

# **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 2020**

The annual report was submitted and approved by the general meeting on the 29 June 2021.

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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 report**

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Today, the executive board has presented the annual report of ServiceNow Denmark ApS for the financial year 1 January - 31 December 2020.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2020 and of the company's results of activities in the financial year 1 January – 31 December 2020.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

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

København Ø, 29 June 2021

### **Executive board**

Russell Scott Elmer

Mark William Alloy

Mark Aidan 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 to 31 December 2020, which comprise accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the financial statements give a fair presentation of the assets, equity and liabilities, and financial position at 31 December 2020 and of the results of the company's activities for the financial year 1 January - 31 December 2020 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We performed the extended review in accordance with the standard from the Danish Business Authority applicable to auditor's reports on small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable to 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 section "Auditor's responsibilities for the extended review of the financial statements". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of financial statements that give a fair presentation in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management considers necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 unless the 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 our procedures with the purpose of achieving moderate assurance as to our opinion on the financial statements. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

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

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An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an assessment of the achieved evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the financial statements.

### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion on the management commentary.

In connection with our extended review the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the extended review, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management commentary is consistent with the financial statements and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not discover any material misstatement in the management commentary.

Copenhagen, 29 June 2021

### **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

## **Management commentary**

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

The Company's objective is to provide sales and marketing support services.

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

The revenue for the year totals DKK 58.395.833 against DKK 52.841.850 last year. Income or loss from ordinary activities after tax totals DKK 2.043.721 against DKK 1.747.709 last year. Management considers the net profit or loss for the year satisfactory.

## 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.

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.

### 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.

## 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.

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:

## Accounting policies

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- 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 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.

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

#### Deposits

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

## Accounting policies

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### 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

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.

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>2020</u>	<u>2019</u>
Revenue	58.395.833	52.841.850
Other external costs	-2.899.350	-8.238.561
<b>Gross profit</b>	<b>55.496.483</b>	<b>44.603.289</b>
1 Staff costs	-51.865.468	-41.534.091
Depreciation and impairment of property, land, and equipment	-846.941	-552.919
<b>Operating profit</b>	<b>2.784.074</b>	<b>2.516.279</b>
Other financial costs	-142.972	-146.959
<b>Pre-tax net profit or loss</b>	<b>2.641.102</b>	<b>2.369.320</b>
2 Tax on net profit or loss for the year	-597.381	-621.611
<b>Net profit or loss for the year</b>	<b>2.043.721</b>	<b>1.747.709</b>
 <b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	2.043.721	1.747.709
<b>Total allocations and transfers</b>	<b>2.043.721</b>	<b>1.747.709</b>

## Statement of financial position at 31 December

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Non-current assets</b>		
Other fixtures and fittings, tools and equipment	1.679.617	2.295.542
Total property, plant, and equipment	1.679.617	2.295.542
Deposits	428.206	393.936
Total investments	428.206	393.936
<b>Total non-current assets</b>	<b>2.107.823</b>	<b>2.689.478</b>
<b>Current assets</b>		
Receivables from group enterprises	10.805.153	0
Deferred tax assets	87.166	58.906
Income tax receivables	51.359	0
Other receivables	76.484	265.860
Prepayments and accrued income	253.938	381.549
Total receivables	11.274.100	706.315
Cash on hand and demand deposits	12.809.230	13.180.679
<b>Total current assets</b>	<b>24.083.330</b>	<b>13.886.994</b>
<b>Total assets</b>	<b>26.191.153</b>	<b>16.576.472</b>

## Statement of financial position at 31 December

All amounts in DKK.

<b>Equity and liabilities</b>	<u>2020</u>	<u>2019</u>
<u>Note</u>		
<b>Equity</b>		
Contributed capital	80.000	80.000
Retained earnings	9.727.932	7.684.211
<b>Total equity</b>	<b>9.807.932</b>	<b>7.764.211</b>
<b>Liabilities other than provisions</b>		
3 Lease liabilities	1.031.749	2.442.768
Total long term liabilities other than provisions	1.031.749	2.442.768
Current portion of long term payables	775.425	0
Trade payables	849.413	1.342.510
Payables to group enterprises	194.310	287.725
Income tax payable	0	505.380
Other payables	13.532.324	4.233.878
Total short term liabilities other than provisions	15.351.472	6.369.493
<b>Total liabilities other than provisions</b>	<b>16.383.221</b>	<b>8.812.261</b>
<b>Total equity and liabilities</b>	<b>26.191.153</b>	<b>16.576.472</b>

## Statement of changes in equity

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All amounts in DKK.

	<b>Contributed capital</b>	<b>Retained earnings</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>
Equity 1 January 2019	80.000	5.936.502	6.016.502
Retained earnings for the year	<u>0</u>	<u>1.747.709</u>	<u>1.747.709</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>
	<b><u>80.000</u></b>	<b><u>9.727.932</u></b>	<b><u>9.807.932</u></b>

## Notes

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All amounts in DKK.

	<u>2020</u>	<u>2019</u>
<b>1. Staff costs</b>		
Salaries and wages	49.243.827	38.886.382
Pension costs	2.550.664	2.238.334
Other costs for social security	<u>70.977</u>	<u>409.375</u>
	<b><u>51.865.468</u></b>	<b><u>41.534.091</u></b>
Average number of employees	<u>28</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	625.641	677.380
Adjustment of deferred tax for the year	<u>-28.260</u>	<u>-55.769</u>
	<b><u>597.381</u></b>	<b><u>621.611</u></b>
<b>3. Lease liabilities</b>		
Total lease liabilities	1.807.174	2.442.768
Share of amount due within 1 year	<u>-775.425</u>	<u>0</u>
	<b><u>1.031.749</u></b>	<b><u>2.442.768</u></b>
Share of liabilities due after 5 years	<u>0</u>	<u>0</u>