

**FINEOS CORPORATION HOLDINGS PLC**  
**APPENDIX 4D**  
**FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021**

**1. COMPANY DETAILS**

Name of Entity

**FINEOS Corporation Holdings Plc**

ABN or equivalent reference

**633 278 430**

Financial period ended  
(reporting period)

**31 December 2021**

Financial period ended  
(previous corresponding  
period)

**31 December 2020**

**2. RESULTS FOR ANNOUNCEMENT TO THE MARKET (NOTE: ALL AMOUNTS IN EURO)**

	<b>Up/(down)</b>	<b>% change</b>	<b>31 December 2021 €</b>	<b>31 December 2020 €</b>
Revenue from ordinary activities	12,822,918	24.4%	65,398,865	52,575,947
Loss from ordinary activities after tax attributable to members	455,053	8.9%	(4,629,348)	(5,084,401)
Total comprehensive loss for the period attributable to members	6,973,159	87.9%	(959,403)	(7,932,562)

The key performance indicators of the financial results are as follows:

- An increase in revenue from €52.6 million for the six-month period ended 31 December 2020 to €65.4 million for the six-month period ended 31 December 2021, which is a 24.4% improvement with sustained gross profit margin.
- Subscriptions revenue is up 41.0% compared to the six-month period ended 31 December 2020.
- Services revenue is up 18.3% compared to the six-month period ended 31 December 2020.
- Employee retention rates continued at over 90%
- The loss after tax for the six-month period ended 31 December 2021 is €4.6 million compared to a loss after tax of €5.1 million for the prior comparative period with the improvement due to higher tax credits.
- Basic loss per share of 1.48 euro cents for the six-month period ended 31 December 2021 compared to a basic loss per share of 1.74 euro cents for the six-month period ended 31 December 2020.

The 2020 basic loss per share has been restated from a basic loss per share of 2.71 in cents to 1.74 in cents, arising from a calculation error. The prior period calculation used total comprehensive loss attributable to ordinary shareholders rather than loss for the financial period after taxation attributable to ordinary shareholders.

Refer to the 'Principal Activities and Review of Development and Performance of the Business during the Financial Period' section of the Directors' Report accompanying this Appendix 4D for further commentary.

**3. DIVIDEND**

The Company has not declared, and does not propose to pay, any dividends for the period ended 31 December 2021 (31 December 2020: Nil). There are no dividend or dividend reinvestment plans in operation.

**FINEOS CORPORATION HOLDINGS PLC**  
**APPENDIX 4D**  
**FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2021**

**4. NET TANGIBLE ASSETS PER SECURITY**

	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>€</b>	<b>€</b>
Net tangible assets per security	0.13	0.07

Net tangible assets are defined as the net assets of FINEOS Corporation Holdings plc less intangible assets.

**5. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD**

There are no entities over which control has been gained or lost during the period.

**6. ASSOCIATES AND JOINT VENTURE ENTITIES**

There are no associate or joint venture entities.

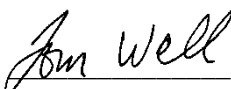
**7. ATTACHMENTS AND FOREIGN ENTITY ACCOUNTING STANDARDS**

This Appendix 4D should be read in conjunction with the Condensed Interim Financial Report of FINEOS Corporation Holdings plc for the six-month period ended 31 December 2021, attached to this report.

This report is based on the condensed consolidated interim financial statements and notes of FINEOS Corporation Holdings plc as reviewed by Mazars. These condensed consolidated interim financial statements are measured and recognised in accordance with International Financial Reporting Standards, as adopted by the European Union.

**On behalf of the Board**

  
\_\_\_\_\_  
**Michael Kelly**  
Director

  
\_\_\_\_\_  
**Tom Wall**  
Director

**23 February 2022**

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**FINEOS Corporation Holdings Plc**  
**Condensed Interim Financial Report**  
**For the six-month period ended**  
**31 December 2021**

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**FINEOS CORPORATION HOLDINGS PLC**

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**CONDENSED INTERIM FINANCIAL REPORT**  
**for the six-month period ended 31 December 2021**

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## FINEOS CORPORATION HOLDINGS PLC

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### DIRECTORS' REPORT

#### for the six-month period ended 31 December 2021

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The Directors present herewith their report and condensed consolidated interim financial statements for the six-month period ended 31 December 2021. These condensed consolidated interim financial statements reflect the performance of FINEOS Corporation Holdings plc ('the Company') and subsidiaries (collectively 'FINEOS', or 'the Group') for the six-month period ended 31 December 2021.

#### 1. DIRECTORS AND SECRETARY

The Directors of the Company at any time during, or since the end of, the period are as follows. Directors were in office for the whole of the period unless otherwise stated.

<b>Chairman</b>	<b>Date of appointment</b>
Anne O'Driscoll	25 July 2019
<b>Chief Executive Officer</b>	
Michael Kelly	12 December 2018
<b>Other Directors</b>	
Gilles Biscay	25 June 2019
Martin Fahy	25 July 2019
David Hollander	15 October 2019
Tom Wall	25 June 2019

Tom Wall and Vanessa Chidrawi served as Joint Company Secretary for the period.

#### 2. PRINCIPAL ACTIVITIES AND REVIEW OF THE DEVELOPMENT AND PERFORMANCE OF THE BUSINESS DURING THE FINANCIAL PERIOD

The principal activity of the Group is the development and sale of software. FINEOS is a global software group providing modern customer-centric core software to Life, Accident and Health insurers and Employee Benefits providers.

The Group helps its customers move on from outdated legacy administration systems to the FINEOS AdminSuite for New Business, Billing, Claims, Absence and Policy Administration, enabling improved operational efficiency, increased effectiveness and excellent customer care.

FINEOS AdminSuite is a modern purpose built, customer-centric core product-suite designed to manage the modern complex structures and relationships of group and individual insurance processing to optimise plan, coverage and data management, operational processing, and business intelligence. The Group is developing, both organically and through acquisitions, its FINEOS Insights offerings.

**DIRECTORS' REPORT**

**for the six-month period ended 31 December 2021**

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**2. PRINCIPAL ACTIVITIES AND REVIEW OF THE DEVELOPMENT AND PERFORMANCE OF THE BUSINESS DURING THE FINANCIAL PERIOD (continued)**

***Business summary and key performance indicators***

The key performance indicators of the financial results are as follows:

- An increase in revenue from €52.6 million for the six-month period ended 31 December 2020 to €65.4 million for the six-month period ended 31 December 2021, which is a 24.4% improvement with sustained gross profit margin.
- Subscriptions revenue is up 41.0% compared to the six-month period ended 31 December 2020.
- Services revenue is up 18.3% compared to the six-month period ended 31 December 2020.
- Employee retention rates continued at over 90%
- The loss after tax for the six-month period ended 31 December 2021 is €4.6 million compared to a loss after tax of €5.1 million for the prior comparative period with the improvement due to higher tax credits.
- Basic loss per share of 1.48 euro cents for the six-month period ended 31 December 2021 compared to a basic loss per share of 1.74 euro cents for the six-month period ended 31 December 2020.

Subscription revenue growth of 41.0% reflects the increased scale and breadth of FINEOS products with the customer base. Services revenue growth of 18.3% was achieved even though several clients and potential clients faced reduced funding for systems investment in the context of the social and economic challenges generated by COVID-19. Overall revenue growth was 24.4%.

During calendar year 2021, the FINEOS customer base continued to actively engage in new implementation activity, major product upgrades, and platform migrations to the cloud. We completed four new implementations and 10 major upgrades and turn into the new calendar year with 25 active cloud customer projects with eight implementing into cloud for the first time. These include new implementations related to our acquisitions of Limelight Health and Spraoi, now marketed as part of the FINEOS AdminSuite. Additionally, we are continuing to engage with our on-premise customers to plan their migrations to the cloud across the regions of USA, Canada, Australia and New Zealand.

Anticipating clients' need to undertake digital transformation drove the Group's significant R&D investment over the past seven years. The value of that investment is now being realised with increasing billings on the cloud platforms. Part of FINEOS's growth strategy is also to utilise strategic implementation partners more going forward.

The condensed consolidated interim financial statements are presented in Euro which is the functional currency of the Group. Euro based currency volatility continued during the six-month period ended 31 December 2021 in relation to the US Dollar, British Pound, Australian Dollar, New Zealand Dollar, Polish Zloty and Canadian Dollar, resulting in a foreign exchange gain of €0.4 million for the Group in the period (six-month period to 31 December 2020: €0.3 million). Foreign exchange continues to be a risk for FINEOS given the export profile of the Group. This is closely managed with part of the risk being covered by the natural hedge of the non-euro denominated staff costs and other overheads being paid in local currency.

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## FINEOS CORPORATION HOLDINGS PLC

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### DIRECTORS' REPORT

#### for the six-month period ended 31 December 2021

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#### 2. PRINCIPAL ACTIVITIES AND REVIEW OF THE DEVELOPMENT AND PERFORMANCE OF THE BUSINESS DURING THE FINANCIAL PERIOD (continued)

Travel restrictions and localised lock-downs due to COVID-19 is reflected in a continued low level of travel, accommodation and events expense in the period.

The condensed consolidated statement of comprehensive income for the six-month period ended 31 December 2021 and the condensed consolidated statement of financial position at that date are set out on pages 6 and 7. The consolidated loss on ordinary activities for the period, before tax, amounted to €5.2 million, compared to a loss before tax of €5.3 million for the six-month period ended 31 December 2020. After adding back a taxation credit of €0.6 million (six-month period ended 31 December 2020: €0.2 million), a loss of €4.6 million (six-month period ended 31 December 2020: €5.1 million) has been debited to reserves.

Non-financial key performance indicators include employment and environmental matters. The Company and Group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Group adheres to best practice employee welfare and complies in all material respects with health and safety requirements.

The Group's direct environmental carbon footprint is modest as a service-based operation and particularly with travel restrictions as a result of the COVID-19 pandemic. The FY22 Annual Report will include a report on our ESG initiatives.

#### 3. CHANGES IN THE STATE OF AFFAIRS

The cash reserves closed at €48.6 million at 31 December 2021 compared to €14.0 million as at 30 June 2021. The Group has no external debt as at 31 December 2021.

FINEOS undertook an equity raising on 2 September 2021 to provide funding towards FINEOS' opportunity pipeline and provide working capital and balance sheet support for planned R&D investments and organic and inorganic growth opportunities. FINEOS successfully completed a fully underwritten institutional placement, raising approximately AU\$70 million through the issue of 16,279,069 new fully paid CHESS Depository Interests over FCL shares ('CDIs'). The placement was undertaken at an offer price of AU\$4.30 per new CDI. Costs of the capital raise amounted to €0.7 million.

FINEOS also undertook a non-underwritten Security Purchase Plan ('SPP') raising approximately AU\$3.7 million through the issue of 862,261 new fully paid CDIs, at an offer price of AU\$4.30 per new CDI, which completed on 7 October 2021.

Equity increased by €45.7 million to €182.0 million from €136.3 million during the period. The net proceeds from the new share capital combined with a credit of €3.7 million to the foreign exchange reserve, were offset by the loss for the period of €4.6 million.

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## FINEOS CORPORATION HOLDINGS PLC

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### DIRECTORS' REPORT

for the six-month period ended 31 December 2021

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#### 3. CHANGES IN THE STATE OF AFFAIRS (continued)

Apart from the increase in cash reserves noted above, other key movements in assets contributing to a growth in total assets of €33.5 million to €218.0 million were:

- €3.4 million of a positive exchange difference on the retranslation of intangible assets (see note 7)
- €11.9 million of internal development expenditure
- €9.9 million combined amortisation charge
- Growth in the business as well as a seasonal increase in billings in the final months of the calendar year (partially offset by deferred revenue)

Total liabilities decreased by €12.2 million to €35.9 million from €48.1 million during the period with the significant movement being:

- A decrease of €12.1 million in trade and other payables due within one year (mainly deferred revenue)

#### 4. EVENTS SUBSEQUENT TO THE PERIOD END

There are no events subsequent to the period end that would require disclosure in or adjustment to the condensed consolidated interim financial statements.

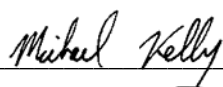
#### 5. LIKELY DEVELOPMENTS AND OUTLOOK


The Group's growth strategy is unchanged as it continues to see ongoing double digit growth opportunities. The focus is on both increasing market share in the Group's chosen segments – life accident and health insurers and employee benefits providers – by winning new clients and driving up-sell and cross-sell revenues from existing clients.

The Group will continue to invest in the FINEOS Platform, both building ongoing enhancements to core products and expanding the offering within FINEOS Insight and Engage.

The Group has continued to deliver sales and implementations during the COVID-19 pandemic with no major delays or interruptions. This was achieved with the vast majority of employees working remotely. The combination of increased (i) acceptance of remote working by employees and clients; (ii) COVID-19 vaccinations and related easing in travel restrictions; and (iii) market reliance on digital experience, are positives for the Group's outlook. However, there is continued uncertainty on the pace and timing of economic recovery and the budgets available within clients for investment in new systems and upgrades.

On behalf of the Board

  
\_\_\_\_\_  
Michael Kelly  
Director

  
\_\_\_\_\_  
Tom Wall  
Director

23 February 2022



## FINEOS CORPORATION HOLDINGS PLC

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the six-month period ended 31 December 2021

	Note	For the six-month period ended 31 December 2021 €	For the six-month period ended 31 December 2020 €
Revenue	3	65,398,865	52,575,947
Cost of sales		<u>(22,882,080)</u>	<u>(18,733,218)</u>
<b>Gross profit</b>		42,516,785	33,842,729
Product development and delivery		(25,216,336)	(19,477,291)
Sales and marketing		(3,101,882)	(2,724,039)
General and administration		(8,337,329)	(9,146,370)
Amortisation	7	(9,925,327)	(7,164,324)
Depreciation	8	(1,184,647)	(1,016,745)
Other income	5	<u>646,717</u>	<u>670,829</u>
<b>Operating loss</b>		(4,602,019)	(5,015,211)
Finance income		107	1,650
Finance costs		<u>(626,013)</u>	<u>(273,540)</u>
<b>Loss on ordinary activities before taxation</b>		(5,227,925)	(5,287,101)
Income tax		<u>598,577</u>	<u>202,700</u>
<b>Loss for the financial period</b>		(4,629,348)	(5,084,401)
<b>Other comprehensive income / (loss) for the period:</b>			
Foreign exchange differences on translation of operations of foreign subsidiaries and branches		<u>3,669,945</u>	<u>(2,848,161)</u>
<b>Total comprehensive loss for the period attributable to the equity holders of the parent</b>		<u>(959,403)</u>	<u>(7,932,562)</u>
<b>Basic and diluted loss per share (cents)</b>	6	<u>(1.48)</u>	<u>(1.74)</u>

All results relate to continuing operations. The notes on pages 11 to 23 are an integral part of these condensed consolidated interim financial statements.


## FINEOS CORPORATION HOLDINGS PLC

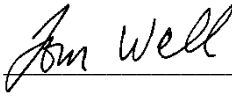
### CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2021

	Note	As at 31 December 2021 €	As at 30 June 2021 €
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	7	140,191,610	134,622,056
Property, plant and equipment	8	<u>6,167,984</u>	<u>6,236,202</u>
		<u>146,359,594</u>	<u>140,858,258</u>
<b>Current assets</b>			
Trade and other receivables	9	23,067,810	29,612,596
Cash and cash equivalents		<u>48,549,959</u>	<u>13,998,945</u>
		<u>71,617,769</u>	<u>43,611,541</u>
<b>Total Assets</b>		<u>217,977,363</u>	<u>184,469,799</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	10	22,307,657	34,391,576
<b>Non-current liabilities</b>			
Long-term liabilities	10	13,125,203	13,320,872
<b>Provisions</b>			
		<u>517,767</u>	<u>416,773</u>
<b>Total liabilities</b>		<u>35,950,627</u>	<u>48,129,221</u>
<b>Capital and reserves</b>			
Called up share capital presented as equity	11	319,131	301,677
Share premium	11	169,623,782	124,239,947
Foreign exchange reserve		3,548,655	(121,290)
Other undenominated capital		1	1
Share option reserve		5,040,832	3,796,560
Reorganisation reserve		11,123,985	11,123,985
Retained earnings		<u>(7,629,650)</u>	<u>(3,000,302)</u>
<b>Total equity</b>		<u>182,026,736</u>	<u>136,340,578</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>217,977,363</u>	<u>184,469,799</u>

The notes on pages 11 to 23 are an integral part of these condensed consolidated interim financial statements.

On behalf of the Board

  
 Michael Kelly  
 Director

  
 Tom Wall  
 Director

23 February 2022

**FINEOS CORPORATION HOLDINGS PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
for the six-month period ended 31 December 2021

	Called up share capital presented as equity €	Share premium €	Foreign exchange reserves arising on translation €	Other undenominated capital €	Share option reserve €	Reorganisation reserve €	Retained earnings €	Total €
<b>At 30 June 2021</b>	<u>301,677</u>	<u>124,239,947</u>	<u>(121,290)</u>	<u>1</u>	<u>3,796,560</u>	<u>11,123,985</u>	<u>(3,000,302)</u>	<u>136,340,578</u>
Loss for the period	-	-	-	-	-	-	(4,629,348)	(4,629,348)
Other comprehensive income for the period	-	-	<u>3,669,945</u>	-	-	-	-	<u>3,669,945</u>
Total comprehensive loss for the period	-	-	3,669,945	-	-	-	(4,629,348)	(959,403)
Issue of share capital	17,454	45,323,240	-	-	-	-	-	45,340,694
Reserves transfer from share options exercised	-	60,595	-	-	(60,595)	-	-	-
Share-based payment charge	-	-	-	-	1,248,272	-	-	1,248,272
Translation adjustment	-	-	-	-	<u>56,595</u>	-	-	<u>56,595</u>
<b>At 31 December 2021</b>	<u>319,131</u>	<u>169,623,782</u>	<u>3,548,655</u>	<u>1</u>	<u>5,040,832</u>	<u>11,123,985</u>	<u>(7,629,650)</u>	<u>182,026,736</u>

All amounts are attributable to the equity holders of the Group. The notes on pages 11 to 23 are an integral part of these condensed consolidated interim financial statements.

**FINEOS CORPORATION HOLDINGS PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
for the six-month period ended 31 December 2021

	Called up share capital presented as equity €	Share premium €	Foreign exchange reserves arising on translation €	Other undenominated capital €	Share option reserve €	Reorganisation reserve €	Retained earnings €	Total €
<b>At 30 June 2020</b>	<u>272,030</u>	<u>59,903,254</u>	<u>(266,262)</u>	<u>1</u>	<u>2,664,088</u>	<u>11,123,985</u>	<u>9,484,760</u>	<u>83,181,856</u>
Loss for the period	-	-	-	-	-	-	(5,084,401)	(5,084,401)
Other comprehensive loss for the period	-	-	(2,848,161)	-	-	-	-	(2,848,161)
Total comprehensive loss for the period	-	-	(2,848,161)	-	-	-	(5,084,401)	(7,932,562)
Issue of share capital	29,603	63,328,526	-	-	-	-	-	63,358,129
Reserves transfer from share options exercised	-	976,863	-	-	(976,863)	-	-	-
Share-based payment charge	-	-	-	-	1,187,207	-	-	1,187,207
Translation adjustment	-	-	-	-	(22,261)	-	-	(22,261)
<b>At 31 December 2020</b>	<u>301,633</u>	<u>124,208,643</u>	<u>(3,114,423)</u>	<u>1</u>	<u>2,852,171</u>	<u>11,123,985</u>	<u>4,400,359</u>	<u>139,772,369</u>

All amounts are attributable to the equity holders of the Group. The notes on pages 11 to 23 are an integral part of these condensed consolidated interim financial statements.

**FINEOS CORPORATION HOLDINGS PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
for the six-month period ended 31 December 2021

	Note	For the six-month period ended 31 December 2021 €	For the six-month period ended 31 December 2020 €
<b>Cash flows from operating activities</b>			
Group loss after tax		(4,629,348)	(5,084,401)
<b>Adjusted for:</b>			
Income tax credit		(598,577)	(202,700)
Finance costs		626,013	273,540
Finance income		(107)	(1,650)
Other income	5	(646,717)	(670,829)
Depreciation	8	1,184,647	1,016,745
Amortisation	7	9,925,327	7,164,324
Loss on disposals		-	15,214
Lease expense	12	(1,733,724)	(1,316,191)
Movement in trade and other receivables		7,694,468	10,935,183
Movement in trade and other payables		(11,847,029)	(9,102,695)
Net tax paid		(237,971)	(726,102)
Effect of movement in exchange rates		526,126	(468,871)
Share-based payment expense	13	<u>1,248,272</u>	<u>1,187,207</u>
Net cash flows generated from operating activities		<u>1,511,380</u>	<u>3,018,774</u>
<b>Cash flows from investing activities</b>			
Finance income		107	1,650
Grant income received		-	78,383
Payment for acquisition of subsidiary (net of cash acquired)		-	(56,224,930)
Payment for property, plant and equipment	8	(218,624)	(321,877)
Payment for intangible assets	7	<u>(11,995,636)</u>	<u>(11,812,788)</u>
Net cash used in investing activities		<u>(12,214,153)</u>	<u>(68,279,562)</u>
<b>Cash flows from financing activities</b>			
Interest paid		(86,907)	(41,736)
Proceeds from issue of shares	11	46,086,267	57,237,613
Share issue costs	11	<u>(745,573)</u>	<u>(1,029,430)</u>
Net cash generated from financing activities		<u>45,253,787</u>	<u>56,166,447</u>
Net increase/(decrease) in cash and cash equivalents		<u>34,551,014</u>	<u>(9,094,341)</u>
<b>Cash and cash equivalents at the beginning of the period</b>		<u>13,998,945</u>	<u>39,831,380</u>
<b>Cash and cash equivalents at the end of the period</b>		<u>48,549,959</u>	<u>30,737,039</u>

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## FINEOS CORPORATION HOLDINGS PLC

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

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#### 1. GENERAL INFORMATION

FINEOS Corporation Holdings Plc ('the Company') is a public limited company incorporated in the Republic of Ireland. The registered office is FINEOS House, Eastpoint Business Park, Dublin 3.

The principal activity of the Company and its subsidiaries ('the Group') is the development and sale of enterprise claims and policy management software for Life, Accident and Health insurers and Employee Benefits providers. Foreign operations are included in accordance with the significant accounting policies set out in Note 2 to the Annual Report for the year ended 30 June 2021.

#### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These condensed consolidated interim financial statements are non-statutory general-purpose financial statements for the six-month period ended 31 December 2021. These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, and the Companies Act 2014. They do not include all of the information required in annual consolidated financial statements in accordance with IFRS as adopted by the European Union. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements for the year ended 30 June 2021.

The condensed consolidated interim financial statements for the six-month period ended 31 December 2021 should be read in conjunction with the consolidated financial statements for the year ended 30 June 2021, which form part of the Group's Annual Report for the year ended 30 June 2021, and any public announcements made by FINEOS Corporation Holdings plc during the interim reporting period in accordance with the continuous disclosure obligations of the ASX listing Rules.

##### *Historical cost, presentation currency and going concern*

The condensed consolidated interim financial statements have been prepared on the historical cost basis, other than where described below. The condensed consolidated interim financial statements of the Group are presented in Euro ('€') which is also the functional currency of the Group and Company.

Management have prepared projections and forecasts for the Group. These include consideration of revenue growth, funding and finance facilities in place, and cash reserves held. On this basis, the Directors consider that it is appropriate to prepare the condensed consolidated interim financial statements on the going concern assumption.

##### *Accounting policies*

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements for the year ended 30 June 2021 except for the adoption of new standards, interpretations and standard amendments effective as of 1 July 2021.

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## FINEOS CORPORATION HOLDINGS PLC

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

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#### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

##### *New standards and interpretation*

The following new standards, interpretations and standard amendments became effective for the Group as of 1 July 2021:

- Amendments to IFRS 9 Financial instruments, IAS 39 Financial instruments: Recognition and measurement, IFRS 7 Financial instruments, IFRS 4 Insurance Contracts and IFRS 16 Leases: Disclosures – Interest Rate Benchmark Reform Phase 2
- Amendments to IFRS 16 Leases – COVID-19-related rent concessions beyond 30 June 2021.

The standard amendments did not result in a material impact on the Group's results.

##### *IFRS and IFRIC interpretations being adopted in subsequent years*

There are no IFRS or IFRIC interpretations that are effective subsequent to the financial period end that would have a material impact on the results or financial position of the Group.

##### *Significant judgements, estimates and assumptions*

The same significant judgements, estimates, and assumptions included in the notes to the financial statements in the Group's consolidated financial statements for the year ended 30 June 2021 have been applied to these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 23 February 2022.

#### 3. REVENUE

	6 months ended 31 December	
	2021	2020
	€	€
<b><i>Amount of revenue by class of activity:</i></b>		
Professional services	39,511,134	33,437,479
Annual subscriptions	25,236,784	17,902,946
Initial product licence fees	<u>650,947</u>	<u>1,235,522</u>
	<u>65,398,865</u>	<u>52,575,947</u>
<b><i>Amount of revenue by market:</i></b>		
North America	52,325,603	37,153,307
APAC	10,627,197	12,586,283
EMEA	<u>2,446,065</u>	<u>2,836,357</u>
	<u>65,398,865</u>	<u>52,575,947</u>

##### **Segment information**

The Group manages its operations as a single business operation and there are no parts of the Group that qualify as operating segments. The Board assesses the financial performance of the Group on an integrated basis only and accordingly, the Group is managed on the basis of a single segment.

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## FINEOS CORPORATION HOLDINGS PLC

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

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#### 3. REVENUE (continued)

##### Contract assets and contract liabilities

###### Contract assets

Contract assets in the amount of €2,414,119 (30 June 2021: €1,247,706) are included in the figure for trade and unbilled receivables within Note 9.

###### Contract liabilities

Contract liabilities are disclosed separately as deferred revenue in Trade and other payables and at the interim reporting date amounted to €7,938,049 (30 June 2021: €17,013,665) (Note 10). The Group is availing of the practical expedient which exempts the disclosure of unsatisfied performance obligations to date since both of the following criteria are met:

- The performance obligations are part of contracts which have an original expected duration of one year or less; and
- The Group recognises revenue from the satisfaction of the performance obligations which have been completed to date and to which the Group has a right to invoice.

#### 4. EMPLOYEE COSTS

The average monthly number of persons employed by the Group (including the Executive Directors) during the period was as follows:

	6 months ended 31 December	
	2021	2020
	Number	Number
Product development and delivery	741	692
Sales and marketing	30	32
General and administration	<u>52</u>	<u>53</u>
	<u>823</u>	<u>777</u>

The staff costs comprise:

	6 months ended 31 December	
	2021	2020
	€	€
Wages and salaries	41,492,159	36,159,553
Social welfare costs	3,727,739	3,166,856
Pension costs	2,084,032	1,669,865
Share-based payments	<u>1,248,272</u>	<u>1,187,207</u>
	<u>48,552,202</u>	<u>42,183,481</u>

##### **Staff costs as qualifying development expenditure**

The qualifying development expenditure generating an asset as shown in Note 7 consists of qualifying staff costs incurred in relation to the development of the Group's projects. During the current period qualifying staff costs amounted to €11,930,722 (31 December 2020: €11,776,936).



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## FINEOS CORPORATION HOLDINGS PLC

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

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#### 5. OTHER INCOME

	6 months ended 31 December	
	2021	2020
	€	€
Research and development tax credit	646,717	651,720
Grant and other income	<u>-</u>	<u>19,109</u>
	<u>646,717</u>	<u>670,829</u>

#### 6. EARNINGS PER SHARE

	6 months ended 31 December	
	2021	2020
	€	€
<b>Basic earnings per share</b>		
Loss for the financial period	(4,629,348)	(5,084,401)
Weighted average number of ordinary shares outstanding	<u>312,756,417</u>	<u>292,798,663</u>
<b>Basic loss per share (in cents)</b>	<u>(1.48)</u>	<u>(1.74)</u>

Basic loss per share is calculated by dividing the loss for the period after taxation attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

The 2020 basic loss per share has been restated from a basic loss per share of 2.71 in cents to 1.74 in cents, arising from a calculation error. The prior period calculation used total comprehensive loss attributable to ordinary shareholders rather than loss for the financial period after taxation attributable to ordinary shareholders.

<b>Diluted earnings per share</b>		
Loss for the financial period	(4,629,348)	(5,084,401)
Weighted average number of ordinary shares outstanding	<u>312,756,417</u>	<u>292,798,663</u>
<b>Diluted loss per share (in cents)</b>	<u>(1.48)</u>	<u>(1.74)</u>

The calculation of diluted earnings per share has been based on the loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustments for the effects of all dilutive ordinary shares. Potential ordinary shares are treated as dilutive when, and only when, their conversion to ordinary shares would decrease EPS or increase the loss per share from continuing operations.

**FINEOS CORPORATION HOLDINGS PLC**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
for the six-month period ended 31 December 2021**

**7. INTANGIBLE ASSETS**

<b>GROUP</b>	<b>Right-of-use assets €</b>	<b>Development expenditure €</b>	<b>Contract costs €</b>	<b>Computer Software €</b>	<b>Technology €</b>	<b>Customer relationships €</b>	<b>Goodwill €</b>	<b>Total €</b>
<b>Cost</b>								
At 30 June 2021	6,085,458	109,969,639	2,923,068	341,736	7,840,459	17,716,568	41,332,032	186,208,960
Additions	88,952	11,930,722	64,914	-	-	-	-	12,084,588
Translation adjustment	<u>2,246</u>	<u>453,353</u>	<u>(499)</u>	<u>-</u>	<u>386,277</u>	<u>872,845</u>	<u>2,036,312</u>	<u>3,750,534</u>
At 31 December 2021	<u>6,176,656</u>	<u>122,353,714</u>	<u>2,987,483</u>	<u>341,736</u>	<u>8,226,736</u>	<u>18,589,413</u>	<u>43,368,344</u>	<u>202,044,082</u>
<b>Amortisation</b>								
At 30 June 2021	3,964,967	44,416,145	1,295,465	341,736	860,248	708,343	-	51,586,904
Charged in the year	637,360	8,018,647	278,471	-	545,509	445,340	-	9,925,327
Translation adjustment	<u>1,248</u>	<u>237,071</u>	<u>(379)</u>	<u>-</u>	<u>56,157</u>	<u>46,144</u>	<u>-</u>	<u>340,241</u>
At 31 December 2021	<u>4,603,575</u>	<u>52,671,863</u>	<u>1,573,557</u>	<u>341,736</u>	<u>1,461,914</u>	<u>1,199,827</u>	<u>-</u>	<u>61,852,472</u>
<b>Net book amounts</b>								
At 31 December 2021	<u>1,573,081</u>	<u>69,681,851</u>	<u>1,413,926</u>	<u>-</u>	<u>6,764,822</u>	<u>17,389,586</u>	<u>43,368,344</u>	<u>140,191,610</u>
At 30 June 2021	<u>2,120,491</u>	<u>65,553,494</u>	<u>1,627,603</u>	<u>-</u>	<u>6,980,211</u>	<u>17,008,225</u>	<u>41,332,032</u>	<u>134,622,056</u>

**FINEOS CORPORATION HOLDINGS PLC**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
for the six-month period ended 31 December 2021**

**7. INTANGIBLE ASSETS (continued)**

<b>GROUP</b>	<b>Right-of-use assets €</b>	<b>Development expenditure €</b>	<b>Contract costs €</b>	<b>Computer Software €</b>	<b>Technology €</b>	<b>Customer relationships €</b>	<b>Goodwill €</b>	<b>Total €</b>
<b>Cost</b>								
At 30 June 2020	4,533,218	81,700,092	2,367,741	341,736	-	-	-	88,942,787
Additions	1,552,240	24,965,485	330,858	-	-	-	-	26,848,583
Arising on acquisition	-	3,298,150	341,136	-	7,866,144	17,778,516	41,441,051	70,724,997
Written off	-	-	(111,917)	-	-	-	-	(111,917)
Translation adjustment	-	<u>5,912</u>	<u>(4,750)</u>	-	<u>(25,685)</u>	<u>(61,948)</u>	<u>(109,019)</u>	<u>(195,490)</u>
At 30 June 2021	<u>6,085,458</u>	<u>109,969,639</u>	<u>2,923,068</u>	<u>341,736</u>	<u>7,840,459</u>	<u>17,716,568</u>	<u>41,332,032</u>	<u>186,208,960</u>
<b>Amortisation</b>								
At 30 June 2020	3,051,119	31,567,254	655,858	311,647	-	-	-	35,585,878
Charged in the year	913,848	12,857,272	641,820	30,089	857,075	705,730	-	16,005,834
Translation adjustment	-	<u>(8,381)</u>	<u>(2,213)</u>	-	<u>3,173</u>	<u>2,613</u>	-	<u>(4,808)</u>
At 30 June 2021	<u>3,964,967</u>	<u>44,416,145</u>	<u>1,295,465</u>	<u>341,736</u>	<u>860,248</u>	<u>708,343</u>	-	<u>51,586,904</u>
<b>Net book amounts</b>								
At 30 June 2021	<u>2,120,491</u>	<u>65,553,494</u>	<u>1,627,603</u>	-	<u>6,980,211</u>	<u>17,008,225</u>	<u>41,332,032</u>	<u>134,622,056</u>
At 30 June 2020	<u>1,482,099</u>	<u>50,132,838</u>	<u>1,711,883</u>	<u>30,089</u>	-	-	-	<u>53,356,909</u>

**Development expenditure**

In total, research and development costs for the Group amounted to €20,715,722 in the period, out of which €11,930,722 qualifies for capitalisation under IAS 38 *Intangible Assets* (31 December 2020: €19,402,797 and €11,776,936 respectively). Qualifying development expenditure is amortised on a straight-line basis over its useful economic life (between three and 10 years). The amortisation expense amounts to €8,018,647 for the period, of which €52,500 relates to the amortisation of previously capitalised borrowing costs (31 December 2020: €5,917,623 and €52,500 respectively).

**FINEOS CORPORATION HOLDINGS PLC**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
for the six-month period ended 31 December 2021

**8. PROPERTY, PLANT AND EQUIPMENT**

<b>GROUP</b>	<b>Right-of-use assets</b>	<b>Office equipment</b>	<b>Computer equipment</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	€	€	€	€	€
<b>Cost</b>					
At 30 June 2021	9,250,962	795,605	4,706,901	1,906,467	16,659,935
Additions	871,050	-	195,302	23,322	1,089,674
Translation adjustment	<u>23,005</u>	<u>1,111</u>	<u>37,196</u>	<u>4,276</u>	<u>65,588</u>
At 31 December 2021	<u>10,145,017</u>	<u>796,716</u>	<u>4,939,399</u>	<u>1,934,065</u>	<u>17,815,197</u>
<b>Depreciation</b>					
At 30 June 2021	4,747,630	709,645	3,366,642	1,599,816	10,423,733
Charged in the year	657,091	23,020	444,337	60,199	1,184,647
Translation adjustment	<u>12,938</u>	<u>(2,584)</u>	<u>27,232</u>	<u>1,247</u>	<u>38,833</u>
At 31 December 2021	<u>5,417,659</u>	<u>730,081</u>	<u>3,838,211</u>	<u>1,661,262</u>	<u>11,647,213</u>
<b>Net book amounts</b>					
At 31 December 2021	<u>4,727,358</u>	<u>66,635</u>	<u>1,101,188</u>	<u>272,803</u>	<u>6,167,984</u>
At 30 June 2021	<u>4,503,332</u>	<u>85,960</u>	<u>1,340,259</u>	<u>306,651</u>	<u>6,236,202</u>
<b>GROUP</b>	<b>Right-of-use assets</b>	<b>Office equipment</b>	<b>Computer equipment</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	€	€	€	€	€
<b>Cost</b>					
At 30 June 2020	9,403,441	790,673	3,986,725	1,889,880	16,070,719
Additions	16,675	927	756,516	188,849	962,967
Arising on acquisition	-	208	151,174	4,156	155,538
Disposals	(210,394)	-	(192,839)	(180,255)	(583,488)
Translation adjustment	<u>41,240</u>	<u>3,797</u>	<u>5,325</u>	<u>3,837</u>	<u>54,199</u>
At 30 June 2021	<u>9,250,962</u>	<u>795,605</u>	<u>4,706,901</u>	<u>1,906,467</u>	<u>16,659,935</u>
<b>Depreciation</b>					
At 30 June 2020	3,770,503	656,928	2,740,084	1,668,567	8,836,082
Charged in the year	1,111,831	55,777	794,352	111,104	2,073,064
Disposals	(160,300)	-	(181,911)	(180,255)	(522,466)
Translation adjustment	<u>25,596</u>	<u>(3,060)</u>	<u>14,117</u>	<u>400</u>	<u>37,053</u>
At 30 June 2021	<u>4,747,630</u>	<u>709,645</u>	<u>3,366,642</u>	<u>1,599,816</u>	<u>10,423,733</u>
<b>Net book amounts</b>					
At 30 June 2021	<u>4,503,332</u>	<u>85,960</u>	<u>1,340,259</u>	<u>306,651</u>	<u>6,236,202</u>
At 30 June 2020	<u>5,632,938</u>	<u>133,745</u>	<u>1,246,641</u>	<u>221,313</u>	<u>7,234,637</u>

## FINEOS CORPORATION HOLDINGS PLC

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

#### 9. TRADE AND OTHER RECEIVABLES

	31 December 2021 €	30 June 2021 €
<b>GROUP</b>		
Trade receivables	12,807,377	22,249,112
Unbilled receivables	2,414,119	1,247,706
Other receivables	116,762	148,828
Prepayments	2,685,882	1,984,899
Research and development tax credits	1,694,191	1,492,056
Value added tax recoverable	996,036	1,084,099
Corporation tax recoverable	492,737	442,527
Deferred tax asset	<u>1,860,706</u>	<u>963,369</u>
	<u>23,067,810</u>	<u>29,612,596</u>

#### *Trade and other receivables*

The carrying amounts of trade receivables and other receivables approximate their fair value largely due to the short-term maturities and nature of these instruments. All trade receivables are due within the Group's normal terms, which is 30 days. Trade receivables are shown net of a provision for expected credit losses.

#### *Unbilled receivables*

Unbilled receivables refers to work performed / revenue earned but not yet invoiced to the customer due to billing arrangements.

#### *Taxes and tax credits*

Taxes and social welfare costs are subject to the terms of the relevant legislation.

#### 10. TRADE AND OTHER PAYABLES

	31 December 2021 €	30 June 2021 €
<b>Current</b>		
Trade payables	1,080,630	3,289,594
Corporation tax	186,482	176,478
Value added tax	7,689	32,996
Employee taxes and levies	1,341,381	1,209,036
Accruals	6,823,371	7,490,130
Deferred revenue	7,938,049	17,013,665
Research and development tax credit	1,240,543	1,269,063
Lease liabilities (Note 12)	1,595,051	2,151,497
Contingent consideration	<u>2,094,461</u>	<u>1,759,117</u>
	<u>22,307,657</u>	<u>34,391,576</u>

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## FINEOS CORPORATION HOLDINGS PLC

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

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#### 10. TRADE AND OTHER PAYABLES (continued)

	31 December 2021 €	30 June 2021 €
<b>Non-current</b>		
Lease liability (Note 12)	5,270,724	5,262,444
Research and development tax credit	4,764,242	5,180,303
Contingent consideration	<u>3,090,237</u>	<u>2,878,125</u>
	<u>13,125,203</u>	<u>13,320,872</u>

#### **Trade and other payables**

The carrying amounts of trade and other payables approximate their fair value largely due to the short-term maturities and nature of these instruments. The repayment terms of trade payables vary between on demand and 30 days. No interest is payable on trade payables.

#### **Reservation of title**

Certain trade payables purport to claim a reservation of title clause for goods supplied. Since the extent to which these payables are secured at any time depends on a number of conditions, the validity of some of which is not readily determinable, it is not possible to indicate how much of the above was effectively secured.

#### **Accruals**

The terms of the accruals are based on underlying invoices.

#### **Taxes and social welfare costs**

Taxes and social welfare costs are subject to the terms of the relevant legislation. Interest accrues on late payments. No interest was due at the financial period-end date.

#### **Deferred revenue**

Income arising on support contracts and rental subscription sales where the provision of the service has not been completed at the period-end date is deferred and recognised as the service is provided.

#### **Contingent consideration**

On an undiscounted basis, the corresponding future payments relating to contingent consideration, for which the Group may be liable, ranges from \$3.5 million to \$6.6 million (€2.9 million to €5.5 million). This is based on a range of estimated potential outcomes of the expected payment amounts primarily dependant on underlying performance metrics as set out in the Spraoi merger agreement. The fair value of contingent consideration is arrived at through discounting the expected payment to present value. Based on a reasonable possible change in assumptions, the fair value ranges from \$3.0 million to \$5.4 million (€2.5 million to €4.5 million) on a discounted basis.

## FINEOS CORPORATION HOLDINGS PLC

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

#### 10. TRADE AND OTHER PAYABLES (continued)

The movement in contingent consideration during the period/year was as follows:

	6 months to 31 December 2021 €	12 months to 30 June 2021 €
Opening liability	4,637,242	-
Arising on acquisition during the period	-	4,447,533
Discount unwinding for the period	310,822	82,674
Translation adjustment for the period	<u>236,634</u>	<u>107,035</u>
Closing liability	<u>5,184,698</u>	<u>4,637,242</u>

#### 11. SHARE CAPITAL AND RESERVES

	31 December 2021 €	30 June 2021 €
<b>Authorised</b>		
Ordinary shares of €0.001 each	<u>4,500,000</u>	<u>4,500,000</u>
<b>Issued share capital presented as equity</b>		
Ordinary shares of €0.001 each	<u>319,131</u>	<u>301,677</u>

The movement in issued share capital during the financial period was as follows:

Issued share capital	No. of shares	Nominal value	Share capital	Share premium	Total
At 30 June 2021	301,676,608	€0.001	301,677	124,239,947	124,541,624
Share issue – equity raise	16,279,069	€0.001	16,279	43,660,015	43,676,294
Share issue – SPP	862,261	€0.001	862	2,329,134	2,329,996
Share issue – exercise of share options	313,195	€0.001	313	79,664	79,977
Transaction costs accounted for as a deduction from equity	—		—	(745,573)	(745,573)
	319,131,133		319,131	169,563,187	169,882,318
Transfer from share option reserve	—		—	60,595	60,595
At 31 December 2021	<u>319,131,133</u>	€0.001	<u>319,131</u>	<u>169,623,782</u>	<u>169,942,913</u>

## FINEOS CORPORATION HOLDINGS PLC

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

#### 11. SHARE CAPITAL AND RESERVES (continued)

FINEOS undertook an equity raising on 2 September 2021 to provide funding towards FINEOS' opportunity pipeline and provide working capital and balance sheet support for planned R&D investments and organic and inorganic growth opportunities. FINEOS successfully completed a fully underwritten institutional placement, raising approximately AU\$70 million through the issue of 16,279,069 new fully paid CHES Depository Interests over FCL shares ('CDIs'). The placement was undertaken at an offer price of AU\$4.30 per new CDI.

FINEOS Corporation Holdings plc also undertook a non-underwritten Security Purchase Plan ('SPP') raising approximately AU\$3.7 million through the issue of 862,261 new fully paid CDIs, at an offer price of AU\$4.30 per new CDI, which completed on 7 October 2021.

Reconciliation of shares issued to proceeds	6 months to 31 December 2021 €	12 months to 30 June 2021 €
Shares issued at nominal amount	17,454	29,647
Premium arising on shares issued	<u>46,068,813</u>	<u>64,366,193</u>
Total value of shares issued	46,086,267	64,395,840
Shares issued as consideration for Limelight	—	<u>(7,149,946)</u>
Proceeds from issue of shares	<u>46,086,267</u>	<u>57,245,894</u>

#### 12. LEASE LIABILITIES

	31 December 2021 €	30 June 2021 €
<b>GROUP</b>		
Current lease liabilities	1,595,051	2,151,497
Non-current lease liabilities	<u>5,270,724</u>	<u>5,262,444</u>
	<u>6,865,775</u>	<u>7,413,941</u>

The Group's total lease liability is as follows:

	6 months to 31 December 2021 €	12 months to 30 June 2021 €
Opening liability	7,413,941	7,776,146
Additions for the period	960,002	1,568,915
Modification / disposal for the period	-	(45,808)
Interest for the period	225,556	476,627
Operating lease expense for the period	<u>(1,733,724)</u>	<u>(2,361,939)</u>
Closing lease liability	<u>6,865,775</u>	<u>7,413,941</u>
Short-term lease expenses through income statement	—	—



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## FINEOS CORPORATION HOLDINGS PLC

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

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#### 12. LEASE LIABILITIES (continued)

The Group's leases include rental of office spaces for business use and right of use licences. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental repayments. The operating lease terms range from 2 to 15 years. The effective interest rate charged during the financial period ranges from 3.2% to 7% (financial year ended 30 June 2021: 3.2% to 7%) per annum. The lower rate of 3.2% reflects the Group's overdraft facility rate and the higher rate reflects the borrowing rate on the loan drawn by the Group in 2017 (since repaid).

The right of use asset of licences is classified as 'intangible assets', while the right of use asset of office rentals is classified as 'property, plant and equipment'. The movement in the carrying amount of the right-of-use assets of the Group at the start and end of each reporting period is disclosed in Notes 7 and 8.

#### 13. SHARE-BASED PAYMENT EXPENSE

The total share-based payment expense for the Group's equity incentive schemes charged to general and administration costs in the condensed consolidated statement of comprehensive income is as follows:

	6 months ended 31 December	
	2021	2020
	€	€
Share-based payment expense	<u>1,248,272</u>	<u>1,187,207</u>

Details of the schemes operated by the Group are set out on pages 64 and 65 of the Group's Annual Report for the year ended 30 June 2021.

#### *Details of movement and options outstanding under the Group's Equity Incentive Plans*

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options granted under the schemes to employees of the Group during the period.

	6 months ended 31 December 2021		12 months ended 30 June 2021	
	Number	WAEP	Number	WAEP
Outstanding at 1 July at €0.001 per share	16,215,222	1.17	17,217,500	0.53
Options granted	560,518	2.66	5,292,300	2.48
Options exercised	(313,195)	0.26	(5,072,870)	0.17
Options forfeited	<u>(572,525)</u>	2.43	<u>(1,221,708)</u>	2.38
Outstanding at 31 December 2021 / 30 June 2021 at €0.001 per share	<u>15,890,020</u>	<u>1.22</u>	<u>16,215,222</u>	<u>1.17</u>
Exercisable at €0.001 per share	<u>7,530,935</u>	<u>0.19</u>	<u>7,832,989</u>	<u>0.20</u>

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## FINEOS CORPORATION HOLDINGS PLC

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six-month period ended 31 December 2021

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#### 13. SHARE-BASED PAYMENT EXPENSE (continued)

For the share options not yet exercisable as at 31 December 2021 the weighted average remaining contractual life approximates 1.33 years (30 June 2021: 1.75 years). The fair value of equity-settled share options granted is estimated as at the date of grant using a Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The Black-Scholes model is internationally recognised as being appropriate to value employee share schemes.

The table on page 66 of the Group's Annual Report for the year ended 30 June 2021 lists the inputs to the model used for the year ended 30 June 2021.

#### 14. RELATED PARTY TRANSACTIONS

A Group subsidiary, FINEOS Corporation Limited (Ireland), is party to a lease arrangement with a company controlled by Michael Kelly. Its term extends until 13 June 2029 with no express options for renewal in favour of either party. The lease provides for a rent review on 13 June 2024 at market rates. Rent payable by FINEOS is currently €779,656 per annum (excluding taxes). The rental expense for the period was €389,828 (31 December 2020: €389,828). The total rent due to Jacquel Properties Limited at 31 December 2021 was €Nil (30 June 2021: €Nil).

In common with other companies, which are members of a Group of companies, the condensed consolidated interim financial statements reflect the effect of such membership.

During the period there were no material changes to, or material transactions between, the Company and its key management personnel or members of their close family, other than in respect of remuneration.

#### 15. EVENTS SUBSEQUENT TO THE PERIOD END

There are no events subsequent to the period end that would require disclosure in or adjustment to the condensed consolidated interim financial statements.

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## FINEOS CORPORATION HOLDINGS PLC

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### DIRECTORS' DECLARATION

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The Directors of the Company confirm that to the best of their knowledge, the condensed consolidated interim financial statements and accompanying notes for the six-month period ended 31 December 2021, which are set out on pages 2 to 23, have been prepared in accordance with the international accounting standard applicable to interim financial reporting, IAS 34 Interim Financial Reporting, as adopted by the European Union.

#### On behalf of the Board

  
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**Michael Kelly**  
Director

  
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**Tom Wall**  
Director

**23 February 2022**

## INDEPENDENT REVIEW REPORT TO FINEOS CORPORATION HOLDINGS PLC

### Conclusion

We have reviewed the condensed set of consolidated financial statements in the interim financial report of FINEOS Corporation Holdings plc for the six months ended 31 December 2021, which comprises the condensed consolidated statement of financial position as at 31 December 2021, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the interim period ended on that date, and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements of FINEOS Corporation Holdings plc for the six-month period ended 31 December 2021, does not give a true and fair view of the financial position of the group as at 31 December 2021 and of its financial performance and cashflows for the six month period then ended in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

### Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (Ireland), 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with IFRS as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the EU.

### Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", however future events or conditions may cause the entity to cease to continue as a going concern.

**INDEPENDENT REVIEW REPORT TO  
FINEOS CORPORATION HOLDINGS PLC**

**Responsibilities of Directors**

The Directors are responsible for the preparation and fair presentation of the interim financial report in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

In preparing the interim financial report, 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 review of the financial information**

In reviewing the interim report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the interim financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.



**Mazars**  
**Chartered Accountants & Statutory Audit Firm**  
**Harcourt Centre,**  
**Block 3,**  
**Harcourt Road,**  
**Dublin 2**

**23 February 2022**

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