

# Sitecore Corporation A/S

Vester Farimagsgade 3, 5., 1606 Copenhagen V

CVR no. 26 03 25 12

## Annual report 2021/22

Approved at the Company's annual general meeting on 31 January 2023

Chair of the meeting:

.....  
Jonas Persson

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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 Corporation A/S for the financial year 1 July 2021 - 30 June 2022.

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 2022 and of the results of the Company's operations for the financial year 1 July 2021 - 30 June 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Copenhagen, 31 January 2023

Executive Board:

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Efstathios Tzikakis  
Chief Executive Officer

.....  
Peter David  
Chief Financial Officer

.....  
Bertil Majer  
Chief Legal Officer

Board of Directors:

.....  
Jonas Persson  
Chair

.....  
Marjorie Lao

.....  
Bjarne Kock Hansen

.....  
Craig Allen Conway

.....  
Carsten Oliver Thoma

.....  
Bert Alfons Janssens

.....  
Darren Roos

.....  
Matteo Thun

## Independent auditor's report

### To the shareholder of Sitecore Corporation A/S

#### Opinion

We have audited the financial statements of Sitecore Corporation A/S for the financial year 1 July 2021 - 30 June 2022, comprising 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 Company's assets, liabilities and financial position at 30 June 2022 and of the results of the Company's operations for the financial year 1 July 2021 - 30 June 2022 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility 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 that 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these 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 company 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.

- 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 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, 31 January 2023  
KPMG P/S  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98

Martin Melchior Eiler  
State Authorised Public Accountant  
mne32271

**Management's review****Company details**

Name	Sitecore Corporation A/S
Address, Postal code, City	Vester Farimagsgade 3, 5., 1606 Copenhagen V
CVR no.	26 03 25 12
Established	26 April 2001
Registered office	Copenhagen
Financial year	1 July 2021 - 30 June 2022
Website	<a href="http://www.sitecore.net">www.sitecore.net</a>
Telephone	+45 70 23 66 60
Board of Directors	Jonas Persson, Chair Marjorie Lao Bjarne Kock Hansen Craig Allen Conway Carsten Oliver Thoma Bert Alfons Janssens Darren Roos Matteo Thun
Executive Board	Efstathios Tzikakis, Chief Executive Officer Peter David, Chief Financial Officer Bertil Majer, Chief Legal Officer
Auditors	KPMG P/S Statsautoriseret Revisionspartnerselskab Dampfærgevej 28, 2100 Copenhagen Ø

**Management's review****Financial highlights**

DKK'000	2021/22	2020/21	2019/20	2018/19	2017/18
<b>Key figures</b>					
Revenue	549,943	757,698	444,974	402,668	96,388
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	98,101	86,892	-71,760	170,960	-102,753
Operating profit / (loss)	39,736	22,842	-131,793	119,072	-144,868
Net financial income / (expenses)	87,936	-4,626	47,438	79,843	81,488
<b>Profit / (loss) for the year</b>	<b>115,250</b>	<b>121,766</b>	<b>-121,597</b>	<b>98,799</b>	<b>-48,220</b>
Non-current assets	2,056,969	1,644,629	1,610,427	2,841,184	2,375,577
Current assets	1,172,353	1,320,395	353,919	260,290	70,107
<b>Total assets</b>	<b>3,229,322</b>	<b>2,965,024</b>	<b>1,964,346</b>	<b>3,101,474</b>	<b>2,445,684</b>
Investments in property, plant and equipment	8,659	426	17,711	5,637	4,859
Share capital	10,473	10,473	10,473	10,473	10,473
<b>Equity</b>	<b>2,404,569</b>	<b>2,161,468</b>	<b>1,031,616</b>	<b>2,600,749</b>	<b>1,647,756</b>
Non-current liabilities	339,301	225,211	620,133	176,662	52,310
Current liabilities	485,452	578,345	312,597	324,063	745,618
<b>Financial ratios</b>					
EBITDA-margin	17.8%	11.5%	-16.1 %	42.5%	-106.6 %
Return on equity	5.0%	7.6%	-6.7 %	4.7%	-2.9 %
<b>Average number of full-time employees</b>	<b>84</b>	<b>88</b>	<b>115</b>	<b>112</b>	<b>116</b>

For terms and definitions, please see the accounting policies.

Comparative figures for years 2019/20 and earlier have not been updated to reflect changes identified in Note 1.

## Management's review

### Business review

The Sitecore Group (the "Group") is a software company that predominantly provides customers with Web Content Management (WCM) services through its software. Sitecore Corporation A/S ("Sitecore" or "the Company") is a legal or economic owner of the Group's legacy and organic intellectual property ("IP"), which it distributed through its network of affiliated entities.

In connection with a change in the Group company's operating model, effective 1 July 2021:

- i. Sitecore USA Inc. and Sitecore Ireland Ltd have entered into agreements with Sitecore Corporation A/S to have access to its historic IP in return for a license fee.
- ii. Sitecore USA Inc. and Sitecore Ireland Ltd have entered into agreements with Sitecore Corporation A/S to reimburse Sitecore Corporation A/S for the research and development ("R&D") and Administration services performed by the company.
- iii. The company terminated its previous agreements with the Group's distribution and cost plus entities, whereas in and from 2021/22, Sitecore USA Inc. and Sitecore Ireland Ltd, have entered into these agreements.

The financial statements of the company also contain financial information from 'Sitecore France (branch)'.

### Adjustment of material prior period errors

During the year management identified material prior period errors related to the (i) valuation of investment in Hedgehog Group; (ii) accounting entries relating to the Stylelabs acquisition; and (iii) deferred tax asset associated with exit tax in subsidiary Sitecore Belgium NV. As a result, the Company has restated comparative figures for 2020/21 and opening retained earnings as at 1 July 2020. For full details, please see Note 1.

### Financial review

The Income statement for 2021/22 shows a profit of DKK'000 115,250 (profit of DKK'000 121,766 in 2020/21). The decrease in profit of DKK'000 6,515 is primarily due to changes in the Groups transfer pricing arrangements:

- Revenue has decreased by DKK'000 207,755 (DKK'000 549,943 and 757,698 for 2021/22 and 2020/21 respectively) and other external expenses decreasing by DKK'000 -285,643 (DKK'000 -366,627 and -652,270 for 2021/22 and 2020/21 respectively). The financial performance is in line with previously disclosed expectations for 2021/22.

At the balance sheet date, 30 June 2022, the company shows equity of DKK'000 2,404,569 (DKK '000 2,161,468 in 2020/21). The DKK'000 243,101 increase in equity is primarily due to the following factors:

- Profit during the year of DKK'000 115,250 and contributions to Investments in group enterprises in excess of DKK'000 97,788 were received by the Company in fiscal year 2022 from its parent company, which included shares of Moosend and inter-company loans. The inter-company loans are recognized as the non-current Receivables from group enterprises. All Receivables from group enterprises from prior year were either repaid or reclassified from non-current to current, as they relate to inter-company trade receivables expected to be collected during the year, to the extent the related entity has liquidity (see also note 3, Capital matters).

### Financial risks

Sitecore Corporation A/S is subject to financial uncertainty and risks driven by external factors such as interest rate, foreign exchange, credit risk and liquidity risk. These risks are managed at a Group level. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

## Management's review

The Financial risks of the Group are managed centrally. The overall risk management guidelines and policies have been approved by the board of directors. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The CFO manages contracts and risk exposures and reports to the board of directors on a regular basis.

## Research and development activities

In 2021/22 Sitecore USA Inc. and Sitecore Ireland Ltd have entered into agreements with Sitecore Corporation A/S to reimburse Sitecore Corporation A/S for the research and development ('R&D') activities performed by the company.

## Events after the balance sheet date

There were no significant events affecting the Company, which require adjustment to or disclosure in the financial statements.

## Outlook

Sitecore Corporation A/S intends to continue providing (i) R&D and administration services to the group along with (ii) access to its legacy and organic IP in return for a license fee from group companies. The Company expects profits in 2022/23 will be in line with 2021/22.

## Corporate social responsibility statement

The Company is part of the Sitecore Holding II A/S consolidated financial statement (Group) and subject to the policies on corporate social responsibility adopted by the parent company. Consequently, the Company does not publish a separate corporate social responsibility statement. The parent company's financial statements can be found on the following link:

<https://datacvr.virk.dk/enhed/virksomhed/37624071?fritekst=sitecore&sideIndex=0&size=10> ( Sitecore Holding II A/S CVR no 37624071)

## Statement on gender distribution in Management

The Company is part of the Group and subject to the goals and policies for gender quotation in Management adopted by the parent company. Consequently, the Company does not publish a separate statement on gender quotation in Management. The parent company's financial statements can be found on the following link:

<https://datacvr.virk.dk/enhed/virksomhed/37624071?fritekst=sitecore&sideIndex=0&size=10> (Sitecore Holding II A/S CVR no 37624071)

## Statement on data ethics

The Company is part of the Group and subject to the goals and policies for data ethics in Management adopted by the parent company. Consequently, the Company does not publish a separate statement on data ethics. The parent company's financial statements can be found on the following link:

<https://datacvr.virk.dk/enhed/virksomhed/37624071?fritekst=sitecore&sideIndex=0&size=10> (Sitecore Holding II A/S CVR no 37624071)

**Financial statements 1 July 2021 - 30 June 2022****Income statement**

Note	DKK'000	2021/22	2020/21
4	<b>Revenue</b>	549,943	757,698
5	Other external expenses	-366,627	-652,270
6	Staff costs	-85,215	-18,508
	Amortisation/depreciation of intangible assets and property, plant		
7,8	and equipment	-58,365	-64,050
9	Other operating expenses	0	-28
	<b>Profit/loss before net financials</b>	<u>39,736</u>	<u>22,842</u>
	Net reversal / write-down of investments and/or receivables in		
	group enterprises	4,092	57,105
10	Financial income	96,336	10,827
11	Financial expenses	-8,400	-15,453
	<b>Profit/loss before tax</b>	<u>131,764</u>	<u>75,321</u>
12	Tax for the year	-16,513	46,445
13	<b>Profit/loss for the year</b>	<u><u>115,250</u></u>	<u><u>121,766</u></u>

## Financial statements 1 July 2021 - 30 June 2022

## Balance sheet

Note	DKK'000	2021/22	2020/21
	<b>ASSETS</b>		
	<b>Non-current assets</b>		
7	<b>Intangible assets</b>		
	Completed development projects	53,696	77,872
	Patents, trademarks and product rights	0	4,115
	Development projects in progress and prepayments for intangible assets	0	23,504
		<u>53,696</u>	<u>105,491</u>
8	<b>Property, plant and equipment</b>		
	Plant and machinery	4,667	2,994
	Fixtures and fittings, other plant and equipment	1,032	317
	Right-of-use assets	5,122	5,421
		<u>10,821</u>	<u>8,732</u>
14	<b>Financial assets</b>		
	Investments in group enterprises	1,371,085	1,339,869
22	Receivables from group enterprises	619,983	190,210
	Deposits, investments	0	327
		<u>1,991,068</u>	<u>1,530,406</u>
	<b>Other non-current assets</b>		
	Deferred expenses	1,384	0
		<u>1,384</u>	<u>0</u>
	<b>Total non-current assets</b>	<u>2,056,969</u>	<u>1,644,629</u>
	<b>Current assets</b>		
	<b>Receivables</b>		
	Accounts receivable	116	20,212
22	Receivables from group enterprises	1,145,353	1,130,707
	Tax credit receivable	4,977	4,977
	Other receivables	649	921
15	Prepayments	4,097	4,512
		<u>1,155,192</u>	<u>1,161,329</u>
	<b>Cash</b>	<u>17,161</u>	<u>159,066</u>
	<b>Total current assets</b>	<u>1,172,353</u>	<u>1,320,395</u>
	<b>TOTAL ASSETS</b>	<u>3,229,322</u>	<u>2,965,024</u>

## Financial statements 1 July 2021 - 30 June 2022

## Balance sheet

Note	DKK'000	2021/22	2020/21
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
16	Share capital	10,473	10,473
	Reserve for development costs	41,883	79,075
	Retained earnings	2,352,213	2,071,920
	<b>Total equity</b>	<u>2,404,569</u>	<u>2,161,468</u>
	<b>Liabilities</b>		
17	<b>Non-current liabilities</b>		
18	Deferred tax	100,117	221,756
	Lease liabilities	1,701	1,960
22	Payables to group enterprises	237,478	0
	Other payables	5	39
	Deferred income	0	1,456
	<b>Total non-current liabilities</b>	<u>339,301</u>	<u>225,211</u>
	<b>Current liabilities</b>		
	Lease liabilities	3,387	3,761
	Trade payables	70,539	12,072
22	Payables to group enterprises	353,006	508,682
	Joint taxable contribution payable	4,600	1,044
	Other payables	53,920	52,786
	<b>Total current liabilities</b>	<u>485,452</u>	<u>578,345</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>3,229,322</u>	<u>2,965,024</u>

- 1 Accounting policies
- 2 Recognition and measurement uncertainties
- 3 Capital matters
- 13 Appropriation of profit
- 19 Contractual obligations and contingencies, etc.
- 20 Collateral
- 22 Related parties

## Financial statements 1 July 2021 - 30 June 2022

## Statement of changes in equity

Note	DKK'000	Share capital	Reserve for development costs	Retained earnings	Total
1	Equity at 1 July 2020	10,473	70,819	950,324	1,031,616
	Restatement due to Material Error	0	0	-67,960	-67,960
	<b>Restatement per equity at 1 July 2020</b>	10,473	70,819	882,364	963,656
	Group contribution	0	0	1,035,654	1,035,654
13	Transfer, see "Appropriation of profit/loss"	0	8,256	113,510	121,766
	Exchange rate translation	0	0	585	585
	Group share-based payment transactions	0	0	39,807	39,807
	<b>Equity at 1 July 2021</b>	10,473	79,075	2,071,920	2,161,468
	Group contribution	0	0	97,788	97,788
	Other adjustments	0	0	-2,436	-2,436
13	Transfer, see "Appropriation of profit/loss"	0	-37,192	152,442	115,250
	Group share-based payment transactions	0	0	32,499	32,499
	<b>Equity at 30 June 2022</b>	10,473	41,883	2,352,213	2,404,569

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****1 Accounting policies**

The annual report of Sitecore Corporation A/S for 2021/22 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to Class C (Large) entities. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

In accordance with section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

**Changes in accounting estimate**

Accounting estimates used in the preparation of the financial statements are consistent with those of last year with the following exception:

Expected future benefits and obligations associated with Deferred tax liabilities (“DTL”) related to the adoption of IFRS 15 in the 2018/19 annual report have been revised. As a result of the change in accounting estimates, the ‘deferred tax liability’ has decreased DKK’000 23,198 and ‘tax for the year’ (income) has increased DKK’000 23,198 within the 2021/22 annual report.

**Changes in accounting policies**

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

**Material prior period errors**

Management has identified material prior period errors in the following areas that affect previously presented annual reports,

- i. In 2020/21 the value of the investment in the acquired entity ‘Hedgehog Group’ was incorrectly recorded due to an incorrect foreign exchange rate. As a result, ‘investments in group enterprises’ and ‘retained earnings’ were overstated by DKK’000 7,426 in the annual reports for 2020/21 and as a result do not give a true and fair view. This has been corrected as a material misstatement by restating comparatives and opening equity figures in the current-year annual reports. In total the balance sheet and equity at 30 June 2021 has been adversely affected by DKK’000 7,426.
- ii. In 2019/20 and 2020/21 accounting entries relating to the Stylelabs acquisition were incorrectly recorded in Sitecore Corporation A/S. This was corrected in 2021/22, which impacts the Company’s previous annual reports. As a result the following comparative figures from 2020/21 have been restated:
  - (a) Revenue has increased by DKK’000 34,829;
  - (b) Other external costs increased DKK’000 48,743;
  - (c) As a result of adjustments (a) and (b) retained earnings has decreased by DKK’000 13,914;
  - (d) Investments in group enterprises decreased DKK’000 92,145;
  - (e) payables to group enterprises decreased DKK’000 5,248;
  - (f) other payables decreased DKK’000 5,022;
  - (g) Opening equity has decreased by DKK’000 67,960

In total the balance sheet and equity at 30 June 2021 has been adversely affected by DKK’000 81,875.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements**

- iii. In 2020/21 the value of the 'deferred tax liability' included a deferred tax asset ('DTA') of DKK'000 73,482 related to exit tax on subsidiary 'Sitecore Belgium NV'. The DTA should not have been recorded in 2020/21. As a result the 'deferred tax liability' and 'tax for the year' were overstated by DKK'000 73,482 in the annual report for 2020/21 and as a result did not give a true and fair view. This has been corrected as a material misstatement by restating comparatives in the current-year annual reports.

**Income Statement**

<b>DKK'000</b>	<b>2020/21 (Original)</b>	<b>Adjustment</b>	<b>2020/21 (Restated)</b>
Revenue	722,869	34,829	757,698
Other external costs	-603,527	-48,743	-652,270
Tax for the year	119,927	-73,482	46,445
<b>Profit for the year</b>	<b>209,162</b>	<b>-87,396</b>	<b>121,766</b>

**Balance Sheet**

<b>DKK'000</b>	<b>2020/21 (Original)</b>	<b>Adjustment</b>	<b>2020/21 (Restated)</b>
<b>Assets</b>			
Investments in group enterprises	1,439,440	-99,571	1,339,869
<b>DKK'000</b>			
<b>Equity</b>			
Retained Earnings	2,234,702	-162,782	2,071,920
<b>DKK'000</b>			
<b>Liabilities</b>			
Deferred tax	148,274	73,482	221,756
Payables to group enterprises - short	513,930	-5,248	508,682
Other payables	57,808	-5,022	52,786

<b>DKK'000</b>	<b>2020/21 (Original)</b>	<b>Adjustment</b>	<b>2020/21 (Restated)</b>
<b>Breakout of Retained Earnings</b>			
Equity at 1 July 2020	950,324	-67,960	882,364
Group Contribution	1,043,080	-7,426	1,035,654
Transfer see " Appropriation of profit/loss"	200,906	-87,396	113,510
Exchange rate translation	585	—	585
Group share-based payment transactions	39,807	—	39,807
<b>Equity at 30 June 2021</b>	<b>2,234,702</b>	<b>-162,782</b>	<b>2,071,920</b>

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****Omission of a cash flow statement**

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Sitecore Holding II A/S.

**Omission of Audit fee note**

With reference to section 96(3) of the Danish Financial Statements Act, no audit fee note has been prepared.

**Reporting currency**

The financial statements are presented in Danish kroner (DKK'000).

**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****Revenue**

The Company's revenue mainly consists of intercompany revenue from the Group's sales entities. The Group have chosen IFRS 15 as interpretation for revenue recognition for which the accounting policies are as follows:

The Company recognizes revenue in accordance with IFRS 15 requirements, whereby revenue is recognized when the ultimate customer has obtained control of the license or service and has the ability to use and obtain substantially all of the benefits from the license or service.

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.

Revenue to the Company is mainly derived from:

- i. software licenses fees or royalties paid by affiliated entities for access to its historic IP.
- ii. reimbursements from group companies for research and development ('R&D') and administration costs incurred by Sitecore Corporation A.S.

**Other external expenses**

Other external expenses include costs incurred by the Company relating to sales, advertising, administration, premises, research & development used in generating the year's intercompany revenue.

**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.

## Financial statements 1 July 2021 - 30 June 2022

### Notes to the financial statements

#### Share-based payments

The Sitecore Group operates equity-settled, share-based compensation plans, under which entities within the group receive services from employees as consideration for equity instruments issued by the Company's ultimate parent, Sitecore Holdings II A/S. Equity-settled share-based payments granted to employees of a subsidiary of the Company are recognised as a capital contribution from the Company's ultimate parent and a corresponding increase in the investment in subsidiary in an amount equal to the fair value of the employee services received in exchange for the equity grant. The total amount is determined by reference to the grant date fair value of the equity award. When the options are exercised, the Company's ultimate parent issues new shares.

#### Amortisation/depreciation and impairment

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3 years
Patents, trademarks and product rights	5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Plant and machinery	3-5 years
Fixtures and fittings, other plant and equipment	3-5 years

Right-of-use assets are depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use assets are periodically reduced by any impairment losses.

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

#### Other operating income and operating expenses

Other operating income and operating expenses comprise items of a secondary nature relative to the Company's core activities, including gains and losses on the sale of non-current assets.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****Profit/loss from investments in group enterprises**

The item includes dividends from investments in group enterprises. 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 group enterprises'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.

**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.

The entity is jointly taxed with other Danish group entities. 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****Intangible assets**

Intangible assets include development projects and other acquired intangible rights, including patents, trademarks and product rights.

Intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 3 years.

Patents, trademarks and product rights are measured at cost less accumulated amortisation and impairment losses. Patents, trademarks and product rights are amortised on a straight-line basis over the estimated useful life. The amortisation period is 5 years.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements**

Gains and losses on the sale of intangible assets are recognised in the income statement under “Other operating income” or “Other operating expenses”, respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

**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.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

**Leases**

The Company has chosen IFRS 16 as interpretation for classification and recognition of leases.

Leased assets are capitalised at the commencement date of the lease and comprise of the initial lease amount, initial direct costs incurred when entering into the lease less any incentives received.

An impairment review is undertaken for any right-of-use lease asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use lease asset that is impaired.

The lease liability is measured at the present value of the fixed and variable lease payments net of cash lease incentives that are not paid at the balance sheet date. Lease payments are apportioned between the finance charges and a reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the lease liability. Lease payments for buildings exclude service fees for cleaning and other costs.

Lease modifications are accounted for as a new lease with an effective date of the modification.

Leasehold deposits are initially recognized at the value paid to the landlord. Deposits are subsequently measured at net realizable value based on the amount the Company expect to receive at the end of the lease.

**Investments in group enterprises**

Investments in group enterprises 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.

Gains and losses on disposal of group enterprises are made up as the difference between the sales price and the carrying amount of net assets at the date of disposal including non-amortised goodwill and anticipated costs of disposal. Gains or losses are recognised in the income statement as financial income or financial expenses.

**Deposits and investments**

Deposits are measured at amortised cost.

**Impairment of non-current assets**

The carrying amount of intangible assets, property, plant and equipment and investments in group enterprises is assessed for impairment on an annual basis.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements**

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. Impairment losses on goodwill are not reversed.

**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.

**Contract assets**

Contract assets represent revenue recognised for contracts that have not yet been invoiced to customers, typically for multi-year arrangements. When we have unconditional rights to consideration, except for the passage of time, a receivable will be recorded on the balance sheets.

**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.

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "Receivables from group entities".

**Equity****Reserve for development costs**

The reserve for development costs comprises recognised development costs adjusted for deferred tax. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements**

recognised development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under 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 and Deferred 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.

**Lease liabilities**

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

**Deferred income**

Deferred income consist of contract liabilities and reflect invoices due or payments received in advance of revenue recognition. Our contract balances will be reported as net contract assets or liabilities on a contract-by-contract basis at the end of each reporting period.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****Financial ratios**

The financial ratios stated under “Financial highlights” have been calculated as follows:

EBITDA-margin	Earnings before interest, taxes and amortisations (EBITDA) x 100 Revenue
Return on equity	Profit/loss after tax x 100 Average equity

**2 Recognition and measurement uncertainties**

The management makes estimates, and assumptions concerning the future when performing impairment tests over investments. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

The judgments, estimates, and assumptions made are based on historical experience and other factors that Management considers to be reliable, but which by their very nature are associated with uncertainty and unpredictability. These assumptions may prove incomplete or incorrect, and unexpected events or circumstances may arise.

The Group is also subject to risks and uncertainties that may lead to actual results differing from these estimates, both positively and negatively.

**3 Capital matters**

Intercompany payables as reflected on the balance sheet will be repaid to group entities as funds become available, and do not have to be repaid sooner than the company has liquidity to do so. Intercompany receivables may not be repaid to the Company until the respective counterparty has the liquidity to do so. The Company has received a declaration of financial support from its ultimate parent, Sitecore Holdings II A/S committing to provide sufficient resources to settle any liabilities as they fall due if the Company does not have sufficient resources of its own. All internal debt of the Company and other group entities is subordinated to other liabilities, and no internal debt will be called or required to be repaid between the Company of any group entities unless and until the individual entity has sufficient liquidity to do so. This declaration is effective for at least 12 months from approval of the Company's annual report.

**4 Revenue**

Segment Information split by geography detailed below:

DKK'000	2021/22	2020/21
Denmark	—	155,676
European Union (Excluding Denmark)	415,266	126,667
Rest of world	134,677	475,355
	<u>549,943</u>	<u>757,698</u>

Segment information for product type is not disclosed following section §96,3 in the Financial Statements Act as the information can be found in the consolidated balance sheet of Sitecore Holding II, Denmark.

The consolidated financial statement in which Sitecore Corporation A/S is included can be found at; <https://datacvr.virk.dk/enhed/virksomhed/37624071?fritekst=sitecore%2520holding&sideIndex=0&size=10>

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****5 Other external expenses**

DKK'000	2021/22	2020/21
Intercompany expense	103,476	537,243
Other external expenses	263,152	115,027
	<u>366,627</u>	<u>652,270</u>

**6 Staff costs**

DKK'000	2021/22	2020/21
Wages/salaries	73,719	72,696
Pensions	4,210	5,045
Other staff costs	7,286	2,885
Capitalized salaries	—	-62,118
	<u>85,215</u>	<u>18,508</u>
Average number of full-time employees	<u>84</u>	<u>88</u>

In connection with a change in the Group company's operating model, effective 1 July 2021, Sitecore Corporation A/S research and development ('R&D') services are reimbursed by other group companies. Whereas in 2020/21 and prior years these costs were capitalised to intangible assets within Sitecore Corporation A/S.

Remuneration to the Company's Board of Directors and Executive Management is paid by the parent Company and other Group companies. The extent of this work is considered immaterial in nature and extent.

**Group Share based Compensation**

Share-based payments to employees are made by the Company under both a Share Option incentive plan and a Management Incentive Program ("MIP"). The Share Option plan is a performance-based plan wherein certain employees are offered Class A share options in the Company's ultimate parent, subject to certain vesting conditions. The MIP is a co-investment plan wherein key employees make a personal investment in the Company by purchasing restricted Class A or B shares of Sitecore Holdings II A/S which are subject to a repurchase option at a price determined based upon certain conditions. Both Share Option grants and MIP investments fully vest upon an IPO or Change in Control as defined in the plan documents.

**Share Option Plan**

Class A Share Options are granted to employees under the group's 2016 Global Share Incentive Plan. Option grants are subject to continued employment with 50% designated as Time Options that typically vest over five years (1/5th vest on each anniversary of the grant date), and 50% designated as Performance Options that vest subject to the groups sponsor achieving a certain rate of return on investment.

**Management Incentive Plan**

The Management Incentive Plan ("MIP") is designed to align the performance of the Company with the remuneration of key employees. Under the MIP, employees make a personal investment in the Company by purchasing Class A or Class B shares of Sitecore Holdings II A/S. Class B shares were added to the plan in FY2021. Under the MIP, Class A shares are subject to a repurchase option at a price equal to original cost if the employee terminates under conditions defined as a Bad Leaver, or at current fair market value if the employee terminates under conditions defined as a Good Leaver. The Good Leaver determination is primarily determined based on whether the employee leaves (a) involuntarily but without cause or (b) voluntarily after an employment of five years or more (three years if shares were issued to holder as part of the purchase consideration in an acquisition). Class B shares are divided into 50% Time Vesting shares and 50% Performance Vesting shares that vest in the same pattern as the Time Options and Performance Options described above.

## Financial statements 1 July 2021 - 30 June 2022

## Notes to the financial statements

## 7 Intangible assets

DKK'000	Completed development projects	Patents, trademarks and product rights	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 July 2021	271,537	23,072	23,504	318,113
Additions	0	0	0	0
Disposals	(88)	0	0	(88)
Transfers	23,504	0	(23,504)	0
Cost at 30 June 2022	294,953	23,072	0	318,025
Impairment losses and amortisation at 1 July 2021	193,665	18,957	0	212,622
Reversed amortisation on disposals	(88)	0	0	(88)
Amortisation for the year	47,680	4,115	0	51,795
Impairment losses and amortisation at 30 June 2022	241,257	23,072	0	264,329
<b>Carrying amount at 30 June 2022</b>	<b>53,696</b>	<b>0</b>	<b>0</b>	<b>53,696</b>

## Completed development projects

Completed development projects relate to the Sitecore Experience Platform 10 and subsequent releases completed during the financial year 2021/22. In addition to the core platform other products such as next-generation SaaS platform One Sitecore and supporting features are also part of Completed development projects.

## 8 Property, plant and equipment

DKK'000	Plant and machinery	Fixtures and fittings, other plant and equipment	Right-of-use assets	Total
Cost at 1 July 2021	13,093	1,204	12,652	26,949
Additions	4,658	986	3,015	8,659
Disposals	-7	0	0	-7
Cost at 30 June 2022	17,744	2,190	15,667	35,601
Impairment losses and depreciation at 1 July 2021	10,099	887	7,231	18,217
Depreciation	2,985	271	3,314	6,570
Reversal of accumulated depreciation	-7	0	0	-7
Impairment losses and depreciation at 30 June 2022	13,077	1,158	10,545	24,780
<b>Carrying amount 30 June 2022</b>	<b>4,667</b>	<b>1,032</b>	<b>5,122</b>	<b>10,821</b>

## 9 Other operating expenses

Other operating expenses include losses on the sale of property, plant and equipment.

## 10 Financial income

DKK'000	2021/22	2020/21
Interest income, group entities	37,496	9,666
Exchange gain	58,840	1,161
	<b>96,336</b>	<b>10,827</b>

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****11 Financial expenses**

DKK'000	2021/22	2020/21
Interest expenses, group entities	8,011	10,020
Other financial expenses	389	5,433
	<u>8,400</u>	<u>15,453</u>

**12 Tax for the year**

DKK'000	2021/22	2020/21
Estimated tax charge for the year	138,186	-4,977
Deferred tax adjustments in the year	(121,673)	-41,468
	<u>16,513</u>	<u>-46,445</u>

**13 Appropriation of profit**

DKK'000	2021/22	2020/21
<b>Recommended appropriation of profit</b>		
Transfer to reserve for development costs	(37,192)	8,256
Retained earnings/accumulated loss	152,442	113,510
	<u>115,250</u>	<u>121,766</u>

**14 Financial assets**

DKK'000	Investments in group enterprises	Receivables from group enterprises	Deposits, investments	Total
<b>Cost at 1 July 2021</b>	<b>1,363,974</b>	<b>190,210</b>	<b>327</b>	<b>1,554,511</b>
Group share-based payment transactions	31,803	—	—	31,803
Other adjustments	-1,276	—	—	-1,276
Collections	—	-106,042	-327	-106,368
Additions	89,516	501,910	—	591,426
Disposals	-88,827	—	—	-88,827
Receivables transferred to current	—	33,905	—	33,905
<b>Cost at 30 June 2022</b>	<b>1,395,190</b>	<b>619,983</b>	<b>—</b>	<b>2,015,173</b>
Value adjustments at 1 July 2021	-24,105	—	—	-24,105
Value adjustments at 30 June 2022	-24,105	—	—	-24,105
<b>Carrying amount at 30 June 2022</b>	<b>1,371,085</b>	<b>619,983</b>	<b>—</b>	<b>1,991,068</b>

**Investments in Subsidiaries**

Equity and profit/loss disclosures for the group enterprises are based on latest audited financial statements for CY20, FY21 and FY22 for the respective group enterprises. Where an entity does not have a statutory audit requirement we have used latest financial statements filed with the respective filing authorities.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements**

Name	Legal form	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000	Comment
<b>Subsidiaries</b>						
Sitecore Australia	Pty Ltd	Sydney, Australia	100.00%	13,495	7,003	FY22
Sitecore Belgium	NV	Brussels, BE	100.00%	84,496	21,902	FY22
Sitecore Bulgaria	EOOD	Sofia, Bulgaria	100.00%	6,877	947	CY21*
Sitecore Danmark	A/S	Copenhagen, DK	100.00%	18,616	3,663	FY22
Sitecore Deutschland	GmbH	Bremen, DE	100.00%	28,340	3,163	FY21
Sitecore España	S.L.U.	Madrid, Spain	100.00%	936	688	FY22*
Sitecore India Private	Ltd.	Delhi, IN	99.00%	3,039	447	FY22***
Sitecore International	A/S	Copenhagen, DK	100.00%	16,229	8,264	FY22
Sitecore Ireland	Ltd.	Dublin, Ireland	100.00%	45,584	-12,142	CY20
Sitecore Italia	Srl.	Milan, Italy	100.00%	810	717	FY22*
Sitecore Japan Co.	Ltd.	Tokyo, JP	100.00%	15,485	1,360	FY22*
Sitecore Malaysia Sdn.	Bhd.	Kuala Lumpur, MY	100.00%	29,149	2,896	FY22
Sitecore Middle East	DMCC	Dubai, UAE	100.00%	4,476	-1,015	FY21
Sitecore Middle East	FZLLC	Dubai, UAE	100.00%	0	0	**
Sitecore Nederland	B.V.	Amsterdam, NL	100.00%	21,665	1,568	FY21*
Sitecore Schweiz	AG	Zurich, Switzerland	100.00%	0	0	**
Sitecore Singapore Pte.	Ltd.	Singapore, SG	100.00%	12,170	1,717	FY22
Sitecore Software Co.	Ltd.	Shanghai, CN	100.00%	17,615	1,118	CY21*
Sitecore Sverige	AB	Stockholm, SE	100.00%	5,194	1,290	FY21
Sitecore UK	Ltd.	London, UK	100.00%	61,467	6,103	FY20
Sitecore Ukraine	FE	Dnepropetrovsk, UA	100.00%	18,077	3,457	CY21

Notes to above table:

\* There is no legal requirements to perform a statutory audit, hence the figures used are from the latest unaudited filed set of financial statements.

\*\* Entities first set of annual accounts (Audited /unaudited) have not been filed with respective filing authorities.

\*\*\* Sitecore India Ltd have a 31st March year end. The figures included are taken from the latest audited financial statements for the year ending 31st March 2022.

The investments in Sitecore Ireland, Sitecore Belgium, and Sitecore UK represent about 96% of the total subsidiary investment balances. All entities were evaluated for impairment and concluded that there was no basis for recognizing any additional impairment.

For those entities whose Equity & Profit / Loss figures are taken from periods other than FY22, the performance in FY22 is expected to be in line with periods noted above.

**15 Prepayments**

Prepayments include payment of expenses relating to subsequent financial years.

**16 Share capital**

The company's nominal share capital is DKK 10,473,053, divided into shares of a nominal amount of DKK 0,10 each.

The Company's share capital has remained DKK 10,473 thousand over the past 5 years.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****17 Non-current liabilities other than provisions**

DKK'000	Total debt at 30/6 2022	Repayment, next year	1-5 years	Outstanding debt after 5 years
Lease liabilities	5,088	3,387	1,701	0
Payables to group enterprises	590,484	353,006	237,478	0
Other payables	53,925	53,920	5	0
	<u>649,497</u>	<u>410,313</u>	<u>239,184</u>	<u>0</u>

**18 Deferred tax**

DKK'000	2021/22	2020/21
Deferred tax at 1 July	221,756	273,950
Deferred tax on profit for the year	-107,315	-48,499
Deferred tax adjustment, previous years	-14,324	-3,695
<b>Deferred tax at 30 June</b>	<u>100,117</u>	<u>221,756</u>

**19 Contractual obligations and contingencies, etc.**

DKK'000	2021/22	2020/21
<b>Contingent liabilities</b>		
Guarantee commitments	4,422	1,700
	<u>4,422</u>	<u>1,700</u>

**Other contingent liabilities**

The Company is jointly taxed with its ultimate Danish 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 falling due for payment.

**20 Collateral**

Sitecore Corporation A/S, Sitecore Denmark A/S and Sitecore International A/S have a combined business mortgage of EUR 6 million to Wilmington Trust (London) Limited as security for certain credit facilities.

**21 Currency exchange risk**

The vast majority of Sitecore Corporation A/S revenue and costs are outside of Denmark, therefore the company faces exposure to foreign currency exchange rates. These exposures may change over time as business practices evolve and economic conditions change, and they could have a material adverse impact on Sitecore Corporation A/S financial results and cash flows.

**22 Related parties**

Sitecore Corporation A/S' related parties comprise the following:

**Parties exercising control**

Related party	Domicile	Basis for control
Sitecore Holding II A/S	Copenhagen, Denmark	Consolidation parent
Sitecore Holding III A/S	Copenhagen, Denmark	Parent

For both periods ending 30 June 2022 and 30 June 2021, the company was controlled by Dynamite Holding I S.á r.l. The company's ultimate controlling party is EQT VII.

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****Parties not exercising control**

Non-controlling group enterprises include all subsidiaries of the Parent.

**Information about consolidated financial statements**

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

**Transactions with related parties**

See note 20 for details of related party transaction concerning collateral.

Below details Income statements intercompany transactions split by related party in 2021/22:

<b>DKK'000</b>	<b>2021/22</b>
<b>Revenue</b>	
Non-controlling group enterprises	-549,943
	<u><b>-549,943</b></u>
<b>Other external costs</b>	
Non-controlling group enterprises	103,476
	<u>103,476</u>
<b>Financial Income</b>	
Non-controlling group enterprises	-27,311
Parent	-10,185
	<u><b>-37,496</b></u>
<b>Financial Expense</b>	
Non-controlling group enterprises	8,011
	<u><b>8,011</b></u>

Below details Balance sheet intercompany transactions split by related party as at 30th June 2022:

<b>DKK'000</b>	<b>2021/22</b>
<b>Non- Current Assets</b>	
Non-controlling group enterprises	313,575
Parent	306,408
	<u><b>619,983</b></u>
<b>Current Assets</b>	
Non-controlling group enterprises	737,974
Parent	382,885
Consolidation parent	24,494
	<u><b>1,145,353</b></u>

**Financial statements 1 July 2021 - 30 June 2022****Notes to the financial statements****Non-Current Liabilities**

Non-controlling group enterprises	237,478
	<u>237,478</u>

**Current liabilities**

Non-controlling group enterprises	207,679
Consolidation parent	145,327
	<u>353,006</u>