

Sitecore Holding III A/S

Vester Farimagsgade 3, 5, 1606 Copenhagen V

CVR no. 37 52 08 45

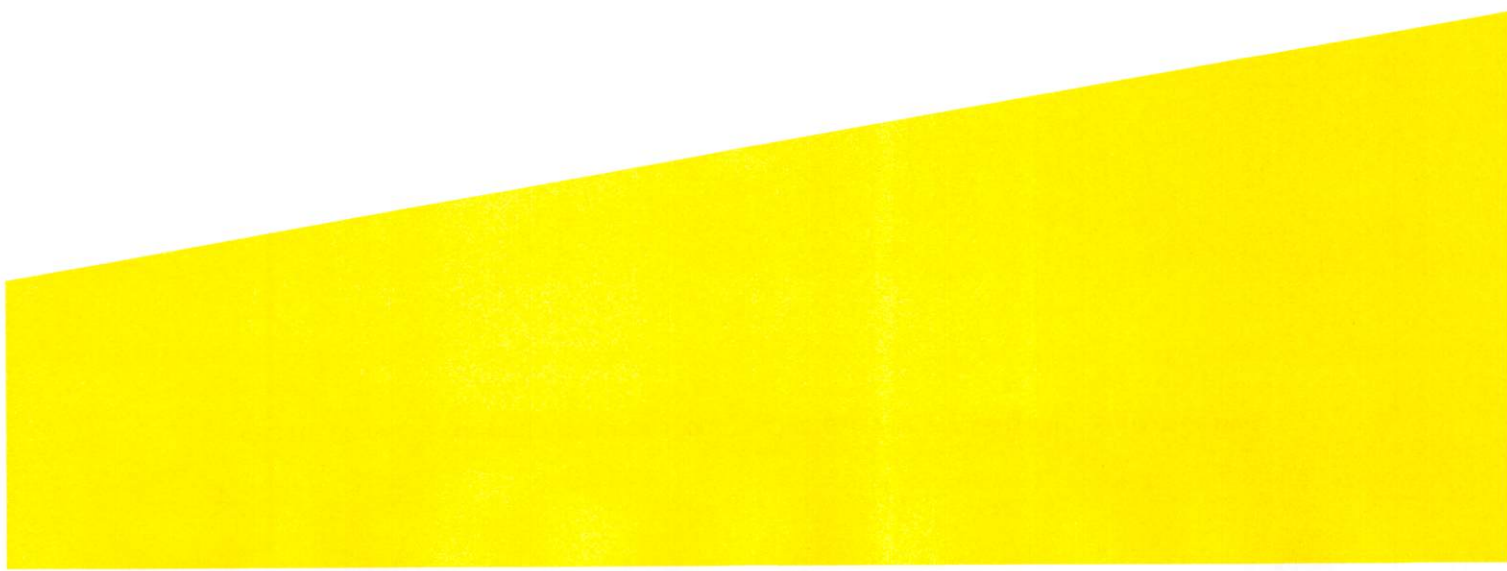
Annual report 2017/18

Approved at the Company's annual general meeting on 13 November 2018

Chairman:

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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 Sitecore Holding III A/S for the financial year 1 July 2017 - 30 June 2018.

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 June 2018 and of the results of the Company's operations for the financial year 1 July 2017 - 30 June 2018.

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, 13 November 2018
Executive Board:

DocuSigned by:
mark frost
Mark David Frost
CEO

DocuSigned by:
Dan Griggs
Daniel Edwin Griggs
CFO

Board of Directors:

DocuSigned by:
Jens Persson
Jens Persson
Chairman

DocuSigned by:
Robert Youngjohns
Robert Youngjohns

DocuSigned by:
Sheila Gulati
Sheila May Gulati

DocuSigned by:
Dominik Stein
Dominik Vincent Stein

DocuSigned by:
Bjarne Hansen
Bjarne Kock Hansen

DocuSigned by:
Craig Conway
Craig Allen Conway



Independent auditor's report

To the shareholder of Sitecore Holding III A/S

Opinion

We have audited the financial statements of Sitecore Holding III A/S for the financial year 1 July 2017 - 30 June 2018, 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 June 2018 and of the results of the Company's operations for the financial year 1 July 2017 - 30 June 2018 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, 13 November 2018
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

A blue ink signature of Peter Gath.

Peter Gath
State Authorised Public Accountant
mne19718

A blue ink signature of Kennet Hartmann.

Kennet Hartmann
State Authorised Public Accountant
mne40036



Management's review

Company details

Name	Sitecore Holding III A/S
Address, Postal code, City	Vester Farimagsgade 3, 5, 1606 Copenhagen V
CVR no.	37 52 08 45
Established	8 March 2016
Registered office	Copenhagen
Financial year	1 July 2017 - 30 June 2018
Board of Directors	Jonas Persson, Chairman Robert Youngjohns Sheila May Gulati Dominik Vincent Stein Bjarne Kock Hansen Craig Allen Conway
Executive Board	Mark David Frost, CEO Daniel Edwin Griggs, CFO
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvold Helmuhs Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark



Management's review

Business review

The Company's purpose is to provide management services and to invest in and hold investments and financial instruments as well as other companies which in the Board's discretion are directly or indirectly associated.

Financial review

The income statement for 2017/18 shows a loss of EUR 22,964 thousand against a profit of EUR 515 thousand last year, and the balance sheet at 30 June 2018 shows equity of EUR 675,598 thousand. Management considers the Company's financial performance in the year satisfactory.

The Company has received a letter of subordination from Sitecore Holding II A/S and Sitecore Corporation A/S. Reference is made to note 5.

Events after the balance sheet date

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



Financial statements 1 July 2017 - 30 June 2018

Income statement

Note	EUR'000	2017/18 12 months	2016/17 16 months
	Other external expenses	-84	-10,116
	Gross margin	-84	-10,116
	Income from investments in group enterprises	0	36,360
	Financial income	2,949	890
2	Financial expenses	-28,974	-29,842
	Profit/loss before tax	-26,109	-2,708
	Tax for the year	3,145	3,223
	Profit/loss for the year	-22,964	515
	Recommended appropriation of profit/loss		
	Retained earnings/accumulated loss	-22,964	515
		-22,964	515



Financial statements 1 July 2017 - 30 June 2018

Balance sheet

Note	EUR'000	<u>2017/18</u>	<u>2016/17</u>
	ASSETS		
	Non-current assets		
3	Financial assets		
	Investments in group enterprises	1,246,287	1,246,287
	Deferred tax assets	2,449	0
		<u>1,248,736</u>	<u>1,246,287</u>
	Total non-current assets	<u>1,248,736</u>	<u>1,246,287</u>
	Current assets		
	Receivables		
	Joint taxation contribution receivable	2,994	2,785
		<u>2,994</u>	<u>2,785</u>
	Cash	0	102
	Total current assets	<u>2,994</u>	<u>2,887</u>
	TOTAL ASSETS	<u>1,251,730</u>	<u>1,249,174</u>



Financial statements 1 July 2017 - 30 June 2018

Balance sheet

Note	EUR'000	2017/18	2016/17
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	6,980	6,980
	Retained earnings	668,618	691,582
	Total equity	675,598	698,562
4	Non-current liabilities		
	Bank debt	270,720	279,850
	Payables to group enterprises	285,353	234,167
	Total non-current liabilities	556,073	514,017
	Current liabilities		
	Bank debt	8,400	6,300
	Trade payables	5	53
	Payables to group enterprises	11,379	29,771
	Other payables	275	471
	Total current liabilities	20,059	36,595
	Total liabilities	576,132	550,612
	TOTAL EQUITY AND LIABILITIES	1,251,730	1,249,174

- 1 Accounting policies
5 Contractual obligations and contingencies, etc.
6 Related parties



Financial statements 1 July 2017 - 30 June 2018

Statement of changes in equity

EUR'000	Share capital	Retained earnings	Total
Equity at 1 July 2017	6,980	691,582	698,562
Transfer through appropriation of loss	0	-22,964	-22,964
Equity at 30 June 2018	6,980	668,618	675,598

The Company's share capital is EUR 6,980 thousand, dividend into shares of EUR 0,1 or any multiple thereof.

In 2016 the Company was established with a a share capital of DKK 500 thousand, which was converted into EUR 67 thousand. Futhermore in 2016, there was a capital increase of EUR 6.913 thousand.



Financial statements 1 July 2017 - 30 June 2018

Notes to the financial statements

1 Accounting policies

The annual report of Sitecore Holding III A/S for 2017/18 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.

In accordance with section 112 of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

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 euros (EUR), as the Company's most significant transactions are settled in EUR.

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

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses primarily relating to administration.

Income from investments in subsidiaries

The item includes dividends from investments in subsidiaries and associates. Dividend distributions that either exceed the profit for the year or where the carrying amount of the investments exceeds the consolidated carrying amounts of the subsidiary's net assets will indicate impairment for which reason an impairment test will have to be conducted.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, exchange gains and losses and amortisation of financial assets and liabilities.



Financial statements 1 July 2017 - 30 June 2018

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income. 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.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost, which includes the cost of acquisition calculated at fair value plus direct costs of acquisition. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write-down is made to such lower value.

Impairment of non-current assets

The carrying amount of investments in subsidiaries 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.

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.

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.



Financial statements 1 July 2017 - 30 June 2018

Notes to the financial statements

1 Accounting policies (continued)

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

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.

Payables to credit institutions

Mortgage debt is recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, mortgage debt is measured at amortised cost, using the effective interest rate method. Borrowing costs, including capital losses, are recognised as financing costs in the income statement over the term of the loan.

Other payables

Other payables are measured at net realisable value.



Financial statements 1 July 2017 - 30 June 2018

Notes to the financial statements

EUR'000	2017/18 12 months	2016/17 16 months
2 Financial expenses		
Interest expenses, group entities	10,491	9,785
Other financial expenses	18,483	20,057
	<u>28,974</u>	<u>29,842</u>

3 Investments

EUR'000	Investments in group enterprises
Cost at 1 July 2017	1,246,287
Cost at 30 June 2018	1,246,287
Carrying amount at 30 June 2018	<u>1,246,287</u>

Name	Legal form	Domicile	Interest
Subsidiaries			
Sitecore Corporation A/S	A/S	Denmark	100.00%
Sitecore USA Holding A/S	A/S	Denmark	100.00%

4 Non-current liabilities

EUR'000	Total debt at 30/6 2018	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Bank debt	279,120	8,400	270,720	0
Payables to group enterprises	285,353	0	285,353	285,353
	<u>564,473</u>	<u>8,400</u>	<u>556,073</u>	<u>285,353</u>



Financial statements 1 July 2017 - 30 June 2018

Notes to the financial statements

5 Contractual obligations and contingencies, etc.

Other contingent liabilities

Sitecore Holding II A/S has declared to Sitecore Holding III A/S, that the inter-company balance of EUR 8,538 thousand (debt in Sitecore Holding III A/S) does not have to be repaid until the Sitecore Holding III A/S has the liquidity to do so. This declaration is effective until 30 June 2019.

Sitecore Corporation A/S has declared to Sitecore Holding III A/S, that the inter-company balance of EUR 276,815 thousand (debt in Sitecore Holding III A/S) does not have to be repaid until the Sitecore Holding III A/S has the liquidity to do so. This declaration is effective until 30 June 2019.

The Company is jointly taxed with its parent, Sitecore Holding II A/S, which acts as management company, and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest, royalties and dividends.

6 Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Sitecore Holding II A/S	Copenhagen, Denmark	www.cvr.dk

Ownership

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

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