

Opbeat ApS

Nørre Farimagsgade 11, 2. tv., 1364 København K

CVR no. 34 48 80 10

Annual report 2018/19

Approved at the Company's annual general meeting on 30 September 2019

Chairman:

DocuSigned by:

Janesh Moorjani

.....G160EA136071425.....

Janesh Jamnadas Moorjani





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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 Opbeat ApS for the financial year 1 May 2018 - 30 April 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 April 2019 and of the results of the Company's operations for the financial year 1 May 2018 - 30 April 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, 30 September 2019
Executive Board:

DocuSigned by:
Janesh Moorjani
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Janesh Jamnadas Moorjani
CEO

Board of Directors:

DocuSigned by:
Janesh Moorjani
C160EA138371425...

Janesh Jamnadas Moorjani
Chairman

DocuSigned by:
Robin Sharpe
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Robin Alexander Honore
Sharpe

DocuSigned by:
Baird Garrett
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W.H. Baird Garrett



Independent auditor's report

To the shareholders of Opbeat ApS

Opinion

We have audited the financial statements of Opbeat ApS for the financial year 1 May 2018 - 30 April 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 April 2019 and of the results of the Company's operations for the financial year 1 May 2018 - 30 April 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, 30 September 2019

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

A handwritten signature in blue ink, appearing to read 'Claus Tanggaard Jacobsen', is written over a horizontal line.

Claus Tanggaard Jacobsen

State Authorised Public Accountant

mne23314



Management's review

Company details

Name	Opbeat ApS
Address, Postal code, City	Nørre Farimagsgade 11, 2. tv., 1364 København K
CVR no.	34 48 80 10
Registered office	København
Financial year	1 May 2018 - 30 April 2019
Board of Directors	Janesh Jamnadas Moorjani, Chairman Robin Alexander Honore Sharpe W.H. Baird Garrett
Executive Board	Janesh Jamnadas Moorjani, CEO
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark



Management's review

Business review

The company develops and sells access to an online platform for development and maintenance of applications. The development is carried out on behalf of the Elastic Group, which the company is part of, and the company is compensated for its services through a development and service agreement with the Elastic Group.

Financial review

The income statement for 2018/19 shows a loss of DKK 1,074,782 against a profit of DKK 37,122,241 last year, and the balance sheet at 30 April 2019 shows equity of DKK 3,216,298.



Financial statements 1 May 2018 - 30 April 2019

Income statement

Note	DKK	2018/19	2017/18
	Gross profit	12,984,871	45,808,634
2	Staff costs	-12,126,674	-10,461,627
	Depreciation	-62,214	-38,513
	Profit before net financials	795,983	35,308,494
3	Financial income	586,232	3,302,208
4	Financial expenses	-2,471,136	-69,466
	Profit/loss before tax	-1,088,921	38,541,236
5	Tax for the year	14,139	-1,418,995
	Profit/loss for the year	-1,074,782	37,122,241
	Recommended appropriation of profit/loss	-1,074,782	37,122,241
	Retained earnings/accumulated loss	-1,074,782	37,122,241



Financial statements 1 May 2018 - 30 April 2019

Balance sheet

Note	DKK	<u>2018/19</u>	<u>2017/18</u>
	ASSETS		
	Fixed assets		
	Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	0	93,683
	Leasehold improvements	92,258	60,788
		<u>92,258</u>	<u>154,471</u>
	Investments		
	Receivables from group entities	29,022,013	43,215,000
	Other receivables	104,300	101,300
		<u>29,126,313</u>	<u>43,316,300</u>
	Total fixed assets	<u>29,218,571</u>	<u>43,470,771</u>
	Non-fixed assets		
	Receivables		
	Deferred tax assets	1,498,308	0
	Other receivables	525,496	211,234
	Prepayments	104,168	63,680
		<u>2,127,972</u>	<u>274,914</u>
6	Cash	8,081,488	361,819
	Total non-fixed assets	<u>10,209,460</u>	<u>636,733</u>
	TOTAL ASSETS	<u>39,428,031</u>	<u>44,107,504</u>



Financial statements 1 May 2018 - 30 April 2019

Balance sheet

Note	DKK	<u>2018/19</u>	<u>2017/18</u>
	EQUITY AND LIABILITIES		
	Equity		
7	Share capital	102,000	102,000
	Retained earnings	3,114,298	4,189,080
	Total equity	<u>3,216,298</u>	<u>4,291,080</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	124,289	221,609
	Payables to group entities	27,040,497	36,126,323
	Income taxes payable	2,903,165	1,418,995
	Other payables	6,143,782	2,049,497
		<u>36,211,733</u>	<u>39,816,424</u>
	Total liabilities other than provisions	<u>36,211,733</u>	<u>39,816,424</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>39,428,031</u></u>	<u><u>44,107,504</u></u>

- 1 Accounting policies
- 8 Contractual obligations and contingencies, etc.
- 9 Related parties



Financial statements 1 May 2018 - 30 April 2019

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 May 2018	102,000	4,189,080	4,291,080
Transfer through appropriation of loss	0	-1,074,782	-1,074,782
Equity at 30 April 2019	102,000	3,114,298	3,216,298



Financial statements 1 May 2018 - 30 April 2019

Notes to the financial statements

1 Accounting policies

The annual report of Opbeat ApS 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.

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

Reporting currency

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

Income statement

Revenue

Revenue comprises compensation from parent for the company's development and maintenance services. 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 are recognized in revenue.

Gross profit

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

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of intangible assets.

Other external expenses

Other external expenses include the annual expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, 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. The item is net of refunds made by public authorities.

Depreciation

The item comprises depreciation of other fixtures and fittings, tools and equipment and leasehold improvements.

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	3-5 years
Leasehold improvements	3-5 years

The residual value and expected useful lives are reassessed every year.



Financial statements 1 May 2018 - 30 April 2019

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

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

Property, plant and equipment

Items of other fixtures and fittings, tools and equipment and leasehold improvements 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.

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

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

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.



Financial statements 1 May 2018 - 30 April 2019

Notes to the financial statements

1 Accounting policies (continued)

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

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.

Other payables

Other payables are measured at amortized cost.



Financial statements 1 May 2018 - 30 April 2019

Notes to the financial statements

DKK	2018/19	2017/18
2 Staff costs		
Wages/salaries	12,089,389	10,317,850
Pensions	0	49,765
Other social security costs	31,753	26,059
Other staff costs	5,532	67,953
	<u>12,126,674</u>	<u>10,461,627</u>
 Average number of full-time employees	 <u>15</u>	 <u>12</u>
3 Financial income		
Interest, group entities	586,232	215,000
Exchange adjustments	0	3,087,208
	<u>586,232</u>	<u>3,302,208</u>
4 Financial expenses		
Interest expenses, group entities	0	19,152
Interest expenses, bank	0	1,334
Exchange losses	2,404,716	0
Other financial expenses	66,420	48,980
	<u>2,471,136</u>	<u>69,466</u>
5 Tax for the year		
Estimated tax charge for the year	0	1,418,995
Deferred tax adjustments in the year	-1,498,308	0
Tax adjustments, prior years	1,484,169	0
	<u>-14,139</u>	<u>1,418,995</u>
6 Cash		
As collateral for the company's bank engagement, bank account of DKK 100.076 has been deposited.		
7 Share capital		
There have been no changes to the share capital in the past 5 years.		
8 Contractual obligations and contingencies, etc.		
Other financial obligations		
Other rent and lease liabilities:		
Rent and lease liabilities	<u>180,594</u>	<u>259,353</u>



Financial statements 1 May 2018 - 30 April 2019

Notes to the financial statements

9 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
Elastic N.V Group	800 West El Camino Real, Mountain View, CA 94040

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>
Opbeat LLC	800 West El Camino Real, Mountain View, CA 94040