

# Guidewire Software Denmark ApS

Sundkrogsgade 21, 2100 København Ø

CVR no. 40 03 71 44

## Annual report 2018/19

(As of the establishment of the Company 20 November 2018 - 31 July 2019)

Approved at the Company's annual general meeting on 6 December 2019

Chairman:

  
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Emil Skov

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### Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Guidewire Software Denmark ApS for the financial year as of the establishment of the Company 20 November 2018 - 31 July 2019.

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Executive Board has considered the criteria for omission of audit to be met.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 July 2019 and of the results of the Company's operations for the financial year as of the establishment of the Company 20 November 2018 - 31 July 2019.

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

We consider the criteria for omission of audit for 2019/20 to be met.

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

Copenhagen, 6 December 2019  
Executive Board:



William Barnes McAllister  
Director



David Franklin Peterson  
Director

The general meeting has decided that the financial statements for the coming financial year will not be audited.

## Independent auditor's report on the compilation of financial statements

To the general management of Guidewire Software Denmark ApS

We have compiled the financial statements of Guidewire Software Denmark ApS for the financial year as of the establishment of the Company 20 November 2018 - 31 July 2019 based on the Company's bookkeeping and other information provided.

The financial statements comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies.

We performed this compilation engagement in accordance with ISRS 4410 *Compilation Engagements*.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We have complied with relevant ethical requirements in the Danish act on approved auditors and audit firms and FSR - Danish Auditors' code of ethics, including principles of integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial statements are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 6 December 2019  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Lisa Hagedorn  
State Authorised Public Accountant  
mn630130

## Management's review

### Company details

Name	Guidewire Software Denmark ApS
Address, Postal code, City	Sundkrogsgade 21, 2100 København Ø
CVR no.	40 03 71 44
Established	20 November 2018
Registered office	Copenhagen
Financial year	20 November 2018 - 31 July 2019
Executive Board	William Barnes McAllister, Director David Franklin Peterson, Director

## **Management's review**

### **Business review**

The principle activity of the company during the year was that of provision of pre sales services to its parent company, Guidewire Software Inc.

### **Financial review**

The income statement for 2018/19 shows a profit of DKK 74,210, and the balance sheet at 31 July 2019 shows equity of DKK 124,210.

### **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 for the period 20 November 2018 - 31 July 2019

Income statement

Note	DKK	2018/19 8 months
	Gross profit	2,035,744
2	Staff costs	-1,915,183
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-3,063
	Profit before net financials	117,498
	Financial expenses	-2,385
	Profit before tax	115,113
3	Tax for the year	-40,903
	Profit for the year	74,210
	Recommended appropriation of profit	74,210
	Retained earnings	74,210

Financial statements for the period 20 November 2018 - 31 July 2019

Balance sheet

Note	DKK	<u>2018/19</u>
	<b>ASSETS</b>	
	Fixed assets	
4	Property, plant and equipment	21,917
	Fixtures and fittings, other plant and equipment	<u>21,917</u>
	Total fixed assets	<u>21,917</u>
	Non-fixed assets	
	Receivables	1,359
	Deferred tax assets	29,019
	Other receivables	<u>30,378</u>
	Cash	435,686
	Total non-fixed assets	<u>466,064</u>
	<b>TOTAL ASSETS</b>	<u><b>487,981</b></u>
	<b>EQUITY AND LIABILITIES</b>	
	Equity	
5	Share capital	50,000
	Retained earnings	<u>74,210</u>
	Total equity	<u>124,210</u>
	Liabilities other than provisions	
	Current liabilities other than provisions	
	Trade payables	80,871
	Payables to group enterprises	94,427
	Corporation tax payable	42,262
	Other payables	146,211
		<u>363,771</u>
	Total liabilities other than provisions	<u>363,771</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>487,981</b></u>
1	Accounting policies	
6	Contractual obligations and contingencies, etc.	
7	Collateral	
8	Related parties	



Financial statements for the period 20 November 2018 - 31 July 2019

Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Cash payments concerning formation of enterprise	50,000	0	50,000
Transfer through appropriation of profit	0	74,210	74,210
Equity at 31 July 2019	<u>50,000</u>	<u>74,210</u>	<u>124,210</u>

## Financial statements for the period 20 November 2018 - 31 July 2019

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Guidewire Software Denmark 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.

#### Reporting currency

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

#### 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.

#### Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

#### Income statement

##### Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

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 granted are recognised in revenue.

##### External expenses

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

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Depreciation

The item comprises depreciation of property, plant and equipment.

## Financial statements for the period 20 November 2018 - 31 July 2019

### Notes to the financial statements

#### 1 Accounting policies (continued)

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:

Fixtures and fittings, other plant and equipment	3 years
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The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

#### Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest 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 property, plant and equipment 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.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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.

##### Cash

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

## Financial statements for the period 20 November 2018 - 31 July 2019

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### 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.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

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.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Financial statements for the period 20 November 2018 - 31 July 2019

Notes to the financial statements

	2018/19 8 months
DKK	
2 Staff costs	
Wages/salaries	1,814,512
Pensions	95,967
Other social security costs	4,704
	<u>1,915,183</u>
 Average number of full-time employees	 <u>2</u>
3 Tax for the year	
Estimated tax charge for the year	42,262
Deferred tax	-1,359
	<u>40,903</u>
4 Property, plant and equipment	
DKK	Fixtures and fittings, other plant and equipment
Additions	<u>24,980</u>
Cost at 31 July 2019	<u>24,980</u>
Depreciation	<u>3,063</u>
Impairment losses and depreciation at 31 July 2019	<u>3,063</u>
Carrying amount at 31 July 2019	<u>21,917</u>
Depreciated over	<u>5 years</u>
5 Share capital	
The Company's share capital has remained DKK 50,000 since the establishment.	
6 Contractual obligations and contingencies, etc.	
Other financial obligations	
Other rent and lease liabilities:	
Rent and lease liabilities	<u>14,400</u>
7 Collateral	
The Company has not provided any security or other collateral in assets at 31 July 2019.	

Financial statements for the period 20 November 2018 - 31 July 2019

Notes to the financial statements

8 Related parties

Guidewire Software Denmark ApS' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Guidewire Software Inc	USA	Guidewire Denmark is 100% subsidiary of Guidewire Inc