

## PRESS RELEASE

### **Temenos: Catharsis after stagnation**

**London, 14 October 2022:** Temenos' 2022 guidance reset has confirmed our concerns about its overly ambitious targets and opaque communication by its leadership. Our public action seems to have unleashed a catharsis and coming to terms with temporary underperformance. The substantial scale of this revision of short-term targets leads us to believe that management had been holding back bad news for some time.

In our recent letter to Temenos' Chairman and CEO, we have asked for a return to more realistic targets and improved capital markets communication. This includes appropriate guidance on the status of large new contracts that are pending but also a review of the ambitious 2022 to 2025 plan. The announced departure of the Chief Revenue Officer – who was hired just a few months ago – is a questionable allocation of responsibility.

We continue to believe in Temenos' potential to leverage its strong product offering, attractive end market positions and sticky revenue model into highly profitable growth. However, strong operator skills will be required to successfully manage Temenos through the challenges of its transition to subscription and SaaS and US growth strategy. This includes realistic target-setting and lower staff turnover.

We understand that the company's major shareholder, Martin Ebner, as well as the broad institutional long only community, are also appalled by Temenos' share price development. We will now be in touch with him and other shareholders to discuss whether we can continue with the current leadership team and setup.

We will increase our shareholding in the company on cheap days to further accelerate the catharsis of Temenos.

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