



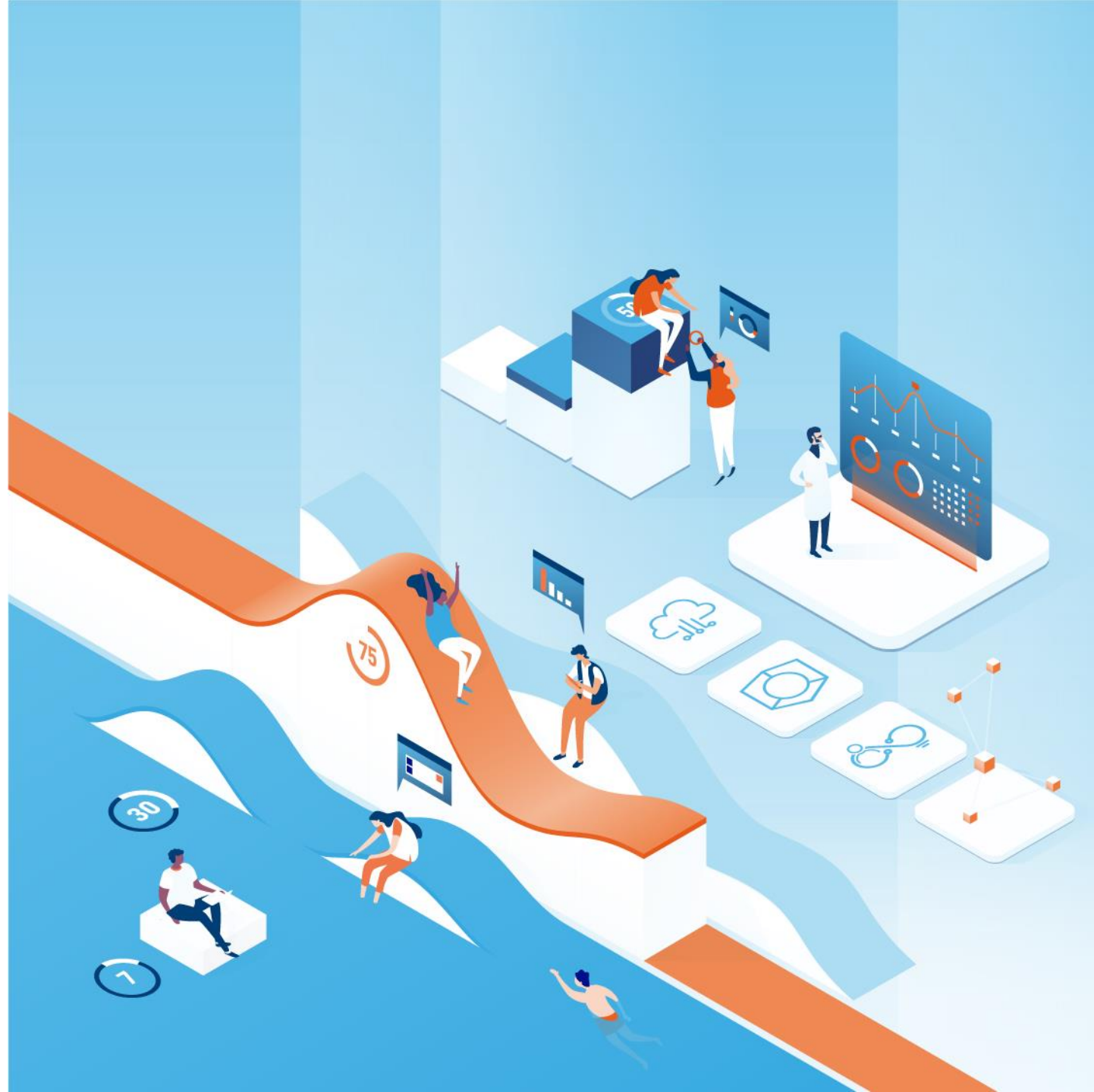
TEMENOS

THE BANKING SOFTWARE COMPANY

Financial results & business update

21 July 2021

Quarter ended 30 June 2021



| Disclaimer

Any remarks that we may make about future expectations, plans and prospects for the company constitute forward-looking statements. Actual results may differ materially from those indicated by these forward-looking statements as a result of various factors.

In particular, the forward-looking financial information provided by the company in the conference call represent the company's estimates as of 21 July 2021. We anticipate that subsequent events and developments will cause the company's estimates to change.

However, while the company may elect to update this forward-looking financial information at some point in the future, the company specifically disclaims any obligation to do so. This forward-looking information should not be relied upon as representing the company's estimates of its future financial performance as of any date subsequent to 21 July 2021.



| Non-IFRS Information

Readers are cautioned that the supplemental non-IFRS information presented in this presentation is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies.

In the tables accompanying this presentation the Company sets forth its supplemental non-IFRS figures for revenue, operating costs, EBIT, EBITDA, net earnings and earnings per share, which exclude the effect of adjusting for share-based payments, the carrying value of acquired companies' deferred revenue, the amortization of acquired intangibles, discontinued activities, acquisition related charges, restructuring costs, and the income tax effect of the non-IFRS adjustments. The tables also set forth the most comparable IFRS financial measure and reconciliations of this information with non-IFRS information.

When the Company believes it would be helpful for understanding trends in its business, the Company provides percentage increases or decreases in its revenue (in both IFRS as well as non-IFRS) to eliminate the effect of changes in currency values. When trend information is expressed herein "in constant currencies", the results of the "prior" period have first been recalculated using the average exchange rates of the comparable period in the current year, and then compared with the results of the comparable period in the current year.

| Agenda

1. Business update.....Max Chuard, CEO
2. Financial update..... Takis Spiliopoulos, CFO
3. Summary.....Max Chuard, CEO
4. Q&A



Business update

Max Chuard
CEO



Strong momentum in Q2-21

Review of Q2-21

- Strong momentum in the second quarter
- Significant growth in SaaS ACV in particular
- Excellent growth in Total Bookings of 104%, up on Q2-19 levels
- Very strong US performance in the quarter
- EBIT growth and margin expansion continued to drive operating and free cash flow generation
- FY-21 guidance revised for increased SaaS momentum – SaaS ACV now expected to grow 50-60%, up from 40-50% previously
- Rest of FY-21 guidance reconfirmed

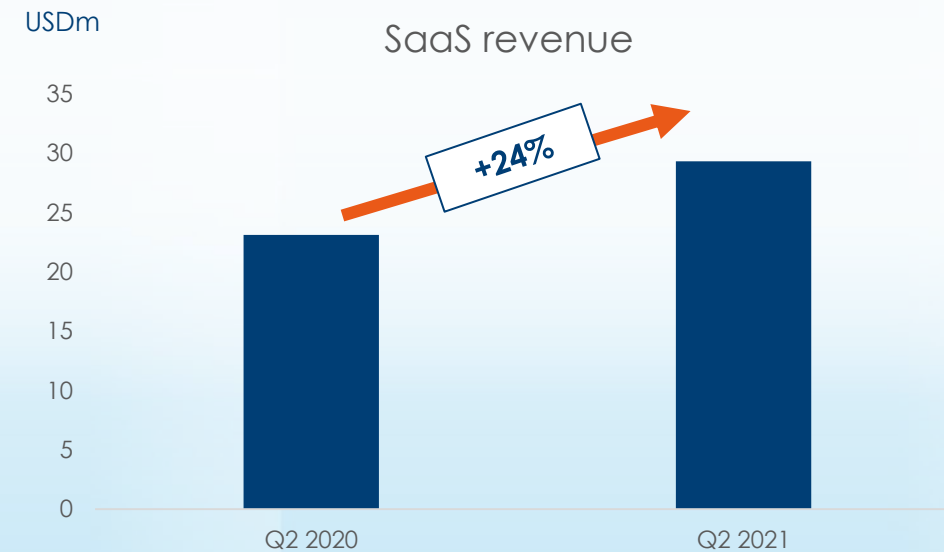
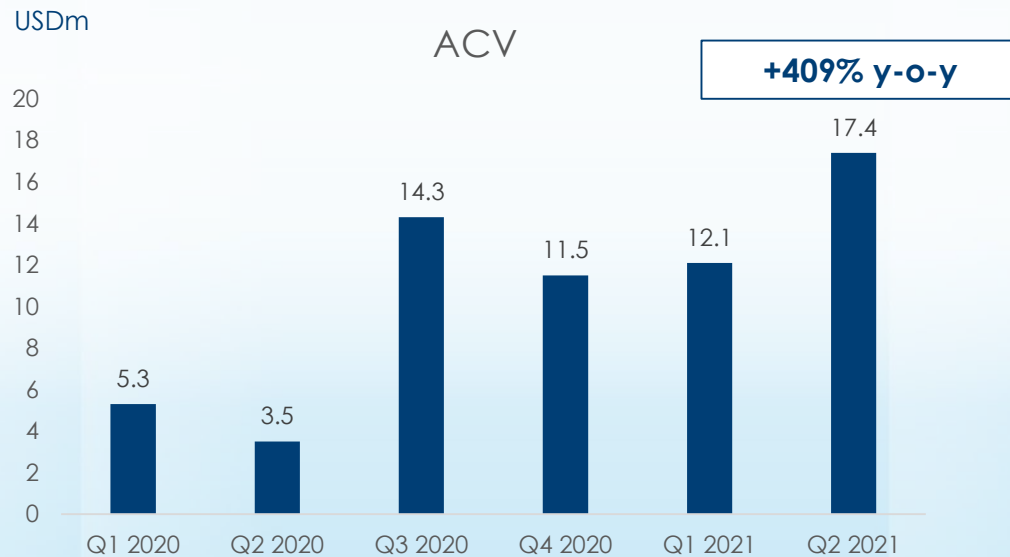
Q2-21 non-IFRS financial highlights

- SaaS ACV of USD17.4m, up 409%
- Total Bookings growth of 104%
- SaaS revenue growth of 24%
- Total software licensing up 16%
- ARR growth of 8%
- EBIT growth of 16%, EBIT margin up 300bps point
- Operating cash flow up 19%
- FCF growth of 24%

Strong momentum in the second quarter

Significant growth in SaaS

- 409% growth in SaaS in Q2-21 with ACV of USD17.4m
- US continued to be the strongest contributor
- Combination of new logo and volume growth in existing clients
- SaaS ACV now expected to grow 50-60% in FY-21, up from 40-50% previously



SaaS growth is largely incremental



Large banks

- Progressive renovation based on packaged business capabilities
- Selective use of cloud and SaaS
- Cost and complexity reduction, competitive pressure from challenger banks and fintechs, as well as obsolescence
- AI for smarter, faster projects and digital insights



Mid to lower tier banks

- Largely on-premise renovation of entire business
- Increasing use of cloud and SaaS
- Innovation, competitive positioning, maximising impact of limited IT budget



Challenger banks and fintechs

- SaaS for entire operation
- Time to market and innovation with hyper-efficient cost model
- Rapid SaaS ACV growth with successful clients as they scale their business

Excellent growth in Total Bookings

- Excellent growth in Total Bookings of 104% in Q2-21, up on Q2-19 levels
- Driven by broad based demand across most geographies and products, in particular Transact and Infinity
- Increasing backlog and long term visibility for growth
- Underpins FY-21 guidance, building pipeline for FY-22 and confidence in 2025 targets
- Combination of strong growth in SaaS and licenses, as well as continued increase in average tenure vs. an average of 3.7 years in FY-20*



Total Bookings – includes fair value of licence contract value, committed maintenance contract value on licence, and SaaS committed contract value. All must be committed and evidenced by duly signed agreements.

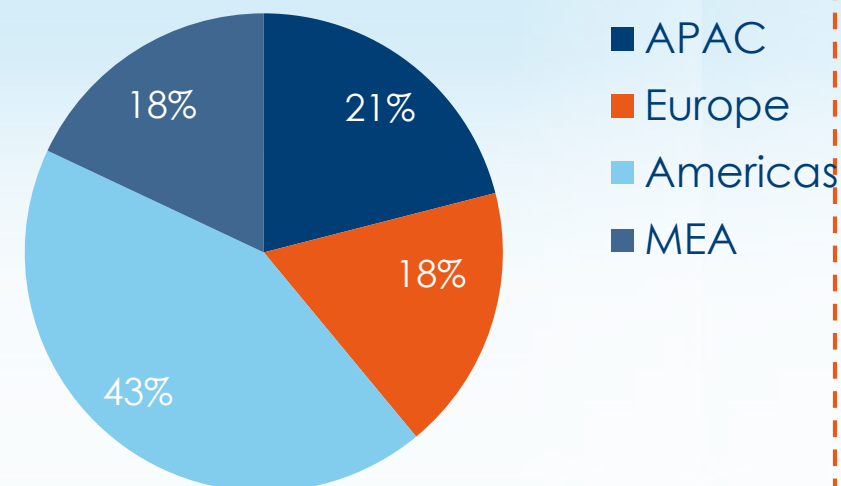
*Note: non-IFRS c.c. growth rates. *refer to slide 40 in appendix for quarterly Total Bookings numbers and slide 41 in appendix for historic average tenures*

Q2-21 sales and operational review

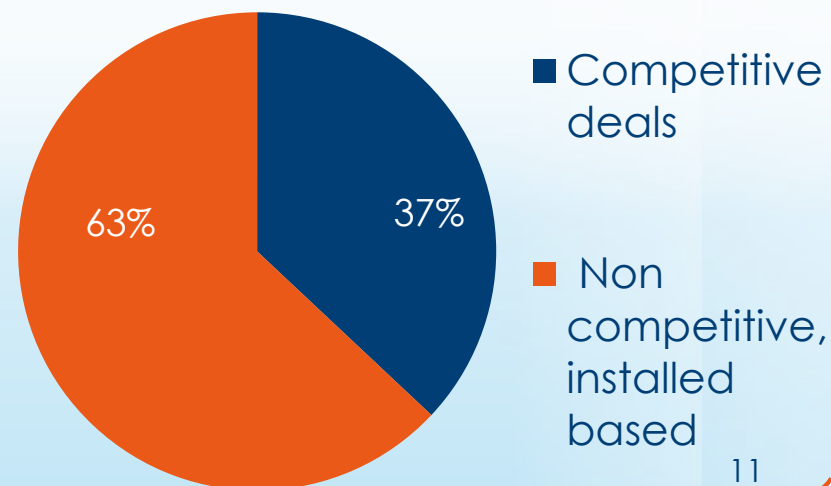
- Continued momentum in the second quarter with sales environment improving in most regions
- All regions delivered double digit growth in the quarter
- US continued to be the largest contributor to total software licensing in the quarter
- US SaaS and cloud was particularly strong across new clients and growth in existing clients
- Europe recovery is following the US with a short time lag, deal pipeline is building with strong sales growth expected in H2
- Activity with Tier 1 and 2 banks increasing across regions
- Sales to the installed base contributed 63% of total software licensing
- 16 new client wins in the quarter across license and SaaS
- 15 implementation go-lives in the quarter

Q2-21 total software licensing

Geographic split



Competitive / non-competitive



Recognised for our global leadership



Core Banking
for 16 years



Neo banks &
Challenger
banks



Best-selling
Digital Banking
& Channels



Best-selling
Retail
Payments
System



Best-selling
Risk
Management

FORRESTER®

New-name clients:

Top global power seller for the 15th consecutive year
Temenos recognized as the only Global Power
Seller with a 20% increase in new named deals

New and existing clients:

Top global player for the 9th consecutive year
Top global cross-seller for the 1st time (new category)

Progressing strategic partnerships



- Partnership with Salesforce brings together all the CRM capabilities provided by Salesforce and a broad set of transactional capabilities provided by Infinity
- Integration is nearly complete and combined product will be released shortly
- Sales activities have now commenced



DXC.technology

- Strategic Partnership with DXC Technology to accelerate the digital transformation of DXC's banking clients by offering a progressive transformation path for core banking
- Multiple large US and international banks running legacy core banking systems with DXC
- Workshops and early stage sales processes progressing with a number of potential targets
- Looking into expanding relationship with potential new offerings for the US market

| US business continues to accelerate

- US was again the largest contributor to total software licensing in the quarter
- Strong growth in both license and SaaS
- New US logos signed in the quarter
- US continues to be the largest contributor to global ACV pipeline for FY-21
- Continued expansion of sales team is driving pipeline growth
- Activity with strategic partnerships also accelerating growth in the region
- Sales activity with large clients is increasing



Aligning our sales leadership with the market opportunity

- Temenos has announced two key expanded roles in the Executive Committee to strengthen global sales leadership and proactively respond to the return of large Tier 1 and 2 deals in the market
- Philip Barnett takes on the role of “President Global Accounts” in addition to his current Partner responsibilities
- Philip is creating a dedicated sales team focusing on strategic and complex large accounts to capture the increased demand
- Jean-Paul Mergeai is promoted to “President International Sales”, taking on covering EMEA and APAC, having had great success since assuming responsibility for APAC in addition to MEA
- Jacqueline White continues as President of the Americas, with responsibility for sales across North and South America



Financial update

Takis Spiliopoulos
CFO



| Q2-21 non-IFRS financial highlights

Revenue and profit

- SaaS revenue up 24% in Q2-21
- Total software licensing up 16% in Q2-21
- Maintenance growth of 3% in Q2-21
- Total revenue up 8% in Q2-21
- EBIT up 16% in Q2-21
- Q2-21 EBIT margin of 36.2%, up 300bps point
- EPS (reported) up 11% in Q2-21

Cash flow

- Q2-21 operating cash flow of USD 112m, up 19% y-o-y
- LTM operating cash conversion of 107% of IFRS EBITDA
- Q2-21 Free Cash Flow of 87m, up 24% y-o-y
- DSOs at 106 days, down 1 day y-o-y and q-o-q

Debt and leverage

- Net debt of USD 1,009m as of 30.6.21
- Leverage at 2.3x, expected to be at around 2.1x by year end

Capital allocation

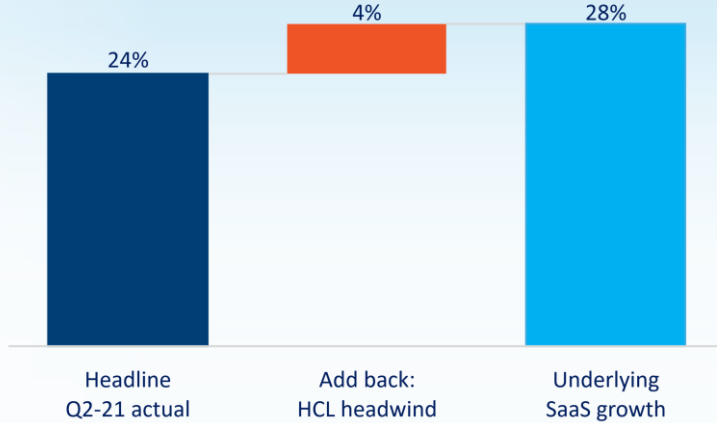
- 2020 dividend of CHF 0.90 approved at AGM and paid in Q2-21
- Up to USD 200m share buyback launched in February, USD 194m executed by end of Q2-21

Non-IFRS income statement – operating

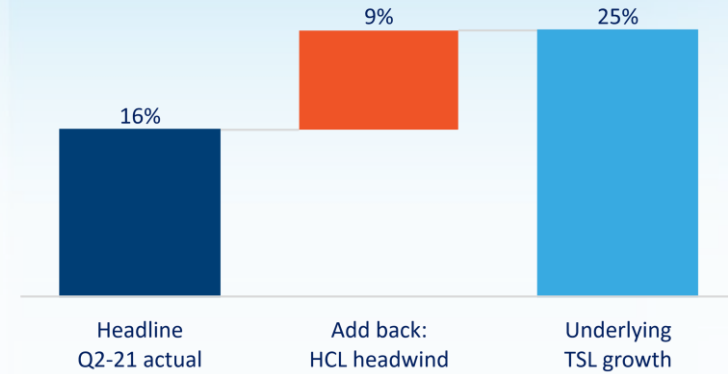
In USDm	Q2-21	Q2-20	Y-o-Y reported	Y-o-Y c.c.	FY-21 YTD	FY-20 YTD	Y-o-Y reported	Y-o-Y c.c.
Software licensing	66.6	58.1	15%	13%	110.2	91.6	20%	18%
SaaS and subscription	29.3	23.1	27%	24%	57.5	45.8	26%	23%
Total software licensing	95.9	81.2	18%	16%	167.7	137.4	22%	20%
Maintenance	98.5	95.1	4%	3%	195.7	189.2	3%	3%
Services	41.5	39.4	5%	3%	82.0	82.7	-1%	-4%
Total revenue	236.0	215.7	9%	8%	445.4	409.4	9%	7%
Operating costs	150.6	139.8	8%	3%	303.1	289.0	5%	1%
EBIT	85.4	75.9	13%	16%	142.3	120.4	18%	22%
Margin	36.2%	35.2%	1% pts	3% pts	32.0%	29.4%	3% pts	4% pts
EBITDA	108.6	96.7	12%	15%	186.8	161.3	16%	18%
Margin	46.0%	44.8%	1% pts		41.9%	39.4%	3% pts	
Services margin	16.4%	14.2%	2% pts		15.1%	12.5%	3% pts	

Impact of HCL on Q2-21 growth rates

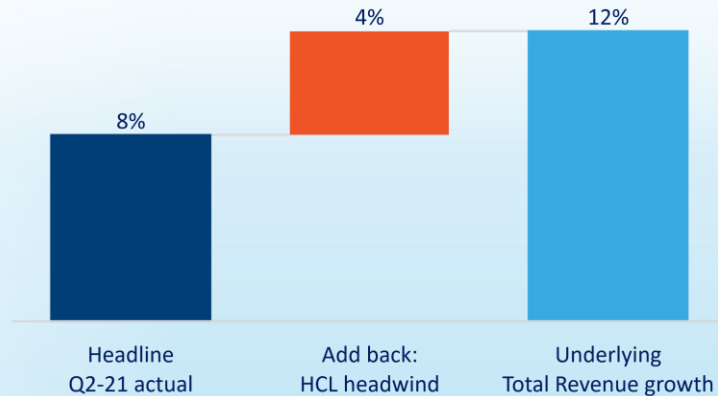
Underlying Q2-21 SaaS growth of 28%



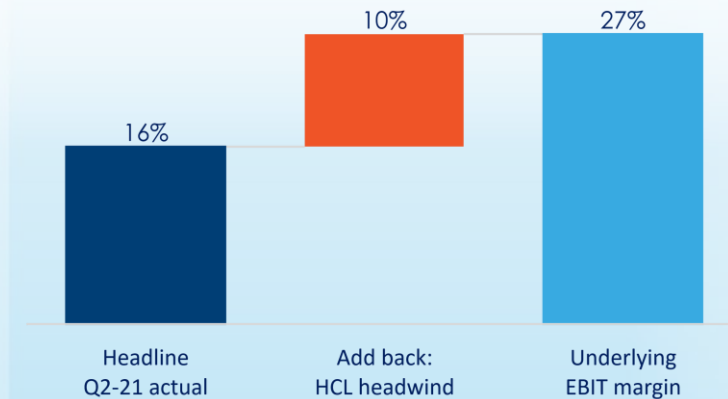
Underlying Q2-21 TSL growth of 25%



Underlying Q2-21 Total Revenue growth of 12%



Underlying Q2-21 EBIT growth of 27%

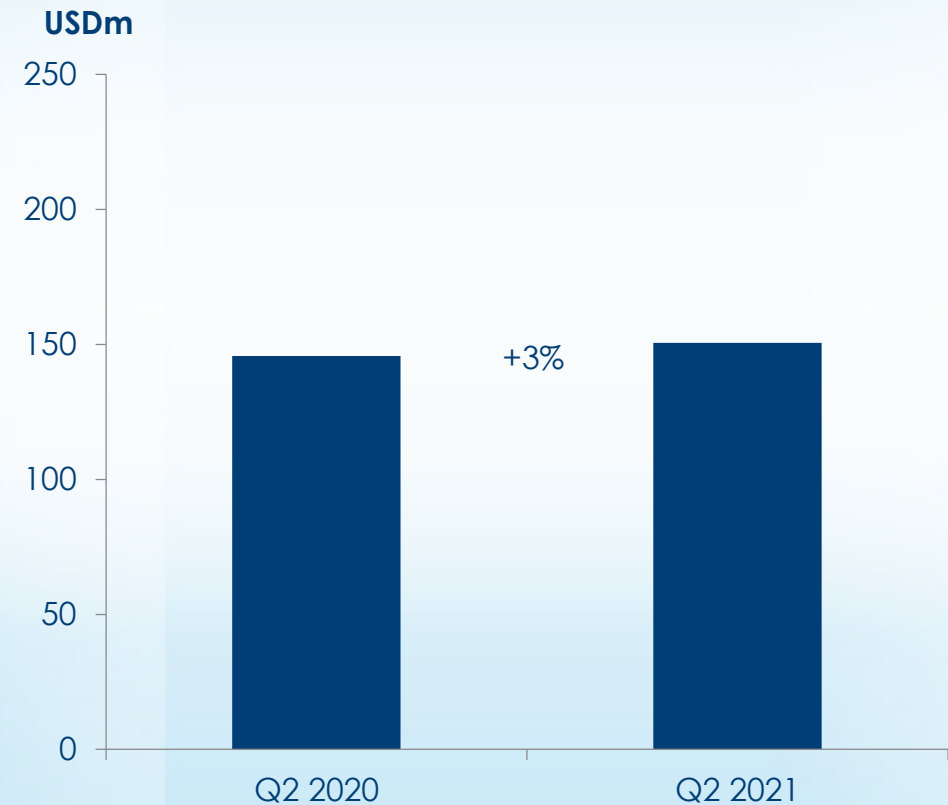
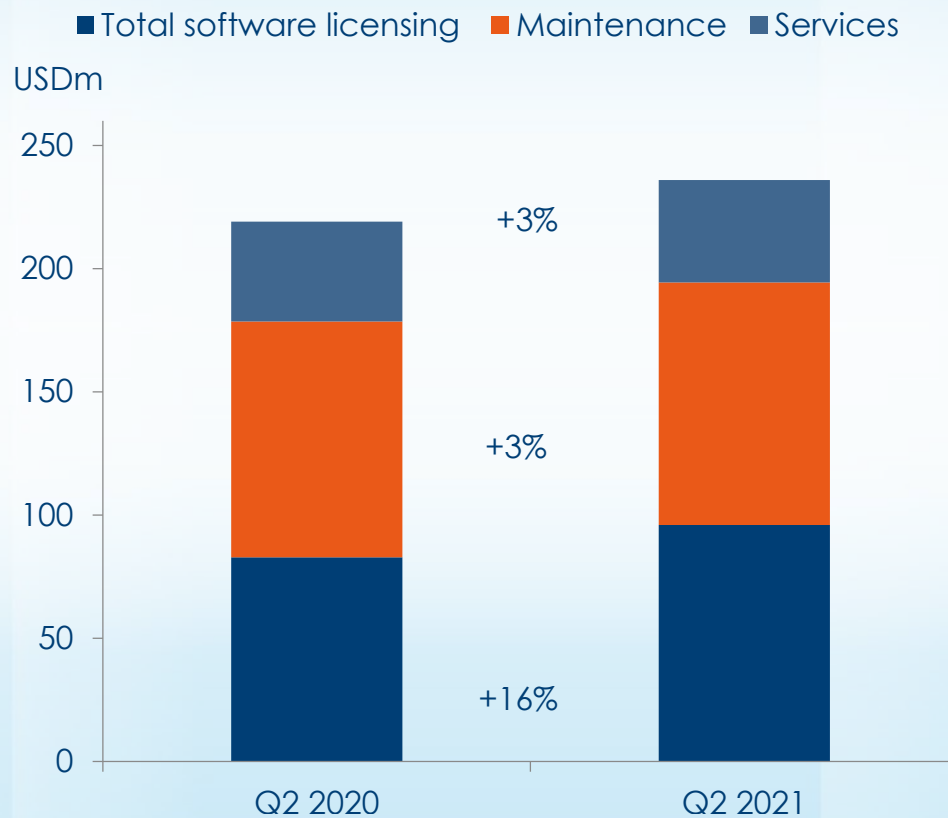


Note: c.c. growth rates, non-IFRS

| Like-for-like revenue and costs

- Q2-21 LFL non-IFRS revenues up 8%

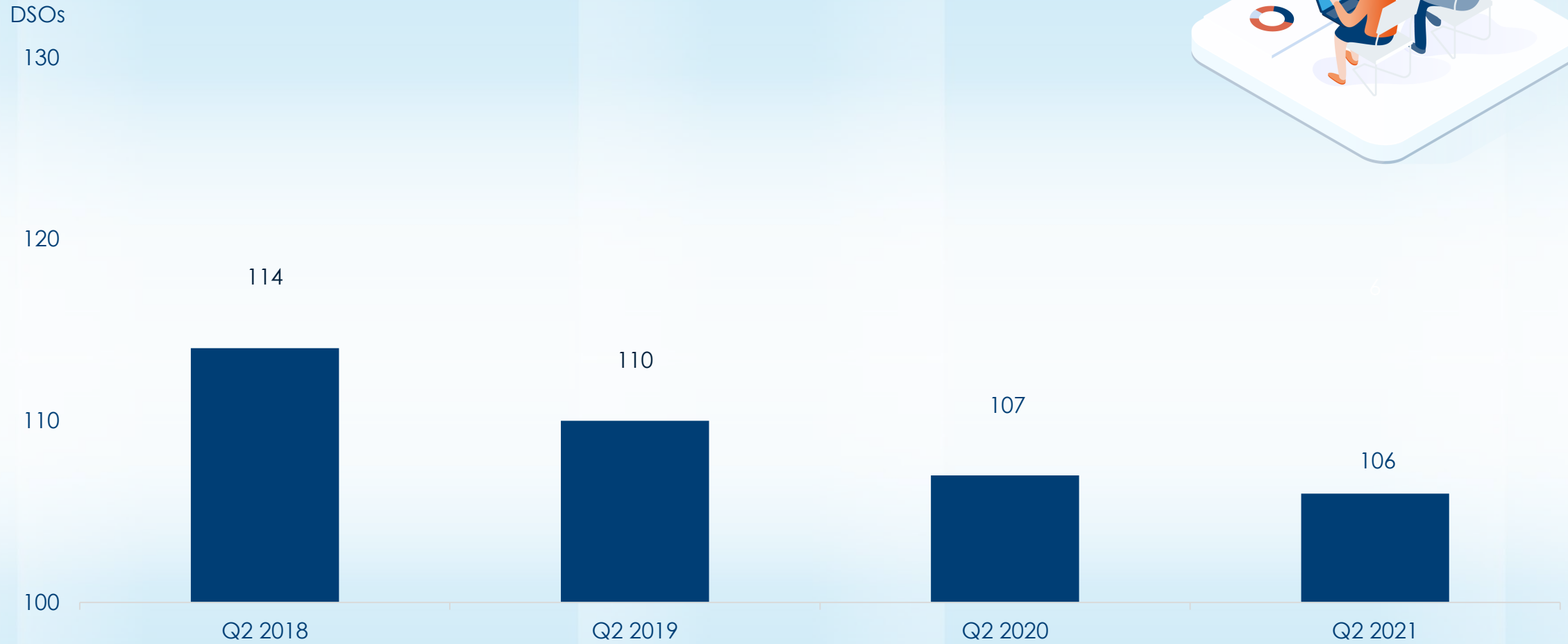
- Q2-21 LFL non-IFRS costs up 3%



Non-IFRS income statement – non-operating

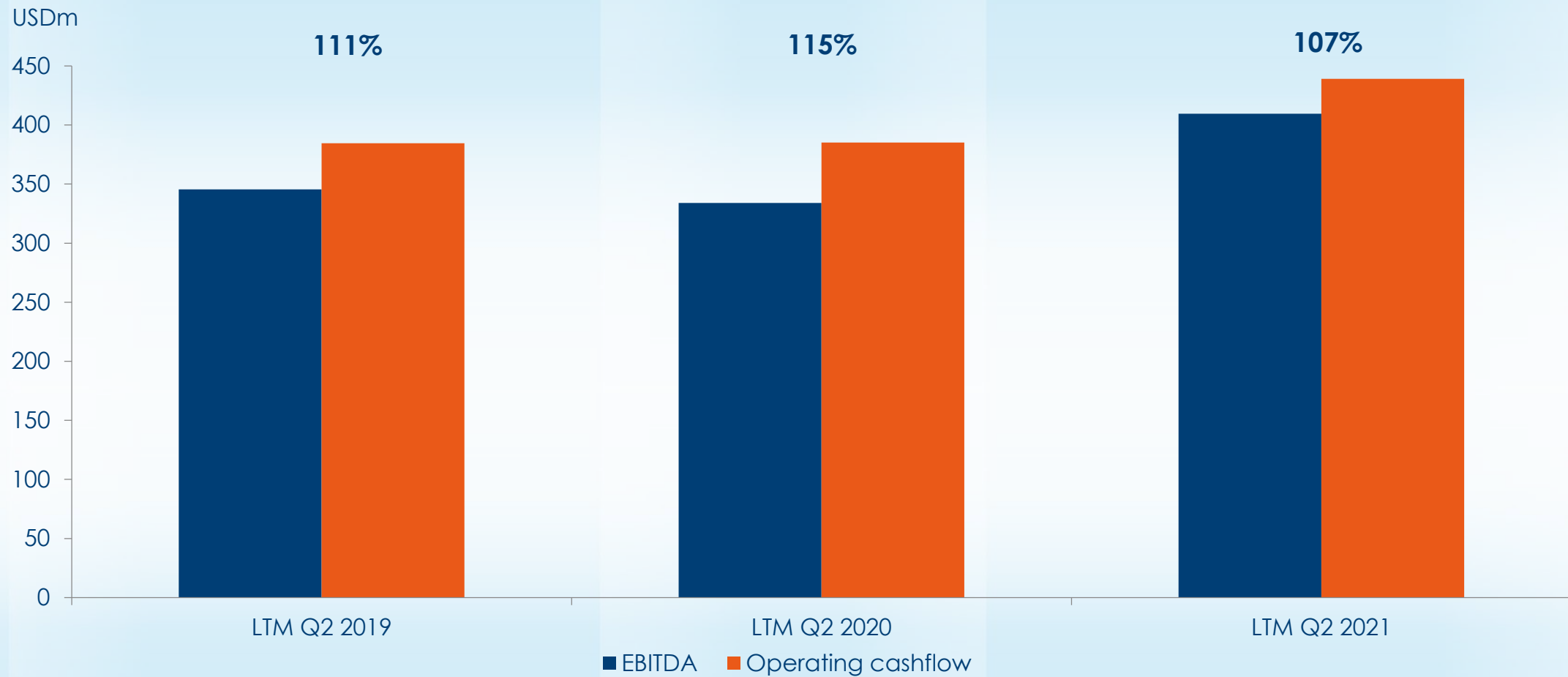
In USDm, except EPS	Q2-21	Q2-20	Y-o-Y	FY-21 YTD	FY-20 YTD	Y-o-Y
EBIT	85.4	75.9	13%	142.3	120.4	18%
Net finance charge	-6.5	-8.0	-19%	-12.7	-15.2	-16%
FX gain / (loss)	-0.7	-0.4	N.A.	-1.3	0.7	N.A.
Tax	-13.8	-9.2	49%	-21.6	-14.5	49%
Net profit	64.4	58.3	11%	106.6	91.2	17%
EPS (USD)	0.89	0.80	11%	1.47	1.25	18%

DSOs continue to decline



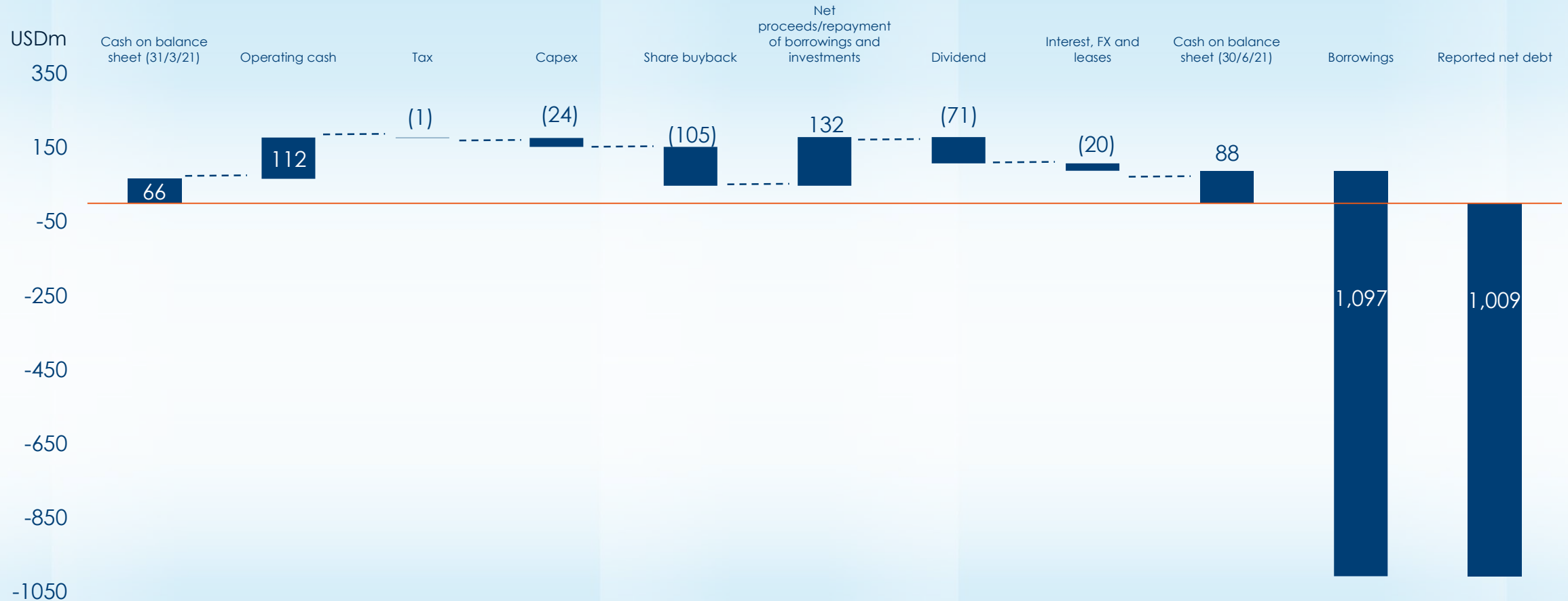
We expect DSOs to continue declining to below 105 by year end 2021

| IFRS cash conversion



Cash conversion well above 100% target

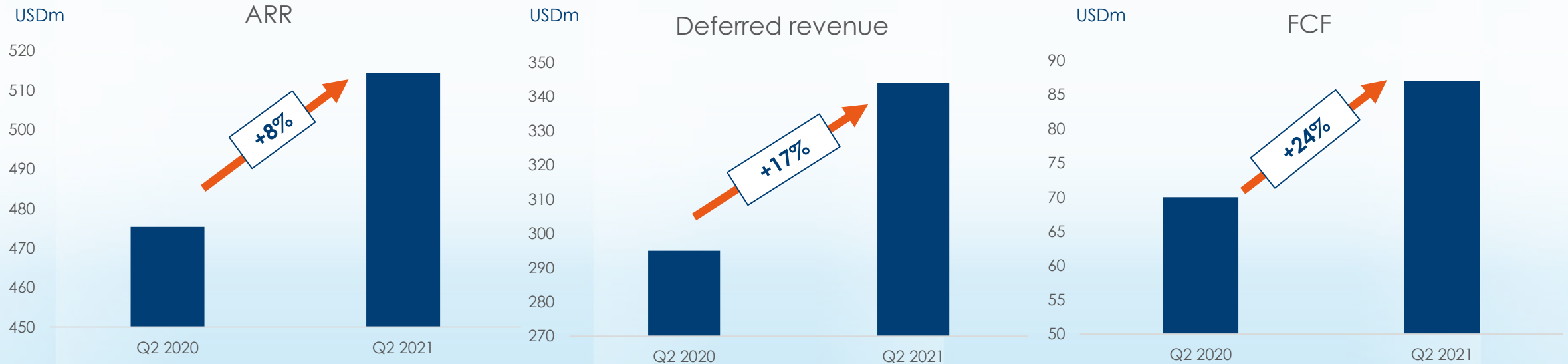
| Group liquidity



Leverage at 2.3x, expected to around 2.1x by year end 2021

Strong growth in ARR, deferred revenue and FCF

- Strong ARR growth of 8% and despite HCL headwind*
- Maintenance continued to grow at similar rates to Q1, expected to continue in Q3 and increase in Q4
- Strong maintenance collection and increasing SaaS contribution driving deferred revenue growth and FCF
- ARR growth underpins confidence in FY-21 guidance



Note: ARR is non-IFRS c.c. growth rate, Deferred revenue and FCF are reported growth rate. * refer to slide 19 for impact of HCL. Please refer to slide 40 in appendix for quarterly ARR and FCF numbers.

| Overview of KPIs

Sales	P&L	Cash
Total Bookings*	Total software licensing	Operating cash conversion
SaaS ACV	EBIT margin	Free cash flow
Total ARR*	EPS	DSOs

**New KPIs*

Total Bookings – includes fair value of license contract value, committed maintenance contract value on licence, and SaaS committed contract value. All must be committed and evidenced by duly signed agreements.

Total ARR – Annual recurring revenue committed at the end of the period for both SaaS and Maintenance. Includes New Customers, up-sell/cross-sell, and attrition. Only includes the recurring element of the contract and exclude variable elements.



Revised 2021 non-IFRS guidance (c.c.)

	FY-21 guidance	FY-20 base
SaaS ACV	+50-60% (increased from 40-50%)	34
ARR	+10-15%	494
Total software licensing (%)	+14-18%*	358
Total revenue (%)	+8-10%*	904
EBIT – margin and growth	growth of +12-14% (USD362-369m)*, implying 37.2% margin	35.9% margin, USD324m

- Cash conversion to remain at 100%+ of EBITDA into operating cash flow
- FY-21 tax rate expected to be between 16-18%
- DSOs expected to be below 105 days by year end
- Non-IFRS EBIT is adjusted for share-based payment costs. For comparison purposes, FY-20 non-IFRS EBIT would be adjusted by excluding USD11m share-based payment costs. Estimated FY-21 IFRS2 costs are c.USD 20m.

Note: Currency assumptions on slide 36. See slide 54 for definition of non-IFRS.

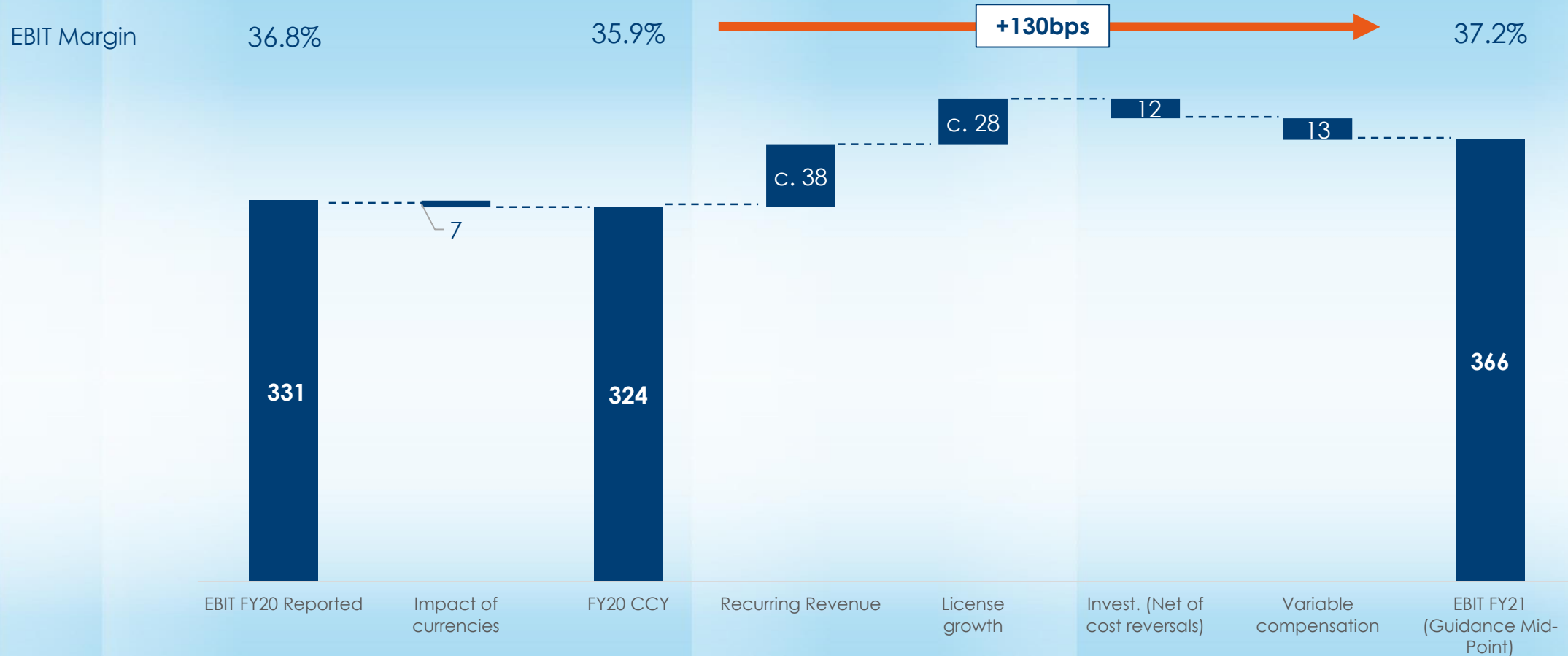
*HCL impact c.5% headwind on SaaS, c.5% headwind on total software licensing growth, 3% headwind on total revenue growth, 5% headwind on EBIT growth

Re-confirming 2025 Targets

Mid-term Guidance	2020 base (CCY)	2025 Targets
Total Software Licensing	358	15-20% CAGR 2020-25
Total revenue	904	10-15% CAGR 2020-25
EBIT margin	35.9%	c.41% by 2025
Total Bookings	492	17-22% CAGR 2020-25
ARR	494	>=15% CAGR 2020-25
FCF	297	>=15% CAGR 2020-25 to reach >USD600m
Tax rate*	13.9%	18-20%
DSO	111	c.85 days

Targets are non-IFRS. Tax rates estimate: FY21 guidance at 16-18%, 18-20% for FY22-25

EBIT Bridge 2020/2021 – New Non-IFRS Definition



Strong visibility on margin expansion through recurring revenue

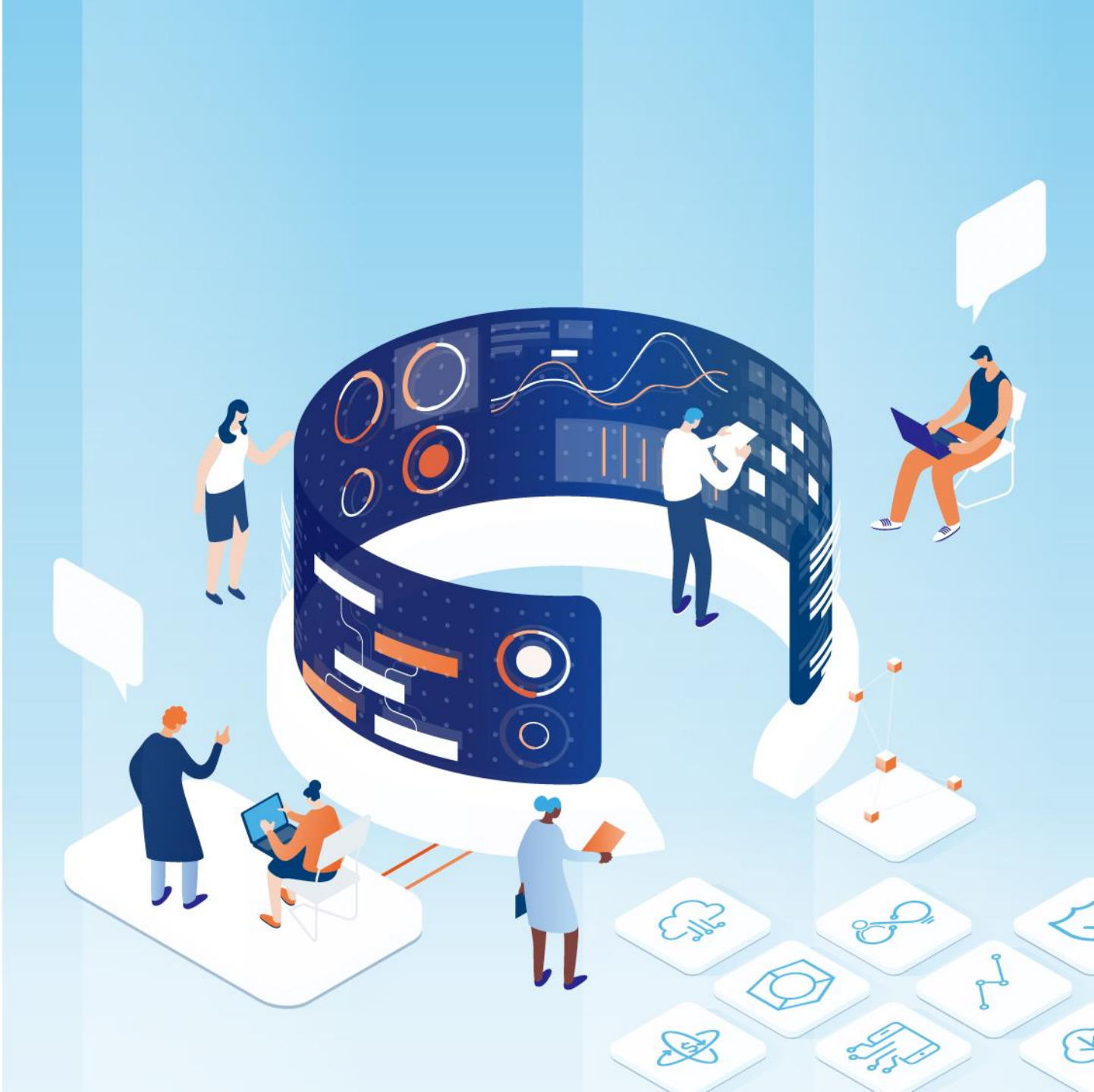
| Share buyback update

- The share buyback for up to a total of USD 200m at the market price commenced on 19 February 2021 and will end on 30 December 2021 at the latest
- USD 194m of shares repurchased in Q1 and Q2 2021
- Temenos intends to use the repurchased shares to finance potential acquisitions and/or to cover future employee stock ownership plans.



| Summary

Max Chuard
CEO



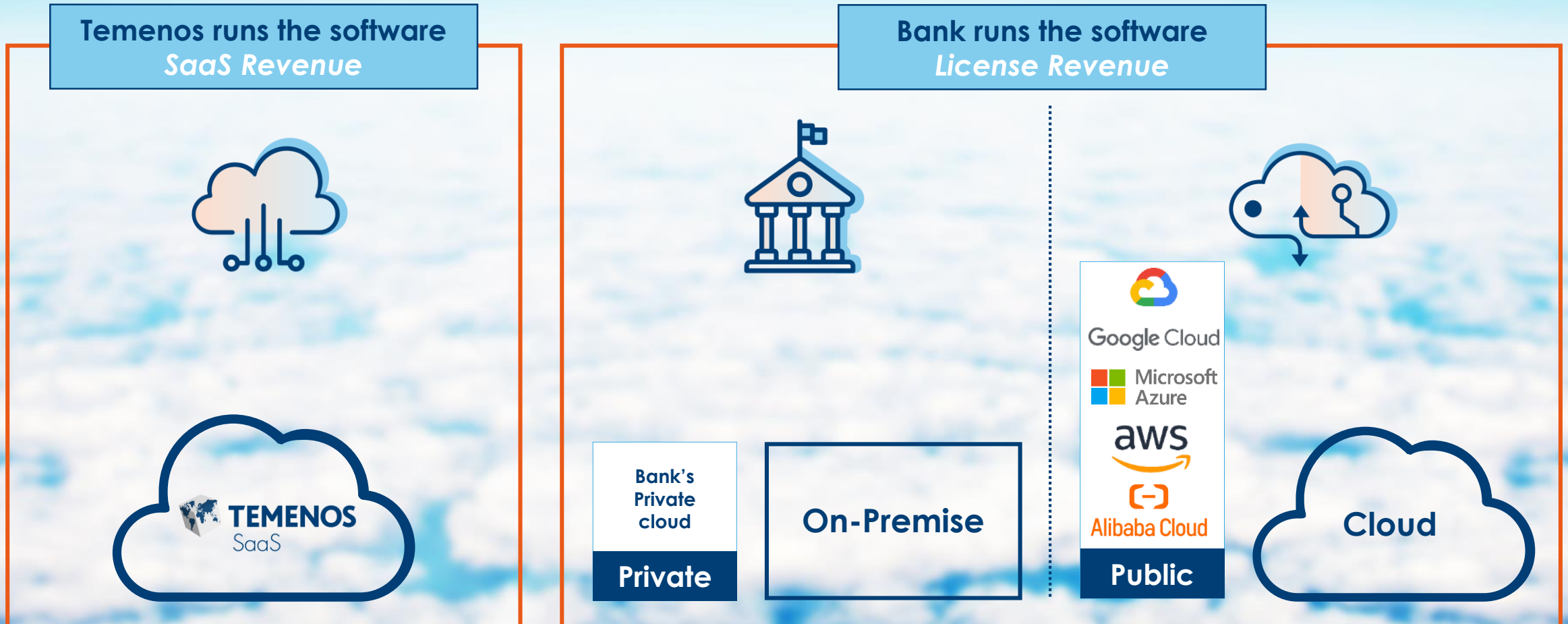
Looking forward

- USD63bn market with 73% of spend still in-house
- Structural demand drivers of digital, regulatory, cost and competition are accelerating
- Demand is accelerating driving strong new pipeline growth
- Strong momentum in SaaS, largely incremental
- Significant momentum in Total Bookings driving growth in backlog and increasing visibility
- Banks across tiers and geographies continuing with strategic IT transformation projects



Strong growth expected to continue in second half of 2021

Ready for SaaS Acceleration



Single code base, same product

| Conclusion

- Strong momentum in the second quarter
- Substantial growth in SaaS in particular
- Excellent growth in Total Bookings, up 104%, higher than Q2-19
- EBIT growth and margin expansion continued to drive operating and free cash flow generation
- FY-21 guidance revised for increased SaaS momentum – SaaS ACV now expected to grow 50-60%, up from 40-50%

Strong momentum in the second quarter

| Appendix



| FX assumptions underlying 2021 guidance

In preparing the 2021 guidance, the Company has assumed the following FX rates:

- EUR to USD exchange rate of 1.19
- GBP to USD exchange rate of 1.38; and
- USD to CHF exchange rate of 0.92



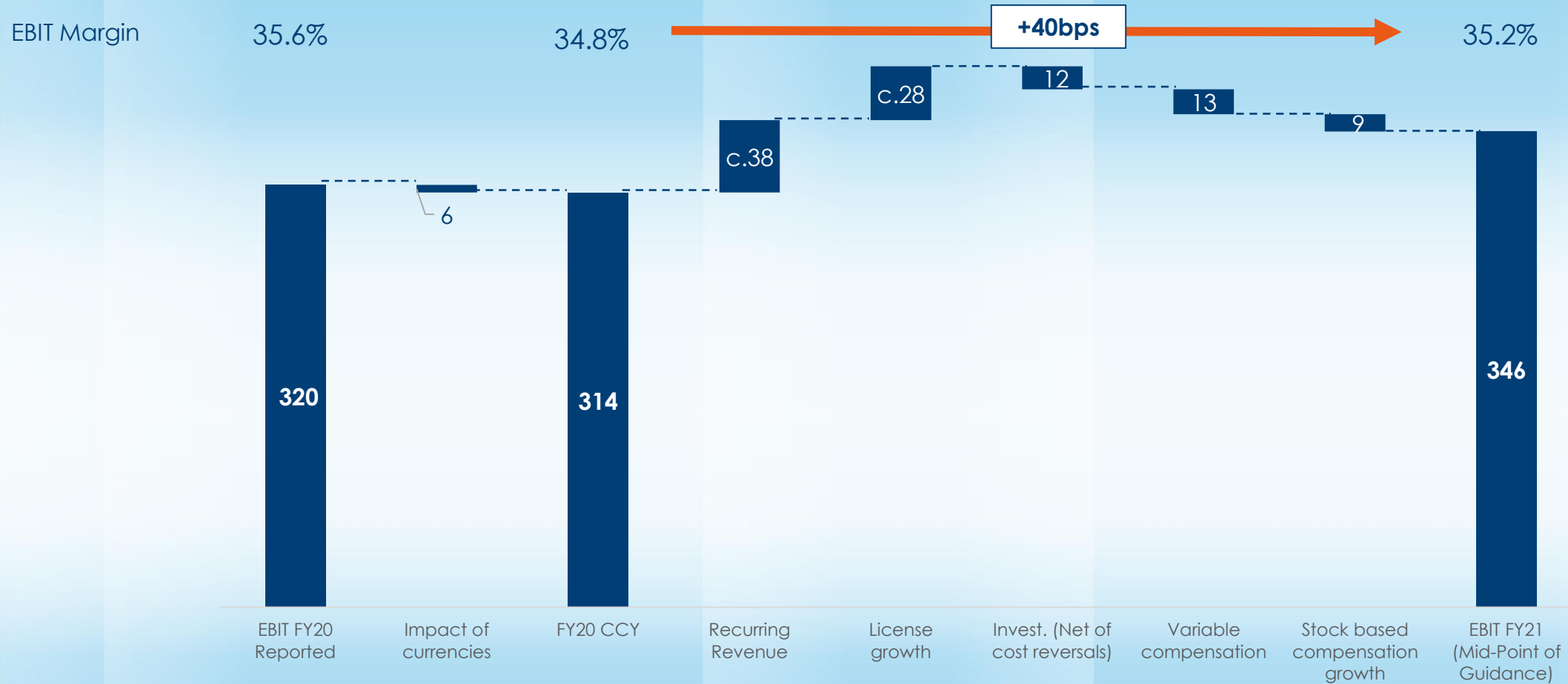
FX exposure

% of total	USD	EUR	GBP	CHF	Other
Total software licensing	67%	21%	2%	2%	8%
Maintenance	75%	17%	2%	2%	5%
Services	55%	28%	3%	2%	13%
Revenues	68%	20%	2%	2%	8%
Non-IFRS costs	23%	17%	13%	7%	39%
Non-IFRS EBIT	149%	26%	(19)%	(7)%	(50)%

NB. All % are approximations based on 2020 actuals

Mitigated FX exposure – matching of revenues / costs and hedging

EBIT Bridge 2020/2021 – Old Non-IFRS Definition



Strong visibility on margin expansion through recurring revenue

Quarterly SaaS ACV

USDm				Q3 18	Q4 18
SaaS ACV				2.5	3.4

USDm		Q1 19	Q2 19	Q3 19	Q4 19
SaaS ACV		2.7	2.9	6.6	8.8

USDm		Q1 20	Q2 20	Q3 20	Q4 20
SaaS ACV		5.3	3.5	14.3	11.5

USDm		Q1 21	Q2 21	Q3 21	Q4 21
SaaS ACV		12.1	17.4		

Quarterly ARR, Total Bookings, FCF

ARR, USDm	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
ARR	468.1	475.4	486.4	493.5	500.1	514.4

Total Bookings, USDm	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
Total Bookings	60.5	80.0	128.8	222.0	127.5	165.2

FCF, USDm	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
FCF	36	70	34	158	46	87



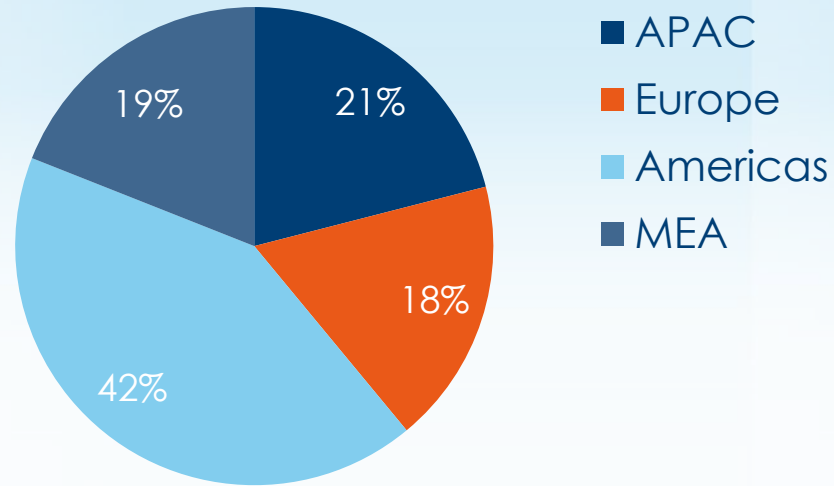
| Total Bookings average tenure

Below is the average tenure in FY-20 for the components of total bookings:

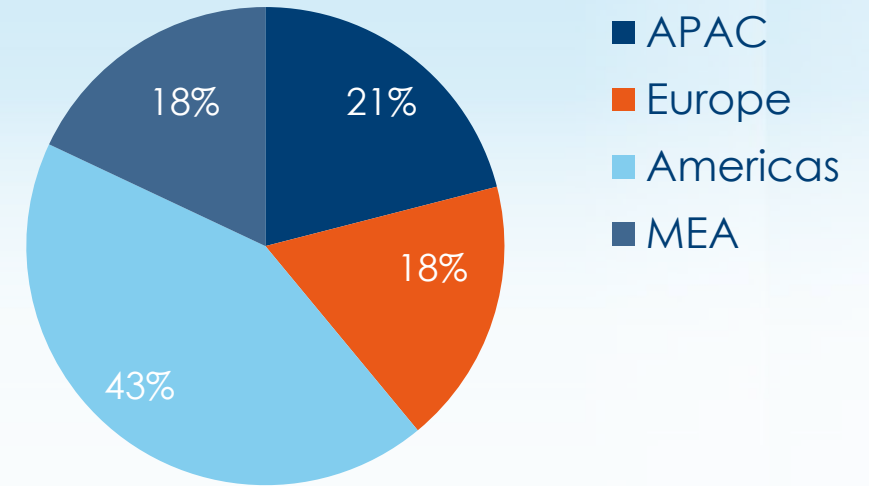
- Average tenure of SaaS contracts in FY-20 was 3.9 years
- Average tenure of license and maintenance contracts in FY-20 was 3.6 years
- Average tenure of total bookings in FY-20 was 3.7 years

Total software licensing revenue breakdown by geography

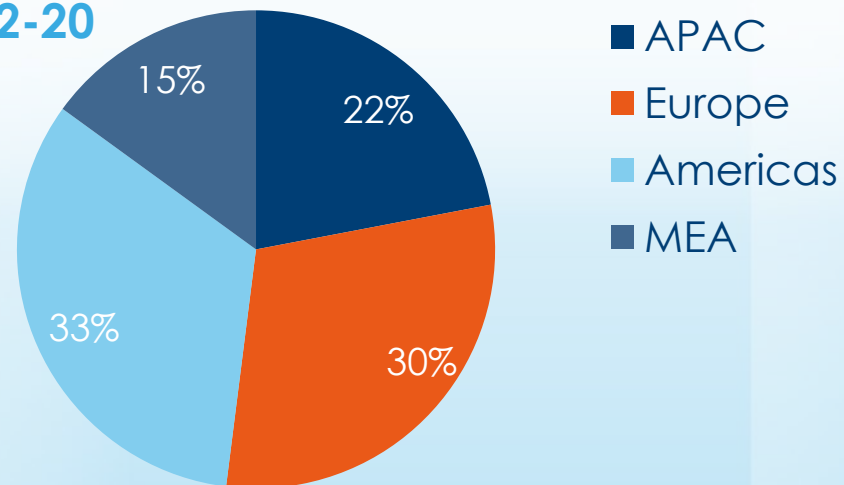
Q2-20



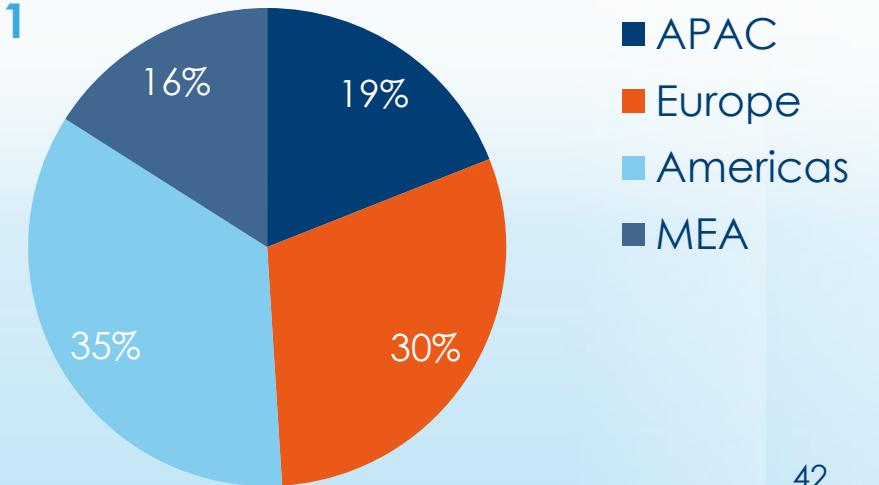
Q2-21



LTM Q2-20

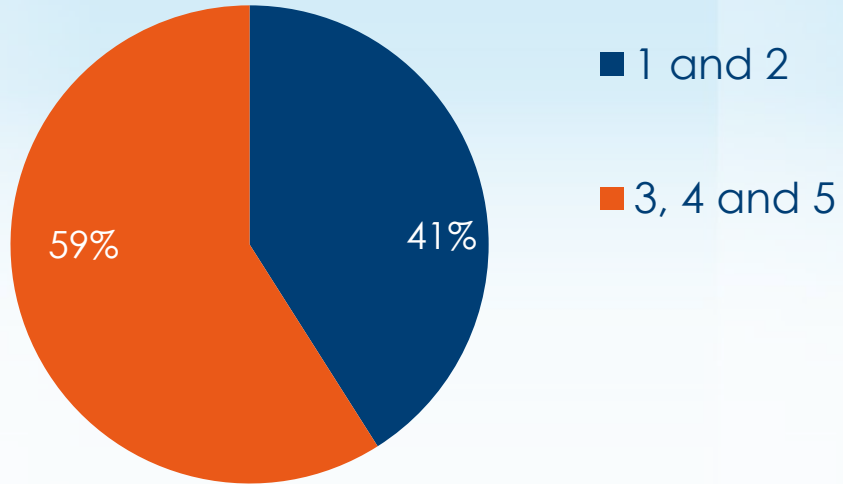


LTM Q2-21

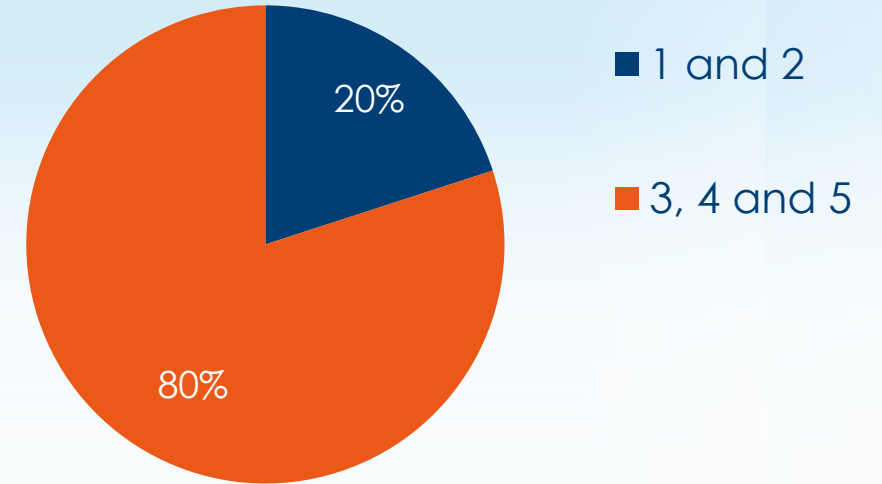


Total software licensing revenue breakdown by customer tier

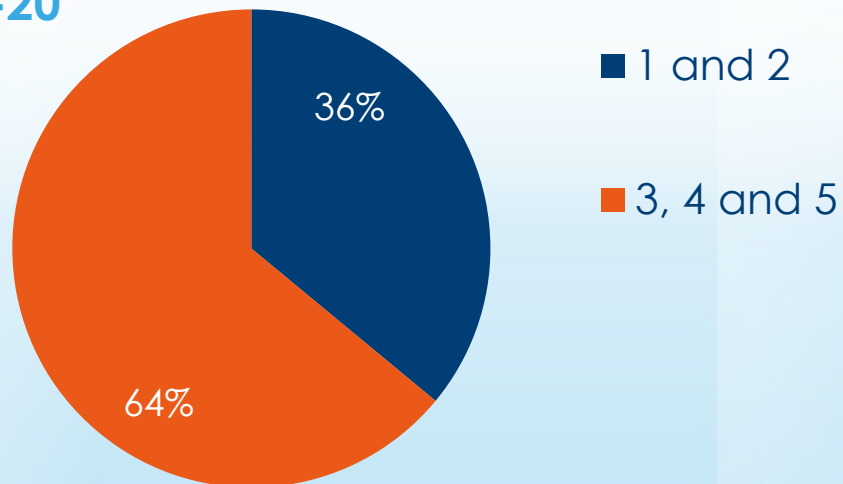
Q2-20



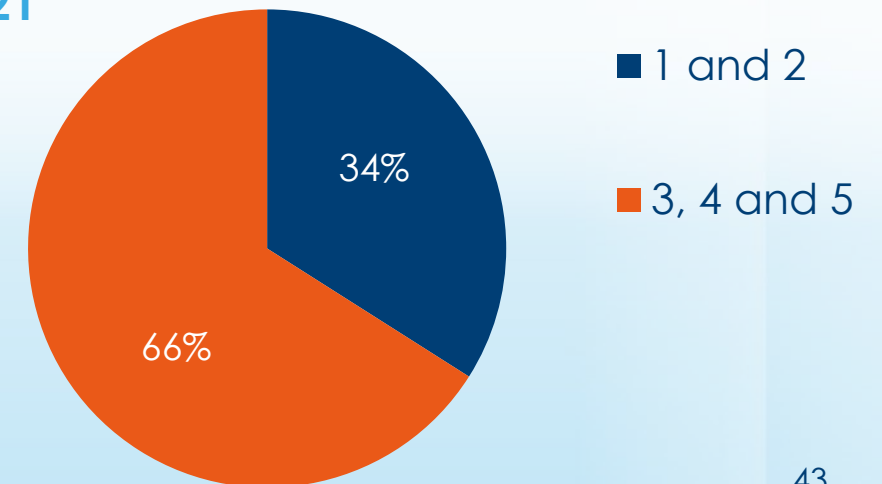
Q2-21



LTM Q2-20

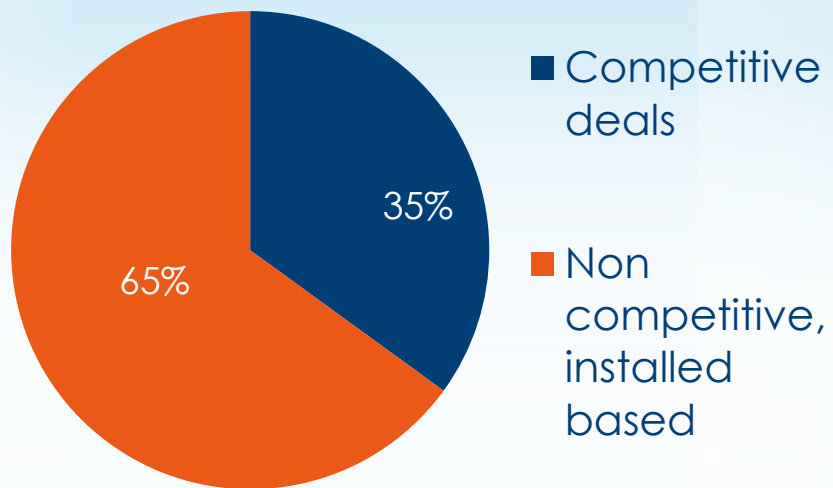


LTM Q2-21

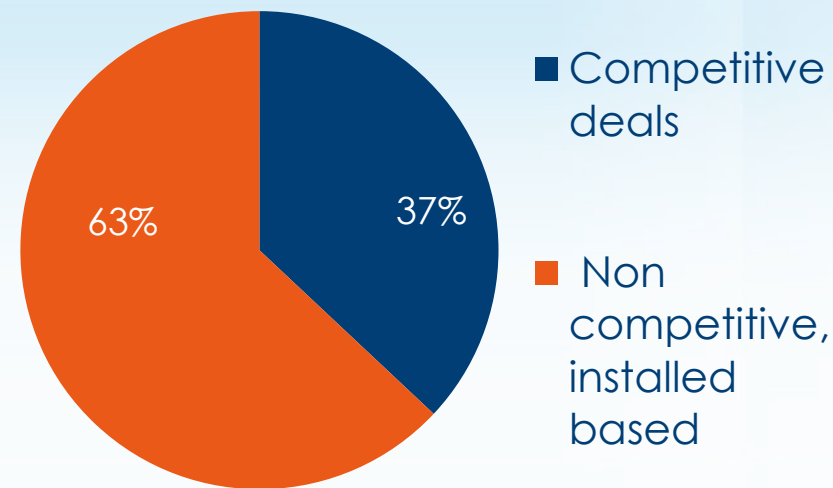


Software licensing revenue breakdown by competitive deals / add-ons to installed base

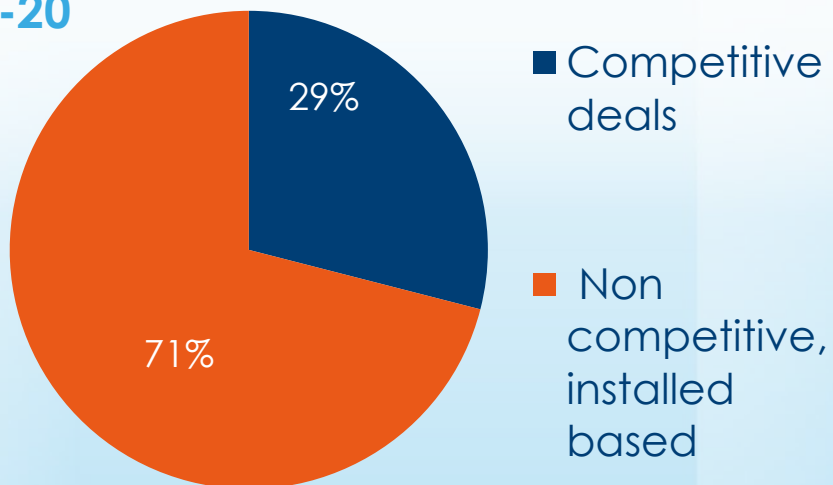
Q2-20



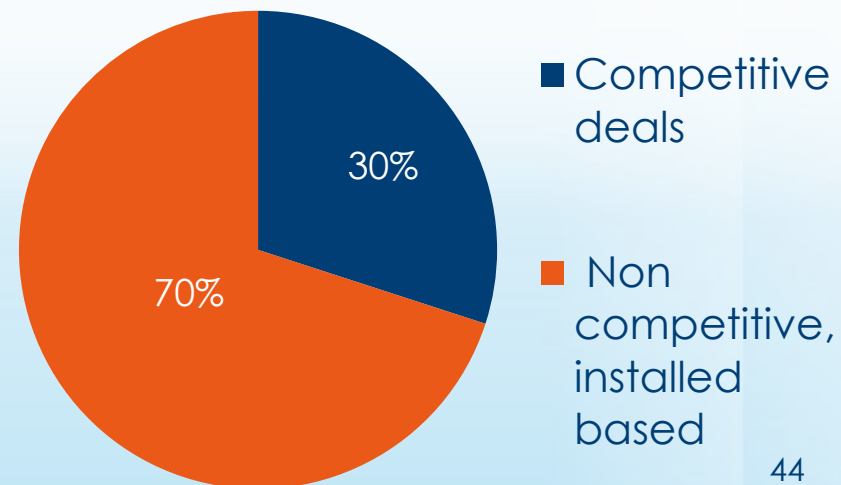
Q2-21



LTM Q2-20

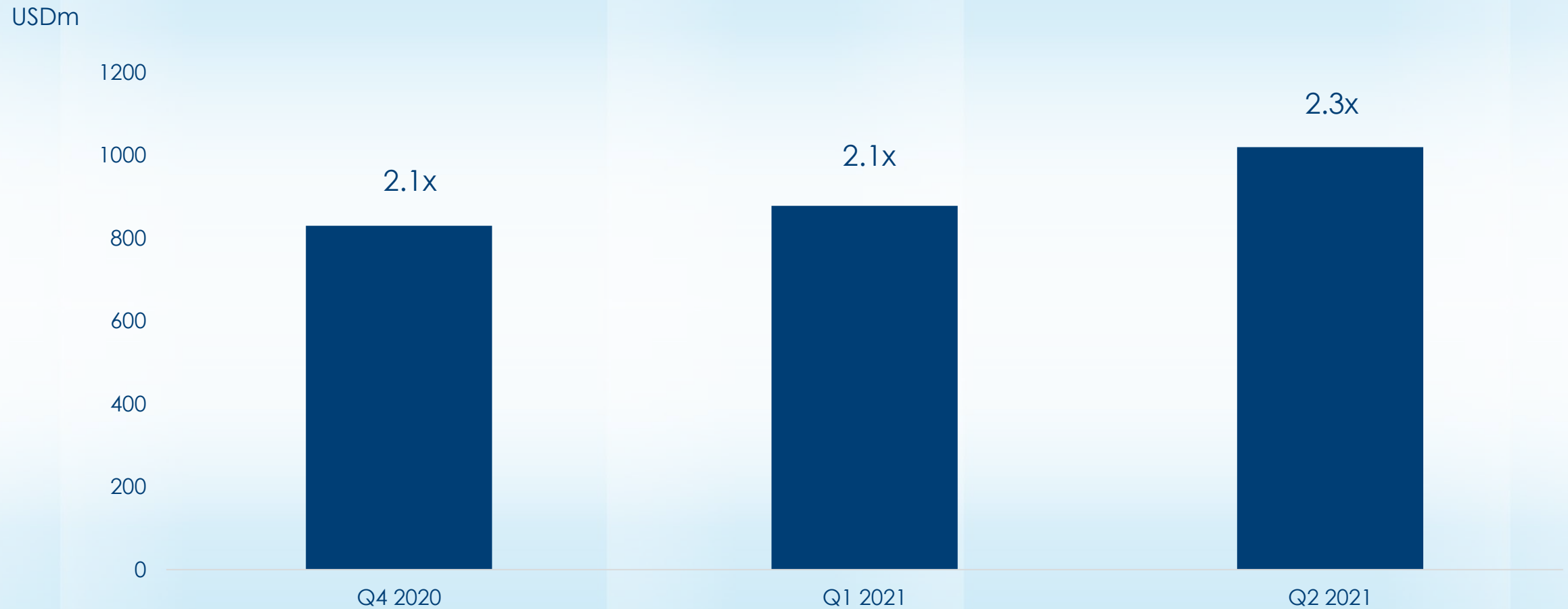


LTM Q2-21

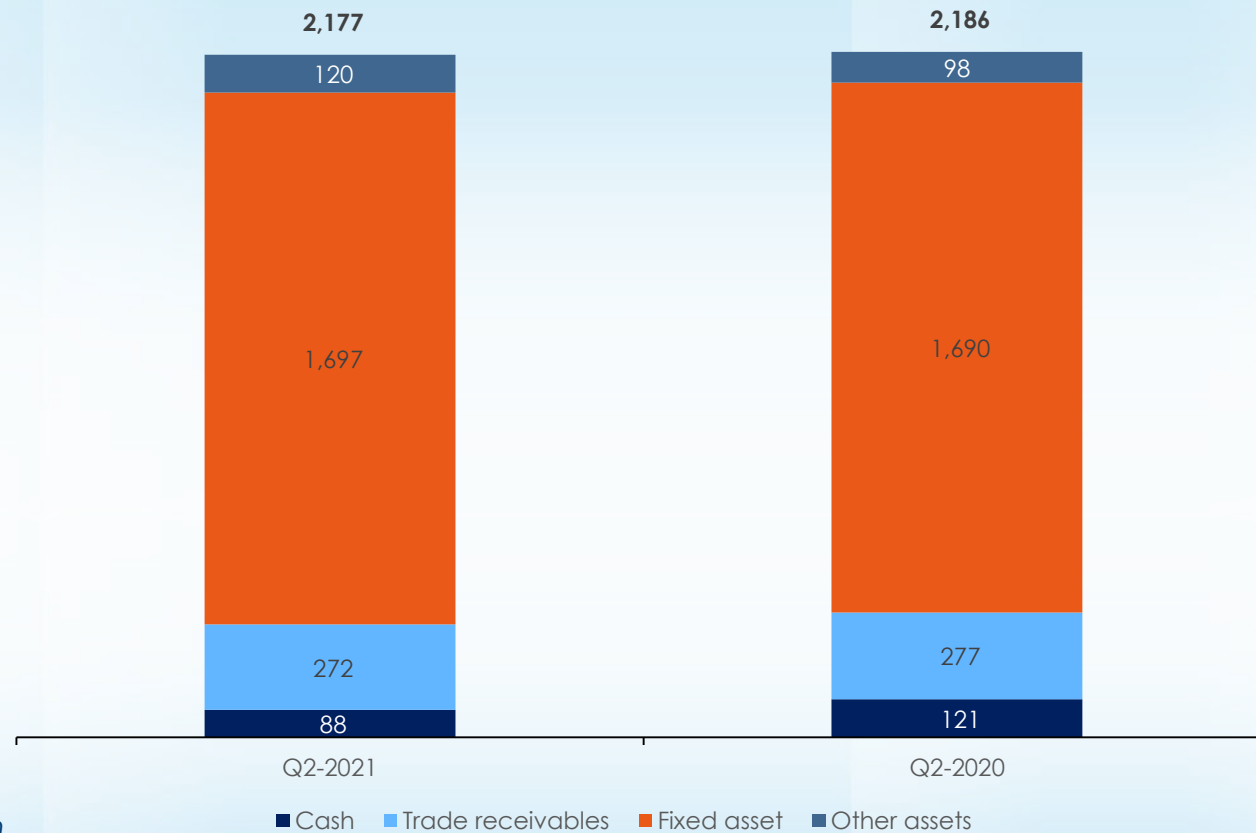


| Balance sheet – debt and leverage

Net debt and leverage ratios



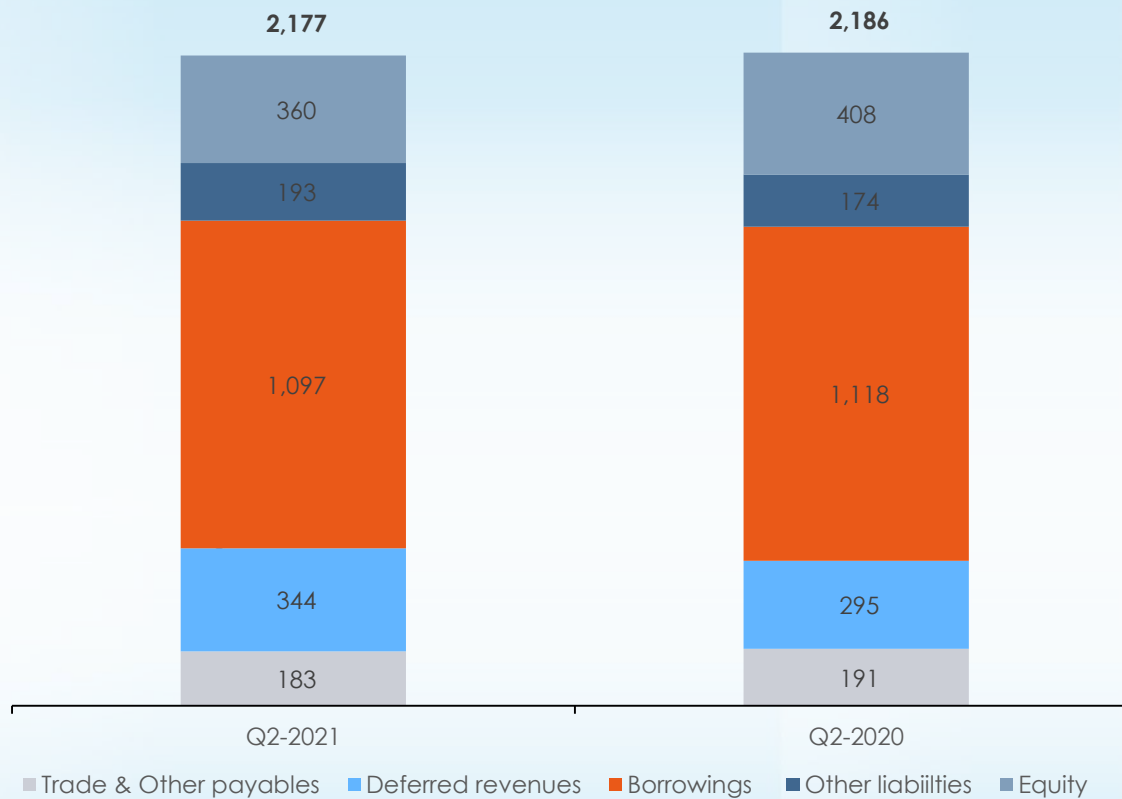
Q2 21 v Q2 20 assets



Comments:

- Trade receivable reduction driven by DSO improvement
- Other assets increase primarily driven by prepaid cloud services
- No other significant changes

| Q2 21 v Q2 20 liabilities



USDm

Comments:

- Deferred revenues increase driven by strong growth in SaaS revenues
- Equity is lower due to share buy back

| Capitalization of development costs

USDm	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Cap' dev' costs	(14.1)	(14.3)	(15.2)	(21.0)	(64.6)
Amortisation	11.7	12.0	12.2	13.7	49.6
Net cap' dev'	(2.5)	(2.3)	(3.0)	(7.3)	(15.1)

USDm	Q1 20	Q2 20	Q3 20	Q4 20	FY 20
Cap' dev' costs	(17.7)	(18.0)	(20.8)	(19.9)	(76.3)
Amortisation	12.9	13.6	13.6	13.7	53.8
Net cap' dev'	(4.8)	(4.4)	(7.2)	(6.2)	(22.6)

USDm	Q1 21	Q2 21	Q3 21	Q4 21	FY 21
Cap' dev' costs	(19.2)	(20.9)			
Amortisation	13.8	15.6			
Net cap' dev'	(5.4)	(5.4)			

| Reconciliation from IFRS to non-IFRS

IFRS revenue measure

+ Deferred revenue write-down
=
Non-IFRS revenue measure

IFRS profit measure

+/- Share-based payments and related social charges
+/- Deferred revenue write down
+ / - Discontinued activities
+ / - Amortisation of acquired intangibles
+ / - Acquisition related charges
+ / - Restructuring
+ / - Taxation
=
Non-IFRS profit measure



Accounting elements not included in non-IFRS guidance

Below are the accounting elements not included in the 2021 non-IFRS guidance:

- FY 2021 estimated share-based payments charge of USD 20m
- FY 2021 estimated amortisation of acquired intangibles of USD 50m
- FY 2021 estimated restructuring costs of USD 10-12m

For comparative purposes, historic share-based payments charge was as follows:

- FY 2020 USD 11m

Restructuring costs include realising R&D, operational and infrastructure efficiencies.

These estimates do not include impact of any further acquisitions or restructuring programmes commenced after 21 July 2021. The above figures are estimates only and may deviate from expected amounts.

Earnings Reconciliation – IFRS to non-IFRS

In USDm, except EPS	3 Months Ending 30 June			3 Months Ending 30 June		
	2021		2021	2020		2020
	IFRS	Non-IFRS adj.	Non-IFRS	IFRS	Non-IFRS adj.	Non-IFRS
Software licensing	66.6		66.6	58.1		58.1
SaaS and subscription	29.2		29.2	18.9	4.2	23.1
Total Software Licensing	95.9		95.9	77.0	4.2	81.2
Maintenance	98.5		98.5	95.1		95.1
Services	41.5		41.5	39.4		39.4
Total Revenue	236.0		236.0	211.5	4.2	215.7
Total Operating Costs	(171.3)	20.8	(150.6)	(155.0)	15.2	(139.8)
Restructuring	(1.9)	1.9	-	(10.7)	10.7	-
Acq. related costs	-	-	-	20.4	(20.4)	-
Amort of Acq'd Intang.	(12.8)	12.8	-	(16.4)	16.4	-
Share-based payments	(6.0)	6.0	-	(8.6)	8.6	-
Operating Profit	64.7	20.8	85.4	56.5	19.4	75.9
Operating Margin	27%		36%	27%		35%
Financing Costs	(7.2)		(7.2)	(8.4)	-	(8.4)
Taxation	(10.2)	(3.6)	(13.8)	(5.1)	(4.1)	(9.2)
Net Earnings	47.2	17.2	64.4	43.0	15.3	58.3
EPS (USD per Share)	0.65	0.24	0.89	0.59	0.21	0.80

| EBIT & EBITDA reconciliation from IFRS to non-IFRS

USDm	Q2 21 EBIT	Q2 21 EBITDA
IFRS	64.7	100.7
Share-based payments	6.0	6.0
Deferred revenue write-down	-	-
Amortisation of acquired intangibles	12.8	-
Restructuring	1.9	1.9
Acquisition related costs	-	-
Non-IFRS	85.4	108.6

Net earnings reconciliation IFRS to non-IFRS

In USDm, except EPS	Q2 21	Q2 20*
IFRS net earnings	47.2	42.9
Share-based payments	6.0	8.6
Deferred revenue write down	0.0	4.2
Amortisation of acquired intangibles	12.8	16.4
Restructuring	1.9	10.6
Acquisition related costs	-	-20.4
Taxation	-3.6	-4.1
Net earnings for non-IFRS EPS	64.4	58.3
No. of dilutive shares	72.4	73.2
Non-IFRS diluted EPS (USD)	0.89	0.80

*Q2-20 restated for impact of share-based payments

| Non-IFRS Definitions

Non-IFRS adjustments

Share-based payment charges

Adjustment made for shared-based payments and social charges

Deferred revenue write-down

Adjustments made resulting from acquisitions

Discontinued activities

Discontinued operations at Temenos that do not qualify as such under IFRS

Acquisition related charges

Relates mainly to advisory fees, integration costs and earn out credits or charges

Acquisition related finance cost

Mainly relates to fees incurred on acquisition funding

Amortisation of acquired intangibles

Amortisation charges as a result of acquired intangible assets

Restructuring

Costs incurred in connection with a restructuring plan implemented and controlled by management. Severance charges, for example, would only qualify under this expense category if incurred as part of a company-wide restructuring plan

Taxation

Adjustments made to reflect the associated tax charge mainly on deferred revenue write-down and amortization of acquired intangibles, and on the basis of Temenos' expected effective tax rate

Other

Revenue visibility

Visibility on revenue includes a combination of revenue that is contractually committed and revenue that is in our pipeline and that is likely to be booked, but is not contractually committed and therefore may not occur.

Constant currencies

Prior year results adjusted for currency movement

Like-for-like (LFL)

Adjusted prior year for acquisitions and movements in currencies

SaaS and subscription

Revenues generated from Software-as-a-Service and subscription licenses

Total Bookings

Include fair value of licence contract value, committed maintenance contract value on licence, and SaaS committed contract value. All must be committed and evidenced by duly signed agreements.

Annual Recurring Revenues (ARR)

Annual recurring revenue committed at the end of the period for both SaaS and Maintenance. Includes New Customers, up-sell/cross-sell, and attrition. Only includes the recurring element of the contract and exclude variable elements

SaaS Financial metrics definitions and reporting

Annual Contract Value (ACV)

Annual value of incremental business taken in-year. Includes New Customers, up-sell/cross-sell. Only includes the recurring element of the contract and exclude variable elements.

Disclosure: quarterly reporting, annual guidance

Total Contract Value (TCV)

Total value of incremental business taken in-year (Bookings). Includes New Customers, up-sell/cross-sell. Only includes the recurring element of the contract and exclude variable elements.

Disclosure: annual reporting

Annual Recurring Revenue (ARR)

Annual recurring revenue committed at the end of the period for both SaaS. Includes New Customers, up-sell/cross-sell, and attrition. Only includes the recurring element of the contract and exclude variable elements

Disclosure: quarterly reporting, annual reporting, annual guidance

Software-as-a-Service Revenue (SaaS)

Software-as-a-Service revenues booked in a period

Disclosure: quarterly reporting, annual reporting, annual guidance

License vs SaaS Profitability



- Net present value of SaaS gross margin over 10 years is c70% higher than License & Maintenance gross margin

Thank You

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