31	2021-12-31
The following components are included in cash and cash equivalents:		
Cash and bank balances	434.7	373.3
Total according to consolidated statement of financial position	434.7	373.3
Total according to consolidated cash flow statement	434.7	373.3
Parent Company		
Cash and bank balances	253.1	270.1
Total according to consolidated balance sheet	253.1	270.1
Total according to consolidated cash flow statement	253.1	270.1

In cash and bank balances there are restricted cash amounting to SEK 1.4 million, for more information see under note 29.

Note 18 - Business acquisitions

Note 18.1 Acquisition of Agoylt AB

On July 1, 2022, the Group acquired the remaining 68.1 percent of the shares in the unlisted company Agoylt AB ("Agoy"). Adjusted for net cash, the consideration for the remaining holding amounted to SEK 34.1 million and was paid in cash.

Fortnox originally invested in Agoy in April 2021, after which the company was an associated company in the Group until 1 July 2022. Since the initial investment in Agoy in April 2021, the companies have worked closely together on the products Accounts Closing & Tax and Reconciliation & Reporting, which were developed in cooperation with accounting consultants. Accounts Closing & Tax simplifies the process of closing the period and annual accounts since reconciliation, reporting, accounts closing, tax and annual accounts are gathered in a single platform.

Fully integrated with Fortnox's system, the product series is an important complement to our offering. The products are required by all businesses and are primarily intended for economists and accounting consultants.

The fair value of equity shares before the holding in Agoy changed from a significant to a controlling influence, amounted to SEK 15.9 million.

The loss because of a revaluation to fair value of Fortnox holding of equity shares in Agoy amounted to SEK 3.6 million. The acquisition has not entailed any significant acquisition related costs.

During 2022, the subsidiary contributed SEK 1.3 million to the Group's net sales and SEK -5.2 million to the Group's profit after tax. If the acquisition of Agoy had occurred on January 1, 2022, management estimates that the subsidiary would have contributed SEK 2.2 million to net sales and SEK -10.1 million to profit after tax for full year 2022.

The fair value of the acquired receivables amounted to SEK 0.4 million, with gross contract receivables accounting for SEK 0.3 million, and all receivables are expected to be paid.

Effect of acquisitions in 2022

The preliminary effects of the acquisition on the Group's intangible assets and deferred tax liability are presented below. The acquisition analysis may be adjusted over a 12-month period.

The acquired company's net assets at the acquisition date are based on the information available at the acquisition date:

SEK million	2022
Intangible assets	
Platform	59.9
Tangible assets	0.2
Accounts receivable and other receivables	0.4
Cash and cash equivalents	1.1
Non-current liabilities	-2.4
Accounts payable and other liabilities	-3.1
Deferred tax liabilities	-6.0
Net identifiable assets and liabilities	50.1
Consolidated goodwill	0.0
Consideration transferred	34.1
Cash in acquired company	-1.1
Consideration transferred during 2021	18.8
Consideration transferred during first half of 2022	4.5
Total impact on cash flow	56.2

Note 18.2 Acquisition of Cling Group AB

On November 1, 2022, the Group acquired 51 percent of the shares in Cling, with an option to acquire the remaining 49 percent in 2024. The purchase consideration to acquire 51 percent of the shares amounted to SEK 8.5 million, corresponding to a value of SEK 19.3 million for 100 percent of the shares in the company. The purchase consideration was paid in cash on November 1, 2022.

Cling has developed a technical tool that makes it possible to customize quotes and track the quote in real time to see if the potential customer has opened and read it, if they have any comments and, finally, if they have approved and signed the document. The acquisition of Cling strengthened the offering to Marketplaces' customers, and over time, the tool's digital signing function will become a natural complement to the offering in the Group's other business areas.

The acquisition did not entail any material acquisition costs, and in 2022, the subsidiary contributed SEK 0.5 million to the Group's net sales and SEK 0.1 million to the Group's profit after tax. If the acquisition had occurred on January 1, 2022, management estimates that the effect of

the acquisition would have been an additional SEK 2.9 million on net sales and SEK -0.5 million on profit after tax for full-year 2022.

The fair value of the acquired receivables amounted to SEK 0.2 million, with gross contract receivables accounting for SEK 0.1 million, and all receivables are expected to be paid.

Effects of acquisitions in 2022

The preliminary effects of the acquisition on the Group's intangible assets, deferred tax liability and goodwill are presented below. The acquisition analysis may be adjusted over a 12-month period.

Fortnox has elected to apply the anticipated acquisition method, whereby 100 percent of the subsidiary is considered acquired on the acquisition date. A liability attributable to the owners' put option measured at amortized cost is recognized for the estimated future purchase consideration.

The acquired company's net assets on the acquisition date are based on the information available on the acquisition date:

SEK million	2022
Intangible assets	
Platform	16.1
Accounts receivable and other receivables	0.2
Cash and cash equivalents	1.1
Non-current liabilities	-0.1
Accounts payable and other liabilities	-1.7
Deferred tax liabilities	-3.2
Net identifiable assets and liabilities	12.4
Consolidated goodwill	6.9
Consideration transferred	19.3
Liability for remaining shareholders' put option	-10.7
Cash in acquired company	-1.1
Total impact on cash flow	7.4

Goodwill is mainly attributable to the synergy effects described above, together with know-how in the existing organization.

Note 18.3 Effects of the acquisition of Capcito Finance AB

The preliminary acquisition analysis attributable to the acquisition of Capcito Finance AB in December 2021 has been adjusted during 2022 based on the circumstances prevailing on the acquisition date. Minor adjustments have been made with respect to goodwill, deferred tax

liability and the liability for the remaining owners' put option.

The acquisition analysis has been approved and the established acquisition analysis of the Group's assets and liabilities are reported below.

SEK million	Adjusted acquisition analysis from 2021
Intangible assets	
Platform	41.8
Trademark	13.1
Customer relationships	51.8
Tangible assets	0.4
Accounts receivable and other receivables	146.8
Cash and cash equivalents	13.5
Accounts payable and other liabilities	-171.7
Deferred tax liabilities	-15.6
Net identifiable assets and liabilities	80.1
Consolidated goodwill	332.9
Consideration transferred	413.1
Cash in acquired company	-13.5
Liability for remaining shareholders' put option	-87.1
Total impact on cash flow	312.5

Goodwill is mainly attributable to the synergy effects described above, together with know-how in the existing organization.

Note 18.4 Previous acquisitions

Other than the acquisition of Agoy and Cling described above, no business acquisitions have taken place in 2022. Business acquisitions completed in 2021 had an impact of SEK 164.9 million on net sales for the fourth quarter of 2022 and SEK -22.5 million on operating profit. Consolidated accounts in conjunction with business acquisitions are not considered. The information below pertains exclusively to the statutory reporting attributable to the business acquisitions.

Note 18.5 Summary of transferred consideration and effects on cash flow for completed acquisitions

Consideration transferred		
SEK million	2022	2021
Cash and cash equivalents	47.2	397.4
Purchase price paid in 2021 for influence that went from significant to controlling influence in 2022	18.8	-
Effects attributable to adjusted acquisition analysis from previous years	0.9	-
Consideration through newly issued shares	-	303.6
Debted consideration	10.7	90.7
Total consideration transferred	77.6	791.7
Effects on cash flow		
SEK million	2022	2021
Consideration transferred	-48.1	-397.4
Cash and cash equivalents in acquired companies	2.2	39.6
Total cash flow impact	-45.9	-357.8

Note 19 - Equity

Types of shares		
000s	2022-12-31	2021-12-31
Ordinary shares		
Issued as of January 1	609,745	601,353
Cash issue	-	8,392
Issued as of December 31 – paid	609,745	609,745

As of December 31, 2022, the registered share capital included 609,744,700 (609,744,700) ordinary shares with a quota value of SEK 0.002.

Holders of ordinary shares are entitled to dividends that are determined in due course and the holding of shares carries the right to vote at the general meeting with one vote per share.

Dividends

After the balance sheet date, the Board has proposed the following dividend. The dividend will be subject to approval by the Annual General Meeting on March 30, 2023.

SEK million	2022-12-31	2021-12-31
0.12 (0.08) SEK per ordinary share	73.2	48.8
	73.2	48.8

Parent Company

SEK million	Fund for development costs
Opening carrying amount 2021-01-01	99.2
Funding for own work capitalised	67.1
Depreciation for own development capitalized	-33.6
Closing carrying amount 2021-12-31	132.7

SEK million	Fund for development costs
Opening carrying amount 2022-01-01	132.7
Funding for own work capitalized	76.8
Depreciation for own development capitalized	-43.5
Closing carrying amount 2022-12-31	166.0

Restricted equity

Restricted equity may not be reduced through dividends.

Development expenditure reserve

The amount capitalized in respect of internally generated development expenses will be transferred from unrestricted equity to a reserve for development expenses in restricted equity. The reserve will be reduced as the capitalized expenditure depreciates or is written down. It is handled in a similar way to the revaluation reserve.

Unrestricted equity

Unrestricted equity is the amount available for distribution to shareholders

Share premium reserve

When shares are issued at a premium, i.e., when the share price is more than the quota value of the shares, an amount corresponding to the amount received over and above the quota value of the shares is transferred to the share premium. Amounts added to the share premium as of January 1, 2006, are included in non-restricted equity.

Retained earnings

Retained earnings consist of the retained earnings for the previous year and the net result for the year after deduction of the dividend for the year.

Note 20 – Borrowing

Borrowings

Group and Parent Company

SEK million	2022	2021
Non-current		
Liabilities to credit institutions (Group and Parent Company)	200.0	200.0
Liabilities to credit institutions (Group)	0.1	-
	200.1	200.0
Group		
SEK million	2022	2021
Current		
Liabilities to credit institutions	-	113.9
	-	113.9

During the year essentially no non-current liabilities and current liabilities to credit institutions have been added. The non-current liability is attributable to a signed agreement relating to a revolving credit facility. The contract runs for three years with the possibility of extending for a further two years. The contract includes financial conditions that require the Group's net debt to EBITDA ratio not to exceed 2.5:1, and the Group's equity/assets ratio to be no less than 30%. Through the credit facility, Fortnox secured additional liquidity of SEK

500 million and as of December 31, 2021, the Group utilized SEK 200 million.

Current liabilities to credit institutions were added in conjunction with the acquisition of the subsidiary, Capcito Finance AB, the loans were settled in the first quarter of 2022. For information on interest rate risk, see under Note 25

Credit available

Group and Parent Company

SEK million	2022	2021
Utilized credit facility	-200.0	-200.0
Granted credit facility	500.0	500.0
	300.0	300.0

Note 21 - Other non-current liabilities

SEK million	2022	2021
Debted consideration	97.8	90.7
	97.8	90.7

Debted consideration is attributable to the acquisition of Capcito Finance AB and Cling Group AB amounting to SEK 97.8 (90.7) million. This as Fortnox has chosen to apply the "Anticipated Acquisition Method", meaning that 100% of the subsidiaries are considered to have been acquired at the time of acquisition. Whereupon a liability attributable to the owners' put option valued at amortized cost is reported for the estimated future purchase price.

SEK 87.1 million is attributable to Capcito Finance AB, and the size of the put is determined on the basis of annual recurring revenues attributable

to the platform Monto and on the basis of the achieved EBITDA margin, during the period 2023-01-01 to 2023-06-30.

The remaining debt of SEK 10.7 million is attributable to the owners' put option within Cling Group AB. The size of the put option is determined based on net sales growth for 2023 together with development requirements linked to the quotation and signing tool.

Note 22 – Pensions

Defined contribution pension plans

In Sweden, the Group has defined-contribution pension plans for employees that are fully paid for by the companies. Payments to these plans are made on an ongoing basis in accordance with the rules for the respective plans.

SEK million	2022	2021
Group		
Costs for defined contribution plans	29.0	20.6
Parent Company		
Costs for defined contribution plans	19.2	15.9

Note 23 - Accrued expenses and deferred revenue

SEK million	2022-12-31	2021-12-31
Group		
Accrued personnel costs	33.1	25.7
Accrued commission retailer	15.3	8.6
Other accrued costs	30.9	29.1
Accrued expenses	79.3	63.4
Deferred revenue	272.2	173.3
Deferred revenue	272.2	173.3
Parent Company		
Accrued personnel costs	22.4	15.5
Accrued commission retailer	15.3	8.3
Other accrued costs	13.8	16.0
Accrued expenses	51.5	39.7
Deferred revenue	244.7	171.8
Deferred revenue	244.7	171.8

Note 24 - Valuation of financial assets, liabilities and categorization

Financial assets valued at fair value refer to warrants received in connection with the agreement with the unlisted company Mynt AB. Revenue recognition of the warrants is only done when there is a very high probability of fulfillment of the conditions to which the warrants are attached. The conditions include development of an integration solution and a fulfillment of a certain use of the company cards. As of December 31, 2022, no revenue has been taken regarding the warrants received, due to the uncertainty of the conditions that must be met.

The valuations are attributed in their entirety to level 3 and have been

valued based on the Black & Scholes model. The uncertainty in the input data mainly relates to the volatility and current share price. The current share price has been determined based on the most recent transaction, which occurred in May 2022 through a new issue of the company's shares. The volatility has been determined based on a comparison and weighting of similar companies within the same industry, whose volatility has been determined. A change in the input data regarding the volatility and share price by 10 percentage points would mean that the valuation of the warrants would increase or decrease by approximately SEK 6 million.

Group
2022

Recognised value

SEK million	Note	Financial asset valued at amortised cost	Financial assets valued at fair value with changes in value over profit	Financial liabilities valued at amortised cost	Total carrying amount
Financial assets					
Financial investments	13		26.1		26.1
Accounts receivable	14	92.3			92.3
Receivables factoring	15	60.7			60.7
Invoice financing	15	204.6			204.6
Receivables corporate lending	15	134.8			134.8
Accrued revenue	16	18.3			18.3
Other current receivables		4.6			4.6
Cash and cash equivalents	17	434.7			434.7
		949.9	26.1		976.0
Financial liabilities					
Interest-bearing liabilities (non-current and current)	20			200.1	200.1
Other non-current liabilities	21			97.8	97.8
Accounts payable				27.2	27.2
Accrued expenses	23			30.9	30.9
Other current liabilities				57.7	57.7
				413.7	413.7

Group
2021

Recognised value

SEK million	Note	Financial assets valued at amortised cost	Financial liabilities valued at amortised cost	Total carrying amount
Financial assets				
Accounts receivable	14	74.3		74.3
Receivables factoring	15	55.1		55.1
Invoice financing	15	168.7		168.7
Receivables corporate lending	15	53.6		53.6
Accrued revenue	16	15.1		15.1
Other current receivables		5.0		5.0
Cash and cash equivalents	17	373.3		373.3
		745.1		745.1
Financial liabilities				
Interest-bearing liabilities (non-current and current)	20		313.9	313.9
Other non-current liabilities	21		90.7	90.7
Accounts payable			24.0	24.0
Accrued expenses	23		29.1	29.1
Other current liabilities			41.8	41.8
			499.4	499.4

In the Group's opinion, the change in market rates or credit spreads since the interest-bearing loans were raised, has not had a material impact on the Group's financial liabilities. In addition, the financial assets consist in all material respects of cash and cash equivalents and of receivables with short maturities that are recognized after impairment, and accordingly this is considered a reasonable approximation of fair value.

Note 25 - Financial risks and risk management

Through its operations, the Group is exposed to various types of financial risks. Financial risks refer to fluctuations in the Group's earnings and cash flow due to changes in exchange rates, interest rates, financing, and credit risks.

The Group is primarily exposed to:

- Credit risk
- Liquidity risk
- Interest rate risk

The Group's financial policy for management of financial risks has been formulated by the Board of Directors and forms a framework of guidelines and rules in the form of risk mandates and limits for financing activities. Responsibility for the Group's financial transactions and risks is managed centrally by the Group's financial function within the parent company. The overall objective of the finance function is to minimize negative effects on the Group's earnings arising from financial risks.

Liquidity risk

Liquidity risk is the risk of not having sufficient payment preparedness to meet planned and/or unforeseen expenses. The Group has a rolling 12-month liquidity planning that covers all the Group's units. The liquidity planning is updated every month and is used to manage the liquidity risk and the costs of financing the Group's operations. The goal is for the Group to be able to meet its financial commitments in ups and downs, without significant unforeseeable costs and without risk-

ing the Group's reputation. According to the finance policy, there must always be enough liquid funds and financial investments that can be converted into liquidity within three banking days to cover the next 3 months' liquidity needs. The Group's cash and cash equivalents at the end of the period amounted to SEK 434.7 (373.3) million.

The Group's financial liabilities amounted to SEK 413.7 (499.4) million. Maturity structure for the loan debt is shown in the table below.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments varies due to changes in market interest rates. Interest rate risk can lead to a change in fair values and changes in cash flows. A significant factor affecting the interest rate risk is the fixed interest period. The Group is exposed to interest rate risk on current and non-current interest-bearing liabilities. Considering the Group's loan-to-value ratio, the interest rate risk is limited. The interest rate risk arose in connection with the adoption of a revolving credit facility amounting to SEK 500 million and, as of December 31, SEK 200 million was utilized.

The Group is also exposed to interest rate risk related to future leasing agreements, which the Group currently judges to be immaterial.

If the interest rate had been 3 percentage points higher, with all other variables constant, this means an increased interest expense for 2022 of SEK 6 million.

Group

2022

SEK million	Total	< 1 mo	1-3 mo	3 mo-1 yr	1-5 yr	> 5 yr
Interest-bearing liabilities	208.4	0.7	1.4	6.3	200.0	
Other non-current liabilities	97.8				97.8	
Leasing liabilities	176.4	2.8	5.6	25.7	98.6	43.7
Accounts payable	27.2	27.2				
Other current liabilities	57.7		57.7			
	567.5	30.0	63.3	25.7	404.8	43.7

2021

SEK million	Total	< 1 mo	1-3 mo	3 mo-1 yr	1-5 yr	> 5 yr
Interest-bearing liabilities	313.9		113.9		200.0	
Other non-current liabilities	90.7				90.7	
Leasing liabilities	192.5	2.5	5.0	22.5	100.4	62.1
Accounts payable	24.0	24.0				
Other current liabilities	41.8		41.8			
	662.8	26.5	160.6	22.5	391.1	62.1

Credit risk

Credit risk is the risk that a customer or counterparty in attributable to a financial instrument is unable to fulfil its obligations and thereby causes the Group a financial loss, and arises mainly from the Group's accounts receivables, receivables invoice financing and receivables factoring.

The carrying amount of financial assets constitutes the maximum credit exposure.

Reserve for credit losses

The Group's accounting principles for impairment of financial assets are based on expected credit losses. The receivables in which the Group has exposures in credit risk as described above are divided into three stages, depending on the degree of increase in credit risk relative to the date on which the credit was issued or acquired;

- Stage 1 (performing) includes receivables where there has been no significant increase in credit risk since the first recognition. In this stage, an amount corresponding to the loss expected to occur within 12 months will be reserved.

- Stage 2 (underperforming) includes receivables where there has been a significant increase in the credit risk since the first recognition. In this stage, an amount corresponding to the loss expected to occur during the entire remaining maturity of the asset is reserved. The Group considers that the credit risk on a financial asset has increased significantly if it is overdue by more than 30 days.

- Stage 3 (credit impairment) includes defaulted/credit impaired loans. In this stage, an amount corresponding to the loss expected to occur during the entire remaining maturity of the asset is reserved. The Group considers that a financial asset is in default when it is unlikely that the borrower will pay the whole of their credit obligations to the Group, without the Group having recourse such as realising a security (if any such is held) or the financial asset is due by more than 90 days.

Since the Group's accounts receivables, acquired receivables, and issued corporate loans with underlying accounts receivable as security have a short term, which, if applicable, is less than 12 months, the calculation method is not affected by expected credit losses from this stage, but only leads to a division of information.

Expected credit losses are calculated using a matrix by applying a fixed percentage rate to which stage the receivable is in, which in turn depends on the number of days by which the receivable is outstanding. The percentage rates have been calculated from historical internal data that could be observed for different degrees of late payment for similar receivables and counterparties. The historical information is continuously evaluated and adjusted, if necessary, according to the current situation and the Group's expectations of future events. The same method is applied to claims in stage 3 that are not of significant value.

For receivables of significant value in stage 3, an individual assessment is made of the cash flows expected to be received and, as a result, of the amount of the impairment. As the provisions for receivables with a maturity of more than 12 months do not constitute any significant value, discounting is not applied when calculating loss reserves.

The Group applies the same method to its own accounts receivable that do not contain a substantial financing component. The simplified model is not divided into stages since it is always calculated using the remaining maturity.

In the case of factoring with recourse, the seller of the receivables has an obligation to repurchase such receivables that are more than 30 days late. In these cases, the Group does not recognize the acquired receivables in its balance sheet, since the seller has retained all significant risks and rewards in the transferred receivables. Instead, a receivable is reported against the seller. It is therefore the receivable against the seller that is the subject of division into stages 1-3 as above, and these receivables usually belong to stage 1.

Credit risk management

The Group's credit risk exposure is primarily affected by the individual characteristics of each customer or counterparty. However, management considers the factors that may affect the credit risk in the customer base, including the risk of default associated with the industry in which customers operate.

Financial credit risks related to cash and financial instruments are limited by using counterparties with a high credit rating. The Group reduces the credit risk related to accounts receivable and other receivables by applying the credit policy in force at any time. Counterparties are credit-checked and information on the counterparty's financial position is collected. In addition, the receivables are continuously analyzed on the basis of age.

Credit risks in accounts receivable and receivables within accrued income

At the balance sheet date, there is no significant exposure to different risk concentrations in different geographic markets or to different sizes, number of customers, etc. No individual customer accounts for more than 5% of the Group's accounts receivable. The Group does not require bank guarantees or other security for accounts receivable. The Group has no accounts receivable and receivables within accrued income for which impairment reserves are not recognized due to security. The credit risk exposure and expected credit losses for accounts receivable and receivables within accrued income are summarized below.

Group

2022

SEK million	Carrying amount, gross	Loss reserves	Carrying amount
Not overdue	101.2	-1.4	99.8
Overdue 1–30 days	6.2	-0.8	5.4
Overdue > 31–60 days	4.3	-1.8	2.5
Overdue > 61–90 days	2.3	-1.4	0.9
Overdue > 90 days	16.2	-14.3	1.9
	130.2	-19.6	110.6

2021

SEK million	Carrying amount, gross	Loss reserves	Carrying amount
Not overdue	79.2	-0.6	78.7
Overdue 1–30 days	8.1	-0.7	7.5
Overdue > 31–60 days	2.1	-0.7	1.4
Overdue > 61–90 days	0.5	-0.3	0.3
Overdue > 90 days	12.4	-10.9	1.6
	102.5	-13.1	89.4

The change in provisions for impairment of accounts receivable and receivables within accrued income during the year was as follows.

Group

SEK million	2022-12-31	2021-12-31
Opening balance as of January 1	-13.1	-4.2
Impairment losses for the year	-14.9	-13.0
Realised losses	8.4	4.2
Closing balance as of December 31	-19.6	-13.1

Credit risks in receivables – invoice financing, factoring and corporate lending

At the balance sheet date, there is no significant exposure to different risk concentrations in different geographic markets or to different sizes, number of customers, etc.

In the case of invoice financing, the Group requires security in the invoice that is financed and may require personal guarantees from the counterparty. The credit risk is therefore lower and, as of December 31, 2022, amounts to 2.2% in relation to the loan volume. Invoice financing is attributable in its entirety to the subsidiaries within Capcito.

The Group may require personal guarantees from counterparties

but does not require bank guarantees or other security for factoring. Factoring is carried out with or without recourse to the seller of the invoice. In the case of factoring without a right of recourse, the credit risk is transferred to the Group.

For corporate loans, the Group may require personal guarantees from the counterparty, but otherwise the Group does not require any security in the loans issued.

The following summarizes the credit risk exposure and expected credit losses for receivables – factoring, invoice financing, and corporate lending.

Group	Receivables Factoring		Receivables Invoice financing		Receivables Corporate lending	
SEK million	2022-12-31	2021-12-31	2022-12-31	2021-12-31	2022-12-31	2021-12-31
Receivables						
Stage 1	204.4	166.6	61.2	54.1	134.6	54.6
Stage 2	0.9	0.9	-	-	0.3	0.4
Stage 3	3.5	8.3	0.9	6.8	13.1	5.9
	208.8	175.7	62.1	60.9	148.0	60.8
Provisions						
Stage 1	-1.2	-2.2	-0.5	-0.4	-2.8	-1.5
Stage 2	-0.2	-0.4	-	-	-	-0.3
Stage 3	-2.8	-4.5	-0.9	-5.4	-10.4	-5.4
	-4.2	-7.1	-1.4	-5.8	-13.2	-7.2
Receivables net	204.6	168.7	60.7	55.1	134.8	53.6

Group	Receivables Factoring		Receivables Invoice financing		Receivables Corporate lending	
	2022-12-31	2021-12-31	2022-12-31	2021-12-31	2022-12-31	2021-12-31
Provision rate %						
Stage 1	0.6%	1.3%	0.8%	0.8%	2.1%	2.7%
Stage 2	17.9%	41.5%	-	-	-	74.9%
Stage 3	82.0%	54.7%	97.7%	79.4%	79.5%	92.7%

Receivables and provisions regarding factoring and invoice financing have decreased during the year and is mainly attributable to a few major credit losses in the previous year, which did not occur to the same extent in 2022. Provisions regarding corporate loans have increased during the year, attributable to the increased lending volume.

Group	Receivables with a maturity of more than 12 months	
SEK million	2022-12-31	2021-12-31
Receivables		
Stage 1	104.7	39.5
Stage 2	0.1	0.2
Stage 3	2.3	0.4
	107.1	40.2
Provisions		
Stage 1	0.0	0.0
Stage 2	-0.1	-0.2
Stage 3	-2.3	-0.4
	-2.4	-0.7
Receivables net	104.7	39.5

Receivables with a maturity of more than 12 months are attributable in their entirety to corporate loans.

The change in provisions for impairment losses related to receivables factoring was as follows. Impairment losses for the year include recoveries.

Group		
SEK million	2022-12-31	2021-12-31
Provisions Factoring		
Opening balance as of January 1	-7.1	-2.6
Opening balance acquisitions during the year	-	-0.3
Impairment losses for the year	0.0	-7.8
Realised losses	2.9	3.7
Closing balance as of December 31	-4.2	-7.1

The change in reserves for impairment losses for Invoice financing receivables was as follows. Impairment losses for the year include recoveries, which contributed to the lower provision.

Group		
SEK million	2022-12-31	2021-12-31
Provisions Invoice financing		
Opening balance as of January 1	-5.8	-3.1
Opening balance acquisitions during the year	-	-0.9
Impairment losses for the year	-0.1	-3.0
Realised losses	4.5	1.2
Closing balance as of December 31	-1.4	-5.8

The change in reserves for impairment losses related to receivables corporate lending was as follows. Impairment losses for the year include recoveries.

Group		
SEK million	2022-12-31	2021-12-31
Provisions Corporate lending		
Opening balance as of January 1	-7.2	-
Opening balance acquisitions during the year	-	-5.7
Impairment losses for the year	-6.2	-1.4
Realised losses	0.2	-
Closing balance as of December 31	-13.2	-7.2

Credit risks in cash and cash equivalents

The Group's cash and cash equivalents at the end of the period amounted to SEK 434.7 (373.3) million. The Group's cash and cash equivalents are invested in banks with a credit rating of A+ (Standard & Poor's).

Impairment of cash and cash equivalents has been measured as expected loss on a 12-month basis and reflects the short maturities of the exposure. The Group considers that cash and cash equivalents have a low credit risk based on the counterparties' external credit ratings.

The Group uses a similar approach for assessing expected credit losses for cash and cash equivalents as that used for debt instruments.

At the balance sheet date, there were no loss reserves in cash and cash equivalents since the credit loss is deemed to be insignificant and is therefore not recognized.

Capital management

According to the financial policy, the Group's financial objective is to maintain a good financial position, which contributes to maintaining investor, creditor, and market confidence, and provides a basis for continued business development, while the long-term return generated for shareholders is satisfactory.

In order to maintain an optimal capital structure, the Group may change any future dividend, repay capital to the shareholders, issue new shares, or sell assets to reduce liabilities.

Fortnox strives to provide long-term stable dividends to its shareholders. When the operating cash flow exceeds what the Group can invest in profitable expansion in the long term, and provided that the target for the capital structure is met, the surplus is distributed to the shareholders. Fortnox has a long-term goal to distribute 30–50 percent of the Group's profit after tax. The Board of Directors has proposed to the 2023 Annual General Meeting a dividend of SEK 0.12 per share after the completed stock split, which corresponds to 20%.

During the previous year, the Group signed a revolving credit facility and through the credit facility, Fortnox secured additional liquidity of SEK 500 million. As of December 31, 2022, the Group utilized SEK 200 million. The contract runs for three years, with the possibility of extending for a further two years. The Group and the Parent Company have financial commitments linked to the credit facility, where the Group's net debt to EBITDA may not exceed 2.5:1 and the Group's equity/assets ratio may not be less than 30%.

Capital		
SEK million	2022-12-31	2021-12-31
Total equity	1,280.8	981.7
Net debt/equity ratio		
SEK million	2022-12-31	2021-12-31
Leasing liabilities (current and non-current)	162.7	176.2
Interest-bearing liabilities (current and non-current)	200.0	313.9
Less cash and cash equivalents and current investments	-434.7	-373.3
	-72.0	116.8
Net debt/equity ratio	-5.6%	11.9%

Note 26 - Leasing agreements

The Group's tangible assets consist of both owned and leased assets. For further information regarding tangible fixed assets that are owned see Note 12.

SEK million	2022-12-31	2021-12-31
Tangible assets owned	35.5	36.3
Right-of-use assets	155.7	169.1
	191.2	205.4

The Group leases several types of assets including premises, vehicles, and IT equipment. No leases contain covenants or other restrictions beyond the security of the leased asset, and no extension options are considered. Extension options are available for the Group's premises in Växjö (2), Malmö, and Stockholm (2), and constitute on average an option for an extension of 3 years, corresponding to a total amount of approximately SEK 94.4 million in relation to rental costs.

Remaining rental time for premises in:

Växjö: December 31, 2029 and December 31, 2024

Malmö: October 31, 2025

Stockholm: May 31, 2024 and March 31, 2025

Linköping: April 30, 2024

Right-of-use assets

SEK million	Premises	Vehicles	Other tangible assets	Total
Depreciation during the year	-29.9	-0.1	-0.1	-30.2
Closing balance December 31, 2022	155.6	0.1	0.1	155.7
Depreciation during the year	-24.4	-0.2	-0.5	-25.1
Closing balance December 31, 2021	168.8	0.2	0.1	169.1

During 2022, no right-of-use assets have been added that have had any significant effect on the financial position of the Group or the Parent Company.

Leasing liabilities

Group		
SEK million	2022-12-31	2022-12-31
Current leasing liabilities	33.9	29.1
Non-current leasing liabilities	128.8	147.1
Leasing liabilities included in the statement of financial position	162.7	176.2

For a maturity analysis of leasing liabilities, see Note 25 Financial risks and risk management in the section on liquidity risk.

Amounts recognised in the profit or loss, IFRS 16

Group		
SEK million	2022	2021
Depreciation of right-of-use assets	30.2	25.1
Interest on leasing liabilities	3.0	3.1
Variable lease payments not included in measurement of the lease liability (Real estate tax)	1.9	1.3

Amounts recognised in the cash flow statement

SEK million	2022	2021
Total outflow of cash attributable to lease	33.5	25.6

The above cash flow includes both the amount for leases recognised as leasing liabilities, as well as the amount paid for variable leasing payments.

Leases in which the Parent Company is the lessee

Parent Company		
SEK million	2022-12-31	2021-12-31
Non-cancellable lease payments amount to:		
Within 1 year	31.8	24.8
2-5 year	103.7	91.2
Later than 5 years	44.5	60.5
Total	180.0	176.4
Expensed leasing fees amount to:		
Expensed leasing fees	29.2	23.6
Variable fees	-	-
Total leasing costs	29.2	23.6

Real estate leasing

The Group leases buildings for its office premises. All leasing agreements contain leasing fees based on changes in local price indexes. Some leases also require the Group to pay fees relating to property taxes imposed on the lessor. These amounts are fixed annually.

Other leasing agreements

The Group leases vehicles with leasing periods of two to three years and IT equipment with leasing periods up to three years.

The Parent Company is the lessee in all IT equipment leases. In the case of vehicles, both Parent Company and subsidiaries are lessees.

Note 27 - Pledged assets, contingent liabilities and contingent assets

Group		
SEK million	2022-12-31	2021-12-31
Pledged assets		
Securities set for own liabilities and provisions		
Floating charges	-	108.3
Restricted cash	1.4	1.4
	1.4	109.7
Contingent liabilities		
Guarantees in favour of subsidiaries	-	30.0
	-	30.0

As of December 31, 2022, there are no pledged assets and contingent liabilities, which were added in connection with the acquisition of Capcito in December 2021. Restricted cash are attributable to a deposit regarding a rental agreement.

Parent Company		
SEK million	2022-12-31	2021-12-31
Contingent liabilities		
Guarantees in favour of subsidiaries	-	5.0
	-	5.0

Note 28 - Appropriation of the Company's profit

Proposed appropriation of the Company's profit

Dividend, 609,716,738 shares * SEK 0.12 per share	73,166,009
To be carried forward	1,054,798,326
Total	1,127,964,335

*Dividend-entitled shares

Decided share split according to the extraordinary general meeting on December 27, 2021, was carried out in January 2022 and meant that the total number of shares in Fortnox increased from 60,974,470 to 609,744,700 shares.

Note 29 - Related parties

Related parties

The Parent Company has an associated relationship with its subsidiaries, see Note 30, and with key management personnel. For the Group, transactions with related parties have been carried out in accordance with the table below, which relates to customers and suppliers.

Transactions with related parties are priced on market terms.

Board of Director, Olof Hallrup, controls ArtOn24 AB and, via First Kraft AB, approx. 20% (21%) of the votes in Fortnox AB.

Capcito Finance AB and Monto. ai AB have had related party transactions during 2022 with the suppliers, Driven Ekonomi i Stockholm AB and Maqe Bangkok, where the CEO of Capcito Finance AB, Michael Hansen has direct holding of shares in the companies amounting to 10% (10%) and 7.5% (7.5%) respectively. Monto a.i AB has also had related transactions with Dybo Development AB regarding consulting services, which is owned by Henrik Dyberg who is in a leading position within the Capcito Group.

For details on remuneration to key management personnel, see Note 5.

Summary of related party transactions

Parent Company

SEK million	Year	Sales of goods /services to related party	Purchases of goods/services from related party	Receivable from related party as of December 31	Liability to related party as of December 31
Related party relationship					
Fortnox Finans AB (Subsidiary)	2022	20.5	9.0	166.0	
Fortnox Finans AB (Subsidiary)	2021	14.7	6.3	126.3	
Fortnox Försäkringar AB (Subsidiary)	2022		1.0		4.1
Fortnox Försäkringar AB (Subsidiary)	2021	0.4	1.5	0.5	6.0
Fortnox Lagerbolag AB (Subsidiary)	2022	17.0	0.7	19.8	
Fortnox Lagerbolag AB (Subsidiary)	2021	10.5		18.4	
Offerta Group AB (Subsidiary)	2022	0.3			
Offerta Group AB (Subsidiary)	2021				15.0
Capcito Finance AB (Subsidiary)	2022	7.1	0.9	340.7	
Capcito Finance AB (Subsidiary)	2021			49.8	
Monto.ai AB (Subsidiary)	2022	2.5		0.3	
Monto.ai AB (Subsidiary)	2021				
Agoylt AB (Subsidiary)	2022	0.9	1.0	12.9	0.2
ArtOn24 AB (Supplier)	2022		22.8		2.6
ArtOn24 AB (Supplier)	2021		20.1		
Driven Ekonomi i Stockholm AB (Supplier and customer)	2022		0.1		
Driven Ekonomi i Stockholm AB (Supplier and customer)	2021	0.4	0.1		0.0

Group

SEK million	Year	Sales of goods /services to related party	Purchases of goods/services from related party	Receivable from related party as of December 31	Liability to related party as of December 31
Related party relationship					
ArtOn24 AB (supplier)	2022		22.8		2.6
ArtOn24 AB (supplier)	2021		20.1		
Driven Ekonomi i Stockholm AB (Supplier and customer)	2022		0.3		
Driven Ekonomi i Stockholm AB (Supplier and customer)	2021	0.4	0.6		0.1
Dybo Development AB (Supplier)	2022		2.4		
Dybo Development AB (Supplier)	2021				
Mage Bangkok (Supplier)	2022		1.4		
Mage Bangkok (Supplier)	2021		1.3		

Not 30 – Koncernföretag

Participations in Group companies

	Subsidiary's registered office, country	Ownership in %	
		2022-12-31	2021-12-31
Fortnox Finans AB	Sweden	100%	100%
Fortnox Försäkringar AB	Sweden	100%	100%
Fortnox Service AB	Sweden	100%	100%
Fortnox Lagerbolag AB	Sweden	100%	100%
Offerta Group AB	Sweden	100%	100%
Capcito Finance AB	Sweden	79%	79%
Monto.ai AB	Sweden	79%	79%
Capcito Lending 2 AB	Sweden	79%	79%
Agoylt AB	Sweden	100%	30%
Cling Group AB	Sweden	51%	-
Parent Company			
SEK million		2022	2021
Cumulative acquisition value			
Opening balance		768.5	63.4
Acquisitions		58.5	705.1
Closing balance December 31		827.1	768.5
Carrying value December 31		827.1	768.5

Specification of the Parent Company's direct holding of shares in subsidiaries

Subsidiary/Registered office	Org.no	Number of shares	Shares %	Carrying value	
				2022-12-31	2021-12-31
Fortnox Finans AB, Växjö	556949-9824	2,500,000	100%	380.6	380.6
Fortnox Försäkringar AB, Växjö	559116-2564	50,000	100%	5.2	5.2
Fortnox Service AB, Växjö	556995-3622	50,000	100%	0.1	0.1
Fortnox Lagerbolag AB, Växjö	559309-2421	250	100%	46.3	46.3
Offerta Group AB, Stockholm	556743-5887	227,010	100%	336.4	336.4
Agoylt AB, Växjö	559228-1868	157,544	100%	50.0	-
Cling Group AB, Stockholm	559070-0273	107,839	51%	8.5	-
				827.1	768.5

Note 31 - Specifications for cash flow statement

Adjustments for items that are not included in the cash flow

SEK million	2022	2021
Group		
Depreciation	124.5	84.6
Impairment	4.8	0.3
Profit or loss attributable to associated companies	5.2	2.0
Other	0.2	-0.0
	134.7	86.9
Parent Company		
Depreciation	49.9	42.6
Impairment	11.5	0.3
	61.4	42.9

Write-downs in the Parent Company include a write-down of shares in associated companies amounting to SEK 7.2 million. For the Group during 2022, interest expenses paid, and interest income received amounted to SEK 4.5 (0.9) million and SEK 1.2 (0.1) million. For the Parent Company during 2022, interest expenses and income paid and received amounted to SEK 3.9 (0.2) million and SEK 9.5 (1.9) million.

Reconciliation of liabilities arising from financing activities

SEK million	Other	Liabilities to credit institutions	Leasing liabilities	Total debt originating from financial activities
Group				
Opening balance 2021	-	-	176.7	176.7
Cash flow- amortization	-	-24.2	-22.4	-46.6
New loans	-	337.9	-	337.9
Non cash flow affecting changes	-	-	-	-
New leasing agreements	-	-	22.0	22.0
Debted consideration	90.7	-	-	90.7
Closing balance 2021	90.7	313.7	167.2	580.6
Opening balance 2022	90.7	313.7	176.2	580.6
Cash flow- amortization	-	-116.3	-30.3	-146.5
New loans	-	2.7	-	2.7
Non cash flow affecting changes	-	-	-	-
New leasing agreements	-	-	16.7	16.7
Debted consideration	7.2	-	-	7.2
Closing balance 2022	97.8	200.1	162.7	460.6

Parent Company

Reconciliation of liabilities arising from financing activities

SEK million	Other liabilities	Liabilities to credit institutions	Total debt attributable to financing activities
2021			
New loans	15.0	200.0	215.0
Summa	15.0	200.0	215.0
2022			
Opening balance 2022	15.0	200.0	215.0
Cash flows amortizations	-15.0	-	-15.0
Total	-	200.0	200.0

Note 32 - Events after the end of the financial year

Charlotta Lundberg has been appointed Business Area Manager of Accounting Firms, which also includes a seat in group management. Charlotta has many years of experience from leading managerial positions, including in EF Education. Previous positions also include being a member of the Swedish management group of Hi3G Access AB. Charlotta will take up her position at Fortnox on March 6th. Camilla Skoog, who has been head of the business area since 2020, will leave Fortnox for new opportunities.

On January 1, 2023, a redistribution of the areas of responsibility of the Group's operating segments took place. This was done to provide our customers with better service and to achieve a more suitable division of responsibilities between the Group's business areas. This redistribution mainly involved changes in customer and product responsibility, which will also change how revenue and operational segment results are recognized going forward.

Note 33 - Important assessments and estimations

The management and the Audit Committee have discussed the development, choice and disclosure of the Group's important accounting principles and assessments, as well as the application of these principles and assessments.

The preparation of the annual accounts and the application of accounting principles are often based on management's assessments, estimates, and assumptions that are considered reasonable at the time of the assessment. Assessments and estimates are based on historical experience and a number of other factors, which under prevailing circumstances are considered reasonable. The results of these are used to assess the carrying amounts of assets and liabilities, which are not otherwise clearly apparent from other sources. The actual result may differ from these assessments and estimates. Assessments and assumptions are reviewed regularly.

Important sources of uncertainty in assessments are described below.

Impairment testing of intangible assets

Every year, the Group examines whether there is a need for impairment

of intangible assets. The recovery value for cashgenerating units has been determined based on the value in use of the units, which consists of the current value of expected future cash flows. The calculations of future cash flows are based on an assessment of expected growth rate and margin development based on the business plan for next year, management's long-term business expectations, and historical developments.

Provision for expected credit losses

The Group reviews its portfolio of loan receivables and acquired receivables on a monthly basis to assess the need for provision for anticipated credit losses. In order to determine whether receivables should be considered as uncertain, assessments are made as to whether observable data on deterioration of future cash flows exist. In this assessment, the Group works on the basis of factors such as credit quality, portfolio size, and other economic factors, and uses historical information as the basis for provision. Methods and assumptions are subject to ongoing reviews.

Note 34 - Information concerning Parent Company

Fortnox AB is a Swedish-registered limited liability company based in Växjö. The Parent Company's shares are traded on Nasdaq Stockholm's main market.

The address of the head office is Bollgatan 3B, SE-352 46 Växjö.

The consolidated financial statements for 2022 relate to the Parent Company and its subsidiaries, together named the Group.

Statement by the Board of Directors

The Board of Directors and the Managing Director hereby declare that the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 19 2002 on the application of international accounting standards. The Annual Report and

consolidated financial statements provide a true and fair view of the parent company's and the group's financial position and results. The Directors' Report for the parent company and the group provides a true and fair view of the development of the operations, financial position and performance of the parent company and the group, and describes the material risks and uncertainties facing the parent company and the companies in the group.

The annual report and consolidated accounts have, as stated above, been approved for issued by the board and the managing director according to the date shown of our electronic signatures.

Signatures on Swedish original.

Olof Hallrup

Chairman of the Board

Lena Glader

Board of Director

Anna Frick

Board of Director

Magnus Gudéhn

Board of Director

Per Bertland

Board of Director

Tommy Eklund

Chief Executive Officer

Our audit report has been submitted on the date shown in our electronic signature

KPMG AB

Dan Beitner

Certified Public Accountant

The Group's statement of income and other comprehensive income and statement of financial position and the parent company's income statement and balance sheet will be subject to approval at the Annual General Meeting on March 30, 2023

Auditor's Report

To the general meeting of the shareholders of Fortnox AB (publ), corp. id 556469-6291

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Fortnox AB (publ) for the year 2022. The annual accounts and consolidated accounts of the company are included on pages 54-123 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 43-48 and sustainability report on pages 30-41. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts

and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Goodwill / Impairment

See disclosure 11 and accounting principles on page 77 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

According to the consolidated statements Goodwill has a reported value of SEK 609,6 (605,6) million as of December 31, 2022, which represents 26,5% (30,7%) of total assets in the consolidated statements. Goodwill and the excess value relating to acquisitions is equal to the difference between the value of net assets and the purchase price paid for an acquisition.

Unlike other fixed assets, no depreciation is recorded for goodwill. Instead, goodwill is tested for impairment annually or whenever indicators of impairment are identified. The impairment test is complex and is based on the groups' assumptions of future internal and external events. An example of one of the assumptions is the future cash-flows that involves estimations of the future development and market conditions for the tested unit. Another important estimate is which interest rate to use in the model. The interest rate should reflect the value of money and the unique risks facing the entity.

Future events and new information may result in a change in the underlying assumptions, and it is therefore particularly important for management to continuously evaluate the value of goodwill in light of any new information and circumstances that may arise.

Impairment tests naturally contain a greater level of judgment from company management, which is why we have assessed this as a key audit matter in our audit.

Response in the audit

In our audit, we have paid particular attention to the group's examination of the impairment testing of goodwill. Among other things we have evaluated Fortnox process for identifying cash generating units.

Our audit procedures also included an evaluation of management's process over impairment testing of goodwill, and an examination over management's identification of cash-generating units.

Within the audit team we have used a valuation expert in order to assess the soundness in the estimations that have been done. Furthermore, we have evaluated the reasonableness of assumptions made, carried out sensitivity analyzes for revised assumptions and evaluated the reasonableness of the applied discount rate.

We have reviewed the circumstances disclosed in the notes to the financial statements and assessed the sufficiency and appropriateness of those disclosures.

Platform

See disclosure 11 and accounting principles on page 77 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The group reports balanced expenses for acquired and self-developed IT platforms of SEK 351.1 (223.3) million, which constitutes 15.3% (11.3%) of total assets. In addition to the balance sheet, the income statement includes the year's capitalized work for own account as well as depreciation attributable to the IT platforms.

Balancing expenses for development work assumes that the expenses that are balanced are judged to have a commercial value, including assessments on technical development and market development.

The valuation of the balanced expenditure for development work also in turn includes extensive assessments and considerations, which in retrospect may turn out to have been overly optimistic. A write-down could then become necessary. Balanced expenditure for development work must also be capitalized and subject to depreciation when the value brought about by the expenditure is taken into commercial use. Even demarcations in this respect can be subject to judgments and considerations, which are associated with difficulties. Balanced expenses for development work must be tested for impairment at least once a year.

Response in the audit

We have taken note of the group's policies regarding what can be balanced and when. We have tested this year's additional investments against these policies. Examples of the review approach have been to go through the decision-making basis for new projects and the position taken at that time regarding the ability to be activated.

The group has built up an internal control environment that also includes balanced expenses. We have tested the control environment by e.g. sampling against underlying invoices and spent internal time aimed at ensuring that the group only balances what concerns approved projects.

We have inspected the company's impairment test of the value of the balanced expenses, to assess whether the test has been carried out in accordance with the prescribed technique. Furthermore, we have assessed the reasonableness of assumptions made linked to the need for write-downs, by reviewing and evaluating the management's written documentation, valuation and plans.

We have also checked the completeness of the information in the annual report and assessed whether it is consistent with the assumptions that the company has applied in its impairment test and whether the information is comprehensive enough to understand the management's assessments.

Credit loss and credit loss reserves

See disclosure 15 and 25 and accounting principles on pages 75-76 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Lending in Fortnox consists of credits with collateral in accounts receivable and without collateral in the form of business loans. Lending takes place in Sweden via own channels. The group's lending amounts to SEK 400.1 million (SEK 277.4 million) as of December 31, 2022, which corresponds to 17.4 (14.1) percent of the group's total assets. The company's reserves for credit losses in the loan portfolio amount to SEK 18.8 (20.1) million.

The reserves for credit losses in the company's loan portfolio correspond to the company's best estimate of potentially incurred losses in the loan portfolio as of the balance sheet date. The provisions require the company to make assessments and assumptions regarding the credit risks and calculations for expected credit losses. The complexity of these calculations, as well as the assessments and assumptions that are made, lead us to see this as a particularly significant area.

Response in the audit

We have tested the company's key controls in the lending process, including credit decisions, credit review, rating classification and provisioning.

Tested controls consist of both manual controls and automatic controls in application systems. We have also tested general IT controls including authorization management for current systems.

We have reviewed the company's principles based on IFRS 9 to assess whether the company's interpretation of these is reasonable. Furthermore, we have tested the company's key controls regarding the reservation process. We have also on test basis checked the input data in the models and the accuracy of the calculations and evaluated the management's assessments. In our audit, we have used our internal model specialists to assist us in the audit procedures we performed.

We have assessed the circumstances presented in the information in the annual report and whether the information is sufficiently comprehensive as a description of the company's assessments.

Revenue

See accounting principles on pages 73-74 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Subscription-based revenue forms a significant part of Fortnox's revenue. The group reports for the year 2022 a net turnover of SEK 1,275.7 (932.0) million, of which SEK 929.2 (689.7) million is attributable to subscription-based revenue.

The subscription-based services are generated in the form of licenses that are used by both individual companies and accounting firms. The subscription revenue is normally invoiced in advance and accrued continuously during the subscription period.

The income statement primarily contains risks related to completeness and accuracy as it involves many transactions. IT systems are used for billing and accrual of income.

Revenue reporting is considered to be a particularly important area as the large volume of transactions means that completeness and accuracy are critical so that a significant error in the financial reporting does not occur.

Response in the audit

Our audit has included testing and evaluating the design and effectiveness of controls for accounting for subscription-based revenue. This includes, among other things, evaluation of essential procedures and controls for revenue recognition, including relevant IT systems used for accounting and follow-up.

We have had a particular focus on the accrual of income through both detailed and substantive analytical procedures. We have also verified reported income against payments.

Our audit procedures has also included review of essential information about the income statement provided in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-42, 49-53 and 127-131. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the

Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts

and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Fortnox AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with

professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships

that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Fortnox AB (publ) for year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the Esef report*. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Fortnox AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 43-48 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 30-41, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory

sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Fortnox AB (publ) by the general meeting of the shareholders on the 30 March 2022. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2017.

Our auditor's report has been issued on the day stated in our electronic signature.
Signature on Swedish original.

KPMG AB

Dan Beitner
Authorized Public Accountant

Definitions and reason for use of alternative performance measures

Terms and definitions	Reason for use	Derivation
Subscription customers at the end of the period The number of companies, sole traders or other legal entities that, directly or through an accounting firm, subscribe to one or more of Fortnox's products/services at the end of the period.	Used for evaluation of the development regarding the number subscription customers	
ARPC Average Revenue Per Customer and month. Net sales (excluding non-recurring revenue) divided by the number of customers at the end of the month. To avoid seasonal variations, Fortnox has elected to report ARPC over a rolling 12-month period. The value of ARPC on a 12-month rolling basis is calculated using the average ARPC over the past 12 months.	ARPC is a measure used to assess the trend for customer purchases of additional services.	
ARR Annual Recurring Revenue comprises the opening value of the next year's revenue from subscription services in financial administration.	ARR is a measure used to assess the company's recurring revenue.	
Return on equity Profit for the period divided by average equity. Average equity is calculated as the total of the opening and closing balance divided by two.	Profitability measure which shows how efficiently the Group uses its equity.	(A) Profit for the period, MSEK (B) Average equity, MSEK (C) Return on equity, % $(A) / (B) = (C)$ $346.8 / 1,131.2 = 30.7\%$ (2022) $241.1 / 725.5 = 33.2\%$ (2021)
EBIT-/Operating margin Operating profit divided by net sales.	Used to assess the company's profitability.	(A) Operating profit, MSEK (B) Net sales, MSEK (C) EBIT-/Operating margin, % $(A) / (B) = (C)$ $464.2 / 1,275.7 = 36.4\%$ (2022) $314.7 / 932.0 = 33.8\%$ (2021)
Equity per share after dilution Equity divided by the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares during the period.	Used to assess the company's financial position.	(A) Equity, SEK 000s (B) Average number of shares outstanding after dilution, (000s) (C) Equity per share after dilution, SEK $(A) / (B) = (C)$ $1,280,787 / 609,779 = 2.1$ SEK (2022) $981,707 / 608,484 = 1.6$ SEK (2021)
Net sales adjusted for acquisitions Net sales adjusted for the effect of acquisitions completed on net sales. The adjustment means that acquisitions that impacted the current period's net sales and had not been acquired in the corresponding period of the preceding year are excluded.	Used to assess the company's organic growth, and to improve comparability with previous periods.	(A) Net sales, MSEK (B) Net sales attributable to acquired companies during the year, MSEK (C) Net sales adjusted for acquisitions, MSEK $(A) - (B) = (C)$ $1,280.8 - 68.7 = 1,207.1$ MSEK (2022) $932.0 - 91.7 = 840.3$ MSEK (2021)

Terms and definitions	Reason for use	Derivation
Segment operating profit A segment's operating profit, where the period's capitalized costs for internally generated intangible assets (generated by both own personnel and consultants) are expensed and amortized, and depreciation together with impairment losses are reversed.	This is a measure of profitability, and used to assess and monitor the operational profitability of a segment	(A) Operating profit, MSEK (B) Reversal of capitalized costs expensed, MSEK (C) Own work capitalised, MSEK (D) Amortization and impairment, MSEK (E) Segment operating profit, MSEK $(A) + (B) + (C) - (D) = (E)$
Organic growth Net sales adjusted for acquisitions during the period divided by net sales adjusted for acquisitions for the year-earlier period.	Used to assess the company's profitability without the effect of acquisitions completed during the year, and to improve comparability with previous periods.	(A) Net sales adjusted for acquisitions during the most recent period, MSEK (B) Net sales adjusted for acquisitions previous year, MSEK (C) Organic growth, % $(A) / (B) - 1 = (C)$ $(1,207.1 / 932.0) - 1 = 29.5\%$ (2022) $(840.3 / 693.7) - 1 = 21.1\%$ (2021)
Earnings per share after dilution <i>(Defined according to IFRS)</i> Profit for the period after tax attributable to Parent Company shareholders divided by the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares during the period.	Used to assess the earnings per share effect for the period attributable to Parent Company shareholders after dilution.	(A) Profit for the period, SEK (000s) (B) Average number of shares outstanding after dilution, (000s) (C) Earnings per share after dilution, SEK $(A) / (B) = (C)$ $346,773 / 609,779 = 0.57$ SEK (2022) $241,051 / 608,484 = 0.40$ SEK (2021)
Earnings per share before dilution <i>(Defined according to IFRS)</i> Profit for the period after tax attributable to Parent Company shareholders divided by the weighted average number of ordinary shares outstanding during the period.	Used to assess the earnings per share effect for the period attributable to Parent Company shareholders before dilution.	(A) Profit for the period, SEK (000s) (B) Average number of shares outstanding before dilution, (000s) (C) Earnings per share before dilution, SEK $(A) / (B) = (C)$ $346,773 / 609,745 = 0.57$ SEK (2022) $241,051 / 607,939 = 0.40$ SEK (2021)
Working capital Current assets less current liabilities.	A measure used to assess the capital tied-up in the company.	(A) Current assets, MSEK (B) Current liabilities, MSEK (C) Working capital, MSEK $(A) - (B) = (C)$ $976.3 - 557.4 = 418.9$ MSEK (2022) $761.8 - 515.2 = 246.5$ MSEK (2021)
Operating profit (EBIT) Operating income less operating expenses.	Used to assess the company's operational profitability.	
Operating profit adjusted for acquisitions Operating profit adjusted for the effect of acquisitions completed during the year. The adjustment means that acquisitions that impacted the current period's operating profit and had not been acquired in the corresponding period of the preceding year are excluded.	Used to assess the company's profitability without the effect of acquisitions completed during the year, and to improve comparability with previous periods.	(A) Operating profit, MSEK (B) Operating profit attributable to acquired companies during the year, MSEK (C) Operating profit adjusted for acquisitions, MSEK $(A) - (B) = (C)$ $464.2 - (-49.7) = 513.9$ MSEK (2022) $314.7 - (-3.3) = 318.0$ MSEK (2021)

Terms and definitions	Reason for use	Derivation
Operating margin adjusted for acquisitions Operating profit adjusted for acquisitions divided by net sales adjusted for acquisitions.	Used to assess the company's profitability without the effect of acquisitions completed during the year, and to improve comparability with previous periods.	(A) Operating profit adjusted for acquisitions, MSEK (B) Net sales adjusted for acquisitions, MSEK (C) Operating margin adjusted for acquisitions, % $(A) / (B) = (C)$ $513.9 / 1,207.1 = 42.6\%$ (2022) $318.0 / 840.3 = 37.8\%$ (2021)
Equity/assets ratio Total equity divided by total assets	A measure used to assess the company's long and short-term solvency and capital structure.	(A) Equity, MSEK (B) Total assets, MSEK (C) Equity/assets ratio, % $(A) / (B) = (C)$ $1,280.8 / 2,302.1 = 55.6\%$ (2022) $981.7 / 1,971.2 = 50.4\%$ (2021)
Growth compared with the preceding quarter Percentage increase in net sales compared with the preceding quarter.	A measure used to assess the company's growth.	(A) Preceding quarter's net sales, MSEK (B) Preceding quarter's net sales, MSEK (C) Growth compared with the preceding quarter, % $(A) / (B) - 1 = (C)$ $(357.0 / 331.8) - 1 = 7.6\%$ (2022) $(266.9 / 236.5) - 1 = 12.9\%$ (2021)
Profit margin Profit for the period divided by net sales.	A measure of profitability used to assess the company's profit generating capacity.	(A) Profit for the period, MSEK (B) Net sales, MSEK (C) Profit margin, % $(A) / (B) = (C)$ $346.8 / 1,275.7 = 27.2\%$ (2022) $241.1 / 932.0 = 25.9\%$ (2021)
Reversal of capitalized development costs expensed Reversal of the period's capitalized expenses for development expensed and carried out by consultants.	Used to calculate segment operating profit.	

Shareholder information

Annual report, financial reports and news

At www.fortnox.se, the latest annual report will be available for download (pdf), in both Swedish and English. Fortnox can be followed by subscribing to press releases and financial reports.

Financial calendar 2023

Annual General Meeting, March 30, 2023
Interim report, January-March, April 28, 2023
Interim report, January-June, July 14, 2023
Interim report, January-September, October 27, 2023

Annual General Meeting 2023

The Fortnox Annual General Meeting was convened on March 30, 2023, 14.00 at Fortnox AB. The notice in its entirety with the items on the agenda can be found on the Fortnox website www.fortnox.se.

The Board of Directors has decided that shareholders shall have the right to exercise their voting rights by postal voting, pursuant to Chapter 7, section 4 a (2005:551) of the Swedish Companies Act and the company's Articles of Association. Consequently, shareholders may choose to exercise their voting rights at the annual general meeting by attending in person, through a proxy or by postal voting.

Participation by postal vote

Shareholders who wish to participate in the Annual General Meeting via postal voting should be entered as a shareholder in the register kept by Euroclear Sweden AB on March 22, 2023, and also give notice of participation by casting their postal vote in accordance with the instructions below so that the postal vote is received by Euroclear Sweden AB no later than Friday, March 24, 2023.

A special form shall be used for postal voting. The form is available on the Fortnox website fortnox.se. The completed and signed postal voting form must be received by Euroclear Sweden AB no later than Friday, March 24, 2023. The completed and signed postal voting form should be sent to Fortnox AB (publ), "Årsstämma", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm.

Completed and signed postal voting forms may also be submitted electronically and should be sent to GeneralMeetingService@euroclear.com (enter "Fortnox AB – Poströstning" in the subject line). Shareholders who are natural persons may also cast their postal votes electronically through verification with BankID via the Euroclear Sweden AB website (<https://anmalan.vpc.se/EuroclearProxy/>). Such electronic votes must be left by March 24, 2023.

Shareholders who use the possibility of postal voting and whose postal vote has been received as stated above, do not need to register separately for the Annual General Meeting since such postal votes will also be considered as notifications.

Anyone who wishes to revoke a postal vote and instead exercise their right to vote by attending the meeting physically or by proxy must notify the secretariat of the meeting before the meeting opens.

Participation in person

Shareholders who wish to physically attend the Annual General Meeting should be entered as a shareholder in the register kept by Euroclear Sweden AB on March 22, 2023, and also register for the meeting no later than Friday, March 24, 2023.

Notification of participation for the meeting should be made via <https://anmalan.vpc.se/EuroclearProxy/>, by post to Fortnox AB (publ), "Årsstämma", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm. In the notification name, social security or organizational number, address and telephone number must be stated.

Participation by proxy

Shareholders who shall be represented by proxy must issue a signed and dated power of attorney in writing. If the proxy is issued by a legal entity, a certified copy of the current registration certificate of the legal entity (or corresponding document for a foreign legal entity) must be enclosed with the power of attorney. If participation will be based on power of attorney, the related documentation must be submitted at the same time as the notification. The power of attorney form for shareholders who wish to participate in the meeting by proxy will be made available on the company's website www.fortnox.se and at the company's office, Bollgatan 3 B, Växjö.

Nominee-registered shares

In order to be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the Annual General Meeting by submitting their postal vote, register their shares in their own name so that the shareholder is registered in the presentation of the share register as of March 22, 2023. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee in accordance with the nominee's routines at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than March 24, 2023, will be taken into account in the presentation of the share register.





Fortnox AB (publ), Box 427, SE-351 06 Växjö, Sweden

Telephone: +46 (0)470-78 50 00

Corp. Reg. No.: 556469-6291

www.fortnox.se

