Company Registration No. 03079792 (England and Wales)

MISYS AFRICA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

MISYS AFRICA LIMITED

COMPANY INFORMATION

Directors	S Dowler T Schloesser N Blagden J Barker P Kim
Company number	03079792
Registered office	Four Kingdom Street Paddington London W2 6BD
Independent auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP

MISYS AFRICA LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2022

On behalf of the Board of Directors, it is my pleasure to present the annual report and the audited financial statements of Misys Africa Limited ("the Company") for the year ended 31 May 2022.

Principal activities
The principal activity of the Company is that of acting as the head office for its Kenyan branch. The Company is an indirect subsidiary of Finastra Limited and Tahoe Bidco Ltd. Tahoe Bidco Ltd, operating and known as Finastra, is the parent company of Finastra Limited and its subsidiaries ("the group" or "the Tahoe Bidco group"). The Kenyan branch of the Company undertakes sales support for the Tahoe Bidco group's customers mainly in the Middle East and Sub-Saharan Africa region. Finastra is one of the leading global technology companies focusing on selling software and financial services to the banking and financial services sector globally.

Results and dividends
The results for the year are set out on page 9. The Company reported a profit of £31,000 (2021: Loss of £135,000) for the year mainly due to a higher revenues earned during the year. The Kenyan branch of the Company provides sales, professional services and support services to other entities in the group having operations in the Middle East and Sub-Saharan Africa region and recharges them for the costs incurred in line with the group transfer pricing policy. This year expenses incurred by the Kenyan branch in relation to the above activities was higher following initiatives taken by the group to drive regional revenue growth and the branch recharged more as a result.

No ordinary dividends were paid during the year (2021: £nil). The Directors do not recommend payment of a final dividend.

Directors
The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Dowler	
T Schloesser	
N Blagden	
J Barker	
P Kim	Appointed on 18 December 2022
K Metzroth	Resigned on 31 May 2022

Qualifying third party indemnity provisions
All Directors have been granted an indemnity by the intermediate parent Company, Finastra Limited to the extent permitted by law in respect of certain liabilities incurred as a result of their office in associated companies. They are indemnified against liability to third parties, excluding criminal liability and regulatory penalties and certain other liabilities. This is a qualifying third party indemnity provision as defined in Section 234 the Companies Act 2006 which was made during the financial year and remains in force at the date of approval of this report.

Financial risk management

Liquidity risk
The Tahoe Bidco group of which the Company is part of manages the operations of the entire group including that of the Company. The Company, through the group, has access to a Revolving Credit Facility ('RCF') which has financial covenant compliance obligations. The Company along with the Tahoe Bidco group aims to achieve outstanding financial performance to maintain the availability of liquidity and to allow further investments and management of the group's debt and liquidity position. Further details of the policy are available within Note 24.5 of the group's annual report. The Tahoe Bidco group has confirmed financial support to the Company, including, not seeking the repayment of amounts advanced to the Company by the parent and/or other members of the parent group unless adequate alternative financing has been secured by the Company; and advancing further amounts to the Company as required to allow them to meet their obligations as they fall due. The group's principal short-term debt facility is the Revolving Credit Facility ('RCF'), a committed borrowing facility provided by commercial banks, which has a total availability of $375m committed until March 2024. The interest rate on drawings under the RCF is at a floating rate of U.S. LIBOR plus 3.75%. As of the date of approval of these financial statements, the renewal of the RCF is pending finalization as part of the group's total debt refinancing efforts. The group expects the new RCF to have a total availability that is equivalent in amount to the existing facility.

Foreign exchange currency risk
The Company operates internationally and is exposed to foreign currency fluctuations, primarily the US dollar and the euro. Foreign exchange risks arise when future commercial transactions and recognised assets and liabilities are denominated in currencies that are not the Company's functional currency. The group reviews the non-US dollar net cash flow exposure and where determined economical to do so hedges forecast exposures that exceed limits specified by the management using external forward contracts. At 31 May 2022, no derivative positions were open.

Credit risk
The Company's principal financial assets are its intercompany receivables. The group regularly reviews intercompany balances for impairment and, where appropriate, adjustments are made to the carrying value at subsidiary level.

Donations
There were no political donations during the year (2021: £nil) and the Company did not incur any political expenditure (2021: £nil).

Going concern
Accounting standards require that Directors satisfy themselves that it is reasonable for them to conclude whether it is appropriate to prepare the financial statements on a going concern basis.

The Directors have requested and received a letter of support from Tahoe Bidco Ltd (the parent company of the largest group in which the Company is included in consolidated financial statements), stating that it will provide continuing financial support as necessary to enable the Company to meet its obligations as and when they fall due for a period of at least 12 months from the date of approval of these financial statements.

In making the assessment of Tahoe Bidco Ltd's ability to provide support as required, the Directors of the Company have considered the current financial position of the Group headed by Tahoe Bidco Ltd ("the Group").

Specifically, they note that the Group has an outstanding revolving credit facility ("RCF") which matures in March 2024 and the Group's first lien USD and EUR term loans are due to mature in June 2024. The Group intends to extend the maturity of the RCF, increase the commitment and refinance the term loans to ensure the Group has sufficient liquidity to satisfy its obligations and fund operations for at least 12 months from the report issuance date.

The Group may be unable to extend the maturity date of its RCF, increase the commitment or refinance the term loans thereunder on terms favourable to the Group, or at all, depending on market and other conditions. The ability to refinance depends on numerous factors that are outside of the Group's control, including general economic and market conditions, the health of financial institutions, investors' and lenders' assessments of the Group's prospects and the prospects of the financial software and solutions market in general. Given that the Company relies on the Group for financial support to enable it to continue as a going concern and due to the guarantees in place whereby the Company, together with several other wholly owned subsidiaries of the Group guarantee the main facilities of the Group, these conditions and events give rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Directors of the Company, have considered it appropriate to place reliance on the support of Tahoe Bidco Ltd despite the uncertainties noted above, based on a review of the Group's budget, business plan and plans to refinance the upcoming facilities and term loans.

For these reasons, the Directors have a reasonable expectation the Company will have access to adequate resources to continue in operational existence for a period of at least 12 months from the date of these financial statements and have therefore concluded that the financial statements should be prepared on a going concern basis. However, these financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern, including but not limited to the impact on the carrying value of amounts owed by fellow group undertakings.

MISYS AFRICA LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2022

Cautionary statement regarding forward-looking information
Where this document contains forward-looking statements, these are made by the Directors in good faith based on the information available to them at the time of their approval of this report. These statements should be treated with caution due to the inherent risks and uncertainties underlying any such forward-looking information. A number of factors, including those in this document, could cause actual results to differ materially from those contained in any forward-looking statement.

COVID-19
From the perspective of the company, its operations, risks and uncertainties are integrated with those of the Tahoe Bidco group and are not managed separately. The directors in coordination with the group continue to carefully monitor the impact of COVID-19 and its variants on the company's employees, operations, suppliers and customers and provide appropriate guidance to them consistent with updated government advice and regulated requirements around the world whilst endeavoring to mitigate any adverse effects it may have on the carrying value of the Company's assets, liabilities and its operations. There was no material financial impact of COVID-19 in FY22 on the company's business and financial results.

Overseas branches
The Company operates through an overseas branch in Kenya.

Russian sanctions
A working group has been established to continually monitor and evaluate the sanctions that are being imposed on certain Russian financial institutions and individuals, taking suitable actions where necessary to ensure Tahoe Bidco group's compliance and adherence to them. Currently, there is no impact for the company as it does not operate in Russia and had no transactions with Russian based customers.

Post reporting date events
The group, with the support of its private equity sponsor Vista Equity Partners, is in advanced discussions with a group of lenders to secure a long-term refinancing package of our existing debt and credit facilities. The directors expect the refinancing could be completed in the next two months. The group of which the company is a part of has continued to service all its debt obligations without issue as short term interest rates increased during the last 18 months. No other subsequent events have occurred after 31 May 2022 until the date of signing these financial statements that require disclosure.

Future developments
The Financial Year 2023 focus is around people, products and processes. With the organisational realignment to the business unit model, the group chief technology officer would work in close partnership with all business units to accelerate the modernisation of most high priority products and simplifying customer experience. Transformational benefits would be delivered incrementally in latest version of the software encompassing enhanced functionality, user experience and improved margins. Priorities in maintaining product stability, increasing cyber security, reducing technology debt, adhering to regulatory compliance guidelines and enabling customer solutions are once again at the top of the Tahoe Bidco group's list. Implementing enhanced automation, simplifying our footprint, educating and empowering the business to better use our products and services are also amongst the top goals that the group have for the year ahead.

The Directors of the Company are actively working with the Tahoe Bidco group management to support them with their above strategy. The primary activity of the company is expected to remain unchanged.

Independent auditors
The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities
The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations
In the case of each director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Small companies exemptions
In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The Company has also taken the exemption not to prepare a strategic report.

Approved by the Board of Directors on 14 August 2023 and signed on behalf of the Board by:

DocuSigned by:
James Barker
J Barker
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Director

Independent auditors' report to the members of Misys Africa Limited

Report on the audit of the financial statements

Opinion

In our opinion, Misys Africa Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 May 2022; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the company's ability to continue as a going concern. We note that the company relies on support from Tahoe Bidco Ltd (the parent company of the largest group in which the Company is included in consolidated financial statements (the "Group")) and also is party to a guarantee of certain of the Group's debt facilities. As at the date of approval of the financial statements the Group has an outstanding revolving credit facility ("RCF") which matures in March 2024 and the Group's first lien USD and EUR term loans are due to mature in June 2024, for which currently the Group does not have sufficient committed facilities or liquid assets to refinance. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditors' report to the members of Misys Africa Limited

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 May 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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, the directors are 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 unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 (UK) 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.

Independent auditors' report to the members of Misys Africa Limited

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to anti-corruption, data protection, health and safety, employment and global economic sanctions, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the fraudulent posting of journals, significant or unusual transactions outside the normal course of business and management bias in making significant accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Enquiry of management regarding actual and potential litigations and claims;
- Review of board meeting minutes for any instances of non-compliance with laws, regulations and fraud and to identify any unusual transactions outside the normal course of business;
- Challenging assumptions and judgements made by management in determining significant accounting estimates and independently reviewed and tested assumptions in relation to such judgements and estimates along with the related disclosures in the financial statements; and
- Identifying and testing a sample of journal entries throughout the whole year, which met our pre-defined fraud risk criteria.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Misys Africa Limited

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Christopher Cook

Christopher Cook (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 14 August 2023

MISYS AFRICA LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2022

	Note	2022 £'000	2021 £'000
Revenue	**5**	691	482
Administrative expenses		(606)	(572)
Operating profit/(loss)	**7**	85	(90)
Interest receivable and similar income	**9**	—	6
Interest payable and similar expenses	**10**	(54)	(51)
Profit/(loss) before and after taxation		31	(135)
Other comprehensive expense:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		—	(6)
Total items that may be reclassified to profit or loss		—	(6)
Total other comprehensive expense for the year		—	(6)
Total comprehensive income/(expense) for the year		31	(141)

The statement of comprehensive income has been presented on the basis that all operations are continuing operations.

MISYS AFRICA LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2022

	Note	2022 £'000	2021 £'000
Non-current assets			
Trade and other receivables	13	235	1,525
		235	1,525
Current assets			
Trade and other receivables	13	607	464
Current tax receivable		30	29
		637	493
Current liabilities			
Trade and other payables	14	(411)	(452)
Net current assets		226	41
Total assets less current liabilities		461	1,566
Non-current liabilities			
Trade and other payables	14	(1,386)	(2,522)
Net liabilities		(925)	(956)
Equity			
Called up share capital	16	1	1
Translation reserve	17	(5)	(5)
Accumulated losses	17	(921)	(952)
Total shareholders' deficit		(925)	(956)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 9 to 22 were approved by the Board of Directors on 14 August 2023 and signed on behalf of the Board by:

DocuSigned by:
James Barker
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J Barker
Director

MISYS AFRICA LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2022

	Called up share capital £'000	Translation reserve £'000	Accumulated losses £'000	Total £'000
Balance at 1 June 2020	1	1	(817)	(815)
Year ended 31 May 2021:				
Loss for the year	—	—	(135)	(135)
Other comprehensive expense:				
Exchange differences on translation of foreign operations	—	(6)	—	(6)
Total comprehensive expense for the year	—	(6)	(135)	(141)
Balance at 31 May 2021	1	(5)	(952)	(956)
Year ended 31 May 2022:				
Profit for the year	—	—	31	31
Total comprehensive income for the year	—	—	31	31
Balance at 31 May 2022	1	(5)	(921)	(925)

1 General information

Misys Africa Limited is a private company limited by shares incorporated and domiciled in England and Wales, whose registered office is at Four Kingdom Street, Paddington, London, W2 6BD.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

2 Accounting policies

Accounting convention
The financial statements have been prepared in accordance with the Companies Act 2006 as applicable to Companies using Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101").

The financial statements are prepared in Pound Sterling, which is the functional and presentational currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000, unless otherwise indicated.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. The principal accounting policies adopted are set out below and these accounting policies have been applied consistently, other than where new policies have been adopted.

In preparing these financial statements, the company applies the recognition and measurement requirements of International Financial Reporting Standards as adopted by the UK ("IFRS"), amended where necessary in order to comply with Companies Act 2006.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements and, where relevant, equivalent disclosures have been made in the Group financial statements of the ultimate controlling party, in accordance with FRS 101:

- Presentation of a Statement of Cash Flows and related notes;
- Disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- Revenue disclosures, including:-
  - Explanation of significant changes in contract assets, contract liabilities and contract costs;
  - Description of when performance obligations are satisfied, significant payment terms, and the nature of goods and services to be transferred;
  - Aggregate transaction price allocated to unsatisfied performance obligations and when revenue is expected to be recognised;
  - Significant judgements in determining the amount and timing of revenue recognition and the amount of capitalised costs to obtain or fulfil a contract;
  - Methods used to recognise revenue over time, determine transaction price and amounts allocated to performance obligations and determine amortisation of capitalised cost to obtain or fulfil a contract;
- Financial instrument disclosures, including:-
  - Carrying amounts and fair values of financial instruments by category and information about the nature and extent of risks arising on financial instruments;
  - Income, expenses, gains and losses on financial instruments;
  - Details of credit losses, collateral, loan defaults or breaches;
- Comparative narrative information that continues to be relevant to the current period;
- Disclosure of key management personnel compensation, and amounts incurred for the provision of key management personnel services by a separate management entity;
- Related party disclosures for transactions with the parent or wholly owned members of the group; and
- Disclosure of the objectives, policies and processes for managing capital.

2 Accounting policies (Continued)

Misys Africa Limited is a wholly owned subsidiary of Tahoe Bidco Ltd, a company incorporated in the Cayman Islands. The results of Misys Africa Limited are included in the consolidated financial statements of Tahoe Bidco Ltd which can be obtained as set out in note 19.

Going concern
Accounting standards require that Directors satisfy themselves that it is reasonable for them to conclude whether it is appropriate to prepare the financial statements on a going concern basis.

The Directors have requested and received a letter of support from Tahoe Bidco Ltd (the parent company of the largest group in which the Company is included in consolidated financial statements), stating that it will provide continuing financial support as necessary to enable the Company to meet its obligations as and when they fall due for a period of at least 12 months from the date of approval of these financial statements.

In making the assessment of Tahoe Bidco Ltd's ability to provide support as required, the Directors of the Company have considered the current financial position of the Group headed by Tahoe Bidco Ltd ("the Group").

Specifically, they note that the Group has an outstanding revolving credit facility ("RCF") which matures in March 2024 and the Group's first lien USD and EUR term loans are due to mature in June 2024. The Group intends to extend the maturity of the RCF, increase the commitment and refinance the term loans to ensure the Group has sufficient liquidity to satisfy its obligations and fund operations for at least 12 months from the report issuance date.

The Group may be unable to extend the maturity date of its RCF, increase the commitment or refinance the term loans thereunder on terms favourable to the Group, or at all, depending on market and other conditions. The ability to refinance depends on numerous factors that are outside of the Group's control, including general economic and market conditions, the health of financial institutions, investors' and lenders' assessments of the Group's prospects and the prospects of the financial software and solutions market in general. Given that the Company relies on the Group for financial support to enable it to continue as a going concern and due to the guarantees in place whereby the Company, together with several other wholly owned subsidiaries of the Group guarantee the main facilities of the Group, these conditions and events give rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Directors of the Company, have considered it appropriate to place reliance on the support of Tahoe Bidco Ltd despite the uncertainties noted above, based on a review of the Group's budget, business plan and plans to refinance the upcoming facilities and term loans.

For these reasons, the Directors have a reasonable expectation the Company will have access to adequate resources to continue in operational existence for a period of at least 12 months from the date of these financial statements and have therefore concluded that the financial statements should be prepared on a going concern basis. However, these financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern, including but not limited to the impact on the carrying value of amounts owed by fellow group undertakings.

2 Accounting policies (Continued)

Related party revenue
The company recognises revenue from sales of services and operational support provided to other group entities who have operations in the Middle East & Sub-Saharan African region when it satisfies a performance obligation by transferring control of a service to them. The amount of revenue recognised comprises of reimbursement of costs incurred, which is calculated based on the underlying value of the expense incurred in providing the support services plus a mark-up based on the service agreement and excludes amounts collected on behalf of third parties, if any, such as Value Added Tax.

Financial assets
Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets held at amortised cost
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g. trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Impairment of financial assets
The company recognises an allowance for Expected Credit Losses ("ECLs"), for all debt instruments not held at fair value through the income statement. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Intercompany receivables
All intercompany receivables are deemed to have a near zero expected credit loss. In making this determination the Company has placed reliance on a letter of support received from Tahoe Bidco Ltd (the group parent Company) whereby they have confirmed and will ensure that in relation to amounts owed by fellow subsidiaries that such subsidiaries have sufficient financial and other resources to satisfy any financial obligations created by such Intercompany payables they hold, as and when such obligations fall due and are called upon.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities
The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

2 Accounting policies (Continued)

Other financial liabilities

Trade payables

Trade payables are recognised initially at fair value, which is usually the original invoice value, and subsequently measured at amortised cost using the effective interest method. If payment is due within one year or less, payables are classified as current liabilities, if not, they are presented as non-current liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Accounting policies (Continued)

Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Termination benefits
Termination benefits are payable when employment is terminated by the company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for restructuring that is within IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and involves the payment of termination benefits.

Foreign exchange
Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

The balances at year end have been converted to pound sterling at year end closing rate and transactions during the year have been converted to pound sterling at average rate during the year, with the difference then going through foreign exchange translation reserve.

3 Adoption of new and revised standards and changes in accounting policies

There are no new and revised Standards and Interpretations that have been adopted by the company that have an effect on the current period or a prior period or may have an effect on future periods.

4 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

4 Critical accounting estimates and judgements (Continued)

Key sources of estimation uncertainty

Expected credit loss (Amounts due from fellow group undertakings)
The Company has placed reliance on a letter of support received from Tahoe Bidco Ltd (the group parent Company) whereby they have confirmed and will ensure that in relation to amounts owed by fellow subsidiaries that such subsidiaries have sufficient financial and other resources to satisfy any financial obligations created by such intercompany payables they hold, as and when such obligations fall due and are called upon. Due to the financing structure of the group, the Company has assessed Tahoe Bidco Ltd's ability to provide this support if required and assumed the default risk on the receivables is therefore nil, based on the ability of the group as a whole to settle the loans to the various counterparties. If the group was not able to support these payments this would result in the full amount being impaired with an impact of £658,000 (2021: £1,796,000) on the financial statements.

5 Revenue

	2022	2021
	£'000	£'000
Revenue analysed by class of business		
Related party revenues	691	482

	2022	2021
	£'000	£'000
Timing of revenue recognition		
Revenues recognised over time	691	482

	2022	2021
	£'000	£'000
Revenue analysed by geographical market		
United Kingdom	663	476
Africa	20	3
Rest of the world	8	3
	691	482

The above related party revenues are primarily derived out of the sales support services agreement which the Kenyan branch of the company has with Finastra International Limited, a company incorporated in the United Kingdom.

6 Employees and Directors

The average monthly number of persons employed by the company during the year was:

	2022 Number	2021 Number
Sales staff	3	4
Global services	3	2
	6	6

Their aggregate remuneration comprised:

	2022 Number	2021 Number
Wages and salaries	388	369
Other pension costs	25	23
	413	392

The Directors are remunerated by other group companies and no recharge is made to Misys Africa Limited as their services to the company are incidental to their services to the group. During the year, none of the directors (2021: nil) exercised share options in the Tahoe Topco Ltd, an intermediary parent company. During the year, two of the directors (2021: four) received share options under a long-term incentive scheme. Details of the long- term incentive scheme can be found in the Tahoe Bidco Ltd group accounts, copies of which can be obtained from Finastra group secretariat as set out in note 19.

7 Operating profit/(loss)

	2022 £'000	2021 £'000
Operating profit/(loss) for the year is stated after charging:		
Exchange losses	21	30

8 Auditors' remuneration

	2022	2021
Fees payable to the company's auditors and their associates:	£'000	£'000
For audit services		
Auditors' remuneration	29	21

The remuneration for the year ended 31 May 2022 includes an amount of £5,625 for the prior financial year (2021: £nil), agreed in the year ended 31 May 2022. No fees for non-audit related services were incurred during the reporting year (2021: £nil).

9 Interest receivable and similar income

	2022 £'000	2021 £'000
Interest receivable from group companies	—	6

10 Interest payable and similar expenses

	2022 £'000	2021 £'000
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	54	51

11 Tax on profit/(loss)

The tax on profit/(loss) for the year included in the statement of comprehensive income can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2022 £'000	2021 £'000
Profit/(Loss) before taxation	31	(135)
Expected tax credit based on a corporation tax rate of 19.00% (2021: 19.00%)	(6)	(26)
Group relief	6	26
Taxation charge/(credit) for the year	—	—

On the 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax assets and liabilities at 31 May 2022, have been measured using these newly enacted tax rates.

As at 31 May 2022, there is an unrecognised deferred tax asset of nil (2021: nil).

12 Contract costs

The following table provides information about contract costs by category of asset, included in trade and other receivables as contract costs recoverable:

	2022 £'000	2021 £'000
Commission fees	176	187
	176	187

Management expects that incremental commission fees paid to employees as a result of obtaining contracts, are recoverable. The company has therefore capitalised these fees as contract costs in the amount of £176,000 at 31 May 2022 (2021: £187,000). Capitalised fees are amortised when the related revenues are recognised.

12 Contract costs (Continued)

As permitted by IFRS 15, the company recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the company otherwise would have recognised is one year or less.

13 Trade and other receivables

	Current		Non-current	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Contract costs recoverable	51	48	125	139
Other receivables	8	6	—	—
Amounts owed by fellow group undertakings	548	410	110	1,386
	607	464	235	1,525

The amounts owed to the company by fellow group undertakings are unsecured and repayable on demand. However, payment of £110,000 (2021: £1,386,000) is not expected to be recalled within 12 months from the reporting date and so these amounts are classified as non-current assets. The decline in non-current amounts owed by fellow group undertakings was due to netting of intercompany balances as part of the intercompany netting process operated by the group to manage currency risk exposure, which was not expected to occur at 31 May 2021.

Of the non-current amounts due from fellow group undertakings, £7,790 (2021: £1,297,000) is the outstanding loan balance chargeable to interest and the balance amount is interest accrued thereon. Counter parties were charged interest in the range of 1.12% to 1.51% (2021: 1.17% to 1.33%) on balances outstanding at each month end and the company earned an interest income of £393 (2021: £5,968) during the year. However rounding's on presentation to nearest 1,000's in the statement of comprehensive income has resulted in an interest receivable and similar income for the year of £nil (2021: £6,000).

14 Trade and other payables

	Current		Non-current	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade payables	1	1	—	—
Amounts owed to fellow group undertakings	352	287	1,386	2,522
Accruals	58	164	—	—
	411	452	1,386	2,522

Amounts owed to group undertakings are unsecured and repayable on demand. However, the Tahoe Bidco group on behalf of the counterparties has confirmed in writing that balances included within the £1,386,000 (2021: £2,522,000) will not be required to be recalled within 12 months from the reporting date and the company has a right to defer the payment. So these amounts are classified as non-current liabilities. The decline in non-current amounts owed to fellow group undertakings was due to netting of intercompany balances as part of the intercompany netting process operated by the group to manage currency risk exposure, which was not expected to occur at 31 May 2021.

14 Trade and other payables (Continued)

Of the non-current amounts owed to the group undertakings above, £828,000 (2021: £2,036,000) represents the principal loan balance outstanding at year end chargeable to interest and the residual amount represents the accumulated interest thereon. During the year, interest was charged on loan balances outstanding at each month end at rates ranging from 5.09% to 6.34% (2021: 5.02% to 5.34%).

15 Other pension costs

Defined contribution schemes

The Company participates in the Kenya Government operated National Social security Fund and as required by the fund rules, employer and employee contributions are deposited with the fund on a monthly basis.

The charge to profit or loss in respect of contributions to the above fund and cash pension benefit was £25,000 (2021: £23,000). At the reporting date an amount of £nil (2021: £nil) remained outstanding.

16 Called up share capital

	2022	2021
	£'000	£'000
Ordinary share capital		
Issued and fully paid		
1,000 (2021: 1,000) Ordinary shares of £1 each	1	1
	1	1

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

17 Reserves

Translation reserve

The translation reserve represents amounts arising as a result of translating the Kenyan branch's financial statement items from their functional currency into the company's presentation currency.

Accumulated losses

Accumulated losses represent cumulative profit and loss net of distributions to, and contributions from, the owners.

MISYS AFRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2022

18 Contingent liabilities

On 13 June 2017 as part of the combination with D+H, Vista Equity Partners, the Tahoe Bidco Ltd's ultimate controlling party arranged for new external debt finance to refinance its existing debt and provide funding for the acquisition of D+H.

At the year-end, the Company, together with several other wholly owned subsidiaries of the Group also guaranteed the main credit facilities of the Group. The credit facilities consist of a $3,582.0m (2021: $3,582.0m) and €940.0m (2021: €940.0m) First Lien Term Loans, a $1,245.0m (2021: $1,245.0m) Second Lien Term Loan, and a Multi-Currency Revolving Credit Facility ("new RCF") totaling $400.0m (2021: $400.0m). The First Lien Term loans mature on 13 June 2024, the Second Lien Term loan matures on June 13, 2025, and the RCF has been renewed until March 2024 at $375.0m. Under the credit facilities, there is a fixed and floating charge over all the assets of the company, as well as a negative pledge over the assets.

Net Group finance costs were $535.7m (2021: $531.1m), predominantly reflecting interest costs on term loans related to $3,582.0m and €940.0m First Lien Term Loans, $1,245.0m Second Lien Term Loan and $875.0m of Series A Preference Shares. The associated interest on the facilities was $314.6m (2021: $475.4m) of total finance costs with the cost of financing decreasing as the year progressed. This was due to cross currency and interest rate swaps taken to mitigate against foreign currency risk and interest rate risk and expiring in the first half of the financial year. The interest rates remained flat until April 2022 and began to increase thereafter. Effective from 30 November 2017, principal repayments of $9.0m and €2.4m are being made every three months on the $3,582.0m and €940.0m First Lien Term Loans, respectively. No principal repayments are due on the $1,245.0m Second Lien Term Loan. Further details are available in the Tahoe Bidco accounts.

Contingent liabilities that are quantifiable generally arise from guarantees, letters of credit and bonds that have been issued in support of tenders submitted to prospective customers. There were no such commitments for the company as at the reporting date.

The company and its subsidiaries may be parties to legal actions and claims arising in the ordinary course of business. Whilst the outcome of current outstanding actions and claims remains uncertain, it is expected that they will be resolved without a material impact to the company's financial position.

The company considers that it is remote that any material liabilities will arise from any other contingent liabilities which are not identified above.

19 Controlling party

The company's immediate parent company is Finastra Holdings Limited, whose registered office address is Four Kingdom Street, Paddington, London, W2 6BD.

The parent company of the smallest group in which the company is included in consolidated financial statement is that of Finastra Limited, a company incorporated in the Cayman Islands. The parent company of the largest group in which the company is included in consolidated financial statements is that of Tahoe Bidco Ltd, a company incorporated in Cayman Islands. Copies of the consolidated financial statements of Finastra Limited and Tahoe Bidco Ltd may be obtained from Finastra Group Secretariat, Four Kingdom Street, Paddington, London, W2 6BD.

The ultimate parent company and ultimate controlling party is Vista Equity Partners, incorporated in the United States of America.

20 Events after the Reporting date

The Group, with the support of its private equity sponsor Vista Equity Partners, is in advanced discussions with a group of lenders to secure a long-term refinancing package of our existing debt and credit facilities. The directors expect the refinancing could be completed in the next two months. The group of which the company is a part of has continued to service all its debt obligations without issue as short term interest rates increased during the last 18 months. No other subsequent events have occurred after 31 May 2022 until the date of signing these financial statements that require disclosure.