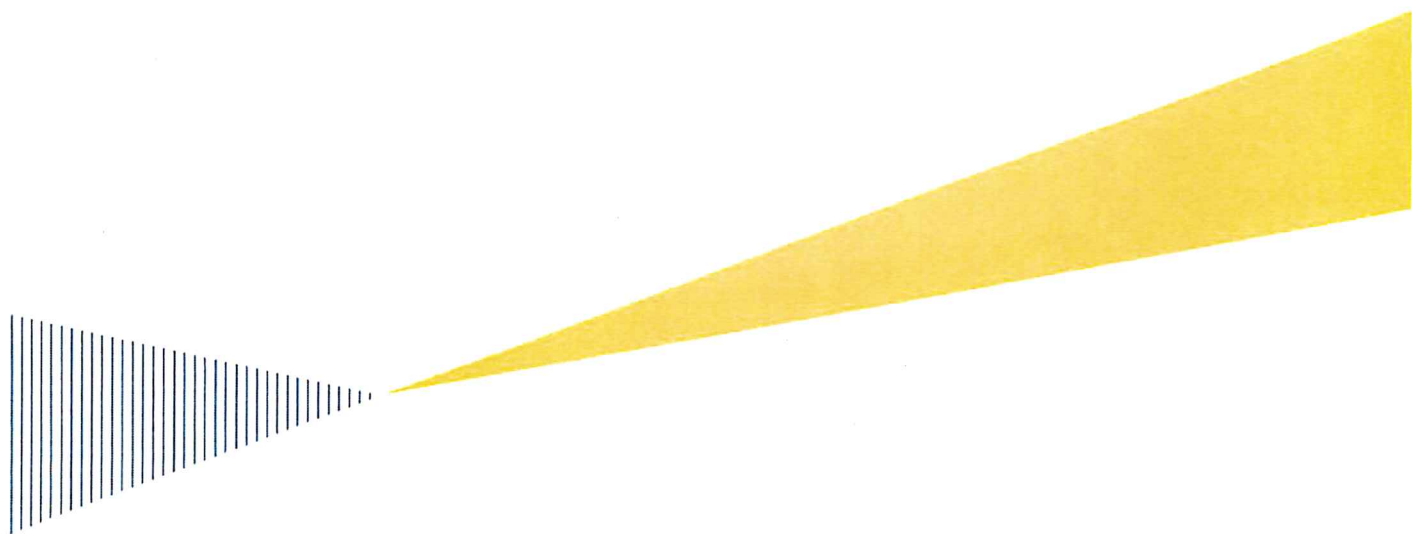


Komfo ApS

Vesterbrogade 6 D, 9. sal, 1620 København V

CVR no. 32 66 34 78



Annual report 2015/16

Approved at the annual general meeting of shareholders on 30 November 2016

Chairman:

Handwritten signature of Anders Pilgaard Andersen in blue ink.

Anders Pilgaard Andersen



Building a better
working world



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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Komfo ApS for the financial year 1 July 2015 - 30 June 2016.

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 Company's financial position at 30 June 2016 and of the results of the Company's operations for the financial year 1 July 2015 - 30 June 2016.

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, 30 November 2016
Executive Board:


Rasmus Hellskov Møller-
Nielsen
CEO

Board of Directors:


Michael Selfert
Chairman


Rasmus Hellskov Møller-
Nielsen

DocuSigned by:

43774DFFBA1A495
Michael Andreas Hansen

Independent auditors' report

To the shareholders of Komfo ApS

Independent auditors' report on the financial statements

We have audited the financial statements of Komfo ApS for the financial year 1 July 2015 - 30 June 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulations. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's financial position at 30 June 2016 and of the results of its operations for the financial year 1 July 2015 - 30 June 2016 in accordance with the Danish Financial Statements Act.



Independent auditors' report

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 30 November 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

A blue ink signature of Peter Gath, written in a cursive style.

Peter Gath
State Authorised Public Accountant

A blue ink signature of Kim Nicolajsen, written in a cursive style.

Kim Nicolajsen
State Authorised Public Accountant



Management's review

Company details

Name	Komfo ApS
Address, Postal code, City	Vesterbrogade 6 D, 9. sal, 1620 København V
CVR no.	32 66 34 78
Established	29 December 2009
Registered office	København
Financial year	1 July 2015 - 30 June 2016
Board of Directors	Michael Seifert, Chairman Rasmus Heilskov Møller-Nielsen Michael Andreas Hansen
Executive Board	Rasmus Heilskov Møller-Nielsen, CEO
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Management commentary

Business review

The Company's object is to develop and sell licenses for software and related activities with the goal of helping the Company's customers to success in social media.

Financial review

The income statement for 2015/16 shows a loss of DKK 9,097,061 and the balance sheet at 30 June 2016 shows a negative equity of DKK 12,806,101.

Management considers the Company's financial performance in the year not satisfactory.

The Company expects continued growth in revenue in 2016/17 with stabilized staff costs and thus Management expects a positive result for 2016/17.

We refer to note 2 in the financial statements with respect to capital resources and the going concern assumption.

Events after the balance sheet date

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

In September 2016 Sitecore Corporation A/S has acquired the remaining shares in Komfo ApS and subsequently holds 100 % of the shares.

Financial statements for the period 1 July 2015 - 30 June 2016

Income statement

Note	DKK	2015/16	2014/15
	Gross margin	6,319,488	9,802,242
3	Staff costs	-13,436,461	-11,547,951
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-3,081,338	-5,732,975
	Profit/loss before net financials	-10,198,311	-7,478,684
	Financial expenses	-256,128	-167,300
	Profit/loss before tax	-10,454,439	-7,645,984
4	Tax for the year	1,357,378	1,816,924
	Profit/loss for the year	-9,097,061	-5,829,060
	 Proposed profit appropriation/distribution of loss		
	Retained earnings/accumulated loss	-9,097,061	-5,829,060
		-9,097,061	-5,829,060

Financial statements for the period 1 July 2015 - 30 June 2016

Balance sheet

Note	DKK	2015/16	2014/15
	ASSETS		
	Non-current assets		
5	Intangible assets		
	Completed development projects	5,111,600	8,140,836
		<u>5,111,600</u>	<u>8,140,836</u>
6	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	51,083	103,185
		<u>51,083</u>	<u>103,185</u>
7	Investments		
	Investments in group entities, net asset value	50,153	50,153
	Deposits	268,800	268,800
		<u>318,953</u>	<u>318,953</u>
	Total non-current assets	<u>5,481,636</u>	<u>8,562,974</u>
	Current assets		
	Receivables		
	Trade receivables	2,548,505	2,241,212
	Receivables from group entities	126,175	167,102
	Joint taxation contribution receivable	1,630,684	1,816,622
	Other receivables	55,200	0
	Prepayments	178,317	153,807
		<u>4,538,881</u>	<u>4,378,743</u>
	Cash at bank and in hand	<u>17,831</u>	<u>33,606</u>
	Total current assets	<u>4,556,712</u>	<u>4,412,349</u>
	TOTAL ASSETS	<u><u>10,038,348</u></u>	<u><u>12,975,323</u></u>



Financial statements for the period 1 July 2015 - 30 June 2016

Balance sheet

Note	DKK	2015/16	2014/15
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	201,227	201,227
	Share premium account	9,967,049	9,967,049
	Retained earnings	-22,974,377	-13,877,316
	Total equity	-12,806,101	-3,709,040
	Provisions		
	Deferred tax	1,115,124	0
	Total provisions	1,115,124	0
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Bank debt	1,678,436	698,815
	Trade payables	548,382	432,627
	Payables to group entities	2,805,956	413,006
	Payables to management	909,595	0
	Other payables	4,249,558	4,314,776
	Deferred income	11,537,398	10,825,139
		21,729,325	16,684,363
	Total liabilities other than provisions	21,729,325	16,684,363
	TOTAL EQUITY AND LIABILITIES	10,038,348	12,975,323

- 1 Accounting policies
- 2 Going concern uncertainties
- 9 Contractual obligations and contingencies, etc.
- 10 Collateral
- 11 Related parties

Financial statements for the period 1 July 2015 - 30 June 2016

Statement of changes in equity

DKK	Share capital	Share premium account	Retained earnings	Total
Equity at 1 July 2015	201,227	9,967,049	-13,877,316	-3,709,040
Profit/loss for the year	0	0	-9,097,061	-9,097,061
Equity at 30 June 2016	201,227	9,967,049	-22,974,377	-12,806,101

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

1 Accounting policies

Komfo ApS' annual report for 2015/16 has been prepared in accordance with the provisions which apply to reporting class B entities under the Danish Financial Statements Act.

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

Consolidated financial statements

Referring to section 112 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

Reporting currency

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

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

Revenue is recognized in the profit and loss account when invoiced. Revenue from maintenance contracts is accrued and revenue is recognized over the term of the contract.

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.

Gross margin

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

Cost of sales

Cost of sales includes the cost of sales 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 statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

1 Accounting policies (continued)

Amortisation/depreciation and impairment

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

The cost for completed development projects is amortised over the expected useful life.

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

Other fixtures and fittings, tools and equipment	5 years
--	---------

Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses.

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.

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights, including software licences, distribution rights and development projects.

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

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.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. Dividends received that exceed the accumulated earnings in the subsidiary or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

1 Accounting policies (continued)

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.

Receivables

Receivables are measured at amortised cost.

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.

Prepayments

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

Cash and cash equivalents

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

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

2 Going concern uncertainties

The Company expects continued growth in revenue in 2016/17 with stabilized staff costs and thus Management expects a positive result for 2016/17.

Management expects that the existing capital resources will be sufficient to ensure the Company's going concern. However, the parent company has issued a letter of support to the Company, and will provide the Company with the necessary liquidity until 30 June 2017 in order to support the continued operations of the Company.

Management will continually monitor developments in respect of the operating budgets and cash flows forecasts prepared in order to ensure that the necessary capital resources are available in this respect. On this basis the Annual Report is prepared under the going concern assumption.

DKK	2015/16	2014/15
3 Staff costs		
Wages/salaries	12,165,112	10,294,294
Pensions	837,372	818,815
Other social security costs	51,278	65,146
Other staff costs	382,699	369,696
	<u>13,436,461</u>	<u>11,547,951</u>
Average number of full-time employees	<u>23</u>	<u>21</u>
4 Tax for the year		
Estimated tax charge for the year	-1,630,684	0
Deferred tax adjustments in the year	273,306	-1,816,622
Tax adjustments, prior years	0	-302
	<u>-1,357,378</u>	<u>-1,816,924</u>

5 Intangible assets

DKK	Completed development projects
Cost at 1 July 2015	<u>20,171,164</u>
Cost at 30 June 2016	<u>20,171,164</u>
Impairment losses and amortisation at 1 July 2015	12,030,328
Amortisation/depreciation in the year	3,029,236
Impairment losses and amortisation at 30 June 2016	<u>15,059,564</u>
Carrying amount at 30 June 2016	<u>5,111,600</u>

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

6 Property, plant and equipment

DKK	Other fixtures and fittings, tools and equipment
Cost at 1 July 2015	342,054
Cost at 30 June 2016	342,054
Impairment losses and depreciation at 1 July 2015	238,869
Amortisation/depreciation in the year	52,102
Impairment losses and depreciation at 30 June 2016	290,971
Carrying amount at 30 June 2016	51,083

7 Investments

DKK	Investments in group entities, net asset value	Deposits	Total
Cost at 1 July 2015	50,153	268,800	318,953
Cost at 30 June 2016	50,153	268,800	318,953
Carrying amount at 30 June 2016	50,153	268,800	318,953

	Legal form	Domicile	Interest
Subsidiaries			
Komfo	Ltd.	Bulgaria	100.00 %

8 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK	2015/16	2014/15	2013/14	2012/13	2011/12
Opening balance	201,227	191,813	168,276	150,000	0
Capital increase	0	9,414	23,537	18,276	150,000
	201,227	201,227	191,813	168,276	150,000

9 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK	2015/16	2014/15
Rent and lease liabilities	408,000	552,033

Financial statements for the period 1 July 2015 - 30 June 2016

Notes to the financial statements

10 Collateral

The Company has entered into an agreement with Vækstfonden, in which Vækstfonden has provided a guarantee for the Company's loan to Danske Bank. The maximum limit of the guarantee is DKK 1.5m which contributes to a credit facility for the Company in the future.

As security for all balances with Danske Bank, a general floating charge has been provided in the Company's claims against debtors. The charge totals DKK 2.0m.

11 Related parties

Komfo ApS' related parties comprise the following:

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Sitecore Corporation A/S	Copenhagen, Denmark	Danish Business Authority

Ownership

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

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