


**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 2019**

The annual report was submitted and approved by the general meeting on the 31 August 2020.

DocuSigned by:  
  
4DB1549DF79140A  
**Mark Aidan Cockerill**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS British 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 2019 of ServiceNow Denmark ApS.

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 2019 and of the company's results of activities in the financial year 1 January – 31 December 2019.

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.

Copenhagen, 31 August 2020

### Executive board

DocuSigned by:  
*Russell Scott Elmer*  
03923FD82FE24CA  
Russell Scott Elmer

DocuSigned by:  
*Mark William Alloy*  
6753C1372A10452  
Mark William Alloy

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*Mark Aidan Cockerill*  
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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 to 31 December 2019, which comprise accounting policies, income statement, statement of financial position 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 2019 and of the results of the company's activities for the financial year 1 January - 31 December 2019 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 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, 31 August 2020

### **Grant Thornton**

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



Brian Rasmussen  
State Authorised Public Accountant  
mno50453

## **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 52.841.850 against DKK 43.630.324 last year. Income or loss from ordinary activities after tax totals DKK 1.747.709 against DKK 1.450.711 last year. Management considers the results to be satisfactory.

### **Events occurring after the end of the financial year**

In early 2020, Coronavirus (Covid-19) has spread globally, including Denmark. The management has assessed the impact of the outbreak of Covid-19 on the business operations of the Company and anticipates that the current cash and cash equivalents balances along with the expected net cash flows from operations, based on the current business model, will be sufficient to meet the liquidity needs of the Company including payment of debt for the next 12 months. No other events occurred subsequent to year end which would have a material effect on the annual financial statements.

## **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.

### **Change of accounting policies for leases**

The enterprise has opted for early adoption of Act no 1716 of 27 December 2018 on amending the Danish Financial Statements Act, etc., thereby changing accounting policies for leases.

The enterprise has chosen to apply IFRS 16 as the basis for interpretation in relation to the classification and recognition of leases.

Until 31 December, 2018, leases in which a significant portion of the risks and rewards of ownership werenot transferred to the Company as leases were classified as operating leases. Payments made under operating leases were charged to statement of comprehensive income on a straight-line basis over the period of the lease.

Under the new accounting standard FRS 116, applicable from 1 January, 2019, leases are recognised as a right-of-use asset with a corresponding liability at the date at which the leased asset is available for use by the Company.

As the change in policies is implemented without any adjustment of comparative figures, the monetary effect of the changes in accounting policies for 2018 is unchanged.

### **Foreign currency translation**

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of transaction. Exchange rate differences arising between the rate at the date of transaction and the rate at the date of payment are recognised in the income statement as an item under net financials.

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 and other nonmonetary assets acquired in foreign currency and not considered to be investment assets are measured using the exchange rate at the transaction date.

## **Income statement**

### **Revenue**

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised services to the customer. Revenue is recognised when the Company satisfies the performance obligation by transferring the promised services to the customer over a period of time. The above revenue is recognised on cost plus basis for service rendered to its related party.



## Accounting policies

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### Other external costs

Other external costs comprise costs incurred for sales, 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. Staff costs are less government reimbursements.

### Depreciation, amortisation, and writedown for impairment

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

### Financial income and expenses

Financial income and expenses comprise interest on borrowings from related parties. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

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

The cost of a total asset is divided into separate components. These components are depreciated separately when the useful lives of each individual components differ.

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	3-5 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 property, land, and 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.

## Accounting policies

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### Right-of-use assets

The enterprise will be applying IFRS 16 as its basis of interpretation for the recognition of classification and recognition of leases.

Leases pertaining to property, plant, and equipment 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 enterprise's remaining property, plant, and equipment.

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. This includes a purchase option in the event that the enterprise expects to purchase the right-of-use asset. When determining the present value, the internal rate of return or, alternatively, the enterprise'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.

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

## **Accounting policies**

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The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

### **Impairment loss relating to non-current assets**

The carrying amount of tangible 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 equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow derived from the use of the asset or group of assets.

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

### **Receivables**

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

### **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 receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

## **Accounting policies**

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Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

### **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**

All amounts in DKK.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Revenue	52.841.850	43.630.324
Other external costs	-8.238.561	-5.140.261
<b>Gross profit</b>	<b>44.603.289</b>	<b>38.490.063</b>
1 Staff costs	-41.534.091	-36.400.368
Depreciation and impairment of property, land, and equipment	-552.919	-10.451
<b>Operating profit</b>	<b>2.516.279</b>	<b>2.079.244</b>
Other financial costs	-146.959	-123.970
<b>Pre-tax net profit or loss</b>	<b>2.369.320</b>	<b>1.955.274</b>
2 Tax on net profit or loss for the year	-621.611	-504.563
<b>Net profit or loss for the year</b>	<b>1.747.709</b>	<b>1.450.711</b>
<b>Proposed appropriation of net profit:</b>		
Transferred to retained earnings	1.747.709	1.450.711
<b>Total allocations and transfers</b>	<b>1.747.709</b>	<b>1.450.711</b>

## Statement of financial position at 31 December

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Non-current assets</b>		
3 Other fixtures and fittings, tools and equipment	2.295.542	86.522
Total property, plant, and equipment	<u>2.295.542</u>	<u>86.522</u>
Deposits	393.936	65.239
Total deposits	<u>393.936</u>	<u>65.239</u>
<b>Total non-current assets</b>	<b><u>2.689.478</u></b>	<b><u>151.761</u></b>
<b>Current assets</b>		
Receivables from group enterprises	0	4.169.831
Deferred tax assets	58.906	3.137
Other receivables	265.860	45.328
Prepayments and accrued income	381.549	200.425
Total receivables	<u>706.315</u>	<u>4.418.721</u>
Cash on hand and demand deposits	<u>13.180.679</u>	<u>8.305.349</u>
<b>Total current assets</b>	<b><u>13.886.994</u></b>	<b><u>12.724.070</u></b>
<b>Total assets</b>	<b><u>16.576.472</u></b>	<b><u>12.875.831</u></b>

**Statement of financial position at 31 December**

All amounts in DKK.

<b>Equity and liabilities</b>		
<u>Note</u>	<u>2019</u>	<u>2018</u>
<b>Equity</b>		
4 Contributed capital	80.000	80.000
5 Retained earnings	7.684.211	5.936.502
<b>Total equity</b>	<b>7.764.211</b>	<b>6.016.502</b>
<b>Liabilities other than provisions</b>		
Lease liabilities	2.442.768	0
Total long term liabilities other than provisions	2.442.768	0
Trade payables	1.342.510	4.538
Debt to group enterprises	287.725	0
Income tax payable	505.380	401.770
Other payables	4.233.878	6.453.021
Total short term liabilities other than provisions	6.369.493	6.859.329
<b>Total liabilities other than provisions</b>	<b>8.812.261</b>	<b>6.859.329</b>
<b>Total equity and liabilities</b>	<b>16.576.472</b>	<b>12.875.831</b>

**Notes**

All amounts in DKK.

	<u>2019</u>	<u>2018</u>
<b>1. Staff costs</b>		
Salaries and wages	38.886.382	34.698.851
Pension costs	2.238.334	1.602.901
Other costs for social security	409.375	98.616
	<u><b>41.534.091</b></u>	<u><b>36.400.368</b></u>
Average number of employees	<u>28</u>	<u>20</u>
<b>2. Tax on net profit or loss for the year</b>		
Tax of the results for the year	677.380	561.770
Adjustment for the year of deferred tax	-55.769	-57.207
	<u><b>621.611</b></u>	<u><b>504.563</b></u>
<b>3. Other fixtures and fittings, tools and equipment</b>		
Cost 1 January 2019	186.072	97.199
Additions during the year	2.761.939	88.873
<b>Cost 31 December 2019</b>	<u><b>2.948.011</b></u>	<u><b>186.072</b></u>
Depreciation and writedown 1 January 2019	-99.550	-89.099
Depreciation and writedown for the year	-552.919	-10.451
<b>Depreciation and writedown 31 December 2019</b>	<u><b>-652.469</b></u>	<u><b>-99.550</b></u>
<b>Carrying amount, 31 December 2019</b>	<u><b>2.295.542</b></u>	<u><b>86.522</b></u>
Lease assets are recognised at a carrying amount of	<u>2.199.770</u>	<u>0</u>
<b>4. Contributed capital</b>		
Contributed capital 1 January 2019	<u>80.000</u>	<u>80.000</u>
	<u><b>80.000</b></u>	<u><b>80.000</b></u>



**Notes**

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All amounts in DKK.

	<u>31/12 2019</u>	<u>31/12 2018</u>
<b>5. Retained earnings</b>		
Retained earnings 1 January 2019	5.936.502	4.485.791
Profit or loss for the year brought forward	<u>1.747.709</u>	<u>1.450.711</u>
	<u><b>7.684.211</b></u>	<u><b>5.936.502</b></u>