

CDK Global (Denmark) ApS

Hældagervej 165
7120 Vejle Ø

CVR no. 19 26 30 88

Annual report 2018/19

The annual report was presented and approved at the
Company's annual general meeting on

27 December 2019

Claus Degn
chairman

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CDK Global (Denmark) ApS
Annual report 2018/19
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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of CDK Global (Denmark) ApS for the financial year 1 July 2018 – 30 June 2019.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 30 June 2019 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 July 2018 – 30 June 2019.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Vejle, 27 December 2019
Executive Board:

Bo Skouby Rosendahl

Board of Directors:

Neil Packham
Chairman

Leon Daniel Goodman

James Lee Brunz

Independent auditor's report

To the shareholders of CDK Global (Denmark) ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of CDK Global (Denmark) ApS for the financial year 1 July 2018 – 30 June 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 30 June 2019 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 July 2018 – 30 June 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company 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 a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements and parent company financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of 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 Group's and the Parent Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent auditor's report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Kolding, 27 December 2019

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR no. 33 96 35 56

Suzette Demediuk Steen Nielsen
State Authorised
Public Accountant
mne32207

CDK Global (Denmark) ApS
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Management's review

Company details

CDK Global (Denmark) ApS
Hældagervej 165
7120 Vejle Ø

CVR no.: 19 26 30 88
Financial year: 1 July – 30 June

Board of Directors

Neil Packham, Chairman
Leon Daniel Goodman
James Lee Brunz

Executive Board

Bo Skouby Rosendahl

Auditor

Deloitte
Statsautoriseret Revisionspartnerselskab

Management's review

Financial highlights for the Group

DKK'000	2018/19	2017/18	2016/17	2015/16	2014/15
Key figures					
Gross profit	131,438	139,887	129,344	139,423	147,351
Operating profit	57,486	62,758	53,463	51,917	50,329
Profit/loss from financial income and expenses	-908	938	-193	51	-490
Profit for the year	44,062	49,674	41,156	40,095	37,683
Total assets					
Equity	126,367	157,888	109,292	83,040	89,876
Investment in property, plant and equipment	398	1,491	150	487	1,443
Cash flows from operating activities					
	54,699	47,283	49,254	35,430	33,436
Ratios					
Return on capital (%)	25.1%	24.9%	26.8%	31.9%	27.9%
Quick ratio (%)	219.6%	265.4%	207.4%	123.6%	117.6%
Return on equity (%)	31.0%	37.2%	42.8%	46.4%	52.5%
Solvency ratio (%)	54.8%	62.6%	54.7%	51.0%	49.7%

Financial ratios are calculated in accordance with the guidelines "Recomendations and Ratios" issued by the Danish Society of Financial Analysts. The financial ratios have been calculated as follows:

Return on capital (%)
$$\frac{\text{Operating profit/loss} * 100}{\text{Assets}}$$

Quick ratio (%)
$$\frac{\text{Current assets} * 100}{\text{Short term liabilities}}$$

Return on equity (%)
$$\frac{\text{Net profit/loss for the year} * 100}{\text{Average equity}}$$

Solvency ratio (%)
$$\frac{\text{Equity} * 100}{\text{Assets}}$$

Management's review

Operating review

The Group's principal activities

CDK Global (Denmark) ApS specialises in IT solutions for the automobile business. The Company develops, markets and renders support for the products Dracar+, Optima21, ADP Exchange and Autoline, which together cover a modern car dealer's/-importer's need for administrative solutions and data communication. Apart from the activities in Denmark, the Company also performs product development of and support for the pan-European versions of Dracar+, Optima21 and ADP Exchange, which are marketed through subsidiaries in Norway and Sweden and other group entities in Germany and Austria.

As regards development, CDK Global (Denmark) ApS are sub suppliers to the ultimate Parent Company in the USA, Global, Inc., which owns the DMS software base.

Development in activities and financial position

Net profit for the year shows DKK 44,1 million and is in line with the budget for the year. Net profit for the Group is considered satisfactory.

Outlook

In the coming year, the Group expects the activity level to remain unchanged.

Particular risks

Operating risks

The Company has prepared contingency plans which are regularly updated and which ensure the Company's operations.

Intellectual capital

80% of the Company's employees are key persons with much IT technical knowledge and much product knowledge. Management focuses on retaining these persons as well as on developing and maintaining their competencies, which i.e. appears from the Company's personnel policy.

Research and development activities

Apart from the further development of current products to existing markets, the development trend will also go in the direction of further development of existing products to new geographical markets and launch of new Group products.

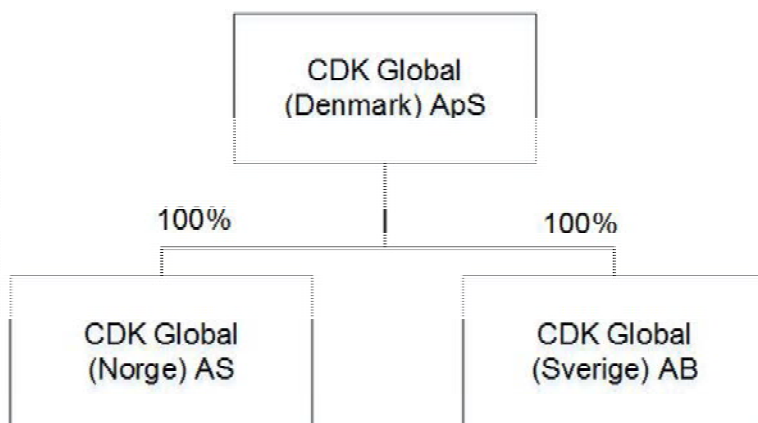
Events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Management's review

Operating review

Group Chart



Consolidated financial statements and parent company financial statements 1 July – 30 June

Income statement

DKK'000	Note	Group		Parent Company	
		2018/19	2017/18	2018/19	2017/18
Gross profit		131,438	139,887	109,143	114,694
Staff costs	2	-73,548	-76,268	-62,018	-64,238
Depreciation, amortisation and impairment losses	3	-404	-861	-348	-828
Operating profit		57,486	62,758	46,777	49,628
Income from equity investments in group entities		0	0	8,167	10,584
Financial income		405	1,248	139	492
Financial expenses		-1,313	-310	-847	-100
Profit before tax		56,578	63,696	54,236	60,604
Tax on profit for the year	4	-12,516	-14,022	-10,174	-10,930
Share of profit for the year	5	44,062	49,674	44,062	49,674

Consolidated financial statements and parent company financial statements 1 July – 30 June

Balance sheet

DKK'000	Note	Group		Parent Company	
		30/6 2019	30/6 2018	30/6 2019	30/6 2018
ASSETS					
Fixed assets					
Intangible assets					
Goodwill	6	0	0	0	0
Property, plant and equipment					
Plant and machinery	7	481	291	342	152
Fixtures and fittings, tools and equipment		1,048	1,244	1,035	1,273
		1,529	1,535	1,377	1,425
Investments					
Equity investments in group entities	8	0	0	24,068	35,643
Deposits		600	604	600	604
		600	604	24,668	36,247
Total fixed assets		2,129	2,139	26,045	37,672
Current assets					
Inventories					
Finished goods and goods for resale		270	161	274	132
Receivables					
Trade receivables		37,474	39,291	22,415	23,343
Receivables from group entities		24,681	22,031	26,966	27,041
Other receivables		1,272	2,913	496	689
Deferred tax asset	9	1,250	1,601	925	1,266
Corporation tax		996	1,222	0	0
Prepayments	10	1,721	1,556	1,321	1,423
		67,394	68,614	52,123	53,762
Cash at bank and in hand	11	160,421	181,116	119,925	132,473
Total current assets		228,085	249,891	172,322	186,367
TOTAL ASSETS		230,214	252,030	198,367	224,039

Consolidated financial statements and parent company financial statements 1 July – 30 June

Balance sheet

DKK'000	Note	Group		Parent Company	
		30/6 2019	30/6 2018	30/6 2019	30/6 2018
EQUITY AND LIABILITIES					
Equity					
Contributed capital		20,500	20,500	20,500	20,500
Reserve for net revaluation under equity method		0	0	20,683	32,258
Retained earnings		30,867	137,388	10,184	30,130
Proposed dividends for the financial year		75,000	0	75,000	75,000
Total equity		126,367	157,888	126,367	157,888
Liabilities					
Current liabilities					
Trade payables		13,983	9,974	13,629	9,768
Payables to group entities		25,542	20,645	16,370	13,479
Corporation tax		9,838	12,261	7,816	10,458
Other payables		39,415	32,752	19,116	18,884
Deferred income	12	15,069	18,510	15,069	13,562
		103,847	94,142	72,000	66,151
Total liabilities		103,847	94,142	72,000	66,151
TOTAL EQUITY AND LIABILITIES		230,214	252,030	198,367	224,039
Contractual obligations, contingencies, etc.	13				
Related party disclosures	14				
Disclosure of events after the balance sheet date	15				

Consolidated financial statements and parent company financial statements 1 July – 30 June

Statement of changes in equity

DKK'000	Group			
	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 July 2018	20,500	137,388	0	157,888
Ordinary dividends paid	0	-75,000	0	-75,000
Exchange adjustment	0	-583	0	-583
Transferred over the profit appropriation	0	-30,938	75,000	44,062
Equity at 30 June 2019	20,500	30,867	75,000	126,367

DKK'000	Parent Company				
	Contributed capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 July 2018	20,500	32,258	30,130	75,000	157,888
Ordinary dividends paid	0	0	0	-75,000	-75,000
Exchange adjustment	0	-583	0	0	-583
Transferred over the profit appropriation	0	-10,992	-19,946	75,000	44,062
Equity at 30 June 2019	20,500	20,683	10,184	75,000	126,367

Consolidated financial statements and parent company financial statements 1 July – 30 June

Cash flow statement

DKK'000	Note	Group	
		2018/19	2017/18
Profit for the year		44,062	49,674
Other adjustments of non-cash operating items	16	12,840	12,012
Depreciation, amortisation and impairment losses		404	861
Cash flows from operations before changes in working capital		57,306	62,547
Changes in working capital	17	12,663	-3,632
Cash flows from ordinary activities		69,969	58,915
Interest income		405	1,248
Interest expense		-1,313	-310
Corporation tax paid		-14,362	-12,570
Cash flows from operating activities		54,699	47,283
Acquisition of property, plant and equipment		-398	-1,491
Disposal of property, plant and equipment		0	10,915
Deposits		4	-604
Cash flows from investing activities		-394	8,820
Shareholders:			
Distributed dividend		-75,000	0
Cash flows from financing activities		-75,000	0
Cash flows for the year		-20,695	56,103
Cash and cash equivalents at the beginning of the year		181,116	125,013
Cash and cash equivalents at year end		160,421	181,116

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

1 Accounting policies

The annual report of CDK Global (Denmark) ApS for 2018/19 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the consolidated financial statements and parent company financial statements are consistent with those of last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise CDK Global (Denmark) ApS (Parent Company) and group entities (subsidiaries) that are controlled by the Parent Company, see group chart on page 9.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of CDK Global (Denmark) ApS and its subsidiaries. The consolidated financial statements are prepared by aggregating uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated entities are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' items are fully recognised in the consolidated financial statements. Minority interests' pro rata share of profit/loss and net assets are disclosed as a specific item in the income statement and the balance sheet, respectively.

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one effective at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When foreign subsidiaries that are independent entities are recognised, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered as belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the exchange rates at the balance sheet date as well as out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in equity.

Income statement

Gross profit

In accordance with section 32 of the Danish Financial Statements Act, the Company has chosen to aggregate revenue, goods for resale, external costs and other income in one item called gross profit.

Revenue

Sale of system deliveries is recognised in the income statement when delivery is made, and risk has passed to the buyer. Sale of services is recognised in the income statement when the services have been rendered. Revenue is recognised excluding VAT, duties and sales discounts.

Cost of sales

Cost of sales comprises direct and indirect costs incurred to generate revenue adjusted for write-down of inventories.

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Other external costs

Other external costs comprise costs for distribution, sale, marketing, administration, premises and bad debts, etc.

Staff costs

Staff costs comprise salaries and wages as well as social security costs, pension contributions, etc. for the Company's staff.

Income from equity investments in group entities

The proportionate share of the individual subsidiaries' profit/loss after tax is recognised in the Company's income statement after full elimination of intra-group gains/losses and amortisation of goodwill.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, realised and unrealised capital gains and losses on payables and transactions in foreign currencies as well as surcharges and refunds under the on-account tax scheme.

Corporation tax and deferred tax

Tax for the year, which consists of current tax for the year and changes in derred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Deferred tax is recognised on all temporary differences between the carrying amount and tax base of assets and liabilities, for which the tax base is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Balance sheet

Intangible assets

Development projects relating to products and processes that are clearly defined and identifiable, where the technical utilization rate, sufficient resources and potential future market or development opportunity in the Company can be demonstrated, and where it is intended to manufacture, promote or use the concerned product or the concerned process is recognised as intangible assets. Other development costs are recognised as costs in the income statement when the costs are incurred.

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Goodwill

Goodwill on acquisition of activity is amortised on a straight-line basis over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation period is 5 years.

The carrying amount of goodwill is regularly assessed and written down to recoverable amount if the carrying amount exceeds estimated future net income from the entity or activity to which the goodwill relates.

Property, plant and equipment

Land and buildings, plant and machinery as well as fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready for use.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	3 years
Fixtures and fittings, tools and equipment	2-7 years

Stand-alone assets with a price of less than DKK 13 thousand per unit are recognised as costs in the income statement at the time of acquisition.

Property, plant and equipment are written down to the lower of the recoverable amount and carrying amount.

Gains and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and the carrying amount at the time of sale. Gains or losses are recognised in the income statement as an adjustment to depreciation and impairment losses or under other operating income.

Expected useful lives and residual values are reviewed annually.

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Equity investments in group entities

Investments in subsidiaries are recognised and measured under the equity method. This means that investments are measured at the pro rata share of the entities' net asset value plus or minus unamortised positive or negative goodwill on consolidation and plus or minus unrealised intra-group profits or losses.

The Company's share of the enterprises' profits or losses after elimination of unrealised intra-group profits and losses and minus or plus amortisation of positive or negative goodwill on consolidation is recognised in the income statement.

Net revaluation of investments in subsidiaries is taken to the reserve for net revaluation according to the equity method if the carrying amount exceeds cost.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost of goods for resale consists of purchase price plus landing costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred in making the sale.

Receivables

Receivables are measured at amortised cost, usually equivalent to nominal value less write-down for bad debts.

Prepayments

Prepayments comprise costs incurred relating to subsequent financial years. Prepayments are measured at cost.

Cash at bank and in hand

Cash comprises bank deposits.

Equity

Dividends

Dividends are recognised as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item in equity.

Other financial liabilities

Other financial liabilities are measured at amortised cost which usually corresponds to nominal value.

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

1 Accounting policies (continued)

Deferred income

Deferred income comprises payments received regarding income in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Company's cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items, changes in working capital and income taxes paid.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of entities, activities and fixed asset investments as well as the purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including the acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares and payment of dividends.

Cash and cash equivalents comprise cash.

No separate cash flow statement has been prepared for the parent company as this is included in the cash flow statement for the Group.

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

2 Staff costs

DKK'000	Group		Parent Company	
	2018/19	2017/18	2018/19	2017/18
Wages and salaries	62,673	65,262	54,207	56,330
Pension contribution	7,281	6,772	6,172	5,898
Other social security costs	3,594	4,234	1,639	2,010
	<u>73,548</u>	<u>76,268</u>	<u>62,018</u>	<u>64,238</u>
Average number of full-time employees	<u>107</u>	<u>111</u>	<u>91</u>	<u>92</u>

With reference to section § 98b Act. 3, No. 2 of the Danish Financial Statements, no remuneration for Management is disclosed.

DKK'000	Group		Parent Company	
	2018/19	2017/18	2018/19	2017/18

3 Depreciation, amortisation and impairment losses

Land and buildings	0	223	0	223
Plant and machinery	208	531	157	531
Fixtures and fittings, tools and equipment	196	107	191	74
	<u>404</u>	<u>861</u>	<u>348</u>	<u>828</u>

4 Tax on profit for the year

Current tax for the year	12,165	15,436	9,833	12,412
Deferred tax for the year	351	-1,248	341	-1,443
Adjustment of tax concerning previous years	0	-30	0	0
Adjustment of deferred tax concerning previous years	0	-136	0	-39
	<u>12,516</u>	<u>14,022</u>	<u>10,174</u>	<u>10,930</u>

5 Proposed profit appropriation

Reserve for net revaluation under equity method	0	0	-10,992	-1,098
Proposed dividends for the year	75,000	0	75,000	75,000
Retained earnings	<u>-30,938</u>	<u>49,674</u>	<u>-19,946</u>	<u>-24,228</u>
	<u>44,062</u>	<u>49,674</u>	<u>44,062</u>	<u>49,674</u>

Consolidated financial statements and parent company financial statements 1 July – 30 June

Notes

6 Intangible assets

	Group	
DKK'000	Goodwill	Total
Cost at 1 July 2018	63,877	63,877
Cost at 30 June 2019	63,877	63,877
Amortisation and impairment losses at 1 July 2018	-63,877	-63,877
Amortisation and impairment losses at 30 June 2019	-63,877	-63,877
Carrying amount at 30 June 2019	0	0

	Parent Company	
DKK'000	Goodwill	Total
Cost at 1 July 2018	60,257	60,257
Cost at 30 June 2019	60,257	60,257
Amortisation and impairment losses at 1 July 2018	-60,257	-60,257
Amortisation and impairment losses at 30 June 2019	-60,257	-60,257
Carrying amount at 30 June 2019	0	0

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7 Property, plant and equipment

	Group		
	Plant and machinery	Fixtures and fittings, tools and equipment	Total
DKK'000			
Cost at 1 July 2018	5,605	3,340	8,945
Exchange rate adjustment	23	10	33
Additions for the year	398	0	398
Cost at 30 June 2019	6,026	3,350	9,376
Depreciation and impairment losses at 1 July 2018	-5,314	-2,096	-7,410
Exchange rate adjustment	-23	-10	-33
Depreciation for the year	-208	-196	-404
Depreciation and impairment losses at 30 June 2019	-5,545	-2,302	-7,847
Carrying amount at 30 June 2019	481	1,048	1,529
	Parent Company		
	Plant and machinery	Fixtures and fittings, tools and equipment	Total
DKK'000			
Cost at 1 July 2018	4,895	3,167	8,062
Additions for the year	301	0	301
Cost at 30 June 2019	5,196	3,167	8,363
Depreciation and impairment losses at 1 July 2018	-4,697	-1,941	-6,638
Depreciation for the year	-157	-191	-348
Depreciation and impairment losses at 30 June 2019	-4,854	-2,132	-6,986
Carrying amount at 30 June 2019	342	1,035	1,377

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8 Investments

	Parent Company
	<u>Equity investments in group entities</u>
DKK'000	
Cost at 1 July 2018	3,385
Cost at 30 June 2019	3,385
Revaluations at 1 July 2018	32,258
Exchange adjustment	-583
Net profit/loss for the year	8,167
Dividends to the Parent Company	-19,159
Revaluations 30 June 2019	20,683
Carrying amount at 30 June 2019	24,068
	<u>Voting rights and ownership interest</u>
Name/legal form	<u>Registered office</u>
Subsidiaries:	
CDK Global (Norge) AS	Oslo, Norway 100%
CDK Global (Sverige) AB	Stockholm, Sweden 100%

9 Deferred tax asset

	Group		Parent Company	
DKK'000	30/6 2019	30/6 2018	30/6 2019	30/6 2018
Deferred tax 1 July	1,601	217	1,266	-216
Deferred tax asset	-351	1,384	-341	1,482
	<u>1,250</u>	<u>1,601</u>	<u>925</u>	<u>1,266</u>
Intangible assets	0	214	0	0
Property, plant and equipment	1,010	1,117	842	1,115
Inventories	198	5	41	5
Other payables	42	265	42	146
	<u>1,250</u>	<u>1,601</u>	<u>925</u>	<u>1,266</u>

Based on the budgets until 2021, Management has estimated that there will be future taxable income in which unutilized tax deductions can be utilized.

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10 Prepayments

These items consist of accrued expenses primarily concerning contracts for software and technical maintenance.

11 Cash at bank and in hand

The ultimate Parent Company in the CDK group, CDK Global Inc., 1950 Hassell Road, Hoffman Estates, IL 60169-6308, has guaranteed the Company's outstanding account with Danske Bank by a maximum of DKK 19.0 million.

The outstanding account with Danske Bank amounted to DKK 84.7 million at 30 June 2019.

12 Deferred income

These items consist of deferred income primarily concerning contracts for software and technical maintenance.

13 Contractual obligations, contingencies, etc.

DKK'000	Group		Parent Company	
	2018/19	2017/18	2018/19	2017/18
Operating lease obligations				
Annual expense of operating leases	<u>3,302</u>	<u>2,503</u>	<u>1,747</u>	<u>1,104</u>

For the years 2017-2021, operating leases concerning operating equipment, buildings and cars have been concluded.

14 Related party disclosures

CDK Global (Denmark) ApS' related parties comprise the following:

Control

CDK Global group B.V. Prins Bernhardplein 200, 1097JB Amsterdam, Holland.

CDK Global group B.V. holds the majority of the contributed capital in the Company.

CDK Global (Denmark) ApS is part of the consolidated financial statements of CDK Global Inc, 1950 Hassell Road, Hoffman Estates, IL 60169-6308, which is the largest group, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements can be obtained by addressing CDK Global (Denmark) ApS.

Related party transactions

In accordance with section 98 c(7) of the Danish Financial Statements Act, related party transactions have not been disclosed in the consolidated financial statements and parent company financial statements, as they were conducted on an arm's length basis.

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15 Disclosure of events after the balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

DKK'000	Group	
	2018/19	2017/18
16 Other adjustments		
Other financial income	-405	-1,248
Financial expenses	1,313	310
Current tax for the year	12,165	15,406
Provision for deferred tax	341	-1,384
Other	-574	-1,072
	<u>12,840</u>	<u>12,012</u>
17 Change in working capital		
Change in inventories	-109	118
Change in receivables	648	-3,286
Change in trade and other payables	<u>12,124</u>	<u>-464</u>
	<u>12,663</u>	<u>-3,632</u>