Company Registration No. 03079792 (England and Wales)

MISYS AFRICA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

MISYS AFRICA LIMITED

COMPANY INFORMATION

Directors	S Dowler T Schloesser J Barker P Kim I Zucchino
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 2023

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 2023 (FY23).

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 a 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 and the financial results of the branch are included within these financial statements. Finastra is one of the leading global technology companies focusing on selling software and consultancy 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 loss after tax of £21,000 for the year (2022: profit after tax of £31,000). 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 the related operational costs to the beneficiary entities in line with the group transfer pricing policy on an arm's length basis. The Kenya branch incurred higher expenses in relation to the above activities due to the Group's efforts to drive revenue growth in the Middle East and Sub-Saharan region, leading to increased recharges, which impacts on the year's overall performance. The results of the Company are consistent with the Directors expectations.

No ordinary dividends were paid during the year (2022: £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	Resigned on 31 December 2023
J Barker	
P Kim	Appointed on 18 December 2022
I Zucchino	Appointed on 30 January 2024

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 Group operates a centralized treasury function which is responsible for managing the liquidity risk associated with the group's activities under policies approved by the board of directors. The treasury policy is reviewed and approved annually by the board and specifies the parameters within which treasury operations must be conducted. The Group's treasury department manage its cash and borrowing requirements centrally to minimize net interest expense within risk parameters set by the board, while ensuring that the group has sufficient liquid resources to meet the operating needs of the business. The Group's first lien USD and EUR term loans were due to mature on 1 June 2024 and second lien term loan was due to mature on 1 June 2025. The Group successfully refinanced these loans along with the revolving credit facility in September 2023, up until September 2029 to ensure sufficient facilities are available for the Group to operate in the future.

MISYS AFRICA LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2023

Foreign exchange currency risk
The Company operates internationally and is exposed to foreign currency fluctuations. Foreign exchange risks arise when future commercial transactions, recognised assets and liabilities and net investments in foreign operations are denominated in currencies that are not the Company's functional currency. The Group of which the Company is a part of 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 2023, 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 (2022: £nil) and the Company did not incur any political expenditure (2022: £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.

In making this assessment the Directors have requested and obtained 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"). As of 13 September 2023, the Group successfully refinanced it first lien debt that was due to mature in June 2024. The Group's new facilities include $4.82bn of debt and a Revolving Credit Facility (RCF) of $500m, both maturing in September 2029. As of 30 November 2023, the undrawn amount of the new RCF was $465m.

Under the refinanced credit agreement signed 13 September 2023, the Group is subject to a single financial EBITDA covenant called the "first lien leverage ratio", which is the ratio of the first lien net debt to covenant EBITDA, and the ratio should be less than 9.35 for the reported financial quarter. The covenant EBITDA is measured on a frozen GAAP basis and therefore, excludes the impact of IFRS 16, "Leases."

A failure of the Group to comply with the EBITDA covenant or the obligations to report the covenant assessments to the lenders in accordance with the credit agreements could result in a default, which, if not cured or waived, could result in the acceleration of the relevant indebtedness. If such indebtedness were to be accelerated, the Group's assets would not be sufficient to repay such indebtedness in full, thereby impacting the going concern of the Group and the Company. The Group is currently in compliance with its financial covenants and is forecast to remain so for at least 12 months from the date of this report.

The Company Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis, placing reliance on the letter of support, as from the perspective of the Company, its operations, risks and uncertainties are integrated with those of the Group and so having reviewed the Group's plans and available financial facilities, including the modelling of a severe but plausible downside scenario and available mitigating actions, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. The Group's projections have also been stress tested, considering performance against prior year forecasts, the impact of a plausible increase change in interest rates and a reduced cash flow conversion achievement. Specific measures if determined necessary would help preserve cash and maintain sufficient liquidity to continue operations within its going concern forecast horizon.

Based on the above, the Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis, placing reliance on the support letter from Tahoe Bidco Ltd.

MISYS AFRICA LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2023

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 the Tahoe Bidco group's compliance and adherence to them. Currently, there has been no material impact for the Company as it does not operate in Russia and had no transactions with Russian based customers.

Events after the reporting date
On 13 September 2023, the Group refinanced all of the debt previously held at 31 May 2023. This transaction is a non-adjusting subsequent event and has no impact on the amounts included in the 31 May 2023 Statement of Financial Position.

The Group's new facilities which include $4.82bn of debt and a Revolving Credit Facility ("RCF") of $500m, both mature in September 2029. The RCF was $465m undrawn as of 30 November 2023. The new facilities carry an interest rate of the Secured Overnight Financing Rate (SOFR) + 7.25%.

Further, as part of the Group's refinancing strategy, an intermediary parent entity of the Company in the Tahoe Bidco Group issued $1 billion of preferred equity shares to entities outside the Group, which are controlled by Vista Equity Partners Management LLC, the ultimate controlling entity. The preferred equity shares are non-convertible, non-redeemable, and do not accumulate dividends at a set rate.

Neither the Company nor its branches were directly impacted by the Group refinancing. Importantly, the existing intercompany balances held by the Company with other entities in the Group remained unaffected by the refinancing activity.

The Company's Directors are monitoring the situation in Israel and its neighbouring countries, which began on 7 October 2023. They do not anticipate any material impact on the Company's operations as it is not directly exposed to the risks associated with the conflict.

No other subsequent events have occurred after 31 May 2023 until the date of approval these financial statements that require disclosure.

Future developments
The Financial Year 2024 focus is around GenAI(X) tools, and training our people to use these tools in a responsible way. The Group will continue to stay focussed on taking our solutions to the cloud, enhancing our open banking & ecosystem offerings, brining innovative solutions to the market, delivering multi pillar transformation programme, modernizing the networking environment and ensuring our clients are able to comply with market mandatory/ regulatory changes. 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.

MISYS AFRICA LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2023

Statement of directors' responsibilities
The Directors are responsible for preparing the Annual Report and the 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
The Directors consider that the Annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

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.

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.

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 28-Feb-2024 and signed on behalf of the Board by:

DocuSigned by:
James Barker
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J Barker
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 2023 and of its loss 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 2023; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

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 2023 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.

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 tax legislation and Companies Act 2006. 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.

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 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 28 February 2024

MISYS AFRICA LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2023

	Note	2023 £'000	2022 £'000
Revenue	5	771	691
Administrative expenses		(713)	(606)
Operating profit	7	58	85
Interest payable and similar expenses	9	(26)	(54)
Profit before taxation		32	31
Tax on Profit	10	(53)	—
(Loss)/Profit after taxation		(21)	31
Other comprehensive expense:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(35)	—
Total items that may be reclassified to profit or loss		(35)	—
Total other comprehensive expense for the year		(35)	—
Total comprehensive (expense)/income for the year		(56)	31

The Statement of Comprehensive Income has been presented on the basis that all operations are continuing operations.

The Notes on pages 12 to 23 form part of these financial statements.

MISYS AFRICA LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2023

	Note	2023 £'000	2022 £'000
Non-current assets			
Trade and other receivables	12	228	235
		228	235
Current assets			
Trade and other receivables	12	595	607
Current tax receivable		—	30
		595	637
Current liabilities			
Trade and other payables	13	(347)	(411)
Taxation		(23)	—
		(370)	(411)
Net current assets		225	226
Total assets less current liabilities		453	461
Non-current liabilities			
Trade and other payables	13	(1,434)	(1,386)
Net liabilities		(981)	(925)
Equity			
Called up share capital	15	1	1
Translation reserve	16	(40)	(5)
Accumulated losses	16	(942)	(921)
Total shareholders' deficit		(981)	(925)

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 23 were approved by the Board of Directors on 28-Feb-2024 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 2023

	Called up share capital £'000	Translation reserve £'000	Accumulated losses £'000	Total £'000
Balance at 1 June 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)
Year ended 31 May 2023:				
Loss for the year	—	—	(21)	(21)
Other comprehensive expense:				
Exchange differences on translation of foreign operations	—	(35)	—	(35)
Total comprehensive expense for the year	—	(35)	(21)	(56)
Balance at 31 May 2023	1	(40)	(942)	(981)

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 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 Annual Report and financial statements of Tahoe Bidco Ltd, in accordance with FRS 101:

- Paragraph 10(d) of IAS-1, Presentation of Financial Statements' for presentation of a Statement of Cash Flows and related notes;
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' for disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from Contracts with Customers'.
- IFRS-7,'Financial Instruments: Disclosures', for disclosures of:-
  - 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.
- Paragraph 17 of IAS-24, 'Related Party disclosures' for disclosure of key management personnel compensation, and amounts incurred for the provision of key management personnel services by a separate management entity;
- Paragraphs 18A of IAS-24, 'Related party disclosures' for disclosure of transactions with the parent or wholly owned members of the group; and
- Paragraphs 134 to 136 of IAS-1, 'Presentation of Financial Statements' for 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.

In making this assessment the Directors have requested and obtained 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"). As of 13 September 2023, the Group successfully refinanced it first lien debt that was due to mature in June 2024. The Group's new facilities include $4.82bn of debt and a Revolving Credit Facility (RCF) of $500m, both maturing in September 2029. As of 30 November 2023, the undrawn amount of the new RCF was $465m.

Under the refinanced credit agreement signed 13 September 2023, the Group is subject to a single financial EBITDA covenant called the "first lien leverage ratio," which is the ratio of the first lien net debt to covenant EBITDA, and the ratio should be less than 9.35 for the reported financial quarter. The covenant EBITDA is measured on a frozen GAAP basis and therefore, excludes the impact of IFRS 16, "Leases."

A failure of the Group to comply with the EBITDA covenant or the obligations to report the covenant assessments to the lenders in accordance with the credit agreements could result in a default, which, if not cured or waived, could result in the acceleration of the relevant indebtedness. If such indebtedness were to be accelerated, the Group's assets would not be sufficient to repay such indebtedness in full, thereby impacting the going concern of the Group and the Company. The Group is currently in compliance with its financial covenants and is forecast to remain so for at least 12 months from the date of this report.

The Company Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis, placing reliance on the letter of support, as from the perspective of the Company, its operations, risks and uncertainties are integrated with those of the Group and so having reviewed the Group's plans and available financial facilities, including the modelling of a severe but plausible downside scenario and available mitigating actions, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. The Group's projections have also been stress tested, considering performance against prior year forecasts, the impact of a plausible increase change in interest rates and a reduced cash flow conversion achievement. Specific measures if determined necessary would help preserve cash and maintain sufficient liquidity to continue operations within its going concern forecast horizon.

Based on the above, the Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis, placing reliance on the support letter from Tahoe Bidco Ltd.

MISYS AFRICA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2023

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 reimbursed 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. Amounts owed by fellow group undertakings). 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

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 Statement of Comprehensive Income 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 Statement of Comprehensive Income, 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)

Critical judgements

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 it has 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 £700,000 (2022: £658,000) on the financial statements.

5 Revenue

	2023	2022
	£'000	£'000
Revenue analysed by class of business		
Related party revenues	771	691

	2023	2022
	£'000	£'000
Timing of revenue recognition		
Revenues recognised over time	771	691

	2023	2022
	£'000	£'000
Revenue analysed by geographical market		
United Kingdom	754	663
Africa	3	20
Rest of the world	14	8
	771	691

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:

	2023 Number	2022 Number
Sales staff	3	3
Global services	3	3
	6	6

Their aggregate remuneration comprised:

	2023 £'000	2022 £'000
Wages and salaries	512	388
Other pension costs	27	25
	539	413

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 exercised share options in the Tahoe Topco Ltd, an intermediary parent company (2022: nil). During the year, four directors received share options under a long-term incentive scheme (2022: two directors). 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

	2023 £'000	2022 £'000
Operating profit for the year is stated after charging:		
Exchange (gains)/losses	(8)	21

8 Auditors' remuneration

Fees payable to the Company's auditors and their associates:	2023 £'000	2022 £'000
For audit services		
Auditors' remuneration	23	29

No additional fees were incurred in connection with the audit of the Company's financial statements for the year ended 31 May 2022, during the year ended 31 May 2023. An additional fee of £5,625 was agreed upon towards the audit of the Company's financial statements for the year ended 31 May 2021, during the year ended 31 May 2022, and is included within the total amount of £29,000 mentioned above. No fees for non-audit related services were incurred during the reporting year (2022: £nil).

9 Interest payable and similar expenses

	2023	2022
	£'000	£'000
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	26	54

Interest costs decreased due to transition from LIBOR plus margin-linked interest rates to relatively lower Sterling OverNight Index Average (SONIA) and Secured Overnight Financing Rate (SOFR) reference interest rates in line with the newly signed Intra-group Agreement.

10 Tax on profit

The tax on profit for the year included in the Statement of Comprehensive Income can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2023	2022
	£'000	£'000
Profit before taxation	32	31
Expected tax charge/(credit) based on a corporation tax rate of 25% from 1 April 2023 and 19% till 31 March 2023 (2022: 19.00%)	6	(6)
Group relief	(6)	6
Foreign taxes	53	—
Tax charge for the year	53	—

In the budget on 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 new law was substantively enacted on 24 May 2021. In the Autumn statement in November 2022, the Government reconfirmed the increase in tax rate to 25% from April 2023. Deferred tax assets and liabilities at 31 May 2023, have been measured using these newly enacted tax rates. As at 31 May 2023, there is an unrecognised deferred tax asset of £243 (2022: £nil) which has not been recognised as it is uncertain whether the Company will have sufficient future profits to utilise the tax losses.

11 Contract costs

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

	2023	2022
	£'000	£'000
Commission fees	123	176
	123	176

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 £123,000 at 31 May 2023 (2022: £176,000). Capitalised fees are amortised when the related revenues are recognised.

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.

12 Trade and other receivables

	Current		Non-current	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Contract costs recoverable	43	51	80	125
Other receivables	—	8	—	—
Amounts owed by fellow group undertakings	552	548	148	110
	595	607	228	235

The amounts owed to the Company by fellow group undertakings are unsecured and repayable on demand. However, payment of £148,000 (2022: £110,000) is not expected to be recalled within 12 months from the reporting date and so these amounts are classified as non-current assets.

Of the non-current amounts due from fellow group undertakings, £50,400 (2022: £7,790) was the outstanding loan balance as at year end and the residual balance represents accumulated interest thereon. Interest was charged at the rate of 1.25% based on the ageing of the receivables in line with the related Intra-group Agreement (2022: 1.12% to 1.51%).

13 Trade and other payables

	Current		Non-current	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade payables	—	1	—	—
Amounts owed to fellow group undertakings	222	352	1,434	1,386
Accruals	56	58	—	—
VAT payable	69	—	—	—
	347	411	1,434	1,386

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 £1,434,000 (2022: £1,386,000) 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.

13 Trade and other payables (Continued)

Of the non-current amounts owed to the Group undertakings above, £867,000 (2022: £828,000) represents the principal loan balance outstanding at year end chargeable to interest and the residual amount represents the accumulated interest thereon. The total outstanding balance comprised of loan balances denominated in Pound Sterling and, US Dollars. Interest was charged by the counterparty on the Pound Sterling balances at the Sterling OverNight Index Average (SONIA) rates, which ranged from 2% to 4.35% per annum; while it was charged on the US Dollar balances at the Secured Overnight Financing Rate (SOFR) rates, ranging from 2.62% to 5.02% per annum, in line with the related newly signed Intra-group Agreement (2022: 5.09% to 6.34% per annum).

14 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 the Statement of Comprehensive Income in respect of contributions to the above fund and cash pension benefit was £27,000 (2022: £25,000). At the reporting date, an amount of £nil (2022: £nil) remained outstanding.

15 Called up share capital

	2023	2022
	£'000	£'000
Ordinary share capital		
Issued and fully paid		
1,000 (2022: 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.

16 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.

17 Contingent liabilities

On 13 June 2017 as part of the combination with D+H, Vista Equity Partners, Tahoe Bidco Group'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 (2022: $3,582.0m) and €940.0m (2022: €940.0m) First Lien Term Loans, a $1,245.0m (2022: $1,245.0m) Second Lien Term Loan, and a Multi-Currency Revolving Credit Facility ("new RCF"). The RCF has a total availability of $385.0m up to October 2022 and $375.0m thereafter, a portion of which can be used at the option of the Group to issue guarantees. The first lien and second lien facilities were due for renewal in June 2024 and June 2025, respectively, and the revolving credit facilities in March 2024. The Group successfully renewed all of its credit facilities on 13 September 2023, nine months before the due date for renewal of the first lien term loan, to ensure sufficient facilities are available for the Group to operate in the future and the next renewal is due in September 2029. Under the new credit facilities, as was also the case under the previous facilities, there is a fixed and floating charge over all the assets of the Company, as well as a negative pledge over the assets. Further details are available in the Tahoe Bidco Ltd Annual report and consolidated financial statements for the year ended 31 May 2023.

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.

18 Events after the Reporting date

On 13 September 2023, the Group refinanced all of the debt previously held at 31 May 2023. This transaction is a non-adjusting subsequent event and has no impact on the amounts included in the 31 May 2023 Statement of Financial Position.

The Group's new facilities which include $4.82bn of debt and a Revolving Credit Facility ("RCF") of $500m, both mature in September 2029. The RCF was $465m undrawn as of 30 November 2023. The new facilities carry an interest rate of the Secured Overnight Financing Rate (SOFR) + 7.25%.

Further, as part of the Group's refinancing strategy, an intermediary parent entity of the Company in the Tahoe Bidco Group issued $1 billion of preferred equity shares to entities outside the Group, which are controlled by Vista Equity Partners Management LLC, the ultimate controlling entity. The preferred equity shares are non-convertible, non-redeemable, and do not accumulate dividends at a set rate.

Neither the Company nor its branches were directly impacted by the Group refinancing. Importantly, the existing intercompany balances held by the Company with other entities in the Group remained unaffected by the refinancing activity.

The Company's Directors are monitoring the situation in Israel and its neighbouring countries, which began on 7 October 2023. They do not anticipate any material impact on the Company's operations as it is not directly exposed to the risks associated with the conflict.

No other subsequent events have occurred after 31 May 2023 until the date of approval these financial statements that require disclosure.

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 the 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 controlling party is Vista Equity Partners Management LLC, incorporated in the United States of America.