
TEMENOS DENMARK ApS

Lyngbyvej 2, DK-2100 København Ø

Annual Report for 1 January - 31 December 2020

CVR No 37 07 46 08

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
18/5 2021

Anders Holm
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 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen, 18 May 2021

Executive Board

Régis Métrat

Anders Holm

Didier Jacky Adrien Demange

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 2020 and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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 2020, 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, 18 May 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Steffen Kaj Pedersen
statsautoriseret revisor
mne34357

Mads Blichfeldt Henriksen
statsautoriseret revisor
mne46065

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
Anders Holm
Didier Jacky Adrien Demange

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

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 2020 shows a profit of EUR 410,918, and at 31 December 2020 the balance sheet of the Company shows equity of EUR 3,005,633.

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	2020 EUR	2019 EUR
Gross profit/loss		6,368,228	6,990,240
Staff expenses	1	-5,707,129	-5,654,689
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-132,359	-133,846
Profit/loss before financial income and expenses		528,740	1,201,705
Financial income		111,154	68,354
Financial expenses		-55,842	-60,893
Profit/loss before tax		584,052	1,209,166
Tax on profit/loss for the year	2	-173,134	-265,772
Net profit/loss for the year		410,918	943,394

Distribution of profit

Proposed distribution of profit

Retained earnings	410,918	943,394
	410,918	943,394

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2020</u> EUR	<u>2019</u> EUR
Land and buildings		122,052	213,592
Other fixtures and fittings, tools and equipment		91,071	114,207
Property, plant and equipment	3	<u>213,123</u>	<u>327,799</u>
Fixed assets		<u>213,123</u>	<u>327,799</u>
Trade receivables		301,052	186,939
Receivables from group enterprises		4,687,318	3,282,691
Other receivables		22,769	59,868
Deferred tax asset		0	2,680
Prepayments		1,269	8,620
Receivables		<u>5,012,408</u>	<u>3,540,798</u>
Cash at bank and in hand		<u>208,106</u>	<u>99,794</u>
Currents assets		<u>5,220,514</u>	<u>3,640,592</u>
Assets		<u>5,433,637</u>	<u>3,968,391</u>

Balance Sheet 31 December

Liabilities and equity

	Note	2020 EUR	2019 EUR
Share capital		6,702	6,702
Other reserves		-9,501	-9,501
Retained earnings		3,008,432	2,597,514
Equity		3,005,633	2,594,715
Lease obligations		0	107,265
Other payables - Long term		0	175,069
Long-term debt	4	0	282,334
Lease obligations	4	103,670	100,450
Trade payables		90,904	146,079
Payables to group enterprises		842,629	0
Corporation tax		61,257	222,758
Other payables	4	1,300,447	554,077
Deferred income		29,097	67,978
Short-term debt		2,428,004	1,091,342
Debt		2,428,004	1,373,676
Liabilities and equity		5,433,637	3,968,391
Contingent assets, liabilities and other financial obligations	5		
Related parties	6		
Accounting Policies	7		

Statement of Changes in Equity

	<u>Share capital</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>
	EUR	EUR	EUR	EUR
Equity at 1 January	6,702	-9,501	2,597,514	2,594,715
Net profit/loss for the year	0	0	410,918	410,918
Equity at 31 December	6,702	-9,501	3,008,432	3,005,633

Notes to the Financial Statements

	2020 EUR	2019 EUR
1 Staff expenses		
Wages and salaries	5,462,559	5,450,280
Pensions	119,379	105,597
Other social security expenses	8,980	8,545
Other staff expenses	116,211	90,267
	5,707,129	5,654,689
Average number of employees	46	39
2 Tax on profit/loss for the year		
Current tax for the year	140,000	270,000
Deferred tax for the year	2,680	0
Adjustment of tax concerning previous years	30,454	-4,228
	173,134	265,772
3 Property, plant and equipment		
	Land and buildings	Other fixtures and fittings, tools and equipment
	EUR	EUR
Cost at 1 January	305,132	230,491
Additions for the year	0	17,879
Cost at 31 December	305,132	248,370
Impairment losses and depreciation at 1 January	91,540	116,284
Exchange adjustment	0	196
Depreciation for the year	91,540	40,819
Impairment losses and depreciation at 31 December	183,080	157,299
Carrying amount at 31 December	122,052	91,071

Notes to the Financial Statements

4 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2020</u> EUR	<u>2019</u> EUR
Lease obligations		
Between 1 and 5 years	0	107,265
Long-term part	0	107,265
Within 1 year	103,670	100,450
	103,670	207,715
Other payables - Long term		
Between 1 and 5 years	0	175,069
Long-term part	0	175,069
Other short-term payables	1,300,447	554,077
	1,300,447	729,146

Notes to the Financial Statements

5 Contingent assets, liabilities and other financial obligations

Contingent liabilities

No contingent liabilities as per 31 December 2020.

6 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

7 Accounting Policies

The Annual Report of Temenos Denmark ApS for 2020 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 2020 are presented in EUR.

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.

Leases

Lease contracts are recognized in the balance sheet corresponding to the value of the calculated lease obligation. The lease obligation is measured at the present value of the lease payments, calculated using the internal interest rate cf. the lease contract, or the marginal borrowing rate as a discount rate if the internal interest is not available.

The costs are thus recognized on a straight-line basis in the income statement over the lease period.

The lease obligation is recognized in the balance sheet as a liability, and adjusted regularly with repayments. At the same time, interest is charged on the liability. Interest expenses are expended in the income statement.

Notes to the Financial Statements

7 Accounting Policies (continued)

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.

Income Statement

Revenue

IFRS 15 is applied as a basis for recognition and measurement of revenue.

Revenue from contracts with customers is recognized based on the transfer of control, which according to IFRS 15 takes place at the time when control of the delivered service is transferred to the customer. The control is considered transferred when:

- there is a confirmed sales agreement
- delivery has taken place before the end of the financial year
- the sale price has been determined
- the payment has been received or can be expected to be received with a reasonable certainty.

Revenue is recognized excluding VAT and discounts in connection with the sale.

Other external expenses

Other external expenses comprise 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.

Notes to the Financial Statements

7 Accounting Policies (continued)

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

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.

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.

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	3-10	years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

7 Accounting Policies (continued)

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.

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.

Notes to the Financial Statements

7 Accounting Policies (continued)

Deferred income

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