

2024062517671

Styrelsen för  
**Infor Holdings (Sweden) AB**  
Org nr 556387-8148

får härmed avge

# Årsredovisning

för räkenskapsperioden 1 januari 2023 - 31 december 2023

Undertecknad styrelseledamot intygar, dels att denna kopia  
av årsredovisningen överensstämmer med originalet, dels  
att resultaträkningen och balansräkningen fastställts på årsstämman  
den 17 juni 2024. Årsstämman beslöt att godkänna styrelsens  
förslag till vinstdisposition (förslag beträffande den uppkomna vinst).

Stockholm den 17 juni 2024

  
Vija Giani  
Ordförande

**Innehåll**

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## Förvaltningsberättelse

### Ägarförhållanden

Infor Holdings (Sweden) AB, organisationsnummer 556387-8148, är registrerat i Kista, Sverige. Bolaget tillhör Inforkoncernen och är ett helägt dotterbolag till Infor (UK) Holdings Ltd company no: 5727250, baserat i Storbritannien.

### Allmän information om verksamheten

Infor tillhandahåller programvaru- och servicelösningar till företag inom tillverknings-, och underhåll samt servicesektorn. Infor har över 68 000 kunder över hela världen. Infor solutions innefattar Enterprise Performance Management, Supply Chain Management, Enterprise Resource Planning, Customer Relationship Management, Manufacturing Resource Planning, Enterprise Asset Management och skräddarsydda program. Infor solutions hjälper kunder att förenkla effektiviseringsprocessen, minska kostnader och öka effektiviteten. Infor har kontor världen över och har sitt huvudkontor i New York, USA.

Verksamheten i Infor Holdings (Sweden) AB utgörs av att äga och förvalta bolagets dotterbolag.

### Översikt över resultat och ställning

(belopp i mkr)	2023-12-31	2022-12-31	2021-12-31	2020-12-31	2020-04-30
Nettoomsättning	0.0	0.0	0.0	0.0	0.0
Rörelseresultat	-0.4	-0.2	-3.3	-8.5	-3.2
Resultat efter finansiella poster	82.6	134.8	128.1	79.5	128.7
Balansomslutning	1,707.8	5,323.9	5,197.9	5,072.4	4,988.4
Soliditet	99%	100%	100%	100%	100%
Medelantal anställda	0	0	1	1	1

### Resultat

Företagets rörelseresultat uppgick till -0.4 MSEK (-0.2 MSEK). Resultat före skatt uppgick till 82,6 MSEK (134,8 MSEK).

### Betydande händelser under räkenskapsåret

Bolaget har under året lämnat en utdelning på 3 698,7 MSEK. Utöver detta har inga väsentliga händelser inträffat under året.

### Framtida utveckling

Infor Holdings (Sweden) AB kommer, genom dess dotterbolag, fortsätta att fokusera på kundernas behov och kommer också att fortsätta att göra riktade investeringar i våra system och andra initiativ för att säkerställa långsiktig framgång för Inforkoncernen och dess kunder.

I april tecknade bolaget ett lån från sitt dotterbolag Infor (Sweden) AB och lämnade en utdelning på 957,5 MSEK.

**Upprättande av koncernredovisning**

Infor Holdings (Sweden) AB är moderbolag till en grupp av dotterbolag. Koncernredovisning upprättas inte, i enlighet med Kap. 7 §2 Årsredovisningslagen (ÅRL). Konsolidering sker i Infor Foreign Investments, LLC, som utgör högsta allmänt tillgänglig koncernmässig nivå.

**Fortsatt drift**

Styrelseledamöterna har övervägt koncernens strategi och baserat på svaren på deras förfrågningar har vid tidpunkten för godkännandet av de finansiella rapporterna fastställt att det finns rimliga förväntningar på att företaget har tillräckliga resurser för att fortsätta verka under överskådlig framtid. Styrelseledamöterna har fått ett garanti som bekräftar ekonomiskt stöd från Infor (US), Inc., vilket gör det möjligt för företaget att uppfylla sina skulder när de förfaller de närmaste 12 månaderna från dagen för undertecknandet av dessa finansiella rapporter. Av denna anledning fortsätter styrelseledamöterna att anta fortlevnadsprincipen för redovisningen vid beredningen av finansiella uttalanden.

Infor Holding (Sweden) ABs moderbolag har dessutom lämnat en garanti om att, vid eventuella behov, täcka alla koncernmässiga fordringar om motpart inte skulle vara solid vid förfalldag.

<b>Förslag till vinstdisposition</b>	<b>Kr</b>
Till bolagsstämmans förfogande står enligt balansräkningen följande vinstmedel	
Balanserat resultat	4,702,939,233
Utdelning till moderbolaget	-3,698,738,289
Årets resultat	68,142,014
<b>Akkumulerad vinst till förfogande</b>	<b>1,072,342,958</b>
<b>Styrelsen föreslår att vinstmedlen fördelas enligt följande:</b>	
I ny räkning överföres	1,072,342,958
<b>Summa</b>	<b>1,072,342,958</b>

För företagets resultat och finansiella ställning, hänvisas till resultat- och balansräkningen med tillhörande noter.

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<b>Resultaträkning</b>			
<i>Belopp i MSEK</i>	<i>Not</i>	<i>2023-01-01 - 2023-12-31</i>	<i>2022-01-01 - 2022-12-31</i>
<b>Intäkter</b>			
Nettomsättning		-	-
<b>Summa intäkter</b>		-	-
<b>Rörelsens kostnader</b>			
Övriga externa kostnader		-0.4	-0.2
<b>Rörelseresultat</b>		-0.4	-0.2
<b>Resultat från finansiella poster</b>			
Övriga ränteinäkter och liknande resultatposter	2	83.0	135.0
<b>Resultat efter finansiella poster</b>		82.6	134.8
Skatt på årets resultat	3	-14.5	-
<b>Årets resultat</b>		68.1	134.8

Balansräkning				
Belopp i MSEK		Not	2023-12-31	2022-12-31
<b>TILLGÅNGAR</b>				
<b>Anläggningstillgångar</b>				
<i>Finansiella anläggningstillgångar</i>				
Andelar i koncernföretag	4		1,707.5	1,707.5
Fordringar hos koncernföretag			-	361.5
			1,707.5	2,069.0
<b>Summa anläggningstillgångar</b>			1,707.5	2,069.0
<b>Omsättningstillgångar</b>				
<i>Kortfristiga fordringar</i>				
Fordringar hos koncernföretag			-	3,251.2
			-	3,251.2
Kassa och bank			0.3	3.7
<b>Summa omsättningstillgångar</b>			0.3	3,254.9
<b>SUMMA TILLGÅNGAR</b>			1,707.8	5,323.9
<b>EGET KAPITAL OCH SKULDER</b>				
<i>Eget kapital</i>				
<i>Bundet eget kapital</i>				
Aktiekapital (1,67 652 883 aktier, kvotvärde 3,4)			571.5	571.5
Uppskrivningsfond			49.2	49.2
			620.7	620.7
<i>Fritt eget kapital</i>				
Balanserad vinst			4,702.9	4,568.1
Utdelning till moderbolaget			-3,698.7	-
Årets resultat			68.1	134.8
			1,072.3	4,702.9
<b>Summa eget kapital</b>			1,693.0	5,323.6
<i>Kortfristiga skulder</i>				
Skulder till koncernföretag			-	-
Skatteskulder	3		14.5	-
Upplupna kostnader och förutbetalda infäkter			0.3	0.3
<b>Summa kortfristiga skulder</b>			14.8	0.3
<b>SUMMA EGET KAPITAL OCH SKULDER</b>			1,707.8	5,323.9

**Eget kapital**

Belopp i MSEK

	Aktie- kapital	Uppskrivnings- fond	Balanserad vinst	Årets Resultat	Total
Ingående balans	571.5	49.2	4,568.1	134.8	5,323.6
Utdelning till moderbolaget	-	-	-3,698.7	-	-3,698.7
Disposition föregående års resultat	-	-	134.8	-134.8	-
Årets resultat	-	-	-	68.1	68.1
<b>Utgående balans</b>	<b>571.5</b>	<b>49.2</b>	<b>1,004.2</b>	<b>68.1</b>	<b>1,693.0</b>

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## Not 1 Allmänna redovisningsprinciper

Denna årsredovisning har upprättats i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).  
Om inget annat anges, är principerna oförändrade jämfört med föregående år.

### Andelar i koncernföretag

Investeringar redovisas i balansräkningen på historisk anskaffningskostnad minus nedskrivningar. Företagsledningen utvärderar varje år om det finns indikation på ett nedskrivningsbehov. Om det finns, utvärderar företaget investeringens redovisade värde. Om det redovisade värdet överstiger återvinningsvärdet, kommer det nedskrivna beloppet kostnadsföras i resultaträkningen.

### Fordringar

Fordringar har efter individuell värdering upptagits till belopp varmed de beräknas inflyta. I rörelseresultatet i utländsk valuta har omräknats till balansdagens kurs. Kursdifferenser på kortfristiga fordringar och skulder ingår i rörelseresultatet.

### Inkomstskatter

Redovisade inkomstskatter innefattar skatt som ska betalas eller erhållas avseende aktuellt år, justeringar avseende tidigare års aktuella skatt samt förändringar i uppskjuten skatt.

Uppskjuten skattefordran avseende underskottsavdrag eller andra framtida skattemässiga avdrag redovisas i den utsträckning det är sannolikt att avdraget kan avräknas mot överskott vid framtida beskattning.

### Koncernbidrag och aktieägarillskott

Aktieägarillskott förs direkt mot eget kapital hos mottagaren och aktiveras i aktier och andelar hos givaren i den mån nedskrivning ej erfordras. Koncernbidrag redovisas enligt ekonomisk innebörd. Efter övergången till K3 redovisas koncernbidrag som ett anslag i resultaträkningen.

### Kassaflödesanalys

Företaget definieras som ett mindre företag enligt ÅRL 1 kap 3 § och behöver därför inte upprätta någon kassaflödesanalys enligt ÅRL 2 kap 1 §.

### Uppskaffningar och bedömningar

Bolaget känner inte till några bedömningar eller väsentliga antaganden som ligger utanför sedvanliga bedömningar och antaganden i branschen.

Not 2 Övriga ränteintäkter och liknande resultatposter	2023-01-01 - 2023-12-31	2022-01-01 - 2022-12-31
Ränteintäkter, koncernföretag	83.0 83.0	135.0 135.0

Not 3 Skatt	2023-01-01 - 2023-12-31	2022-01-01 - 2022-12-31
<b>Skatteavstämning</b>		
Resultat före skatt	82.6	134.8
Skatt beräknad enligt gällande skattesats af 20.6%	17.0	27.8
Skatt på årets resultat	17.0	27.8
Skatteeffekt av icke skattepliktig inkomst	-	-1.1
Utnyttjande av skatte förluster från tidigare perioder	-2.5	-26.7
Redovisad skattekostnad	14.5	-
<b>Ej redovisade uppskjutna skattefordringar</b>		
Rörelseförlust	-	2.6
	-	2.6

Not 4 Andelar i koncernföretag	2023-01-01 - 2023-12-31	2022-01-01 - 2022-12-31
<b>Ackumulerade anskaffningsvärden</b>		
Vid årets början	1,707.5	1,707.5
Bokfört värde vid årets slut	1,707.5	1,707.5

Specifikation av moderbolagets innehav av aktier och andelar i koncernföretag	Ägarandel %	Antal andelar	Bokfört värde 2023-12-31	Antal andelar	Bokfört värde 2022-12-31
<b>Dotterföretag / Säte</b>					
Infor (Sweden) AB, 556224-1348, Kista, Sverige	100%	103,000.0	1,707.5	103,000.0	1,707.5
<b>Totalt</b>			1,707.5		1,707.5

**Not 5 Ställda säkerheter och ansvarförbindelser**  
Det finns inga ställda säkerheter eller ansvarförbindelser på balansdagen.

**Väsentliga händelser efter räkenskapsårets slut**

I april tecknade bolaget ett lån från sitt dotterbolag Infor (Sweden) AB och lämnade en utdelning på 957,5 MSEK. Vi förväntar oss inga ytterligare betydande förändringar i företagets verksamhet för nästa räkenskapsår och framåt.

Stockholm den 6 juni 2024

  
Ilja Gian  
Ordförande

2024062517680

Stockholm den 6 juni 2024



Marcel Gijfenbeek  
Styrelseledamot

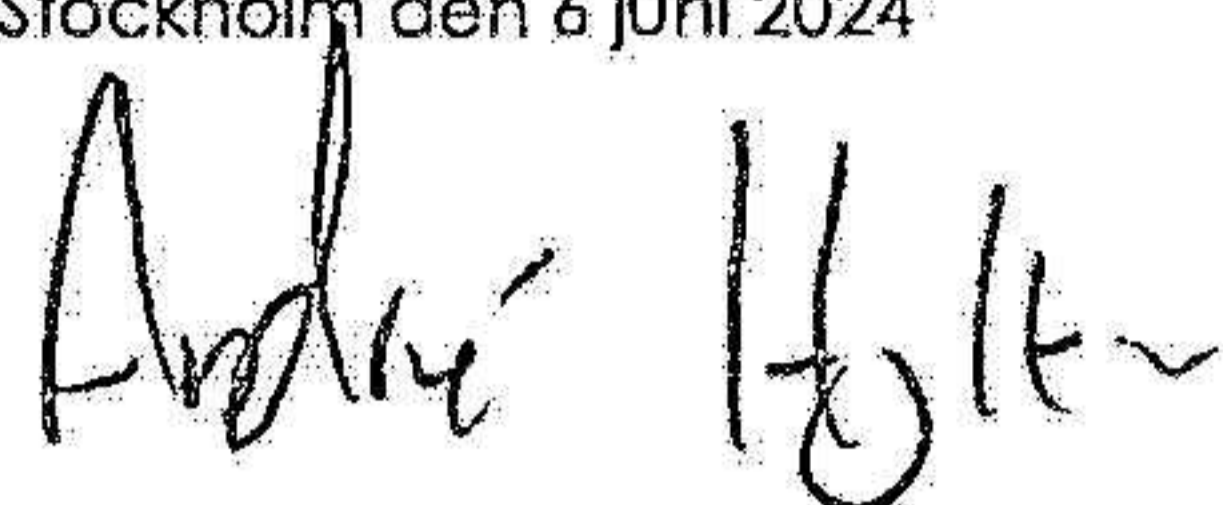
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Infor Holdings (Sweden) AB  
Orgnr. 556387-8148

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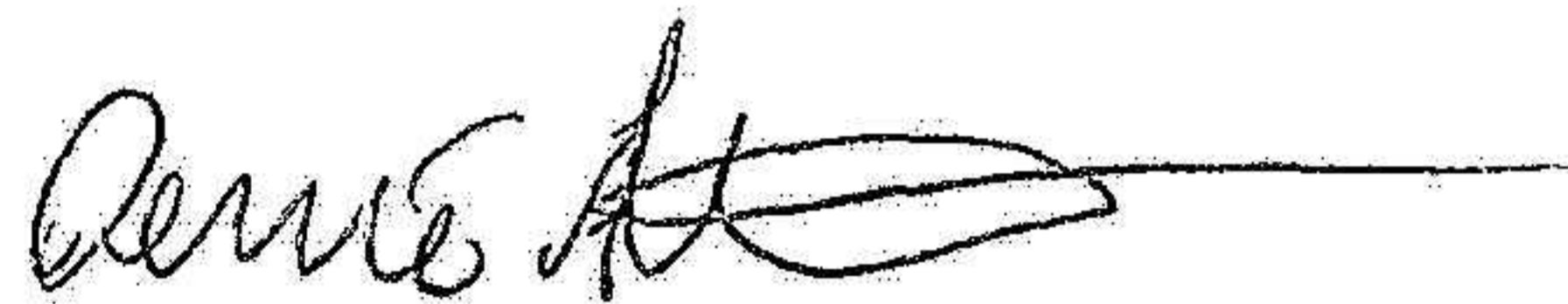
Stockholm den 6 juni 2024

A handwritten signature in black ink, appearing to read "Andre Hylton". The signature is written in a cursive, somewhat stylized font.

Andre P Hylton  
Styrelseledamot

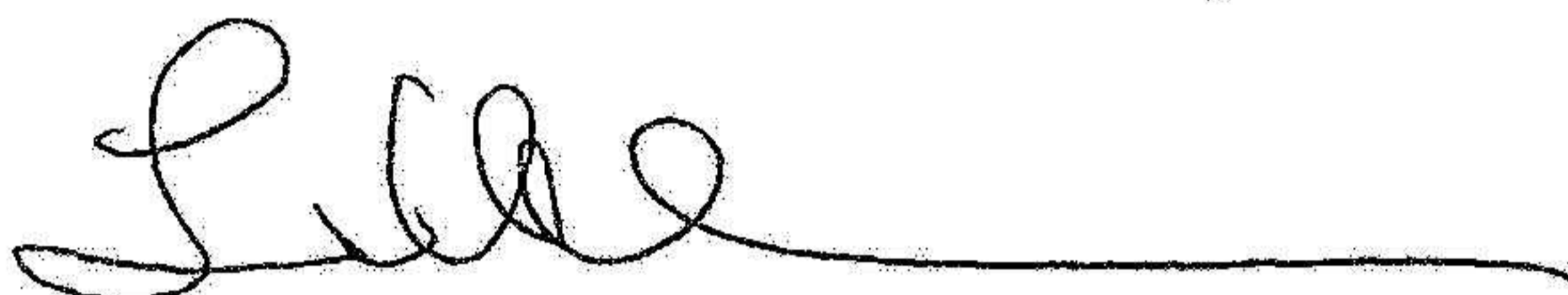
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Stockholm den 6 juni 2024



Desiré Akerdahl  
Styrelseledare

Var revisionsberättelse har lämnats den 6 juni 2024  
Göran Thornton Sweden AB



Linda Karlsson  
Auktoriserad revisor

# Revisionsberättelse

Till bolagsstämman i Infor Holdings (Sweden) AB

Org.nr. 556387 - 8148

## Rapport om årsredovisningen

### Uttalanden

Vi har utfört en revision av årsredovisningen för Infor Holdings (Sweden) AB för år 2023.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Infor Holdings (Sweden) ABs finansiella ställning per den 31 december 2023 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

### Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Infor Holdings (Sweden) AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som den bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. Den upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

### Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för

att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste

också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

## Rapport om andra krav enligt lagar och andra författningar

### Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Infor Holdings (Sweden) AB för år 2023 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

### Grund för uttalanden

Vi har utfört revisionen enligt god revisions sed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Infor Holdings (Sweden) AB enligt god revisors sed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

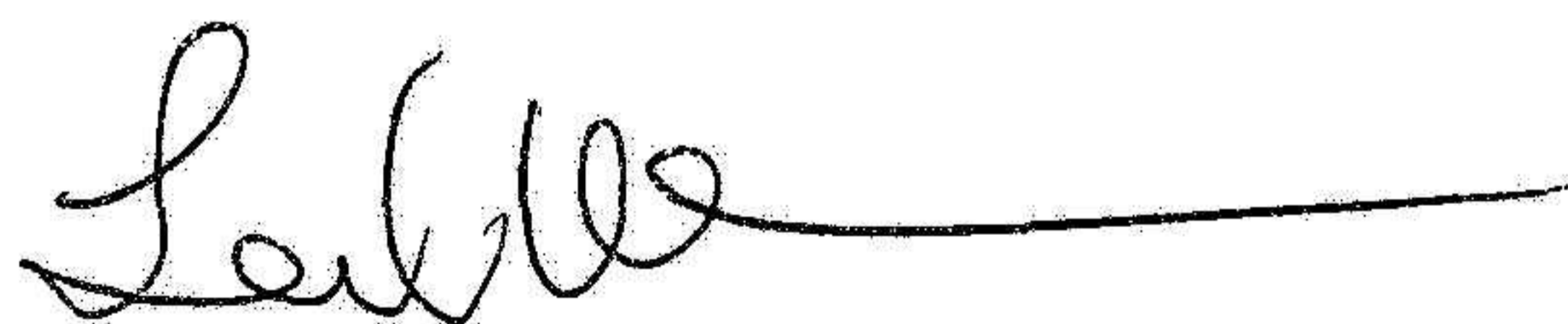
Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

### Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Stockholm den 6 juni 2024,  
Grant Thornton Sweden AB



Linda Karlsson  
Auktoriserad revisör

### Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försumelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisions sed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

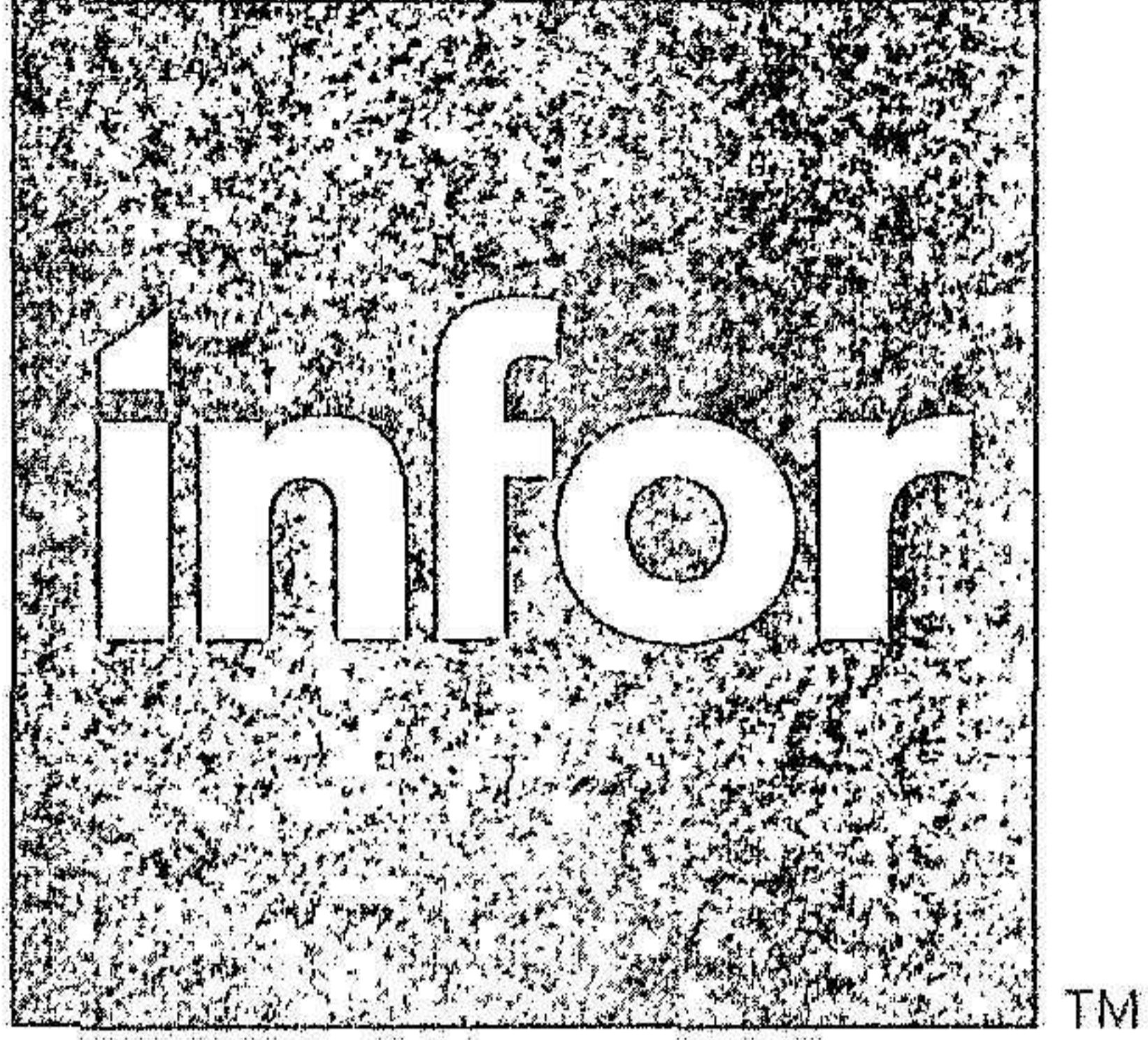
Som en del av en revision enligt god revisions sed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet.

Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Fotokopians överensstämmelse  
med originalet intygas:



2024081604433



# **Infor Foreign Investments, LLC**

## **CONSOLIDATED FINANCIAL STATEMENTS**

As of and for the year ended December 31, 2023  
With Independent Auditor's Report Therein

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CONFIDENTIAL | DO NOT COPY These financial statements are not publicly available information and should not be disclosed, copied, or discussed with any person not directly involved with this information without prior written approval from Infor, LLC.

2024081604434

## INDEX TO THE FINANCIAL STATEMENTS

Audited Consolidated Financial Statements for Infor Foreign Investments, LLC as of and for the year ended December 31, 2023.

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Managers  
Infor Foreign Investments, LLC

### Opinion

We have audited the consolidated financial statements of Infor Foreign Investments, LLC and subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2023, and the related consolidated statement of operations, comprehensive income (loss), changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the 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. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Grant Thornton LLP*

Atlanta, Georgia  
April 25, 2024

**INFOR FOREIGN INVESTMENTS, LLC**  
**CONSOLIDATED BALANCE SHEET**  
**DECEMBER 31, 2023**  
(in millions)

	<b>2023</b>
<b>Assets</b>	
Current assets:	
Cash and cash equivalents	\$ 248.1
Accounts receivable, net	234.6
Prepaid expenses	62.8
Income tax receivable	7.6
Other current assets	840.0
Total current assets	1,393.1
Property and equipment, net	37.0
Operating lease right-of-use assets	56.8
Intangible assets, net	1,526.9
Goodwill	3,907.3
Deferred tax assets	30.7
Other assets	306.2
<b>Total assets</b>	<b>\$ 7,258.0</b>
<b>Liabilities and members' equity</b>	
Current liabilities:	
Accounts payable	\$ 19.5
Income tax payable	48.5
Accrued expenses	249.2
Deferred revenue	497.8
Operating lease liabilities	20.8
Total current liabilities	835.8
Operating lease liabilities, noncurrent	38.1
Deferred tax liabilities	282.5
Other long-term liabilities	96.1
Total liabilities	1,252.5
Members' equity:	
Paid-in capital	5,838.6
Accumulated other comprehensive income	18.6
Retained earnings	141.1
Total Infor Foreign Investments, LLC members' equity	5,998.3
Noncontrolling interests	7.2
Total members' equity	6,005.5
<b>Total liabilities and members' equity</b>	<b>\$ 7,258.0</b>

*See accompanying Notes to Consolidated Financial Statements*

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**INFOR FOREIGN INVESTMENTS, LLC**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2023**  
(in millions)

	<b>2023</b>
<b>Revenues</b>	
SaaS subscriptions	\$ 365.7
Software license fees	78.1
Software subscriptions and license fees	443.8
Product updates and support fees	477.0
Software revenues	920.8
Consulting services and other fees	670.0
<b>Total revenues</b>	<b>1,590.8</b>
<b>Operating expenses</b>	
Cost of SaaS subscriptions <sup>(1)</sup>	121.7
Cost of software license fees <sup>(1)</sup>	4.6
Cost of product updates and support fees <sup>(1)</sup>	87.4
Cost of consulting services and other fees <sup>(1)</sup>	531.5
Sales and marketing	217.1
Research and development	184.0
General and administrative	86.0
Amortization of intangible assets and depreciation	224.7
Restructuring and related charges, net	14.4
Acquisition-related and other costs	0.6
<b>Total operating expenses</b>	<b>1,472.0</b>
<b>Income from operations</b>	<b>118.8</b>
Other (income) expense, net:	
Interest (income) expense, net	(66.4)
Other (income) expense, net	2.9
<b>Total other (income) expense, net</b>	<b>(63.5)</b>
Income before income tax	182.3
Income tax provision	42.3
<b>Net income</b>	<b>140.0</b>
Net income attributable to noncontrolling interests	1.4
<b>Net income attributable to Infor Foreign Investments, LLC</b>	<b>\$ 138.6</b>

(1) Excludes amortization of intangible assets and depreciation which are separately stated below

*See accompanying Notes to Consolidated Financial Statements*

**INFOR FOREIGN INVESTMENTS, LLC**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)**  
**YEAR ENDED DECEMBER 31, 2023**  
 (in millions)

	2023
<b>Net income</b>	<b>\$ 140.0</b>
Other comprehensive income (loss):	
Unrealized gain on foreign currency translation	153.4
Change in defined benefit plan funding status, net of tax benefit of \$0.6 million	(0.7)
Total other comprehensive income (loss)	152.7
<b>Comprehensive income</b>	<b>292.7</b>
Comprehensive income attributable to noncontrolling interests	2.5
<b>Comprehensive income attributable to Infor Foreign Investments, LLC</b>	<b>\$ 290.2</b>

*See accompanying Notes to Consolidated Financial Statements*

**INFOR FOREIGN INVESTMENTS, LLC**  
**CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**YEAR ENDED DECEMBER 31, 2023**  
**(in millions)**

	Infor Foreign Investments, LLC Members' Equity			Total	
	Accumulated			Infor Foreign	Members'
	Paid-In	Comprehensive	Retained	Investments, LLC	Equity
	Capital	Income (loss)	Earnings	Members' Equity	Interests
	\$	\$	\$	\$	\$
Balance, December 31, 2022	6,135.8	(133.0)	2.5	6,005.3	6,011.5
Unrealized gain on foreign currency translation	-	152.3	-	152.3	153.4
Defined benefit plan funding status, net of tax	-	(0.7)	-	(0.7)	(0.7)
Dividend paid/accreted	-	-	-	-	(1.5)
Equity distributions	(297.2)	-	-	(297.2)	(297.2)
Net income	-	-	138.6	138.6	140.0
Balance, December 31, 2023	5,838.6	18.6	141.1	5,998.3	6,005.5

See accompanying Notes to Consolidated Financial Statements

**INFOR FOREIGN INVESTMENTS, LLC**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2023**  
(in millions)

	<b>2023</b>
<b>Cash flows from operating activities</b>	
Net income	\$ 140.0
Adjustments to reconcile net income to net cash provided by operating activities:	
Amortization of intangible assets and depreciation	224.7
Provision for credit losses, billing adjustments and sales allowances	6.6
Deferred income taxes	(25.8)
Non-cash loss on foreign currency	35.2
Changes in operating assets and liabilities:	
Prepaid expenses and other assets	(79.9)
Accounts receivable	(47.1)
Income tax receivable/payable, net	10.4
Deferred revenue	48.2
Accounts payable, accrued expenses and other liabilities	(23.2)
<b>Net cash provided by operating activities</b>	<b>289.1</b>
<b>Cash flows from investing activities</b>	
Issuance of affiliate notes receivable, net	(129.3)
Proceeds from affiliate notes receivable	98.5
Purchases of property, equipment and software	(11.2)
<b>Net cash used in investing activities</b>	<b>(42.0)</b>
<b>Cash flows from financing activities</b>	
Equity distributions	(297.2)
Payments on affiliate notes payable, net	(14.6)
Payments on finance leases and other obligations	(3.8)
Other	(1.4)
<b>Net cash used in financing activities</b>	<b>(317.0)</b>
<b>Effect of exchange rate changes on cash, cash equivalents and restricted cash</b>	<b>(14.4)</b>
Net decrease in cash, cash equivalents and restricted cash	(84.3)
Cash, cash equivalents and restricted cash at the beginning of the period	333.0
<b>Cash, cash equivalents and restricted cash at the end of the period</b>	<b>\$ 248.7</b>
<b>Supplemental disclosure of cash flow information</b>	
Cash paid for income taxes	\$ 59.0
<b>Supplemental disclosure of non-cash investing and financing activities</b>	
Purchases of PP&E included in accounts payable, accrued expenses and other liabilities	\$ (0.6)

*See accompanying Notes to Consolidated Financial Statements*

**INFOR FOREIGN INVESTMENTS, LLC**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. Nature of Business and Basis of Presentation**

***Description of Business***

Infor Foreign Investments, LLC (Infor Foreign Investments) is a domestic limited liability company formed in the State of Delaware. Infor Foreign Investments is an indirect, wholly-owned subsidiary of Infor, LLC (Infor), formerly Infor, Inc. Infor is privately held by Koch Industries, Inc. (KII). Infor Foreign Investments is the parent company of the majority of the non-U.S. subsidiaries of Infor. Unless otherwise indicated or the context requires otherwise, hereafter any reference to *Infor Foreign Investments, we, our, us or the Company* refers to Infor Foreign Investments, and its consolidated subsidiaries.

Infor is a global leader in business cloud software specialized by industry. Infor develops complete solutions for focus industries, including industrial manufacturing, distribution, healthcare, food & beverage, automotive, aerospace & defense, high tech, and fashion/retail. Infor's mission-critical enterprise applications and services are designed to deliver sustainable operational advantages with security and faster time-to-value. Infor's solutions are developed for Fortune 500 enterprises and small and medium-sized businesses (SMBs) looking for deep industry expertise to help overcome market disruptions and achieve their business goals. Infor serves a diverse and sophisticated global customer base across four major geographic regions - the Americas, Europe, Middle East and Africa, and Asia Pacific.

We generate revenue primarily from providing access to our software products through Software-as-a-Service (SaaS) subscription offerings, the sale of perpetual or term software licenses granting customers use of our software products, providing on-going product updates and support services for our customers through our subscription-based annual maintenance and support programs, and providing consulting services which help our customers implement and use our applications more effectively.

***Basis of Presentation***

The accompanying Consolidated Financial Statements of Infor Foreign Investments have been prepared in accordance with generally accepted accounting principles in the U.S. (U.S. GAAP) as set forth in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Our Consolidated Financial Statements include the accounts of Infor Foreign Investments and its wholly-owned and majority-owned subsidiaries. For controlled subsidiaries in which ownership is less than 100%, the outside investors' interests are reported as a noncontrolling interest. All significant intercompany balances and transactions have been eliminated in consolidation.

***Use of Estimates and Assumptions***

The preparation of our Consolidated Financial Statements in accordance with U.S. GAAP requires us to make certain estimates and assumptions relating to the reporting of assets and liabilities as well as the reported amounts of our revenues and expenses during the periods presented. Actual results could differ from those estimates.

***Risks and Uncertainties***

As a result of conducting business in a global economy, the Company continues to experience various economic impacts which may impact the Company's operational and financial performance. Management will continue to monitor developments to assess potential future impacts that may arise.

The Company is primarily self-insured to insure against catastrophic loss and to self-insure for amounts that are not covered by its insurance policies.

## 2. Summary of Significant Accounting Policies

### *Adoption of New Accounting Pronouncements*

In September 2022, the FASB issued Accounting Standards Update (ASU) 2022-04, *Liabilities—Supplier Finance Programs (Subtopic 405-50)*. This standard requires disclosure of the key terms of outstanding supplier finance programs and a roll-forward of the related obligations. The new standard does not affect the recognition, measurement, or financial statement presentation of supplier finance program obligations. The Company adopted ASU 2022-04 on January 1, 2023, on a retrospective basis. The adoption did not have a material impact on the Company's Consolidated Financial Statements and related disclosures.

### *Recent Accounting Pronouncements—Not Yet Adopted*

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This standard was issued to enhance the transparency and decision usefulness of income tax disclosures. The standard becomes effective January 1, 2026, and early adoption is permitted. The Company is currently evaluating the impact of adopting this standard.

In March 2023, the FASB issued ASU 2023-01, *Leases (Topic 842): Common Control Arrangements*. This standard introduced two issues: terms and conditions to be considered with leases between related parties under common control and accounting for leasehold improvements. The standard requires that leasehold improvements associated with common control leases be amortized by the lessee over the useful life of the leasehold improvements to the common control group. Additionally, the standard requires that these leasehold improvements are accounted for as a transfer between entities under common control through an adjustment to equity if, and when, the lessee no longer controls the use of the underlying asset. The standard becomes effective January 1, 2024. The Company is currently evaluating the impact of adopting this standard.

### *Revenue Recognition*

We apply the provisions of ASC 606, *Revenue from Contracts with Customers*, to determine the measurement of revenue and the timing of when it is recognized. Under ASC 606, revenue is measured as the amount of consideration we expect to be entitled to, in exchange for transferring products or providing services to our customers, and is recognized when performance obligations under the terms of contracts with our customers are satisfied. ASC 606 prescribes a five-step model for recognizing revenue from contracts with customers: 1) identify contract(s) with the customer; 2) identify the separate performance obligations in the contract; 3) determine the transaction price; 4) allocate the transaction price to the separate performance obligations in the contract; and 5) recognize revenue when (or as) each performance obligation is satisfied.

We account for contracts with our customers when both parties have approved the contract and are committed to perform their respective obligations, each party's rights regarding products or services to be transferred are identified, payment terms are identified, the contract has commercial substance and collection of the consideration is probable. We utilize written contracts as the means to establish the terms and conditions by which our products, product updates and support and/or consulting services are sold to our customers.

Performance obligations are promises in a contract to transfer distinct products or services to our customers and are the unit of account under ASC 606. A contract's transaction price is allocated to each distinct performance obligation and revenue is recognized when or as the performance obligation is satisfied. A product or service is a distinct performance obligation if our customer can both benefit from the product or service either on its own or together with other resources that are readily available to the customer and it is separately identifiable from other items within the context of the contract. Performance obligations are satisfied by transferring control of the product or service to our customers. Control of the product or service is transferred either at a point in time or over time depending on the performance obligation.

Our revenues are generated primarily by providing access to our SaaS subscriptions, licensing our software, providing product updates and support related to our licensed products, and providing consulting services to our customers. Generally, revenues from SaaS subscriptions and product updates and support are recognized ratably over time; revenue from

software license sales is recognized upon delivery; and revenues from consulting services are recognized as performed. Revenue is recorded net of applicable taxes. Our specific revenue recognition policies are as follows:

#### *SaaS Subscriptions*

Our SaaS subscriptions revenues are primarily from granting customers the right to access software products through our cloud-based SaaS subscription offerings. Under a SaaS subscription agreement, our customer receives a right to access the software for a specified period of time in an environment hosted, supported, and maintained by Infor. SaaS subscription services are a single performance obligation satisfied over time, and associated revenue is generally recognized ratably over the contract term once the software is made available to the customer. Our SaaS subscription offerings are typically sold with one to five-year subscription terms, generally invoiced in advance of each annual subscription period, and are non-cancelable during the committed subscription term.

Consulting services sold in conjunction with SaaS offerings such as implementation, configuration, training, and data conversion services are considered separate performance obligations. Consequently, they are recognized separately from the SaaS subscription agreement, and applicable revenue is typically recognized as the services are delivered. See *Contracts with Multiple Performance Obligations* below.

#### *Software License Fees*

Our software license fees revenues are primarily from sales of perpetual software licenses, granting customers the license right to use our software products, with no expiration date. Perpetual software licenses are satisfied at a point in time, and associated revenue is recognized upon transfer of control of the software (i.e., when the customer can access, use, and benefit from the software license).

Certain of our software products are offered as term-based license contracts, under which we grant customers the license right to use the software for a specified period. Term software licenses are satisfied at a point in time and associated revenue is recognized upon the later of 1) delivery of the software, or 2) the beginning of the period in which the customer has received the license right to use the software.

For customer contracts that include software license fees, implementation and/or other consulting services, the portion of the transaction price allocated to software licenses is generally recognized when delivered. The implementation and consulting services are typically distinct performance obligations and qualify for separate recognition. The portion of the transaction price allocated to implementation and other consulting services is generally recognized as such services are performed. See *Contracts with Multiple Performance Obligations* below.

#### *Product Updates and Support Fees*

Our product updates and support services entitle our customers to receive, for an agreed upon period, unspecified product upgrades (when and if available), release updates, regulatory updates and patches, as well as support services including access to technical information and technical support staff. These post contract support (PCS) services are stand-ready performance obligations that are satisfied over time, and considered a series of distinct services that are substantially the same with the same duration and measure of progress. Revenues for PCS services are recognized on a straight-line basis over the term of the service period. The term of our product updates and support services agreements is typically 12 months. Agreements are typically invoiced annually in advance of the service period.

#### *Consulting Services and Other Fees*

We also provide consulting services, including systems implementation and integration services, consulting, training, and application managed services. Our consulting services are contracted for in conjunction with our SaaS subscription offerings or the licensing of our software products and/or on a standalone basis. Most of our services are sold under specific software services agreement terms, are priced separately from other promises, and meet the criteria for being considered separate performance obligations as they do not significantly customize or modify the software, are generally not essential to the functionality of our software products, and are also available from third-party vendors and systems integrators.

The majority of our consulting services agreements are provided under time and materials contracts, and the performance obligations are satisfied, and related revenues are recognized over time as the services are provided.

Our fixed price service contracts typically qualify as performance obligations that are satisfied over time and therefore are recognized on a proportional performance basis. For these fixed price projects, progress is measured based on labor hours performed to date relative to the total expected labor hours to complete the project. When it cannot be demonstrated that services meet the criteria for recognition over time, revenue from fixed price engagements is recognized only at points in time when the customer obtains control of promised products.

Consulting services and other fees also include hosting services. Customers who elect to host their software licenses by Infor have the contractual right to take possession of the software at any time during the hosted period. The customer has the right to choose not to renew hosting services upon its expiration and can deploy the software internally or contract with another party unrelated to Infor to host the software. The software provides standalone usage and functionality and, therefore, is not dependent upon the hosting service. Therefore, customers can self-host and any penalties to do so are insignificant. Accordingly, fees allocated to the hosting performance obligation are recognized once the service begins, separate from software licenses, and then ratably over the term of the hosting service.

Consulting services and other fees also include education services. Revenues related to these services are recognized when the services are provided or when the fees are received.

In addition to the above, consulting services and other fees include fees received for providing services to affiliates of our parent company, Infor. See Note 13, *Related Party Transactions*, for additional information.

*Software development services:* The Company provides software development services across Infor including coding, quality control, integration, and testing. Software development services fees are recognized over time as the services are provided.

*Center of excellence (CoE) services:* The Company's CoE is a central development resources group which provides a significant portion of Infor's global consulting services hours across all regions. CoE services include IT services such as custom development, application management services, implementation, and training, among others. CoE services fees are recognized over time as the services are provided.

*Shared services:* The Company provides shared services across Infor including general accounting, IT services related to systems and servers, global marketing services, among others. Shared services fees are recognized over time as the services are provided.

#### *Contracts with Multiple Performance Obligations*

We also enter into contracts that may include a combination of our various products and services offerings including SaaS subscriptions, software licenses, product updates and support, consulting services, and hosting services. For contracts with multiple performance obligations, we account for individual performance obligations separately if they are distinct. Significant judgment may be required to identify distinct obligations within a contract. The total transaction price is allocated to the individual performance obligations based on the ratio of the relative established standalone selling prices (SSP), or our best estimate of SSP, of each distinct product or service in the contract. Revenue is then recognized for each distinct performance obligation as described in the specific revenue recognition policies above.

#### *Contract Modifications*

Contract modifications may create new, or change existing, enforceable rights and obligations of the parties to the contract. We generally modify an existing contract using a new order form, an addendum, a signed service change order, or new services work orders. A contract modification is accounted for as a new contract if it reflects an increase in scope that is regarded as distinct from the original contract and is priced in-line with the standalone selling price for the related product or services obligated. If a contract modification is not considered a new contract, the modification is combined with the original contract and the impact on the revenue recognition profile depends on whether the remaining products and services are distinct from the original contract. If the remaining goods or services are distinct from those in the original contract, all remaining performance obligations will be accounted for on a prospective basis with unrecognized consideration allocated to the remaining performance obligations. If the remaining goods or services are not distinct, the modification will be treated as if it were a part of the existing contract, and the effect that the contract modification has on the transaction price, and on our

measure of progress toward satisfaction of the performance obligations, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on the date of the contract modification on a cumulative catch-up basis.

#### *Contract Balances*

The timing of our revenue recognition may differ from the timing of invoicing to our customers, and these timing differences result in receivables, contract assets, or contract liabilities which are reflected on our Consolidated Balance Sheet. We record contract assets when we have transferred software products or provided services but do not yet have the right to related consideration, or contract liabilities when we have received or have the right to receive consideration but have not yet transferred software products or provided services to our customers. Contract balances are classified as assets or liabilities on a contract-by-contract basis at the end of each reporting period.

*Receivables and Contract Assets* – We classify the right to consideration in exchange for software products or services transferred to our customers as either a receivable or a contract asset depending on whether those rights are conditional or unconditional. A receivable is a right to consideration that is unconditional as compared to a contract asset, which is a right to consideration that is conditional upon factors other than the passage of time.

Receivables are comprised of gross amounts due from customers for which we have an unconditional right to collect. The gross amount invoiced includes pass-through taxes and fees, which are recorded as liabilities at the time they are billed. We offset amounts billed and deferred revenue for invoices not billed under a committed contract for which the subscription period has not started as of the balance sheet date. We record receivables within accounts receivable, net, on our Consolidated Balance Sheet.

Contract assets relate to unbilled accounts receivable, which represent revenue recognized on arrangements for which billings have not yet been presented to customers because the amounts were earned but not contractually billable as of the balance sheet date, and the right to consideration is generally subject to milestone completion, client acceptance or factors other than the passage of time. We record contract assets within other current assets on our Consolidated Balance Sheet.

In instances where the timing of revenue recognition differs from the timing of invoicing, we have determined that our contracts generally do not include a significant financing component as the period between transfers of goods/services and payment is generally less than one year. The primary purpose of our invoicing terms is to provide customers with simplified and predictable ways of purchasing our software products and related services, not to receive financing from our customers or to provide customers with financing.

*Contract Liabilities – Deferred Revenues* – We record contract liabilities as deferred revenues when we have received or have the right to receive consideration but have not yet transferred software products or provided services to our customers. Deferred revenues represent amounts billed or payments received from customers for SaaS subscriptions, software licenses, product updates and support and/or consulting services in advance of recognizing revenue or performing services. We defer revenue for these undelivered performance obligations and recognize revenues when the applicable software products are delivered or over the periods in which the services are performed, in accordance with our revenue recognition policy for such performance obligations. We classify deferred revenue as current or noncurrent based on the timing of when we expect to recognize revenue. The noncurrent portion of deferred revenue is included within other long-term liabilities on our Consolidated Balance Sheet.

#### *Costs to Obtain or Fulfill a Contract – Deferred Costs*

Commissions payable to our direct sales force and independent affiliates who resell our software products are considered incremental and recoverable costs of obtaining or fulfilling contracts with our customers. Sales commissions are recorded when a sale is completed or when our SaaS subscription is provisioned, which generally coincides with the timing of revenue recognition in most cases. Certain of these costs are capitalized and amortized ratably over the expected customer relationship period during which we expect to recover those costs. In estimating the expected customer relationship period, we evaluated both quantitative and qualitative factors including the nature of our product/service offerings, expected renewals, and the estimated economic life of the applicable software. We record these deferred costs within prepaid expenses and other assets on our Consolidated Balance Sheet. The deferred costs are amortized over various periods; generally, five years for maintenance contracts, and three to six years for SaaS subscriptions.

## **Leases**

We account for leases in accordance with ASC 842, *Leases*. Under ASC 842, we recognize right-of-use assets (ROU assets) and lease liabilities on our Consolidated Balance Sheet relating to our leasing arrangements. For income statement purposes, this guidance retained a dual model, requiring leases to be classified as either operating or finance. See Note 6, *Leases*, for additional information.

We determine if an arrangement is or contains a lease at the inception of the contractual agreement. If an arrangement is a lease, we determine if it is an operating lease or a finance lease. ROU assets and lease liabilities are recognized at the commencement date. Lease liabilities are measured at the present value of the remaining lease payments over the expected lease term, which includes options to extend or terminate the lease when it is reasonably certain those options will be exercised. The present value of our lease liabilities is determined using an incremental collateralized borrowing rate as estimated at lease inception. ROU assets represent our right to control the use of the leased assets during the lease term and are recognized in an amount equal to the initial measurement of the lease liabilities, increased by any initial direct costs incurred or lease payments made prior to the commencement date, and reduced by any lease incentives received.

We have entered into operating leases for the rental of office space and certain office and IT equipment. We have also entered into finance lease commitments for vehicles and certain other office and IT equipment.

We have lease arrangements with both lease and non-lease components. For our office space and IT equipment, we separate lease and non-lease components. For our vehicle and office equipment leases, we account for lease and non-lease components as a single lease component.

For all leases with an initial term of 12 months or less, we do not record lease assets and liabilities on the balance sheet. We recognize lease expense for these short-term leases on a straight-line basis over the lease term.

For operating leases, lease expense is recognized on a straight-line basis over the lease term and is recorded in cost of revenue and operating expense lines in our Consolidated Statement of Operations. Finance leases include both an operating expense and an interest expense component. Amortization expense of the finance lease ROU asset is recognized on a straight-line basis over the lease term and interest expense for finance leases is recognized using the effective interest method. These are recorded in amortization of intangible assets and depreciation, and interest (income) expense, net, respectively, in our Consolidated Statement of Operations. Some of our leases contain variable lease costs, including payments tied to consumer price indexes, for taxes, maintenance, insurance and other operating costs. Variable lease costs, other than payments based on a rate or index, are not included in the measurement of the ROU asset or lease liability and are expensed as incurred.

Our sublease transactions and lease transactions with related parties are not significant. We do not have lease agreements with residual value guarantees or restrictive covenants.

## **Business Combinations**

We account for business acquisitions in accordance with ASC 805, *Business Combinations*. ASC 805 requires recognition of the assets acquired and the liabilities assumed separately from goodwill, generally at their acquisition date fair values, except for customer contracts acquired, which are recognized in accordance with our revenue recognition policy. Goodwill is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. We use our best estimates and assumptions to assign fair value to the tangible and intangible assets acquired and liabilities assumed as of the acquisition date. These estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill. In addition, uncertain tax positions and tax related valuation allowances assumed in connection with a business combination are initially estimated as of the acquisition date and are reevaluated with any adjustments made within the measurement period being recorded to goodwill. Upon the conclusion of the measurement period or final determination of the fair values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded in our results of operations in the period such adjustments are made.

### ***Restructuring and Related Charges***

Costs to exit or restructure certain activities of an acquired company, or our internal operations, are accounted for as one-time termination and exit costs pursuant to ASC 420, *Exit or Disposal Cost Obligations*. Liabilities for costs associated with an exit or disposal activity are measured at fair value and recognized in the period in which the liability is incurred. In addition, we may incur restructuring charges related to personnel actions which are accounted for in accordance with ASC 712, *Compensation—Nonretirement Postemployment Benefits*. These restructuring charges represent severance associated with redundant positions. Because these costs are recorded based upon estimates, actual expenditures for the restructuring activities may differ from the initially recorded costs. This may require revision of initial estimates. Such changes are recorded as increases or decreases to restructuring costs in the period the change in estimate occurs. See Note 9, *Restructuring and Related Charges*.

### ***Cash, Cash Equivalents and Restricted Cash***

Cash and cash equivalents are comprised primarily of unrestricted amounts in operating accounts. Our cash balance, at times, may exceed the federally insured limits. Cash and cash equivalents are maintained with a diversified group of institutions that we believe to be of high credit quality.

In addition, we have restricted cash balances which are classified as either other current assets or other assets on our Consolidated Balance Sheet depending on the nature of the restriction. Restricted cash is used to collateralize various operating guarantees such as leases, acquisition funding, or letters of credit and is recorded at cost, which approximates fair market value.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash within our Consolidated Balance Sheet to amounts presented within our Consolidated Statement of Cash Flows at December 31, 2023:

(in millions)	2023
Current assets	
Cash and cash equivalents	\$ 248.1
Restricted cash - Other current assets	0.6
Total cash, cash equivalents and restricted cash	\$ 248.7

### ***Accounts Receivable***

Accounts receivable are comprised of gross amounts invoiced to customers and accrued revenue, which represents earned but unbilled revenue at the balance sheet date. The gross amount invoiced includes pass-through taxes and fees, which are recorded as liabilities at the time they are billed. We offset our accounts receivable and deferred revenue for invoices not billed under a committed contract for which the subscription period has not started as of the balance sheet date. Accounts receivable are presented net of an allowance for expected credit losses on our Consolidated Balance Sheet.

We have established an allowance for estimated billing adjustments and an allowance for expected credit losses. We record provisions for billing adjustments as a reduction of revenue and provisions for expected credit losses as a component of general and administrative expense in our Consolidated Statement of Operations. The allowance for expected credit losses is determined through assessments of historical trends, the current and projected economic conditions, and customer and counterparty credit ratings. We manage credit risk through normal industry collateralization processes, extensive credit analysis, and diligent payment management practices. Receivables are written off when we determine that collection is not probable. See Note 4, *Accounts Receivable*.

### ***Sales Allowances***

We do not generally provide a contractual right of return. However, in the course of arriving at practical business solutions to various claims arising from the sale of our products and delivery of our solutions, we have allowed for sales allowances. We record a provision against revenue for estimated sales allowances on license and consulting revenues in the same period the related revenues are recorded or when current information indicates additional allowances are required. These estimates are based on historical experience determined by analysis of claim activities, specifically identified

customers and other known factors. A considerable amount of judgment is required in assessing these factors. If the historical data utilized does not reflect expected future performance, a change in the allowances would be recorded in the period such determination is made affecting current and future results of operations. The balance of our sales reserve is reflected in deferred revenue on our Consolidated Balance Sheet.

### ***Property and Equipment***

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives of property and equipment are described below:

Buildings	40 years
Computer equipment and software	3 years
Other equipment, furniture and fixtures	5-7 years

Leasehold improvements are amortized over the lesser of their estimated useful lives or the remaining term of the leases to which they relate. Assets acquired under finance leases are included in property and equipment, and are depreciated on a straight-line basis over the lesser of the estimated useful life of the respective assets or the term of the finance lease. Repair and maintenance costs are expensed as incurred if they do not increase the life or productivity of the related capitalized asset.

Gains or losses are reflected in results of operations upon retirement or sale of property and equipment. Property and equipment are reviewed for impairment when circumstances indicate that the carrying value of the property and equipment may not be recoverable. The carrying value of the applicable asset or asset group is compared to the undiscounted future cash flows the asset or asset group is expected to generate. If the carrying value exceeds the undiscounted future cash flows, the asset or asset group is considered to be impaired. In this case, the difference between the carrying value and the estimated fair value, based on the discounted future cash flows, is recognized as an impairment loss. We did not recognize any impairment charges for property and equipment during the year ended December 31, 2023.

### ***Research and Development Costs***

We account for research and development costs in accordance with the ASC 730, *Research and Development*. Under ASC 730, all research and development costs are expensed as incurred, with the exception of certain software development costs discussed below. Our research and development costs consist primarily of salaries, employee benefits, related overhead costs, and consulting fees associated with product development, testing, quality assurance, documentation, enhancements and upgrades for existing customers under maintenance.

### ***Software Development Costs***

We apply ASC 350-40, *Intangibles—Goodwill and Other—Internal Use Software*, to our review of development projects for software we do not intend to sell or otherwise market. These projects primarily relate to software used for our SaaS subscription offerings. In these reviews, all costs incurred during the preliminary project stages are expensed as incurred. Once the projects have been committed to and it is probable that the projects will meet functional requirements, costs are capitalized. These capitalized software costs are depreciated on a project-by-project basis over the expected economic life of the underlying product on a straight-line basis, which is typically two to three years. Depreciation commences when the software is available for its intended use. During the year ended December 31, 2023, we did not capitalize any amounts related to internal use software and we had no unamortized costs of capitalized internal use software as of December 31, 2023.

We apply ASC 985-20, *Software—Costs of Software to Be Sold, Leased, or Marketed*, in analyzing our development costs for software we intend to sell or otherwise market. ASC 985-20 requires the capitalization of certain software development costs subsequent to the establishment of technological feasibility for a software product. Research and development costs associated with establishing technological feasibility are expensed as incurred. Based on our software development process, technological feasibility is established upon the completion of a working model. We begin amortizing capitalized costs once a product is available for general release. Amortization is recognized on a straight-line basis with reference to the product's expected useful life, which is typically two years. During the year ended December 31, 2023, we

did not capitalize any amounts related to the completion of work between the time of technological feasibility and the point at which the software was ready for general release and we had no unamortized capitalized costs as of December 31, 2023.

During the year ended December 31, 2023, certain software development costs related to internal use software and software to be sold, leased, or marketed were capitalized by an affiliate of Infor.

### ***Intangible Assets***

Intangible assets represent customer contracts and relationships, acquired and developed technology, and trade names obtained in connection with acquisitions. Our intangible assets are being amortized using straight-line amortization over their estimated useful lives, ranging from 4 to 18 years. See Note 7, *Intangible Assets*.

The carrying amounts of intangible assets are reviewed whenever circumstances arise that indicate the carrying amount of an asset or asset group may not be recoverable. The carrying value of the asset or asset group is compared to the undiscounted future cash flows the asset or asset group is expected to generate. If the carrying value exceeds the undiscounted future cash flows, the asset or asset group is considered to be impaired. In this case the difference between the carrying value and the estimated fair value, based on the discounted future cash flows, is recognized as an impairment loss.

### ***Goodwill***

Goodwill represents the excess of consideration transferred over the fair value of net tangible and intangible assets acquired and liabilities assumed in a business combination. Goodwill amounts are not amortized, but rather are evaluated for potential impairment on an annual basis unless circumstances indicate the need for impairment testing between the annual tests. The judgments regarding the existence of impairment indicators are based on legal factors, market conditions, and operational performance, among other things.

Annual testing for goodwill impairment may begin with a qualitative comparison of a reporting unit's fair value to its carrying value to determine if it is more-likely-than-not that the fair value is less than the carrying value and thus whether any further impairment testing is necessary. Further quantitative testing for goodwill impairment involves comparing the carrying value of a reporting unit's net assets to the estimated fair value of the reporting unit. We estimated the fair value of our reporting unit using a combination of an income approach (discounted cash flow method) and a market approach (market comparable method). If the reporting unit's carrying value exceeds its estimated fair value, the reporting unit is considered to be impaired, and this difference is recognized as an impairment loss, limited to the amount of goodwill recorded related to the reporting unit.

We conduct our annual impairment test as of October 1. The results of the annual test performed on October 1, 2023 did not indicate any potential impairment for our reporting unit. We believe there was no impairment of our goodwill and no indication of potential impairment existed as of December 31, 2023. We have no accumulated impairment charges related to our goodwill.

### ***Contingencies—Litigation Reserves***

We provide for contingent liabilities, including those related to litigation matters, in accordance with ASC 450, *Contingencies*. Pursuant to this guidance, we record an accrual for a contingency when it is both probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. We do not record gain contingencies until they are realized. We expense all legal costs to resolve regulatory, legal, tax, or other matters in the period incurred and include such costs in general and administrative expenses in our Consolidated Statement of Operations. In the ordinary course of business, we regularly review the status of all regulatory, legal, tax, and other reserves for the possibility that the amount of recorded liabilities has changed or that new liabilities have arisen. As additional information becomes available, we reassess the potential liabilities and may revise our estimates accordingly. Such revisions in the estimates of the potential liabilities could have a material impact on our future results of operations, financial position, and cash flows. See Note 10, *Commitments and Contingencies – Litigation*.

### Foreign Currency

The functional currency of our foreign subsidiaries is typically the applicable local currency. The translation from the respective foreign currencies to U.S. Dollars is performed for balance sheet accounts using current exchange rates in effect at the balance sheet date and using a weighted average exchange rate during the applicable period for income statement accounts. Gains or losses resulting from translation of balance sheet accounts are included as a separate component of accumulated other comprehensive income on our Consolidated Balance Sheet. Transaction gains and losses are recognized in our results of operations as a component of other (income) expense, net, in the accompanying Consolidated Statement of Operations.

We recognized a net foreign currency exchange transaction loss of \$3.3 million in the year ended December 31, 2023.

### Comprehensive Income (Loss)

Comprehensive income (loss) is defined as the change in equity of a business enterprise from non-member transactions impacting members' equity that are not included in the statement of operations and are reported as a separate component of members' equity. Other comprehensive income (loss) includes the change in foreign currency translation adjustments and changes in defined benefit plan obligations.

We report accumulated other comprehensive income (loss) as a separate line item in the members' equity section of our Consolidated Balance Sheet. We report the components of comprehensive income (loss) on our Consolidated Statement of Comprehensive Income (Loss).

Total accumulated other comprehensive income (loss) and its components were as follows for the year ended December 31, 2023:

(in millions)	Foreign Currency Translation Adjustment	Funded Status of Defined Benefit Pension Plan <sup>(1)</sup>	Accumulated Other Comprehensive Income (Loss)
Balance, December 31, 2022	\$ (136.0)	\$ 3.0	\$ (133.0)
Other comprehensive income (loss)	153.4	(0.7)	152.7
Less: other comprehensive loss attributable to noncontrolling interests	(1.1)	-	(1.1)
Other comprehensive income (loss) attributable to Infor Foreign Investments, LLC	152.3	(0.7)	151.6
Balance, December 31, 2023	<u>\$ 16.3</u>	<u>\$ 2.3</u>	<u>\$ 18.6</u>

(1) Funded status of defined benefit pension plan is presented net of tax liability of \$0.1 million as of December 31, 2023.

### Advertising Costs

We expense advertising costs as incurred. These costs are included in sales and marketing expense in our Consolidated Statement of Operations. For the year ended December 31, 2023, advertising costs were \$5.6 million.

### Concentration of Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash and cash equivalents, and trade receivables with customers. Cash and cash equivalents are generally held with a number of large, diverse financial institutions worldwide to reduce the amount of exposure to any single financial institution. We do not require collateral to secure accounts receivable. Credit risk with respect to trade receivables is mitigated by credit evaluations performed on existing and prospective customers and by the diversification of our customer base across different industries and geographic areas. No one customer accounted for more than 10% of our consolidated trade accounts receivable balance at December 31, 2023. In addition, no individual customer accounted for more than 10% of our consolidated revenues in the year ended December 31, 2023.

A significant portion of our business is conducted in currencies other than the U.S. Dollar, the currency in which our financial statements are reported. Significant changes in these currencies relative to the U.S. Dollar could materially impact our revenue, operating results and financial position. During the year ended December 31, 2023, we did not pursue hedging strategies to mitigate foreign currency exposure.

### ***Fair Value Measurements***

We apply the provisions of ASC 820, *Fair Value Measurements and Disclosures*, to certain assets and liabilities that are recognized at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. In measuring fair value, we use a three-level hierarchy that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques. Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are as follows:

- Level 1:* Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2:* Other inputs that are directly or indirectly observable in the marketplace.
- Level 3:* Unobservable inputs which are supported by little or no market activity.

As of December 31, 2023, we had recorded no Level 3 assets or liabilities. We have had no transfers of assets/liabilities into or out of Level 3 during the year ended December 31, 2023.

We have elected not to apply the fair value option for financial assets and liabilities that we are not required to carry at fair value. As of December 31, 2023, our material financial assets and liabilities not carried at fair value included our cash and cash equivalents, accounts receivable, affiliate notes receivable, accounts payable, and accrued expenses.

In addition to the financial assets and liabilities recognized at fair value on a recurring basis, certain non-financial assets and liabilities are to be measured at fair value on a nonrecurring basis in accordance with applicable U.S. GAAP. This includes items such as non-financial assets and liabilities initially measured at fair value in a business combination (but not measured at fair value in subsequent periods) and non-financial long-lived asset groups measured at fair value for an impairment assessment. In general, non-financial assets including goodwill, other intangible assets and property and equipment are measured at fair value when there is an indication of impairment and are recorded at fair value only when any impairment is recognized. As of December 31, 2023, we assessed applicable non-financial assets and liabilities in accordance with our policy and determined that no impairment was required.

### ***Income Taxes***

We utilize the asset and liability method of accounting for income taxes as set forth in ASC 740, *Income Taxes*. Under this method, we recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured by applying enacted statutory tax rates that are applicable to the future years in which deferred tax assets or liabilities are expected to be settled or realized to the differences between the financial statements carrying amount and the tax bases of existing assets and liabilities. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in our results of operations in the period in which the tax rate change is enacted. The guidance also requires a valuation allowance against net deferred tax assets if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets may not be realized. Changes in valuation allowances are included in Infor's income tax provision in the period of change. In determining whether a valuation is warranted, Infor takes into account such factors as prior earnings history, expected future earnings, unsettled circumstances that, if unfavorably resolved, would adversely affect utilization of a deferred tax asset, carry-back and carry-forward periods, and tax strategies that could potentially enhance the likelihood of realization of a deferred tax asset. See Note 11, *Income Taxes*.

## **3. Revenues**

### ***Contract Balances***

The timing of our revenue recognition may differ from the timing of invoicing to our customers, and these timing differences result in receivables, contract assets, or contract liabilities which are reflected on our Consolidated Balance Sheet.

The following table summarizes our contract assets and liabilities as of December 31, 2023:

(in millions)	<u>2023</u>
Contract assets	
Deferred costs - Prepaid expenses	\$ 37.9
Unbilled accounts receivable - Other current assets	36.7
Deferred costs - Other assets	61.8
Total contract assets	<u>\$ 136.4</u>
Contract liabilities	
Current deferred revenue	\$ 497.8
Noncurrent deferred revenue - Other liabilities	4.4
Total contract liabilities	<u>\$ 502.2</u>

The following table sets forth the components of deferred revenue as of December 31, 2023:

(in millions)	<u>2023</u>
SaaS subscriptions	\$ 184.4
Software license fees	1.9
Software subscriptions and license fees	186.3
Product updates and support fees	255.4
Consulting services and other fees	62.2
Contract asset offset	(1.7)
Total deferred revenue	502.2
Less: current portion	497.8
Deferred revenue - noncurrent	<u>\$ 4.4</u>

#### **Sales Allowances**

The balance of our sales allowance is reflected in deferred revenue on our Consolidated Balance Sheet. The following is a rollforward of our sales reserve for the year ended December 31, 2023:

(in millions)		
Balance, December 31, 2022	\$	16.6
Provision		3.4
Write-offs		(8.9)
Currency translation effect		0.4
Balance, December 31, 2023	<u>\$</u>	<u>11.5</u>

#### **4. Accounts Receivable**

Accounts receivable, net is comprised of the following as of December 31, 2023:

(in millions)	<u>2023</u>
Accounts receivable	\$ 181.9
Unbilled accounts receivable	67.3
Less: allowance for expected credit losses	(14.6)
Accounts receivable, net	<u>\$ 234.6</u>

The following is a rollforward of our allowance for expected credit losses for accounts receivable for the year ended December 31, 2023:

(in millions)		
Balance, December 31, 2022	\$	14.2
Provision		3.2
Write-offs and recoveries		(3.1)
Currency translation effect		0.3
Balance, December 31, 2023	\$	<u>14.6</u>

## 5. Property and Equipment

Property and equipment, net consists of the following as of December 31, 2023:

(in millions)		<u>2023</u>
Buildings and leasehold improvements	\$	30.7
Computer equipment and software		32.7
Other equipment, furniture and fixtures		19.8
Equipment under finance leases		15.4
Total property and equipment		<u>98.6</u>
Less: accumulated depreciation and amortization		(61.6)
Property and equipment, net	\$	<u>37.0</u>

Total depreciation expense related to our property and equipment for the year ended December 31, 2023, was \$19.5 million.

We have asset retirement obligations related to certain of our leased facilities. The accrued asset retirement obligations at December 31, 2023 was \$6.7 million.

## 6. Leases

The following table summarizes lease-related balances within our Consolidated Balance Sheet as of December 31, 2023:

(in millions)	<u>Balance Sheet Classification</u>	<u>2023</u>
<b>Assets</b>		
Operating leases	Operating lease right-of-use assets	\$ 56.8
Finance leases	Property and equipment, net	6.5
Total leased assets		<u>\$ 63.3</u>
<b>Liabilities</b>		
Current:		
Operating lease liabilities	Operating lease liabilities	\$ 20.8
Finance lease liabilities	Accrued expenses	3.1
Noncurrent:		
Operating lease liabilities	Operating lease liabilities, noncurrent	38.1
Finance lease liabilities	Other long-term liabilities	3.6
Total lease liabilities		<u>\$ 65.6</u>

The following table sets forth the components of our lease expense for the year ended December 31, 2023:

(in millions)	<u>2023</u>
Operating lease cost <sup>(1)</sup>	\$ <u>29.9</u>
Finance lease cost	
Amortization of right-of-use assets	3.7
Interest on finance lease liabilities	<u>0.2</u>
Finance lease cost	<u>3.9</u>
Total lease cost	\$ <u><u>33.8</u></u>

(1) Includes an immaterial amount of short-term lease costs, variable lease costs, and sublease income.

The following table reconciles the undiscounted remaining lease payments under our operating and finance leases to the lease liabilities recorded on our Consolidated Balance Sheet as of December 31, 2023:

(in millions)	<u>Operating Leases</u>	<u>Finance Leases</u>	<u>Total</u>
2024	\$ 22.5	\$ 3.3	\$ 25.8
2025	16.7	1.9	18.6
2026	8.2	1.3	9.5
2027	5.8	0.6	6.4
2028	4.0	-	4.0
Thereafter	<u>6.0</u>	<u>-</u>	<u>6.0</u>
Total future minimum lease payments	63.2	7.1	70.3
Less: amounts representing interest	<u>(4.3)</u>	<u>(0.4)</u>	<u>(4.7)</u>
Present value of lease liabilities	58.9	6.7	65.6
Less: current portion	<u>(20.8)</u>	<u>(3.1)</u>	<u>(23.9)</u>
Noncurrent lease liabilities	\$ <u><u>38.1</u></u>	\$ <u><u>3.6</u></u>	\$ <u><u>41.7</u></u>

As of December 31, 2023, our signed leases that had not yet commenced were insignificant.

The following table summarizes the supplemental cash flow information related to our leases for the year ended December 31, 2023:

(in millions)	<u>2023</u>
Operating cash flows from operating leases	\$ 33.8
Operating cash flows from finance leases	0.2
Financing cash flows from finance leases	3.8
Right-of-use assets obtained in exchange for new lease obligations	
Operating leases	2.3
Finance leases	4.0

The following table summarizes other information related to our leases as of December 31, 2023:

	<u>2023</u>
Weighted-average remaining lease term (years)	
Operating leases	4.2
Finance leases	2.7
Weighted-average discount rates	
Operating leases	3.6%
Finance leases	4.6%

## 7. Intangible Assets

Intangible assets, net consist of the following as of December 31, 2023:

(in millions)	<u>2023</u>			<u>Estimated Useful Lives (in years)</u>
	<u>Gross Carrying Amounts</u>	<u>Accumulated Amortization</u>	<u>Net</u>	
Customer contracts and relationships	\$ 1,822.1	\$ 480.4	\$ 1,341.7	9 - 18
Acquired and developed technology	485.0	300.7	184.3	6 - 7
Tradenames	9.5	8.6	0.9	4 - 5
Total intangibles	<u>\$ 2,316.6</u>	<u>\$ 789.7</u>	<u>\$ 1,526.9</u>	

Total amortization expense related to our intangible assets for the year ended December 31, 2023, was \$205.2 million.

The estimated future annual amortization expense related to the intangible assets as of December 31, 2023, was as follows:

(in millions)	
2024	\$ 209.8
2025	209.1
2026	149.8
2027	129.6
2028	128.9
Thereafter	699.7
Total	<u>\$ 1,526.9</u>

## 8. Goodwill

The following table reflects changes in the carrying amount of our goodwill for the year ended December 31, 2023:

(in millions)	
Balance, December 31, 2022	\$ 3,792.4
Currency translation effect	114.9
Balance, December 31, 2023	<u>\$ 3,907.3</u>

## 9. Restructuring and Related Charges

We have recorded restructuring charges related to our acquisitions and on occasion to eliminate redundancies, improve our operational efficiency and reduce our operating costs. These cost reduction measures included workforce

reductions, the exiting of certain leased facilities and the consolidation of space in certain other facilities. These restructuring charges include employee severance costs and costs related to reduction of office space. The employees terminated were typically from all functional areas of our operations and all geographic regions. Actions related to these restructuring activities have been completed.

The following table summarizes the accrued restructuring costs for the year ended December 31, 2023. The adjustments to costs in the table below consist of adjustments to the accrual that were accounted for as adjustments to current period earnings (Expense), or adjustments to the accrual that were related to the impact of fluctuations in foreign currency exchange rates (Foreign Currency Effect).

(in millions)	Balance December 31, 2022	Initial Costs	Adjustment to Costs			Balance December 31, 2023
			Expense	Foreign Currency Effect	Cash Payments	
Severance	\$ 8.5	\$ 14.1	\$ (0.9)	\$ 0.1	\$ (19.4)	\$ 2.4
Facilities and other	0.4	0.4	-	-	(0.7)	0.1
Total restructuring	\$ 8.9	\$ 14.5	\$ (0.9)	\$ 0.1	\$ (20.1)	\$ 2.5

The remaining restructuring reserve accruals related to severance and current facilities costs are included in accrued expenses on our Consolidated Balance Sheet.

In addition to these restructuring charges, we recorded a net \$0.8 million in restructuring and related costs in our Consolidated Statement of Operations related to impairment of operating lease ROU assets, ROU depreciation and sublease income during the year ended December 31, 2023.

## 10. Commitments and Contingencies

### *Litigation*

In accordance with applicable FASB guidance, we accrue for litigation exposure when a loss is both probable and estimable, and we provide disclosures of matters for which the likelihood of material loss is at least reasonably possible. As of December 31, 2023, we had accrued \$5.1 million, related to current litigation matters, which are included in accrued expenses on our Consolidated Balance Sheet.

In the normal course of business, we are subject to pending lawsuits and claims that management believes, when ultimately settled, will not have a significant impact in the Consolidated Financial Statements.

### *Guarantees*

We typically grant our customers a warranty that guarantees that our product will substantially conform to Infor's current specifications for 90 days from the delivery date. We also indemnify our customers from third-party claims of intellectual property infringement relating to the use of our products. Infor's standard software license agreements contain liability clauses that are limited in amount. We account for these clauses under ASC 460, *Guarantees*. We have not previously incurred costs to settle claims or paid awards under these indemnification obligations. Accordingly, we have not recorded any liabilities related to these agreements as of December 31, 2023.

## 11. Income Taxes

Infor Foreign Investments consists of certain wholly-owned domestic and foreign subsidiaries of Infor. The domestic entities are treated as disregarded entities for U.S. federal income tax purposes. Infor Foreign Investments has elected to not record income tax expense in its Consolidated Financial Statements for the domestic disregarded entities pursuant to the adoption of ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. With the

adoption of ASU 2019-12, one of the provisions specifies that an entity is not required to allocate the consolidated amount of current and deferred tax expense to an entity that is not subject to tax in its separate financial statements.

Infor Foreign Investments records foreign income tax provisions for separate return filing jurisdictions and other standalone operations. The provision for income taxes includes income taxes currently payable and those deferred because of temporary differences between the financial statement and tax bases of assets and liabilities.

Current and deferred income tax provision consists of the following items for the year ended December 31, 2023:

(in millions)	<u>2023</u>
Total current	\$ 68.1
Total deferred	(25.8)
Total income tax provision	<u>\$ 42.3</u>

Deferred income tax assets and liabilities were as follows as of December 31, 2023:

(in millions)	<u>2023</u>
Gross deferred tax assets	\$ 224.3
Less: valuation allowance	(125.3)
Net deferred tax assets	99.0
Deferred tax liabilities	350.8
Net deferred tax liabilities	<u>\$ (251.8)</u>

The material items included in the net deferred tax assets are driven by intangible assets and goodwill, net operating losses and tax credit carryforwards, and accrued liabilities. Infor Foreign Investments has net operating loss, capital loss and tax credit carryforwards of \$165.4 million. The net operating loss carry forwards expire at various dates between 2024 and 2042. There are also net operating loss carryforwards with no expiration.

For the year ended December 31, 2023, the effective tax rate is affected by recurring items, primarily earnings taxed in foreign jurisdictions at rates different than the statutory U.S. federal rate, and valuation allowances. The effective tax rate is also affected by a revaluation of deferred income taxes on the carrying amount of assets and liabilities within Infor Foreign Investments' subsidiaries as a result of changes in tax law and/or tax status and other discrete items that may occur in any given year but are not consistent from year to year.

Infor Foreign Investments has outside basis differences related to investments in certain non-U.S. subsidiaries of approximately \$3,831.2 million. The intention is to permanently reinvest the majority of the foreign earnings indefinitely or to repatriate such earnings when tax efficient to do so. Determination of the amount of unrecognized deferred tax liability on the undistributed earnings is not practicable.

Infor Foreign Investments continues to recognize an estimate of potential interest and penalties related to liabilities for unrecognized tax benefits in the provisions for domestic and foreign income taxes. Interest and penalties recognized are not material to the Infor Foreign Investments' Consolidated Financial Statements.

Infor Foreign Investments is subject to income taxation in many jurisdictions around the world. Unrecognized tax benefits (or tax contingency reserves) reflect the difference between positions taken or expected to be taken on income tax returns and the amounts recognized in the Consolidated Financial Statements. Resolution of the related tax positions through negotiations with the relevant tax authorities or through litigation could take many years to complete. The timing of resolution on individual tax positions is difficult to predict since such timing is not entirely within the control of Infor Foreign Investments. Infor Foreign Investments records tax benefits for the largest amount more-likely-than-not to be sustained during an income tax audit. Reserves related to uncertain tax positions are included in other liabilities and are not material to Infor Foreign Investments' Consolidated Financial Statements. Infor Foreign Investments believes fluctuations related to

uncertain tax positions occurring within the next twelve months will not have a significant effect on Infor Foreign Investments' Consolidated Financial Statements.

Infor Foreign Investments files standalone tax returns in many foreign and state jurisdictions. Audits in major jurisdictions are generally completed as follows: Canada (fiscal 2020), Australia (fiscal 2017), India (fiscal 2014), Japan (fiscal 2019), Germany (fiscal 2009), Sweden (fiscal 2020), and United Kingdom (fiscal 2018). Infor Foreign Investments believes any adjustments related to remaining unaudited tax years, when ultimately concluded, will not have a material effect on the Consolidated Financial Statements.

In 2021, the Organization for Economic Co-operation and Development (OECD) released the framework for the Pillar 2 Global Anti-Base Erosion (GloBE) model rules which, when implemented by OECD member jurisdictions, would impose a global 15% minimum tax on large multinational companies. The European Union and several other countries have agreed to implement portions of the OECD's Pillar 2 GloBE rules into legislation effective beginning in 2024 and 2025. The Company has assessed the potential exposure to Pillar 2 income taxes and does not believe the Pillar 2 GloBE rules will have a material impact on the financial statements and will continue to monitor the rule's impacts in future periods.

## 12. Retirement Plans

### *Defined Contribution Plans*

We sponsor defined contribution plans in certain foreign locations. We recognized expense for contributions to our defined contribution plans of \$13.8 million in the year ended December 31, 2023.

### *Defined Benefit Plans*

We maintain defined benefit plans in various countries. The most significant of these defined benefit plans are in France, the United Kingdom, Switzerland, and Germany. Benefits under the various plans are based primarily on applicable legal requirements, years of service and compensation levels. Our defined benefit plans in the United Kingdom and Germany have been frozen with no further benefits accruing. As of December 31, 2023, the remaining plans were funded to comply with the minimum legal funding requirements.

We used a measurement date of December 31, 2023, for our pension plans and accrued benefit obligations. Actuarial valuations of the plans occur on a triennial basis.

The following tables summarize the key data and assumptions for our defined benefit plans.

### *Projected Benefit Obligation - Plan Assets - Funded Status*

The projected benefit obligation, plan assets, and funded status of our plans were as follows as of December 31, 2023:

(in millions)	<u>2023</u>
Projected benefit obligation	\$ 95.6
Fair value of plan assets	<u>72.7</u>
Funded status, end of fiscal year	<u>\$ (22.9)</u>
Accumulated benefit obligation, end of fiscal year	<u>\$ 85.3</u>

### *Specific Items Included in Plan Assets*

Specific items included in our plan assets were as follows for the year ended December 31, 2023:

(in millions)	<u>2023</u>
Employer contributions	\$ 5.0
Plan participants' contributions	\$ 0.3
Benefits payments	\$ (4.1)

*Amounts Recognized on Our Consolidated Balance Sheet*

The amounts recognized on our Consolidated Balance Sheet were as follows as of December 31, 2023:

(in millions)	<u>2023</u>
Non-current asset	\$ 3.1
Current liability	(0.4)
Non-current liability	(25.6)
Total	<u>\$ (22.9)</u>

*Amounts Recognized in Accumulated Other Comprehensive Income*

The amounts recognized in Accumulated Other Comprehensive Income were as follows as of December 31, 2023:

(in millions)	<u>2023</u>
Net actuarial gain	\$ 2.2
Prior service cost	0.1
Tax	(0.1)
Total amounts recognized in accumulated other comprehensive income	<u>\$ 2.2</u>

*Net Periodic Pension Cost*

The net periodic pension cost recognized was as follows for the year ended December 31, 2023:

(in millions)	<u>2023</u>
Net periodic pension cost	\$ <u>2.7</u>

*Other Changes in Plan Assets and Benefit Obligations Recognized in Other Comprehensive Income (Loss)*

Other changes in plan assets and benefit obligation recognized in other comprehensive income (loss) were as follows for the year ended December 31, 2023:

(in millions)	<u>2023</u>
Net actuarial loss	\$ (0.9)
Prior service cost	0.2
Amortization of net actuarial loss	(0.6)
Tax	0.6
Total recognized in other comprehensive income (loss)	<u>\$ (0.7)</u>
Total recognized in net periodic benefit cost and other comprehensive income (loss)	<u>\$ (3.4)</u>

*Defined Benefit Plans with Projected Benefit Obligations and Accumulated Benefit Obligations that Exceed the Fair Value of the Plan Assets*

The projected benefit obligation and accumulated benefit obligation exceeds the fair value of the plan assets for the majority of our defined benefit plans. The pension benefits and the fair value of plan assets for those plans with projected benefit obligations and accumulated benefit obligations in excess of plan assets were as follows as of December 31, 2023:

(in millions)	<u>2023</u>
Projected benefit obligation	\$ 86.7
Accumulated benefit obligation	\$ 81.9
Fair value of plan assets	\$ 60.6

*Fair Value of Plan Assets*

The fair value of our defined benefit plan assets by asset category was as follows at December 31, 2023:

	<u>2023</u>				
(in millions)	<u>Fair Value Measurements Using Inputs Considered as</u>			<u>Net</u>	
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Asset Value</u>	<u>Total</u>
Developed international equities	\$ -	\$ 2.2	\$ -	\$ 20.8	\$ 23.0
Fixed income securities	17.7	20.9	-	-	38.6
Opportunities	-	-	-	11.1	11.1
Total	<u>\$ 17.7</u>	<u>\$ 23.1</u>	<u>\$ -</u>	<u>\$ 31.9</u>	<u>\$ 72.7</u>

Level 1 pension plan assets are measured at fair value using the market approach or unadjusted quoted prices in an active market for identical assets or liabilities that the Company has the ability to access as of December 31. Level 2 pension plan assets are measured at fair value using the income approach or inputs other than quoted prices under Level 1 that are observable for the asset or liability, either directly or indirectly. Indices, yield curves, matrix pricing, and market corroborated pricing are used to measure the fair values of the Level 2 assets. Fixed income securities consist of corporate and government bonds, mutual and commingled fixed income funds, and swaps that are valued using Level 1 or Level 2 inputs. Assets measured at fair value using their net asset value as a practical expedient for fair value are not classified in the fair value hierarchy.

The pension plan assets are reflected in either other assets or other long-term liabilities on our Consolidated Balance Sheet depending on whether the related plan is over-funded or under-funded, respectively.

*Determination of Benefit Obligations*

Generally, the discount rates used to determine benefit obligations are determined as of the applicable measurement date, by considering various current yield curves representing high quality, long-term fixed income instruments, the duration of which are consistent with the duration of the applicable plan liabilities. The long-term expected rate of return for each asset class is based upon actual historical returns and future expectations for returns for each asset class. A single, long-term rate of return is then calculated as the weighted average of the target asset allocation and the long-term return assumption for each asset class.

*Weighted-Average Assumptions Used to Determine Benefit Obligations*

The weighted-average assumptions used to determine benefit obligations were as follows as of December 31, 2023:

	<u>2023</u>
<b>Projected benefit obligation</b>	
Discount rate	4.3 %
Rate of compensation increase	3.5 %
<b>Net periodic benefit cost</b>	
Discount rate	4.7 %
Expected rate of return on plan assets	4.5 %
Rate of compensation increase	3.5 %

### *Investment Policy*

Our investment strategy for our plan assets is to seek a competitive rate of return relative to an appropriate level of risk. The investments are held in cash, equity, and debt index funds. Investments held in these funds are based on the fair value of the underlying securities within the fund, which represents the net asset value, a practical expedient to fair value, of the units held by the pension plan at year end. The asset allocations for our pension plans by asset category are as follows:

	<u>Target Allocation 2024</u>	<u>Percentage of Plan Assets at December 31, 2023</u>
Equity securities	11.5 %	11.8 %
Debt instruments	32.7 %	30.9 %
Other	55.8 %	57.3 %

### *Future Contributions*

We made contributions to our defined benefit plans of \$5.0 million in the year ended December 31, 2023. We expect to contribute approximately \$3.5 million to our defined benefit plans during calendar 2024.

### *Future Benefit Payments*

As of December 31, 2023, we anticipate future benefit payments related to our defined benefit plans over the next 10 years will be as follows:

(in millions)		
2024	\$	4.4
2025		5.7
2026		5.5
2027		5.5
2028		5.8
2029 through 2033		<u>32.7</u>
Total	\$	<u>59.6</u>

## **13. Related Party Transactions**

### *Related Party Operating Activity*

#### *Revenues and Expenses*

We earn software revenues from providing software solutions to third party customers through affiliates of Infor. We also provide services to affiliates of Infor. These services include software development services, CoE services, shared services, software consulting, implementation services, and certain other services. Fees received related to these services are reflected as components of revenues in our Consolidated Statement of Operations.

In addition, as a subsidiary of Infor, we are charged an allocated share of Infor's costs and expenses related to the provision of centralized support and corporate function for our operations. These allocations include cost of revenues such as SaaS AWS hosting costs, customer support, consulting services, information technology, and certain other operating expenses such as human resources, finance, legal, accounting, and sales operations. Such expenses are allocated on a reasonable and consistent basis, such as, but not limited to, specific identification, relative percentage of third-party sales, or headcount. The costs allocated for these functions attributable to Infor Foreign Investments are included as components of cost of revenues, sales and marketing, research and development, and general and administrative expenses in our Consolidated Statement of Operations.

The following table summarizes related party revenues and operating expenses recognized in our Consolidated Statement of Operations for the year ended December 31, 2023:

(in millions)	<u>2023</u>
<b>Revenues</b>	
Software subscriptions and license fees	\$ 30.4
Product updates and support fees	9.0
Software revenues	<u>39.4</u>
Consulting services and other fees	234.1
<b>Total revenues</b>	<u><u>273.5</u></u>
<b>Operating expenses</b>	
Cost of SaaS subscriptions	54.0
Cost of product updates and support fees	4.8
Cost of consulting services and other fees	11.4
Sales and marketing	23.2
Research and development	65.1
General and administrative	25.9
<b>Total operating expenses</b>	<u>184.4</u>
<b>Income from operations</b>	<u><u>\$ 89.1</u></u>

#### *Equity Distributions*

In the year ended December 31, 2023, we recorded equity distributions of \$297.2 million to affiliates of Infor.

#### *Due to/from Affiliates*

As of December 31, 2023, we had various amounts recorded on our Consolidated Balance Sheet related to our transactions with affiliates of Infor and transactions with KII and their affiliated companies.

We have revolving note receivable agreements with a subsidiary of KII to optimize our liquidity investments. Such notes have stated maturity dates but are readily available to fund our liquidity needs. From time to time, these notes are refinanced or combined with existing notes to create new revolving note agreements. The receivable balance associated with these agreements was \$725.5 million at December 31, 2023, and is included in other current assets on our Consolidated Balance Sheet.

We have various note receivable agreements with affiliates of Infor. The receivable balances associated with these agreements were \$233.7 million and \$13.7 million, and are included in other assets and other current assets, respectively, on our Consolidated Balance Sheet at December 31, 2023.

In the year ended December 31, 2023, we recorded interest income of \$64.3 million related to these affiliate notes receivable as a component of interest (income) expense, net in our Consolidated Statement of Operations. Net interest receivable related to these affiliate notes was \$21.6 million at December 31, 2023, and is included in other current assets on our Consolidated Balance Sheet.

In addition, we had other receivables due from affiliates of Infor of \$34.0 million and other payables due to affiliates of Infor of \$7.3 million at December 31, 2023. These affiliate receivable and payable balances are included in other current assets and accrued expenses, respectively, on our Consolidated Balance Sheet.

#### **14. Subsequent Events**

We have evaluated subsequent events through April 25, 2024, the date these Consolidated Financial Statements were available to be issued. Effective January 1, 2024, our parent company Infor, Inc., changed its legal name to Infor, LLC and elected to continue to be treated as a taxable corporation.