
TEMENOS DENMARK ApS

Lyngbyvej 2, DK-2100 København Ø

Annual Report for 1 January - 31 December 2018

CVR No 37 07 46 08

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
16/05 2019

Steen Dejnbjerg Jensen
Chairman of the General
Meeting



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Management's Statement

The Executive Board has today considered and adopted the Annual Report of Temenos Denmark ApS for the financial year 1 January - 31 December 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 at 31 December 2018 of the Company and of the results of the Company operations for 2018.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 16 May 2019

Executive Board

Régis Métrat

Steen Dejnbjerg Jensen

Bent Winkel

Independent Auditor's Report

To the Shareholder of Temenos Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Temenos Denmark ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent Auditor's Report

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 about 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 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 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.

Independent Auditor's Report

- 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.

Hellerup, 16 May 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Steffen Kaj Pedersen

statsautoriseret revisor

mne34357

Company Information

The Company

Temenos Denmark ApS
Lyngbyvej 2
DK-2100 København Ø

CVR No: 37 07 46 08

Financial period: 1 January - 31 December

Municipality of reg. office: Copenhagen

Executive Board

Régis Métrat
Steen Dejnbjerg Jensen
Bent Winkel

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Financial Statements of Temenos Denmark ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

Key activities

The company's purpose is consultancy as well as implementation services and other related activities.

Development in the year

The income statement of the Company for 2018 shows a profit of EUR 439,770, and at 31 December 2018 the balance sheet of the Company shows equity of EUR 1,661,810.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	Note	2018 EUR	2017 EUR
Gross profit/loss		4.778.169	5.409.061
Staff expenses	1	-4.127.328	-4.604.043
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-37.309	-22.552
Profit/loss before financial income and expenses		613.532	782.466
Financial income		71.776	984.611
Financial expenses		-109.576	-235.944
Profit/loss before tax		575.732	1.531.133
Tax on profit/loss for the year	2	-135.962	-339.959
Net profit/loss for the year		439.770	1.191.174

Distribution of profit

Proposed distribution of profit

Retained earnings		439.770	1.191.174
		439.770	1.191.174

Balance Sheet 31 December

Assets

	Note	2018 EUR	2017 EUR
Other fixtures and fittings, tools and equipment		147.819	71.435
Property, plant and equipment	3	147.819	71.435
Deposits		0	26.045
Fixed asset investments		0	26.045
Fixed assets		147.819	97.480
Trade receivables		231.488	472.528
Receivables from group enterprises		2.200.659	2.774.539
Other receivables		65.598	375.836
Prepayments		20.999	24.007
Receivables		2.518.744	3.646.910
Cash at bank and in hand		364.273	36.172
Currents assets		2.883.017	3.683.082
Assets		3.030.836	3.780.562

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2018</u> EUR	<u>2017</u> EUR
Share capital		6.702	6.702
Other reserves		987	987
Retained earnings		<u>1.654.121</u>	<u>1.214.351</u>
Equity		<u>1.661.810</u>	<u>1.222.040</u>
Trade payables		328.565	208.282
Corporation tax		122.376	337.573
Other payables		438.595	633.868
Deferred income		<u>479.490</u>	<u>1.378.799</u>
Short-term debt		<u>1.369.026</u>	<u>2.558.522</u>
Debt		<u>1.369.026</u>	<u>2.558.522</u>
Liabilities and equity		<u>3.030.836</u>	<u>3.780.562</u>
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Statement of Changes in Equity

	Share capital	Other reserves	Retained earnings	Total
	EUR	EUR	EUR	EUR
Equity at 1 January	6.702	987	1.214.351	1.222.040
Net profit/loss for the year	0	0	439.770	439.770
Equity at 31 December	6.702	987	1.654.121	1.661.810

Notes to the Financial Statements

	2018	2017
	EUR	EUR
1 Staff expenses		
Wages and salaries	3.858.080	4.291.075
Pensions	125.839	140.712
Other social security expenses	8.291	3.111
Other staff expenses	135.118	169.145
	<u>4.127.328</u>	<u>4.604.043</u>
Average number of employees	<u>35</u>	<u>34</u>
2 Tax on profit/loss for the year		
Current tax for the year	127.913	337.573
Adjustment of tax concerning previous years	8.049	2.386
	<u>135.962</u>	<u>339.959</u>
3 Property, plant and equipment		Other fixtures and fittings, tools and equipment
		EUR
Cost at 1 January		102.708
Additions for the year		<u>113.693</u>
Cost at 31 December		<u>216.401</u>
Revaluations at 1 January		<u>0</u>
Revaluations at 31 December		<u>0</u>
Impairment losses and depreciation at 1 January		31.273
Depreciation for the year		<u>37.309</u>
Impairment losses and depreciation at 31 December		<u>68.582</u>
Carrying amount at 31 December		<u>147.819</u>

Notes to the Financial Statements

4 Contingent assets, liabilities and other financial obligations

Contingent liabilities

Rental commitments comprise of rent premises and amounts to EUR 154k. The lease is non-terminable until 28 February 2020.

5 Related parties

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Temenos Software Luxembourg S.A.

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of Temenos Denmark ApS for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2018 are presented in EUR.

Changes in accounting policies

Some classification are adjusted in 2018 compared to 2017. Comparison are corrected. The changes do not affect the profit, equity or financial position in 2018 or 2017.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Notes to the Financial Statements

6 Accounting Policies (continued)

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

6 Accounting Policies (continued)

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans raised directly for financing the construction of property, plant and equipment are recognised in cost over the period of construction. All indirectly attributable borrowing expenses are recognised in the income statement.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment 3-5 years

Depreciation period and residual value are reassessed annually.

Assets costing less than EUR 1,810 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposits.

Notes to the Financial Statements

6 Accounting Policies (continued)

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.