

# **ServiceNow Denmark ApS**

**c/o Grant Thornton, Stockholmsgade 45, 2100 København Ø**

**Company reg. no. 33 86 42 21**

## **Annual report**

**1 January - 31 December 2021**

The annual report was submitted and approved by the general meeting on the 30 June 2022.

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**Mark Aidan Cockerill**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the Executive Board has approved the annual report of ServiceNow Denmark ApS for the financial year 1 January - 31 December 2021.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.

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

We recommend that the annual report be approved at the Annual General Meeting.

København Ø, 30 June 2022

### **Executive board**

Russell Scott Elmer

Mark William Alloy

Mark Cockerill

## **Independent auditor's report on extended review**

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### **To the Shareholder of ServiceNow Denmark ApS**

#### **Opinion**

We have performed an extended review of the financial statements of ServiceNow Denmark ApS for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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 extended review of the Financial Statements**

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our opinion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our opinion.

## **Independent auditor's report on extended review**

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An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

### **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 opinion thereon.

In connection with our extended review 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 extended review, 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 Statements Act. We did not identify any material misstatement in the Management's Review.

Copenhagen, 30 June 2022

### **Grant Thornton**

State Authorised Public Accountants  
Company reg. no. 34 20 99 36

### **Brian Rasmussen**

State Authorised Public Accountant  
mne30153

## Company information

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### **The company**

ServiceNow Denmark ApS  
c/o Grant Thornton  
Stockholmsgade 45  
2100 København Ø

Company reg. no. 33 86 42 21

Financial year: 1 January - 31 December

### **Executive board**

Russell Scott Elmer  
Mark William Alloy  
Mark Cockerill

### **Auditors**

Grant Thornton, Statsautoriseret Revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø

### **Subsidiary**

Gekkobrain ApS, København

## **Management's review**

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### **The principal activities of the company**

The main activity of the Company is to provide sales and marketing support services.

### **Development in activities and financial matters**

The revenue for the year totals DKK 72.679.916 against DKK 58.395.833 last year. Income or loss from ordinary activities after tax totals DKK 2.553.852 against DKK 2.043.721 last year. Management considers the net profit or loss for the year satisfactory.

### *Investments*

In 2021, the Company has acquired Gekkobrain ApS, which in the accounts is being presented as investments in subsidiaries.

## Accounting policies

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The annual report for ServiceNow Denmark ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financial income or expenses.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

## Income statement

### Revenue

Revenue is recognised when control of services is transferred to the customer over a period of time, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. The services are charged at arms length terms to ServiceNow Nederland B.V., in line with ServiceNow group transfer pricing policies.

### Other external costs

Other external costs comprise costs incurred for advertising, administration and premises.

### Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

### Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of tangible assets, respectively.



## Accounting policies

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### Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

### Results from investment in subsidiary

Dividend from investment in subsidiary is recognised in the financial year in which the dividend is declared.

### Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The Company is subject to Danish rules on compulsory joint taxation of Danish group enterprises. The company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

## Statement of financial position

### Plant and equipment

Plant and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other plants, operating assets, fixtures and furniture	3 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

## Accounting policies

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Profit or loss derived from the disposal of equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

### Right-of-use assets

The Company is using IFRS 16 as its basis of accounting for the classification and recognition of leases.

Leases pertaining to property for which the enterprise has the right-of-use are recognised in the statement of financial position as right-of-use assets. The assets are, at initial recognition, measured at imputed cost, consisting of:

- The imputed lease liability
- Any lease payments paid prior to – or on – the starting date, less any lease incentives received
- Any direct start-up costs
- Any restoring costs

Hereafter, recognised leased assets are treated like the company's remaining property.

Lease liabilities are recognised in the statement of financial position as liabilities other than provision and are measured, at initial recognition, at the present value of lease payments payable over the lease term. When determining the present value, the internal rate of return or, alternatively, the Company's borrowing rate is applied as discount rate.

Hereafter, the lease liability is treated like the remaining financial liabilities, i.e. at amortised cost.

The interest element of the lease payments is recognised in the income statement over the contractual term.

The following leases are not recognised as assets and liabilities in the statement of financial position:

- Leases with a duration of twelve months or less (short leases)
- Leases where the replacement value of the asset is less than DKK 30,000. (low-value assets)

For such leases, the lease payment is recognised in the income statement as an expense on a linear basis over the lease term.

### Impairment loss relating to non-current assets

The carrying amount of tangible fixed assets as well as equity investment in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

## **Accounting policies**

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The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

### **Investments**

#### **Investments in subsidiary**

Investments in subsidiary is recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

### **Deposits**

Deposits are measured at amortised cost and represent lease deposits, etc.

### **Receivables**

Trade receivables are recognised initially at the net invoice value. The carrying value less impairment provision of trade receivables (if applicable) are assumed to approximate their fair value due to receivables being non-interest bearing and short-term in nature.

The trade receivables are considered past due based on the contractual payment terms. The individual trade receivables are written off when the Company becomes aware of a specific customer's inability to meet its financial obligation, and all collection efforts are exhausted.

The expected credit loss on trade receivables is considered to be immaterial given that the trade receivables are current with low credit risk and immaterial historical loss rates.

### **Prepayments and accrued income**

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

### **Cash on hand and demand deposits**

Cash on hand and demand deposits comprise cash at bank and on hand.

### **Income tax and deferred tax**

As administration company, ServiceNow Denmark ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

## **Accounting policies**

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The Company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Income tax receivable" or "Income tax payable".

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

### **Liabilities other than provisions**

Other liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2021</u>	<u>2020</u>
Revenue	72.679.916	58.395.833
Other external costs	-2.716.171	-2.899.350
<b>Gross profit</b>	<b>69.963.745</b>	<b>55.496.483</b>
1 Staff costs	-65.562.273	-51.865.468
Depreciation and impairment of property, land, and equipment	-940.235	-846.941
<b>Operating profit</b>	<b>3.461.237</b>	<b>2.784.074</b>
Other financial costs	-190.084	-142.972
<b>Pre-tax net profit or loss</b>	<b>3.271.153</b>	<b>2.641.102</b>
2 Tax on net profit or loss for the year	-717.301	-597.381
<b>Net profit or loss for the year</b>	<b>2.553.852</b>	<b>2.043.721</b>
 <b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	2.553.852	2.043.721
<b>Total allocations and transfers</b>	<b>2.553.852</b>	<b>2.043.721</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2021</u>	<u>2020</u>
<b>Non-current assets</b>		
Other fixtures and fittings, tools and equipment	1.038.622	1.679.617
Total property, plant, and equipment	1.038.622	1.679.617
Investment in subsidiary	34.907.363	0
Deposits	428.206	428.206
Total investments	35.335.569	428.206
<b>Total non-current assets</b>	<b>36.374.191</b>	<b>2.107.823</b>
<b>Current assets</b>		
Receivables from group enterprises	15.700.236	10.805.153
Deferred tax assets	92.191	87.166
Income tax receivables	0	51.359
Other receivables	39.223	76.484
Prepayments and accrued income	36.408	253.938
Total receivables	15.868.058	11.274.100
Cash on hand and demand deposits	5.416.154	12.809.230
<b>Total current assets</b>	<b>21.284.212</b>	<b>24.083.330</b>
<b>Total assets</b>	<b>57.658.403</b>	<b>26.191.153</b>

**Balance sheet at 31 December**

All amounts in DKK.

<b>Equity and liabilities</b>		<u>2021</u>	<u>2020</u>
<u>Note</u>			
<b>Equity</b>			
Contributed capital		80.000	80.000
Retained earnings		12.281.784	9.727.932
<b>Total equity</b>		<b><u>12.361.784</u></b>	<b><u>9.807.932</u></b>
<b>Liabilities other than provisions</b>			
3 Lease liabilities		<u>0</u>	<u>1.031.749</u>
Total long term liabilities other than provisions		<u>0</u>	<u>1.031.749</u>
Current portion of long term liabilities		1.031.751	775.425
Trade payables		723.379	849.413
Payables to group enterprises		35.101.570	194.310
Income tax payable		8.326	0
Other payables		8.431.593	13.532.324
Total short term liabilities other than provisions		<u>45.296.619</u>	<u>15.351.472</u>
<b>Total liabilities other than provisions</b>		<b><u>45.296.619</u></b>	<b><u>16.383.221</u></b>
<b>Total equity and liabilities</b>		<b><u>57.658.403</u></b>	<b><u>26.191.153</u></b>

**4 Contingencies**

## Statement of changes in equity

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All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	80.000	7.684.211	7.764.211
Retained earnings for the year	<u>0</u>	<u>2.043.721</u>	<u>2.043.721</u>
Equity 1 January 2021	80.000	9.727.932	9.807.932
Retained earnings for the year	<u>0</u>	<u>2.553.852</u>	<u>2.553.852</u>
	<b><u>80.000</u></b>	<b><u>12.281.784</u></b>	<b><u>12.361.784</u></b>



## Notes

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All amounts in DKK.

	<u>2021</u>	<u>2020</u>
<b>1. Staff costs</b>		
Salaries and wages	62.306.412	49.243.827
Pension costs	3.183.721	2.550.664
Other costs for social security	<u>72.140</u>	<u>70.977</u>
	<b><u>65.562.273</u></b>	<b><u>51.865.468</u></b>
Average number of employees	<u>33</u>	<u>28</u>
<b>2. Tax on net profit or loss for the year</b>		
Tax on net profit or loss for the year	722.326	625.641
Adjustment of deferred tax for the year	<u>-5.025</u>	<u>-28.260</u>
	<b><u>717.301</u></b>	<b><u>597.381</u></b>
<b>3. Lease liabilities</b>		
Total lease liabilities	1.031.751	1.807.174
Share of amount due within 1 year	<u>-1.031.751</u>	<u>-775.425</u>
	<b><u>0</u></b>	<b><u>1.031.749</u></b>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>

## 4. Contingencies

### Joint taxation

The Company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The Company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the Company's liabilities.