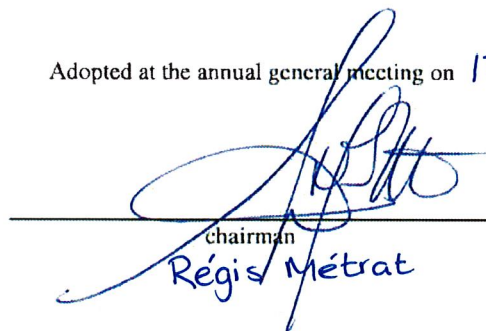


TEMENOS DENMARK APS
Lyngbyvej 2, bygning 5, 2. sal
2100 København Ø

Annual report for 2017
(2nd Financial year)

Adopted at the annual general meeting on 17/5-18



chairman
Régis Métrat

CVR-nr. 37 07 46 08

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The executive board has today discussed and approved the annual report of Temenos Denmark ApS for the financial year 1 January - 31 December 2017.

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 company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved at the annual general meeting.

Copenhagen, 17 May 2018

Executive board



Régis Métral



Steen Dejbjerg Jensen



Bent Winkel

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Temenos Denmark ApS

Opinion

We have audited the financial statements of Temenos Denmark ApS for the financial year 1 January - 31 December 2017, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017 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' 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.

Other audit matter

With effect from the current financial year, the Company has become subject to statutory audit. We wish to emphasise that, as stated in the financial statements, the comparative figures in the financial statements are not audited.

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.

INDEPENDENT AUDITOR'S REPORT

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 judgment and maintain professional skepticism 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.
- 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.

INDEPENDENT AUDITOR'S REPORT

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 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 Financial Statements Act.

Based on the work we have performed, we conclude that 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 of management's review.

Copenhagen, 17 May 2018

MAZARS

Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41



Kurt Christensen
Statsautoriseret revisor
MNE no. mne26824

COMPANY DETAILS

The company

Temenos Denmark ApS
Lyngbyvej 2, bygning 5, 2. sal
2100 København Ø

CVR no.: 37 07 46 08

Reporting period: 1 January - 31 December 2017

Incorporated: 7. September 2015

Domicile: København K

Executive board

Régis Métrat
Steen Dejnbjerg Jensen
Bent Winkel

Auditors

Mazars
Statsautoriseret Revisionspartnerselskab
Østerfælled Torv 10, 2. sal
2100 København Ø

MANAGEMENT'S REVIEW

Business activities

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

Business review

The Company's income statement for the year ended 31 December shows a profit of DKK 1.191.174, and the balance sheet at 31 December 2017 shows equity of DKK 1.222.040.

ACCOUNTING POLICIES

The annual report of Temenos Denmark ApS for 2017 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 provisions as regards larger entities.

The annual report for 2017 is presented in EUR

Correction of significant errors

In the comparative figures for 2016, the following classification errors have been corrected:

Prepayments, EUR'000 673, have been reclassified from the item "Contract work in progress" to the item "Prepayments".

Other payables, EUR'000 136, have been reclassified from the item "Trade payables" to the item "Other payables".

Trade payables, EUR'000 207, have been reclassified from the item "Deferred income" to the item "Trade payables".

Foreign currency translation, EUR'000 53, have been reclassified from the item "Revenue" to the item "Financial income".

Corrected errors have not affected the balance sheet per 31 December 2016, the profit for 2016 or the equity per 31 December 2016.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits 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 from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

ACCOUNTING POLICIES

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less raw materials and consumables and other external expenses.

Revenue

Revenue is measured at fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Other external expenses

Other external expenses include expenses related to sale, advertising, administration, premises, bad debts etc.

Staff costs

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, including changes arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

ACCOUNTING POLICIES

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fitting, tool and equipment	3-5 years

Receivables

Receivables are measured at amortised cost.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years as well as deferred income concerning income in subsequent reporting years.

Equity

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability at the date of declaration by the annual general meeting.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Liabilities

Liabilities, which include trade receivables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

ACCOUNTING POLICIES

Deferred income

Deferred income comprises payments received concerning income in subsequent reporting years.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign-exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2017 EUR	2016 T.EUR
Gross profit		8.267.036	3.563
Staff costs	1	-7.462.018	-3.391
Earnings Before Interest Taxes Depreciation and Amortization		805.018	172
Depreciation, amortisation and impairment of plant and equipment		-22.552	-9
Profit/loss before financial income and expenses		782.466	163
Financial income		984.611	52
Financial costs		-235.944	-184
Profit/loss before tax		1.531.133	31
Tax on profit/loss for the year	2	-339.959	-8
Net profit/loss for the year		1.191.174	23
Retained earnings		1.191.174	23
		1.191.174	23

BALANCE SHEET 31 DECEMBER

	Note	2017 EUR	2016 T.EUR
ASSETS			
Other fixtures and fittings, tools and equipment		71.435	50
Tangible assets	3	71.435	50
Deposits		26.045	26
Fixed asset investments		26.045	26
Fixed assets total		97.480	76
Trade receivables		20.559	1.254
Receivables from associate		44.288.921	9.742
Other receivables		375.836	143
Corporation tax		0	2
Prepayments		475.976	775
Receivables		45.161.292	11.916
Cash at bank and in hand		36.172	22
Current assets total		45.197.464	11.938
Assets total		45.294.944	12.014

BALANCE SHEET 31 DECEMBER

	Note	2017 EUR	2016 T.EUR
LIABILITIES AND EQUITY			
Share capital		6.702	7
Other reserves		987	1
Retained earnings		1.214.351	23
Equity	4	1.222.040	31
Trade payables		142.388	226
Payables to associate		41.514.382	11.535
Corporation tax		337.573	8
Other payables		699.762	136
Deferred income		1.378.799	78
Short-term debt		44.072.904	11.983
Debt total		44.072.904	11.983
Liabilities and equity total		45.294.944	12.014
Rental agreements and lease commitments	5		
Related parties and ownership	6		

NOTES

	2017	2016
	EUR	T.EUR
1 STAFF COSTS		
Wages and salaries	7.149.050	3.117
Pensions	140.712	134
Other social security costs	172.256	140
	7.462.018	3.391
 Average number of employees	 34	 23
 2 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	337.573	8
Adjustment of tax concerning previous years	2.386	0
	339.959	8
 3 TANGIBLE ASSETS		Other fixtures and fittings, tools and equipment
Cost at 1 January 2017		58.066
Additions for the year		50.038
Disposals for the year		-5.396
Cost at 31 December 2017		102.708
Impairment losses and depreciation at 1 January 2017		8.721
Depreciation for the year		22.552
Impairment losses and depreciation at 31 December 2017		31.273
Carrying amount at 31 December 2017		71.435

NOTES

4 EQUITY

	<u>Share capital</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2017	6.702	987	23.177	30.866
Net profit/loss for the year	<u>0</u>	<u>0</u>	<u>1.191.174</u>	<u>1.191.174</u>
Equity at 31 December 2017	<u><u>6.702</u></u>	<u><u>987</u></u>	<u><u>1.214.351</u></u>	<u><u>1.222.040</u></u>

5 RENTAL AGREEMENTS AND LEASE COMMITMENTS

The company has entered into contracts for rental of premises. The lease is non-terminable until 30 April 2022. The annual rent is at EUR'000 109.

6 RELATED PARTIES AND OWNERSHIP

Ownership

According to the Company's register of shareholders, the following shareholders hold a minimum of 5% of the voting rights or a minimum of 5% of the share capital:

Temenos Software Luxembourg S.A.