Sitecore Corporation A/S

Vester Farimagsgade 3, 5., 1606 Copenhagen V

CVR no. 26 03 25 12

Annual report 2020/21

Approved at the Company's annual general meeting on 15 January 2022

Chair of the meeting:

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Victoria Forsberg

Contents

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Sitecore Corporation A/S for the financial year 1 July 2020 - 30 June 2021.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021.

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

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

Copenhagen, 15 January 2022
Executive Board:

Efstathios Tzikakis Chief Executive Officer	John Houston Gardiner Chief Financial Officer

Board of Directors:

Jonas Persson Chair	Marjorie Lao	Bjarne Kock Hansen
Craig Allen Conway	Carsten Oliver Thoma	Bert Alfons Janssens
Darren Roos		

Independent auditor's report

To the shareholder of Sitecore Corporation A/S

Opinion

We have audited the financial statements of Sitecore Corporation A/S for the financial year 1 July 2020 - 30 June 2021, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021 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 financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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 financial statements

Management is responsible for the preparation of 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the 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 financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the 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 financial statement users made on the basis of these financial statements.

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 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 Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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 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 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 Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 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 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 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 financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 15 January 2022
KPMG P/S
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Martin Eiler	Ilhan Dogan
State Authorised Public Accountant	State Authorised Public Accountant
mne32271	mne47842

Management's review

Company details

Name	Sitecore Corporation A/S
Address, Postal code, City	Vester Farimagsgade 3, 5., 1606 Copenhagen V
CVR no.	26 03 25 12
Established	26 April 2001
Registered office	Copenhagen
Financial year	1 July 2020 - 30 June 2021
Website	www.sitecore.net
Telephone	+45 70 23 66 60
Board of Directors	Jonas Persson, Chair Marjorie Lao Bjarne Kock Hansen Craig Allen Conway Carsten Oliver Thoma Bert Alfons Janssens Darren Roos
Executive Board	Efstathios Tzikakis, Chief Executive Officer John Houston Gardiner, Chief Financial Officer
Auditors	KPMG P/S Statsautoriseret Revisionspartnerselskab Dampfærgevej 28, 2100 Copenhagen Ø

Management's review

Financial highlights

DKK'000	2020/21	2019/20	2018/19	2017/18	2016/17
Key figures					
Revenue	722,869	444,974	402,668	96,388	307,261
Gross profit	119,342	-24,567	240,780	-38,976	164,798
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	100,806	-71,760	170,960	-102,753	103,223
Operating profit/loss	36,756	-131,793	119,072	-144,868	77,779
Net financials	-4,626	47,438	79,843	81,488	74,117
Profit/loss for the year	**209,162**	**-121,597**	**98,799**	**-48,220**	**36,014**
Non-current assets	1,744,200	1,610,427	2,841,184	2,375,577	2,038,059
Current assets	1,320,395	353,919	260,290	70,107	255,618
Total assets	**3,064,595**	**1,964,346**	**3,101,474**	**2,445,684**	**2,293,677**
Investments in property, plant and equipment	8,732	16,114	5,637	4,859	718
Share capital	10,473	10,473	10,473	10,473	10,473
Equity	**2,324,250**	**1,031,616**	**2,600,749**	**1,647,756**	**1,695,976**
Non-current liabilities	151,729	620,133	176,662	52,310	28,960
Current liabilities	588,616	312,597	324,063	745,618	568,741
Financial ratios					
Gross margin	16.5%	-5.5%	59.8%	-40.4%	53.6%
EBITDA-margin	13.9%	-16.1%	42.5%	-106.6%	33.6%
Return on equity	12.5%	-6.7%	4.7%	-2.9%	3.7%
Average number of full-time employees	88	115	112	116	125

For terms and definitions, please see the accounting policies.

Management's review

Business review

The Sitecore Group (the "Group") is a software company that predominantly provides customers with Web Content Management (WCM) services through its software. Sitecore Corporation A/S ("Sitecore" or "the Company") is the legal or economic owner of the Group's intellectual property (“IP”), having the rights to all Danish registered patents, copyrights, and trademarks, and economic ownership to the acquired Stylelabs IP through licensing agreements. The IP relating to the acquired Hedgehog business is held within the USA.

The Company's employees provide services for both the group as a whole (i.e. Global) and for the EMEA region, depending on the function, resulting in both inbound and outbound transactions. The company performs various R&D activities and contracts for additional R&D activities with a few of its wholly owned subsidiaries. About 80 percent of the company's employees work in the R&D and General and Administrative (“G&A”) functions, with the rest spread across Marketing, Sales and Support Services.

The Company has entered into distribution agreements with the Group's distribution entities for the sale of the Group's software to third party customers.

Sitecore’s strong position

20 years ago, when the world was moving from print to digital, Sitecore was born when its founders recognized Web Content Management (WCM) – architected such that content was decoupled from presentation – could solve the challenge of dealing with the velocity of digital content and the different possibilities of shaping the customer experience.

Sitecore quickly established itself as a leader in the WCM market, and then the company again differentiated itself from the competition by pioneering the market for a digital marketing suite centered on content management to deliver omnichannel experiences to customers. Today, Sitecore is the market leader in the Digital Experience Platform (DXP) market.

That creative, disruptive mindset drives our mission – to help our customers create human connections in a digital world – which is at the core of what our customers deeply care about: providing their customers with relevant and actionable experiences at every step of their journey. In turn, we operate with clarity of purpose to deliver innovative technologies that enable brands to deliver experiences that exceed the elevated expectations of their customers.

In the course of the last year, Sitecore has delivered significant advancements that make the power of personalized digital experiences more accessible, with solutions that enable brands to deliver meaningful digital experiences with ease, excellence, and at scale. For example, we integrated Sitecore Content Hub and Sitecore Experience Platform to help our clients take control of their content crisis by managing their content from start to finish. We also integrated Sitecore Content Hub with Salesforce Marketing Cloud, which means easier and broader content distribution for our customers. And in an industry-first, we released Sitecore AI, which automatically identifies visitor trends, creates customer segments, and then modifies web pages to deliver the right personalized content to customers. All together, we now help our customers to deliver consistent, continuous, and compelling experiences that put customers first, at every touchpoint, and we enable our customers to master these strategies with technologies that are more intelligent, easy to adopt, and agile.

As a result, Sitecore is experiencing growth in our core, strategic businesses and we’re pulling away from the competition. In fiscal year 2021, we continued to push more deeply into the enterprise, consistently landed deals over one million Euro, improved our win rate against key competitors, and saw customers expand their use of Sitecore more broadly throughout their organizations.

These results validate that we’re on the right path and, only a few weeks after the conclusion of our fiscal year 2020, we released Sitecore 10 and delivered the only digital experience platform that creates efficiencies for both marketing and IT. Never before has a digital experience platform treated marketers and developers as equal shareholders in the delivery of customer experience. By resolving this core conflict, we are addressing one of the most essential problems that plagues every other WCM solution and digital experience platform (DXP) on the market. And starting in 2021, Sitecore 10 sets the stage for our journey to SaaS, which reimagines a lot of what we have done in the past for a cloud-first world. This transformation is not merely a change in the way our digital marketing technologies are priced and delivered. We intend to reinvent the entire experience of using our software by embracing a closer relationship with our customers – one that puts them at the heart of every conversation and enables them to become the heroes behind customer-focused digital transformations that elevate the human experience. To be successful, Sitecore will continue to focus on innovation, providing the best technology for its customers that is:

Management's review

- Simple, such that users can exploit the full benefits of the Sitecore platform through an elegant interface that hides the complexity of the underlying technology while tailoring the user experience to their specific needs.
- Agile, so that we can accelerate time-to-market by reducing the costs to design, build, deploy, and support the Sitecore platform, while retaining flexibility and extensibility for customers to develop differentiating capabilities.
- Intelligent, with AI and ML technologies infused throughout the platform that enable our customers to predict behavior and act on this data in a real-time, omnichannel, and automated way so they can engage their customers by speaking to their most fundamental values and create a level of loyalty that most brands are not seeing today.

Financial review

The Income statement for fiscal year 2021 shows a profit of DKK 209,162 thousand against a loss of DKK 121,597 thousand last year, and the balance sheet at 30 June 2021 shows equity of DKK 2,324,250 thousand.

The increase in revenue by DKK 278 million in fiscal year 2021 consists of a DKK 256 million increase in revenue attributable to increased activity within the group, and a DKK 22 million of adjustments to revenue arising under the transfer pricing agreement true-ups related to prior year activity. In addition, during fiscal year 2021 the Company recognized Income from investments in group enterprises of DKK 57.1 million from the reversal of impairments that had been recognized in prior years.

The primary driver for the fiscal year 2021 tax benefit was the recognition of tax benefits related to loss carry-forward and future tax deductions related to amortizable basis from a prior acquisition. The primary driver of the fiscal year 2020 tax expense is a one-time deferred tax expense adjustment related to IFRS 15 revenue recognition.

Contributions to Investments in group enterprises in excess of DKK 1.0 billion were received by the Company in fiscal year 2021 from its parent company, which included shares of Boxever Ltd. and inter-company loans. The inter-company loans are recognized as the noncurrent Receivables from group enterprises. All Receivables from group enterprises from prior year were either repaid or reclassified from noncurrent to current, as they relate to inter-company trade receivables expected to be collected during the year, to the extent the related entity has liquidity (see also note 3, Capital matters).

Financial risks and use of financial instruments

Sitecore’s short- and long-term outlook is subject to risks and uncertainty that may result in the actual performance differing considerably from expectations. Among other things, the major factors are assessed to be the following:

To address the industry transition to subscription licensing and cloud computing, Sitecore has shifted its business modeltoward a focus on subscription licensing cloud deployment and subscription as a service. While it is expected that total subscription revenue, billings, bookings, ratable, and recurring revenue will increase over time as a result of this business model transition, our ability to achieve these financial objectives is subject to risks and uncertainties. The new offerings require a considerable investment of technical, operational, financial, legal, and sales resources, and a scalable organization. If we are unable to successfully establish these new offerings and navigate our business model transition in light of the foregoing risks and uncertainties, our results of operations could be negatively impacted.

The transition to cloud and the hosting of customer data, creates the need for additional security certifications; the risk for data breaches or loss of data; and requires further investment in data privacy and security policies and procedures. Further, a security incident impacting our own data centers or those controlled by our service providers may compromise the confidentiality, integrity or availability of data. A compromise of any such data could damage our reputation, resulting in the loss of customers and harm to our business.

Management's review

The company's operations has not been significantly impacted by COVID-19.

The company's success and ability to invest and grow at the pace we expect depend largely on our ability to attract and retain highly skilled technical, professional, managerial, sales, and marketing personnel. Competition for these key personnel has been intense. The loss of services of any key talent or executives, the inability to retain and attract qualified personnel in the future, or delays in hiring required personnel, particularly engineering and sales personnel, could make it difficult to meet key objectives, such as timely and effective product introductions and financial goals.

As Sitecore's business has expanded globally, the company has increasingly become subject to risks arising from adverse changes in global economic and political situations, particularly in emerging markets. The past several years have been characterized by pockets of weak global economic conditions, uncertain political environments, such as United Kingdom's changing relationship with the European Union, and volatile financial markets.

As part of its effort to accommodate customers' needs and demands and the rapid evolution of technology, Sitecore evolves its product and service offerings and sales initiatives. Market acceptance of any new product or service is dependent on the ability to match customers' needs at the right time and price. Sitecore may have limited prior experience and operating history in these new areas of emphasis, including cloud services. If any assumptions about expenses, revenue, or revenue recognition principles from these initiatives prove to be incorrect, or attempts to improve efficiency are not successful, actual results may vary materially from those anticipated, and financial results will be negatively impacted.

Dissatisfaction among customers with current or future cloud offerings may impair Sitecore's reputation and could, at worst, lead to legal disputes and claims, which may impact the performance of the company. Because the vast majority of Sitecore's revenue and costs are outside of Denmark and the company makes certain business and resource decisions based on assumptions about foreign currency, the company faces exposure to adverse movements in foreign currency exchange rates. These exposures may change over time as business practices evolve and economic conditions change, and they could have a material adverse impact on Sitecore's financial results and cash flows.

Impact on the external environment

The Company has not drawn up a CSR report, as the Parent Company has done so for the entire group. The report is rendered in the parent company's annual report and may be downloaded from the website www.cvr.dk.

Research and development activities

Sitecore's strategy and market success is underpinned by our development of one connected platform that delivers one connected experience, empowering marketers to truly put the customer at the heart of every interaction. Amidst a market rife with renaming, repositioning, and repackaging products to suit digital experience requirements, Sitecore has maintained its focus and released numerous new technologies that help provide the best possible shopping experience — one that understands the customer as an individual, simplifies their interaction with the business, and anticipates their needs to provide solutions to everyday challenges. The company's advancing competitive position and financial performance is evidence of the success of the innovative products and services we distribute through a partner-focused business model. And while we are proud of our success to date, we believe we are just scratching the surface of our addressable market.

Events after the balance sheet date

The Company entered into a new transfer pricing model effective July 1, 2021. See discussion below in the Outlook section.

There are no other significant events after the balance sheet date.

Management's review

Outlook

Sitecore's ambition is to continue to generate long-term, healthy double-digit annual recurring revenue growth, and to gradually improve our profitability margin.

Sitecore has transitioned to and continues to sell predominantly subscription-based term licenses. We also sell cloud offerings along with licenses and we expect a significant growth in cloud adoption.

Sitecore expects this business model transition will significantly increase long- term revenue growth rate by (1) attracting new customers, (2) increasing the percentage of recurring revenue and (3) thereby driving higher average recurring revenue per customer. Additionally, the shift to a cloud model along with subscription will increase the company's recurring revenue.

Current plans and expectations involve building a stronger position in several geographic regions, creating new business model offerings, enhancing the partner network, leveraging strategic alliances and the continued strengthening of Sitecore's products and services through development and acquisition.

Sitecore expects revenue to continue to trend upwards during fiscal year 2022 as we start to see the benefit from new product launches and other growth initiatives. In addition, effective July 1, 2021 and in connection with a change in the Group's operating model, Sitecore USA and Sitecore Ireland have entered into agreements with the Sitecore Corporation A/S to have access to its historic IP in return for a license fee. They have also contracted directly with some of the Company's subsidiaries for R&D services, which will reduce the R&D service fees paid by the Company. As a result of these changes and new intercompany pricing arrangements, the Company will receive a guaranteed future profit which will improve the results compared to fiscal year 2021.

Given the market opportunity, Sitecore will continue to aggressively invest in sales, product development, customer support, and distribution at times in advance of revenue.

Financial statements 1 July 2020 - 30 June 2021

Income statement

Note	DKK'000	2020/21	2019/20
	Revenue	722,869	444,974
	Cost of sales	-509,313	-378,279
	Other operating income	0	8,728
	Other external expenses	-94,214	-99,990
	Gross profit	119,342	-24,567
4	Staff costs	-18,508	-47,193
	Amortisation/depreciation of intangible assets and property, plant and equipment	-64,050	-60,033
5	Other operating expenses	-28	0
	Profit/loss before net financials	36,756	-131,793
	Income from investments in group enterprises	0	37,260
	Net reversal / write-down of investments and/or receivables in group enterprises	57,105	-16,929
6	Financial income	10,827	70,807
7	Financial expenses	-15,453	-23,369
	Profit/loss before tax	89,235	-64,024
8	Tax for the year	119,927	-57,573
	Profit/loss for the year	209,162	-121,597

Financial statements 1 July 2020 - 30 June 2021

Balance sheet

Note	DKK'000	2020/21	2019/20
	ASSETS		
	Non-current assets		
9	**Intangible assets**		
	Completed development projects	77,872	65,971
	Patents, trademarks and product rights	4,115	8,729
	Development projects in progress and prepayments for intangible assets	23,504	24,822
		105,491	99,522
10	**Property, plant and equipment**		
	Plant and machinery	2,994	6,107
	Fixtures and fittings, other plant and equipment	317	492
	Right-of-use assets	5,421	9,515
		8,732	16,114
11	**Financial assets**		
	Investments in group enterprises	1,439,440	515,006
	Receivables from group enterprises	190,210	979,619
	Deposits, investments	327	166
		1,629,977	1,494,791
	Total non-current assets	1,744,200	1,610,427
	Current assets		
	Receivables		
	Trade receivables	0	39
	Contract assets	20,212	21,446
	Receivables from group enterprises	1,130,707	224,128
	Tax credit receivable	4,977	6,158
	Joint taxation contribution receivable	0	774
	Other receivables	921	830
12	Prepayments	4,512	4,259
		1,161,329	257,634
	Cash	159,066	96,285
	Total current assets	1,320,395	353,919
	TOTAL ASSETS	3,064,595	1,964,346

Financial statements 1 July 2020 - 30 June 2021

Balance sheet

Note	DKK'000	2020/21	2019/20
	EQUITY AND LIABILITIES		
	Equity		
13	Share capital	10,473	10,473
	Reserve for development costs	79,075	70,819
	Retained earnings	2,234,702	950,324
	Dividend proposed	0	0
	Total equity	2,324,250	1,031,616
	Liabilities		
14	**Non-current liabilities**		
15	Deferred tax	148,274	273,950
	Bank debt	0	149,041
	Lease liabilities	1,960	5,721
	Payables to group enterprises	0	191,285
	Other payables	39	136
	Deferred income	1,456	0
	Total non-current liabilities	151,729	620,133
	Current liabilities		
	Bank debt	0	74,518
	Lease liabilities	3,761	4,052
	Trade payables	12,073	6,832
	Payables to group enterprises	513,930	183,808
	Joint taxable contribution payable	1,044	0
	Other payables	57,808	43,387
	Total current liabilities	588,616	312,597
		740,345	932,730
	TOTAL EQUITY AND LIABILITIES	3,064,595	1,964,346

1 Accounting policies
2 Recognition and measurement uncertainties
3 Capital matters
16 Contractual obligations and contingencies, etc.
17 Collateral
18 Related parties
19 Appropriation of profit/loss

Financial statements 1 July 2020 - 30 June 2021

Statement of changes in equity

Note	DKK'000	Share capital	Reserve for development costs	Retained earnings	Dividend proposed	Total
	Equity at 1 July 2019	10,473	67,858	1,022,417	1,500,000	2,600,748
19	Transfer, see "Appropriation of profit/loss"	0	2,961	-124,558	0	-121,597
	Exchange rate translation	0	0	52,465	0	52,465
	Dividend distributed	0	0	0	-1,500,000	-1,500,000
	Equity at 1 July 2020	10,473	70,819	950,324	0	1,031,616
	Group contribution	0	0	1,043,080	0	1,043,080
19	Transfer, see "Appropriation of profit/loss"	0	8,256	200,906	0	209,162
	Exchange rate translation	0	0	585	0	585
	Group share-based payment transactions	0	0	39,807	0	39,807
	Equity at 30 June 2021	10,473	79,075	2,234,702	0	2,324,250

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 **Accounting policies**

The annual report of Sitecore Corporation A/S for 2020/21 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

Changes in accounting policies

Effective from the financial year 2020/21, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reclassifying error

An error in the transfer pricing adjustment has been identified in fiscal year 2020, where Cost of sales adjustments were mistakenly offset against Revenue. The error has been adjusted as follows in the comparative figures for fiscal year 2020:

- Revenue has been restated from DKK 216,116 thousand to DKK 444,974 thousand, an increase of DKK 228,858 thousand.
- Cost of sales has been restated from DKK 149,422 thousand to DKK 378,279 thousand, an increase of DKK 228,858 thousand.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Sitecore Holding II A/S.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company's revenue mainly consists of intercompany revenue from the Group's sales entities. The Group have chosen IFRS 15 as interpretation for revenue recognition for which the accounting policies are as follows:

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Revenue to the Company is mainly derived from software licenses fees or royalties paid by affiliated entities for access to its historic IP. As the principal IP owner, Sitecore Corporation A/S has entered into distribution agreements with the Group's distribution entities for the resell of software licenses and maintenance program subscriptions to third party customers. On the sales to third party customers, the distribution entities retain compensation for their limited risk distribution function and pay the Company a variable royalty depending on the year and the country, which is further subject to a year-end earnings adjustments for target margins.

The Company recognizes revenue in accordance with IFRS 15 requirements, whereby revenue is recognized when the ultimate customer has obtained control of the license or service and has the ability to use and obtain substantially all of the benefits from the license or service.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains and losses on the sale of non-current assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to sale, advertising, administration, premises, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Share-based payments

The Sitecore Group operates equity-settled, share-based compensation plans, under which entities within the group receive services from employees as consideration for equity instruments issued by the Company's ultimate parent, Sitecore Holdings II A/S. Equity-settled, share-based payments granted to employees of a subsidiary of the Company are recognised as a capital contribution from the Company's ultimate parent and a corresponding increase in the investment in subsidiary in an amount equal to the fair value of the employee services received in exchange for the equity grant. The total amount is determined by reference to the grant date fair value of the equity award. When the options are exercised, the group's ultimate parent issues new shares.

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3 years
Patents, trademarks and product rights	5 years

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Plant and machinery	3-5 years
Fixtures and fittings, other plant and equipment	3-5 years

Right-of-use assets are depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, theright-of-use assets are periodically reduced by any impairment losses.

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in subsidiaries and associates

The item includes dividends from investments in subsidiaries and associates. Dividend distributions that either exceed the profit for the year or where the carrying amount of the investments exceeds the consolidated carrying amounts of the subsidiary's net assets will indicate impairment for which reason an impairment test will have to be conducted.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other Danish group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Intangible assets include development projects and other acquired intangible rights, including patents, trademarks and product rights.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities areidentifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 3 years.

Patents, trademarks and product rights are measured at cost less accumulated amortisation and impairment losses. Patents, trademarks and product rights are amortised on a straight-line basis over the estimated useful life. The amortisation period is 5 years.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Leases

The Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

Leased assets are capitalised at the commencement date of the lease and comprise of the initial lease amount, initial direct costs incurred when entering into the lease less any incentives received.

An impairment review is undertaken for any right-of-use lease asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use lease asset that is impaired.

The lease liability is measured at the present value of the fixed and variable lease payments net of cash lease incentives that are not paid at the balance sheet date. Lease payments are apportioned between the finance charges and a reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the lease liability. Lease payments for buildings exclude service fees for cleaning and other costs.

Lease modifications are accounted for as a new lease with an effective date of the modification.

Leasehold deposits are initially recognized at the value paid to the landlord. Deposits are subsequently measured at net realizable value based on the amount the Company expect to receive at the end of the lease.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Gains and losses on disposal of subsidiaries and associates are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

Other securities and investments

Deposits are measured at amortised cost.

Impairment of non-current assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Contract assets

Contract assets represent revenue recognised for contracts that have not yet been invoiced to customers, typically for multi-year arrangements. When we have unconditional rights to consideration, except for the passage of time, a receivable will be recorded on the balance sheets.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs adjusted for deferred tax. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes and Deferred taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Deferred income

Deferred income consist of contract liabilities and reflect invoices due or payments received in advance of revenue recognition. Our contract balances will be reported as net contract assets or liabilities on a contract-by-contract basis at the end of each reporting period.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

1 Accounting policies (continued)

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Gross margin $$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$$

EBITDA-margin $$\frac{\text{Earnings before interest, taxes and amortisations (EBITDA) x 100}}{\text{Revenue}}$$

Return on equity $$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$$

2 Recognition and measurement uncertainties

The group makes estimates, and assumptions concerning the future when performing impairment tests over investments. Such assumptions may also affect the intercompany revenue in Sitecore Corporation A/S. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgments, estimates, and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise. The most critical judgments, estimates, and assumptions for the individual items are described below.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Development projects:

For development projects in progress, Management estimates on an ongoing basis whether each project is likely to generate future economic benefits for the Group in order to qualify for recognition. The development projects are evaluated on technical as well as commercial criteria. As of 30 June 2021, the Carrying value of Development Projects and Development Projects in progress amount to DKK 101m (2019/20: DKK 91m).

3 Capital matters

Intercompany payables as reflected on the balance sheet will be repaid to group entities as funds become available, and do not have to be repaid sooner than the company has liquidity to do so. Intercompany receivables may not be repaid to the Company until the respective counterparty has the liquidity to do so. The Company has received a declaration of financial support from its ultimate parent, Sitecore Holdings II A/S committing to provide sufficient resources to settle any liabilities as they fall due if the Company does not have sufficient resources of its own. All internal debt of the Company and other group entities is subordinated to other liabilities, and no internal debt will be called or required to be repaid between the Company of any group entities unless and until the individual entity has sufficient liquidity to do so. This declaration is effective for at least 12 months from approval of the Company's annual report.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

	DKK'000	2020/21	2019/20
4	**Staff costs**		
	Wages/salaries	72,696	85,819
	Pensions	5,045	6,563
	Other staff costs	2,885	2,758
	Capitalized salaries	-62,118	-47,947
		18,508	47,193
	Average number of full-time employees	88	115

Remuneration to the Company's Board of Directors and Executive Management is paid by the parent Company and other Group companies. The extent of this work is considered immaterial in nature and extent.

Share-based payments

Share-based payments to employees are made by the Company under a Share Option incentive plan and a Management Incentive Program ("MIP"). The Share Option plan is a performance-based plan wherein certain employees are offered Class A share options in the group's ultimate parent, Sitecore Holdings II A/S, subject to vesting conditions. The MIP is a co-investment plan wherein key employees make a personal investment by purchasing restricted Class A or B shares of Sitecore Holdings II A/S, subject to a repurchase option. Both Share Option grants and MIP investments vest fully upon an IPO or Change in Control as defined in the plan documents.

Class A Share Options are granted to employees under the group's 2016 Global Share Incentive Plan. Option grants are subject to continued employment with 50% designated as Time Options that typically vest 1/5th on each anniversary date of the grant, and 50% designated as Performance Options that vest subject to the groups sponsor achieving a certain rate of return on investment.

Under the Management Incentive Plan ("MIP"), employees make a personal investment in the group by purchasing Class A or Class B shares of Sitecore Holdings II A/S. Under the MIP, Class A shares are subject to a repurchase option at a price equal to original cost if an employee terminates under conditions defined as a Bad Leaver, or at fair market value if an employee terminates under conditions defined as a Good Leaver. In general, the Good Leaver determination is when an employee leaves (a) involuntarily and without cause or (b) voluntarily after five years or more (three years if shares were received as part of the purchase consideration in an acquisition). Class B shares are divided into 50% Time Vesting shares and 50% Performance Vesting shares that vest in the same pattern as the Time Options and Performance Options described above.

5 Other operating expenses

Other operating expenses include losses on the sale of property, plant and equipment, including other operating equipment.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

	DKK'000	2020/21	2019/20
6	**Financial income**		
	Interest income, group entities	9,665	70,742
	Exchange gain	1,162	0
	Other financial income	0	65
		10,827	70,807
7	**Financial expenses**		
	Interest expenses, group entities	10,020	15,961
	Other financial expenses	5,433	7,408
		15,453	23,369
8	**Tax for the year**		
	Estimated tax charge for the year	-4,977	-947
	Deferred tax adjustments in the year	-114,950	58,520
		-119,927	57,573

9 **Intangible assets**

DKK'000	Completed development projects	Patents, trademarks and product rights	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 July 2020	207,980	23,072	24,822	255,874
Additions	121	0	62,118	62,239
Transferred	63,436	0	-63,436	0
Cost at 30 June 2021	271,537	23,072	23,504	318,113
Impairment losses and amortisation at 1 July 2020	142,009	14,343	0	156,352
Amortisation for the year	51,656	4,614	0	56,270
Impairment losses and amortisation at 30 June 2021	193,665	18,957	0	212,622
Carrying amount at 30 June 2021	77,872	4,115	23,504	105,491

Completed development projects

Completed development projects relate to the Sitecore Experience Platform 10 and subsequent releases completed during the financial year 2020/21. In addition to the core platform other products such as next-generation SaaS platform One Sitecore and supporting features are also part of Completed development projects.

Development projects in progress

Development projects in progress relate to future releases and updates of Sitecore Experience Cloud which encompasses Sitecore's overall set of solutions.

As part of the acquisition of Stylelabs the new release of the Sitecore Content Hub is also part of development projects in progress along with the project to develop the first version of the Sitecore SaaS Digital Experience Platform.

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

10 Property, plant and equipment

DKK'000	Plant and machinery	Fixtures and fittings, other plant and equipment	Right-of-use assets	Total
Cost at 1 July 2020	12,667	1,285	14,087	28,039
Additions	426	0	0	426
Disposals	0	-81	-1,435	-1,516
Cost at 30 June 2021	13,093	1,204	12,652	26,949
Impairment losses and depreciation at 1 July 2020	6,560	793	4,572	11,925
Depreciation	3,539	147	4,094	7,780
Reversal of accumulated depreciation	0	-53	-1,435	-1,488
Impairment losses and depreciation at 30 June 2021	10,099	887	7,231	18,217
Carrying amount at 30 June 2021	2,994	317	5,421	8,732

11 Financial assets

DKK'000	Investments in group enterprises	Receivables from group enterprises	Deposits, investments	Total
Cost at 1 July 2020	539,111	990,517	166	1,529,794
Group share-based payment transactions	35,035	0	0	35,035
Contributions	847,524	0	0	847,524
Additions	41,875	0	161	42,036
Receiveables transferred to current	0	-789,409	0	-789,409
Cost at 30 June 2021	1,463,545	201,108	327	1,664,980
Value adjustments at 1 July 2020	-24,105	-10,898	0	-35,003
Value adjustments at 30 June 2021	-24,105	-10,898	0	-35,003
Carrying amount at 30 June 2021	1,439,440	190,210	327	1,629,977

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

11 Investments (continued)

Equity and profit/loss disclousures for the subsidiaries are based on financial statements (internal or external) for 1 July 2020 - 30 June 2021 for the respective subsidiaries.

Name	Legal form	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Subsidiaries					
Sitecore Danmark	A/S	Copenhagen, DK	100.00%	14,737	1,538
Sitecore International	A/S	Copenhagen, DK	100.00%	7,961	-3,036
Sitecore UK	Ltd.	London, UK	100.00%	8,741	-51,440
Sitecore Sverige	AB	Stockholm, SE	100.00%	5,560	-1,482
Sitecore Deutschland	GmbH	Bremen, DE	100.00%	53,167	1,263
Sitecore Nederland	B.V.	Amsterdam, NL	100.00%	21,377	1,519
Sitecore Belgium	NV	Brussels, BE	100.00%	-45,763	-14,116
Sitecore Middle East	DMCC	Dubai, UAE	100.00%	7,647	5,333
Sitecore Japan Co.	Ltd.	Tokyo, JP	100.00%	-17,492	862
Sitecore Singapore Pte.	Ltd.	Singapore, SG	100.00%	11,864	641
Sitecore Software Co.	Ltd.	Shanghai, CN	100.00%	-1,725	52
Sitecore Malaysia Sdn.	Bhd.	Kuala Lumpur, MY	100.00%	22,097	2,872
Sitecore Ukraine	Fe.	Dniepropetrovsk, UA	100.00%	7,382	4,225
Sitecore Australia	Pty Ltd	Sydney, Australia	100.00%	3,159	3,119
Sitecore Bulgaria	EOOD	Sofia, Bulgaria	100.00%	5,072	520
Sitecore Ireland	Ltd.	Dublin, Ireland	100.00%	-166,940	-16,784
Sitecore Italia	Srl.	Milan, Italy	100.00%	93	19
Sitecore España	S.L.U.	Madrid, Spain	100.00%	30	7

The investments in Sitecore Ireland, Sitecore Belgium, and Sitecore UK represent about 96% of the total subsidiary investment balances. Sitecore Ireland was received during the year through a capital contribution after it was acquired in March 2021 by Sitecore Holdings II A/S. The investment in Sitecore Belgium is primarily from the acquisition of Stylelabs in 2018. All entities were evaluated for impairment and concluded that there was no basis for recognizing any additional impairment.

12 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years.

13 Share capital

The company's nominal share capital is DKK 10,473,053, divided into shares of a nominal amount of DKK 0,10 each.

The Company's share capital has remained DKK 10,473 thousand over the past 5 years.

14 Non-current liabilities

DKK'000	Total debt at 30/6 2021	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Deferred tax	148,274	0	148,274	0
Lease liabilities	1,960	0	1,960	0
Other payables	39	0	39	0
Deferred income	1,456	0	1,456	0
	151,729	0	151,729	0

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

DKK'000	2020/21	2019/20
15 Deferred tax		
Deferred tax at 1 July	273,950	133,783
Deferred tax on profit for the year	-121,981	6,777
Deferred tax adjustment, previous years	-3,695	133,390
Deferred tax at 30 June	148,274	273,950

16 Contractual obligations and contingencies, etc.

Contingent liabilities

Guarantee commitments	1,700	1,700
	1,700	1,700

Other contingent liabilities

The Company is jointly taxed with its ultimate Danish parent, Sitecore Holding II A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends falling due for payment.

17 Collateral

Sitecore Corporation A/S, Sitecore Denmark A/S and Sitecore International A/S have a combined owner's mortgage of EUR 6 million to Wilmington Trust (London) Limited as security for certain credit facilities.

18 Related parties

Sitecore Corporation A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Sitecore Holding II A/S	Copenhagen, Denmark	Ultimate parent
Sitecore Holding III A/S	Copenhagen, Denmark	Owner

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Sitecore Holding II A/S	Copenhagen, Denmark	www.cvr.dk

Financial statements 1 July 2020 - 30 June 2021

Notes to the financial statements

	DKK'000	2020/21	2019/20
19	**Appropriation of profit/loss**		
	Recommended appropriation of profit/loss		
	Transfer to reserve for development costs	8,256	2,961
	Retained earnings/accumulated loss	200,906	-124,558
		209,162	-121,597