

Sitecore International A/S

Vester Farimagsgade 3, 5., 1606 Copenhagen V

CVR no. 31 57 98 80

Annual report 2018/19

Approved at the Company's annual general meeting on 20 January 2020

Chairman:

DocuSigned by:
Richard Foelch
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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 International A/S for the financial year 1 July 2018 - 30 June 2019.

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 2019 and of the results of the Company's operations for the financial year 1 July 2018 - 30 June 2019.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 20 January 2020
Executive Board:

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Richard Foehr
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Richard Max Foehr

Board of Directors:

DocuSigned by:
Dan Griggs
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Daniel Edwin Griggs
Chairman

DocuSigned by:
Richard Foehr
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Richard Max Foehr

DocuSigned by:
Rasmus Lund
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Rasmus Lund



Independent auditor's report

To the shareholder of Sitecore International A/S

Opinion

We have audited the financial statements of Sitecore International A/S for the financial year 1 July 2018 - 30 June 2019, which comprise income statement, balance sheet, statement of changes in equity 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 financial position of the Company at 30 June 2019 and of the results of the Company's operations 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 financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company 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.

Management's responsibilities 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 as 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 applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 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.



Independent auditor's report

- ▶ 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.
- ▶ 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 note 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, 20 January 2020
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

A handwritten signature in blue ink, appearing to read 'Kennet Hartmann'.

Kennet Hartmann
State Authorised Public Accountant
mne40036



Management's review

Company details

Name	Sitecore International A/S
Address, Postal code, City	Vester Farimagsgade 3, 5., 1606 Copenhagen V
CVR no.	31 57 98 80
Registered office	Copenhagen
Financial year	1 July 2018 - 30 June 2019
Board of Directors	Daniel Edwin Griggs, Chairman Richard Max Foehr Rasmus Lund
Executive Board	Richard Max Foehr
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark



Management's review

Business review

The Company's primary activity has in line with previous years, consisted of the sale of Sitecore's CMS-systems in market where the Sitecore Group has not established any sales subsidiaries, as well as developing new markets.

Financial review

The income statement for 2018/19 shows a profit of DKK 3,060 thousand against a profit of DKK 1,628 thousand last year, and the balance sheet at 30 June 2019 shows equity of DKK 7,584 thousand.

Management considers the Company's financial performance in the year satisfactory.

We refer to note 1 for the description of the impact from adoption of IFRS 15.

The Company has received a letter of subordination from Group entities, and declared to support Group entities. Reference is made to note 5.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements 1 July 2018 - 30 June 2019

Income statement

Note	DKK'000	2018/19	2017/18
	Revenue	84,515	55,166
	Cost of sales	-71,957	-36,705
	External expenses	-4,091	-4,540
	Gross profit	8,467	13,921
3	Staff costs	-5,080	-11,692
	Profit before net financials	3,387	2,229
4	Financial income	2,819	12
5	Financial expenses	-1,136	-554
	Profit before tax	5,070	1,687
	Tax for the year	-2,010	-59
	Profit for the year	3,060	1,628
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	0	1,000
	Retained earnings	3,060	628
		3,060	1,628



Financial statements 1 July 2018 - 30 June 2019

Balance sheet

Note	DKK'000	2018/19	2017/18
	ASSETS		
	Non-current assets		
	Financial assets		
	Deposits	0	87
	Contract assets	13,050	0
	Other receivables	1,770	0
	Deferred tax assets	0	65
		<u>14,820</u>	<u>152</u>
	Total non-current assets	<u>14,820</u>	<u>152</u>
	Current assets		
	Receivables		
	Trade receivables	25,737	19,497
	Contract assets	11,667	0
	Receivables from group entities	0	24,242
	Other receivables	5,314	8
	Prepayments	1,203	135
		<u>43,921</u>	<u>43,882</u>
	Cash	5,285	255
	Total current assets	<u>49,206</u>	<u>44,137</u>
	TOTAL ASSETS	<u>64,026</u>	<u>44,289</u>



Financial statements 1 July 2018 - 30 June 2019

Balance sheet

Note	DKK'000	2018/19	2017/18
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	500	500
	Retained earnings	7,084	2,855
	Dividend proposed for the year	0	1,000
	Total equity	<u>7,584</u>	<u>4,355</u>
	Non-current liabilities		
	Deferred tax	128	0
	Payables to group entities	23,574	0
	Other payables	0	603
	Deferred income	997	469
	Total non-current liabilities	<u>24,699</u>	<u>1,072</u>
	Current liabilities		
	Trade payables	3,451	1,658
	Joint taxation contribution payable	1,265	878
	Other payables	2,060	2,456
	Deferred income	24,967	33,870
	Total current liabilities	<u>31,743</u>	<u>38,862</u>
	Total liabilities	<u>56,442</u>	<u>39,934</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>64,026</u></u>	<u><u>44,289</u></u>

- 1 Accounting policies
- 2 Recognition and measurement uncertainties
- 6 Contractual obligations and contingencies, etc.
- 7 Collateral
- 8 Related parties



Financial statements 1 July 2018 - 30 June 2019

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed for the year	Total
Equity at 1 July 2018	500	2,855	1,000	4,355
Changes in accounting policies (IFRS 15 impact)	0	37,394	0	37,394
Tax on item recognised directly in equity (IFRS 15 impact)	0	-36,225	0	-36,225
Transfer through appropriation of profit	0	3,060	0	3,060
Dividend distributed	0	0	-1,000	-1,000
Equity at 30 June 2019	500	7,084	0	7,584

The Company's share capital is DKK 500 thousand, divided into shares of DKK 1 or any multiple thereof.

The Company's share capital has remained DKK 500 thousand over the past 5 years.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies

The annual report of Sitecore International A/S for 2018/19 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Changes in accounting policies

The Company adopted IFRS 15 "Revenue from Contracts with Customers" ("IFRS 15") using the modified retrospective method and applied a contract-by-contract approach for contracts that were not completed as of 1 July 2018. Results for reporting periods beginning after 1 July 2018 are presented under IFRS 15, while prior periods are not adjusted and reported under IAS 11 Construction Contracts ("IAS 11") and IAS 18 Revenue ("IAS 18"). As a result of the adoption, the Company recognised the cumulative effect of initially applying IFRS 15 as a pre-tax adjustment of DKK 34,323 thousands to the opening balance of retained earnings at the adoption date.

Revenue consists of software license fees, software maintenance, hosting, consulting services and education.

Software is licensed to customers via fixed term subscriptions or perpetual licensing agreements. License revenue for on-premise term subscription license agreements are no longer recognized on a straight-line basis over the terms of the agreements, but when the customer has obtained control of the license and has the ability to use and obtain substantially all the benefits from the license. Software license performance obligation is satisfied at the point in time when the software is made available to a customer to download and use. Sitecore has assessed that the customer obtains control of the license when a contract is executed by both parties, the license is delivered, and the customer has the right to use it. The IFRS 15 revenue recognition for perpetual licenses sales is similar to the revenue recognition under the IAS 11 and IAS 18.

For multi-element contracts, the basis for revenue recognition is an assessment of the standalone selling prices for the identified performance obligations, including rebates, discounts, and allowances. The right to use software license is considered a separate and distinct performance obligation and satisfies the following conditions: can be delivered separately from other services, can be installed by a third party, can be used without upgrades, and it functions without upgrades or technical support.

Maintenance revenue and hosting revenue is recognised ratably over the term of the respective contract. Professional services revenue is recognised as the services are delivered. These performance obligations are satisfied over time and accounting for them remains unchanged under IFRS 15 or under IAS 11 and IAS 18.

Commissions earned by the Company's sales force are considered incremental and recoverable costs of obtaining a contract with a customer. Sales commissions for initial contracts are deferred and then amortized on a straight-line basis over a period of benefit that the Company has determined to be four years. As a result of the adoption, the Company recognised the cumulative effect of initially applying IFRS 15 as a pre-tax adjustment of DKK 3,071 thousands to the opening balance of retained earnings at the adoption date.

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.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies (continued)

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 has chosen IFRS 15 as interpretation for revenue recognition.

Revenue is mainly derived from fees charged for software licenses fees, software maintenance fees, and other services comprised of hosting, consulting and education services. For software contracts, which are comprised of several components, the total contract fees or transaction price is allocated to the separate performance obligations for the purpose of revenue recognition.

Revenue recognition requires an agreement with the customer, which creates enforceable rights and obligations between the parties, has commercial substance, and identifies payment terms. In addition, it must be probable that the consideration determined in the contract will be collected.

Revenue is recognised when the 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.

For multi-element contracts, the basis for revenue recognition is an assessment of the standalone selling prices for the identified performance obligations, including rebates, discounts, and allowances.

Software license:

Software license revenue represents fees earned from the sale or license of software to customers for use on the customer's premises. In other words, where the customer has the right to use and take possession of the software for installation on the customer's premises or on hardware of third-party hosting providers unrelated to Sitecore or hosted in Sitecore's managed cloud environment.

Software licenses are sold as perpetual licenses or as term subscription licenses, limiting access to the software to a specified term, typically a period of one to three years. Arrangements with the customers typically do not include general right of returns. Term subscription license is generally offered under renewable, fixed fee contracts where payments are typically due annually in advance and may have a term of one year or multiple years. Perpetual license is typically invoiced in full at contract signing. Invoice payment term for all revenue types typically ranges from 30 to 90 days of invoicing.

On premise software license revenue from term subscription or perpetual licenses is recognised upfront, as the performance obligation is satisfied at the point in time when the software is made available to a customer to download and use.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies (continued)

Maintenance services:

Maintenance revenue represents fees earned from providing customers with support services that comprise of technical product support and unspecified future software updates, upgrades, and enhancements for on-premise software products.

Maintenance revenue is typically recognized ratably over the term of the support arrangement, as the performance obligation is satisfied over time. Maintenance services are a stand ready performance obligation to provide technical product support and unspecified updates, upgrades, and enhancements on a when-and-if-available basis. The Company's customer simultaneously receives and consumes the benefits of these support services as the Company performs. Subsequent annual maintenance related to perpetual license is invoiced annually in advance.

Services and other:

Other services revenue primarily represents fees earned from hosting services, consulting services and education services. Time and material contracts are generally invoiced based upon hours incurred on a monthly basis and fixed fee contracts may be invoiced up-front or as milestones are achieved throughout the project. Services revenue is generally recognised as the services are delivered and performance obligation is satisfied over time.

Transaction price allocation:

Fixed term license and perpetual license performance obligations are sold for a broad range of amounts (that is, selling price is highly variable) and a representative standalone selling price is not discernable from past transactions or other observable evidence. As a result, the standalone selling price for fixed term and perpetual licenses included in a contract with multiple performance obligations is determined by applying a residual approach whereby performance obligations with observable standalone selling prices are first allocated a portion of the transaction price based on their respective standalone selling prices, with the residual amount of the transaction price allocated to the fixed term or perpetual license. Standalone selling price for all maintenance services and other services are determined based on observable pricing.

License maintenance contracts are generally priced as a percentage of the net fees paid by the customer to access the license.

Costs to obtain a contract:

The Company recognises an asset for the incremental costs of obtaining contracts with customers that are directly associated with the contract if those costs are expected to be recoverable, and records them in Other receivables in the balance sheet. Incremental costs of obtaining contracts are those costs that the Company incurs to obtain a contract with a customer that would not have been incurred if the contract had not been obtained.

The costs capitalized under the new revenue standard are primarily sales commissions paid to our sales force personnel. Capitalized costs may also include portions of fringe benefits and payroll taxes associated with compensation for incremental costs to acquire customer contracts and incentive payments to partners.

Capitalized costs to obtain a contract are amortized over the expected period of benefit, which we have determined, to be 4 years. Amortization of capitalized costs are presented in external expenses in income statement.

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.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies (continued)

Cost of sales

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

External expenses

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

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Financial income and expenses

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

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 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.

Balance sheet

Impairment of non-current assets

The carrying amount of property, plant and equipment 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 2018 - 30 June 2019

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.

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

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.

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.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies (continued)

Other payables

Other payables are measured at net realisable value.

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.

2 Recognition and measurement uncertainties

The Company makes estimates, and assumptions concerning the future. 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 Company is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

Revenue recognition:

Revenue recognition requires management to make judgements which are based on assumptions on historical and forecast information, as well as on regional and industry economic conditions in which we or our clients operate. A short description of main judgments made in relation to revenue recognition follows:

- Assessing whether it is probable that the consideration from contract with clients will be collected requires judgement and might impact the timing and amount of revenue recognition.
- Establishing whether distinct goods or services are considered to be separate performance obligation requires judgement and might impact the timing and amount of revenue recognition.
- The allocation of total transaction fee of a client contract to the distinct deliverables requires judgment in determining an apportionment which reflects the fair value measurement of each performance obligation. This may impact the timing and amount of revenue recognized.
- Determining whether different contracts with the same client are accounted for as one agreement involves the use of judgment as it requires us to assess whether the contracts are negotiated together or linked in any other way. The timing and amount of revenue recognition can vary depending on whether two contracts are accounted for separately or as one single arrangement.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

DKK'000	2018/19	2017/18
3 Staff costs		
Wages/salaries	4,805	10,535
Pensions	240	281
Other social security costs	10	836
Other staff costs	25	40
	<u>5,080</u>	<u>11,692</u>
Average number of full-time employees	<u>3</u>	<u>5</u>
4 Financial income		
Interest receivable, group entities	1,810	0
Exchange adjustments	1,009	0
Other financial income	0	12
	<u>2,819</u>	<u>12</u>
5 Financial expenses		
Interest expenses, group entities	1,092	393
Exchange rate adjustments	0	124
Other financial expenses	44	37
	<u>1,136</u>	<u>554</u>

6 Contractual obligations and contingencies, etc.

Contingent liabilities

The following Group entities have declared to Sitecore International A/S, that inter-company balances of DKK 23,574 thousand (debt in Sitecore International A/S) does not have to be repaid until Sitecore International A/S has the liquidity to do so: Sitecore Holding II A/S, Sitecore Corporation A/S. This declaration is effective until 30 June 2020.

Furthermore, Sitecore International A/S has declared to provide financial support the following Group entities if these do not have sufficient resources to settle any liabilities as they fall due: Sitecore Holding II A/S, Sitecore Holding III A/S, Sitecore Danmark A/S, Sitecore Corporation A/S, Sitecore Sverige AB, Sitecore UK Ltd, Sitecore Belgium BVBA, Sitecore Middle East DMCC and Stylelabs NV. This declaration is effective until 30 June 2020.

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.

Other financial obligations

Other rent and lease liabilities:

DKK'000	2018/19	2017/18
Rent and lease liabilities	<u>0</u>	<u>615</u>

7 Collateral

The Company has an owner's mortgage of EUR 6m to Nordea Bank AB (publ) as security for certain credit facilities.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

8 Related parties

Information about consolidated financial statements

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

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
Sitecore Corporation A/S	Copenhagen, Denmark