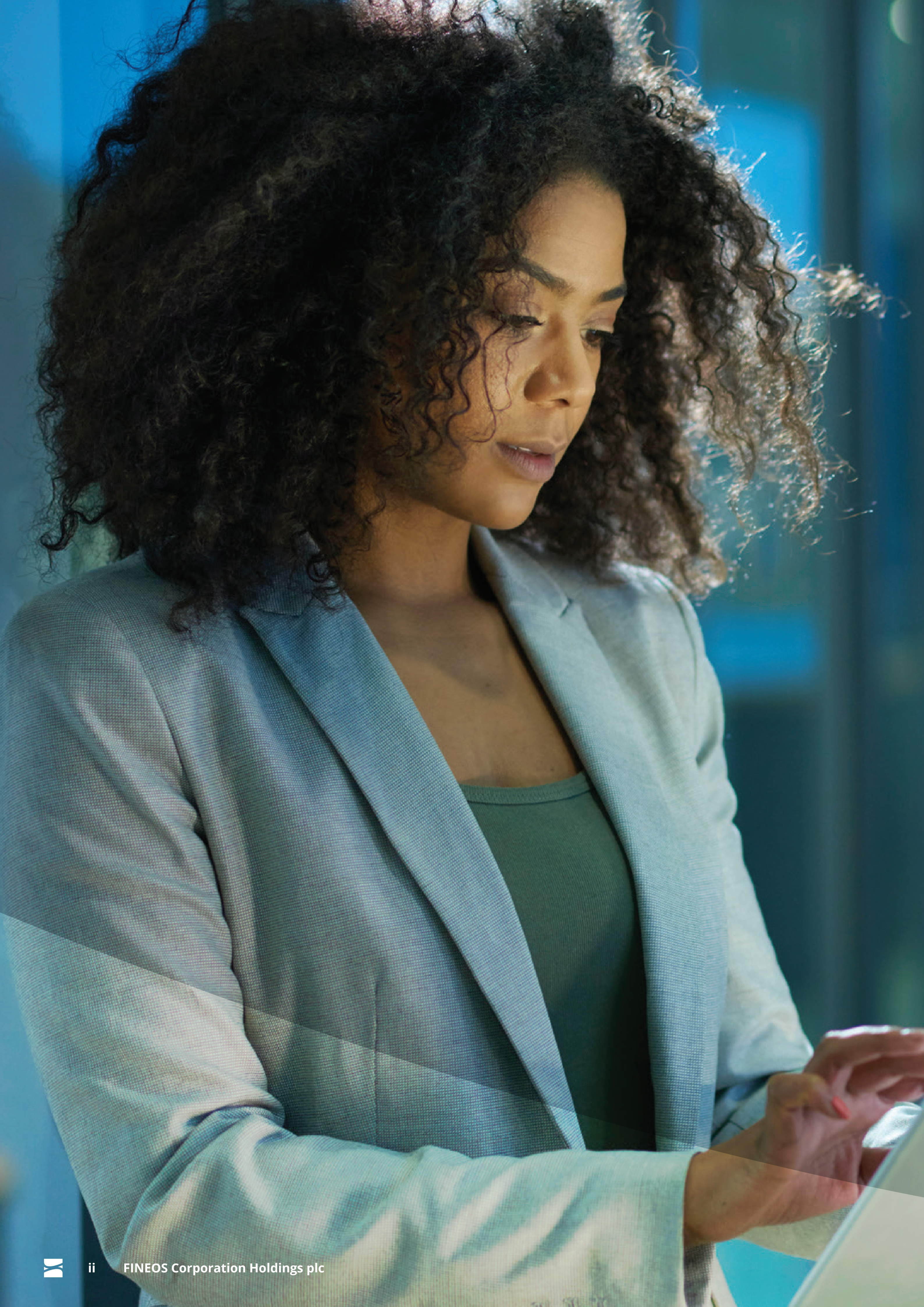
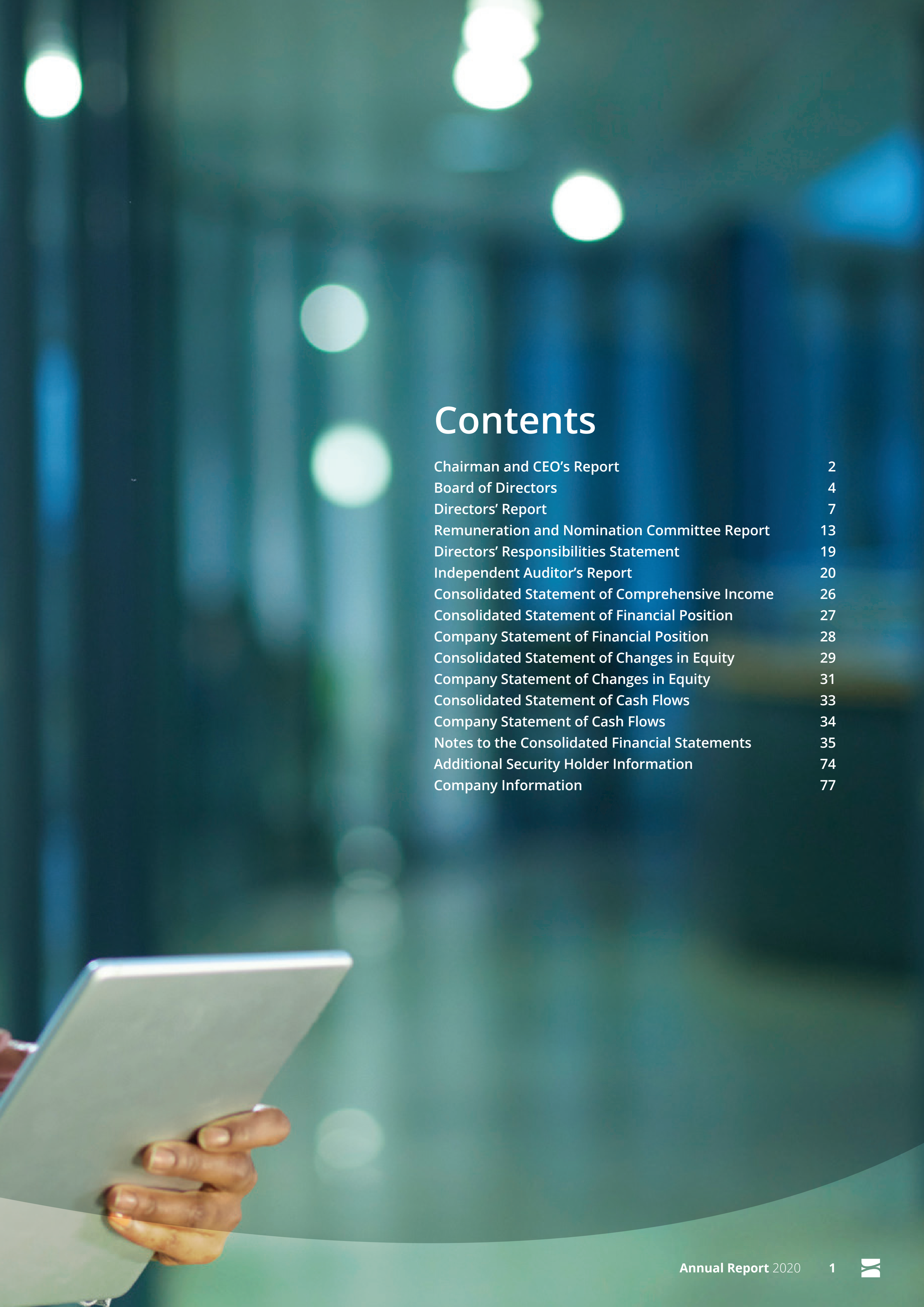
FINEOS

Annual Report 2020

FINEOS Corporation Holdings plc
ARBN 633 278 430





Contents

Chairman and CEO's Report

Dear Securityholder,

In our first year as an ASX listed company, following an Initial Public Offering (IPO) on 16 August 2019, we are pleased to report on a very successful and rewarding 12 months for the Company to 30 June 2020 (FY20).

FY20 Results

FINEOS has continued to invest to grow our global client portfolio, which includes several of the top life, accident and health insurance carriers in North America and the Asia Pacific region. We achieved record revenue for the full year ended 30 June 2020 of €87.8 million, representing a 39.8% increase on FY19, and a 18.6% increase on our prospectus forecast of €74.0 million. Our statutory EBITDA (defined as earnings before interest, taxes, amortisation and depreciation) for FY20 was €13.3 million, up 64.2% from €8.1 million in FY19 and up on a prospectus forecast of €2.4 million.

Our results were driven by a combination of new client wins, existing client upgrades to the cloud and increasing demand from clients to accelerate FINEOS implementations to meet business and regulatory needs.

The closing cash balance for the year was €39.8 million, primarily reflecting funds raised at the IPO and cashflow generation in the second half of the year, partially offset by the repayment of a €16.7 million loan and interest in the first quarter of the year. The cash balance and debt free position at 30 June 2020 provided a healthy balance sheet to fund future growth initiatives for the Company.

To support the substantial growth in revenue, we increased headcount to 875 at 30 June 2020, an increase of 31.8% on the total of 664 at 30 June 2019.

We continued our investment in Research and Development (R&D), supporting our mission to be the global market leader in core systems for group and individual life, accident and health insurance on our single cloud technology platform. Total R&D spend for FY20 was €28.4 million, up 24.6% from €22.8 million in FY19. Of the total spend in FY20, €16.8 million (or 59.1%) was capitalised, and €11.6 million was expensed.

These operational and financial results achieved were testament to the dedicated work and focus of our employees and leadership team throughout the year.

COVID-19

As we progressed into the third quarter of FY20, we reacted quickly to the impact of the global pandemic COVID-19 and established a taskforce to coordinate our activities and communications to all of our stakeholders. We prioritised the wellbeing of our people and ensured that they could continue to meet the needs of our clients. In line with best practice, our employees around the world are working from home since the end of March 2020.

Utilisation rates within our FINEOS Product Consulting teams remained consistently high, at over 90%, to ensure our client projects are delivered on time and to budget. We continued to hire for open roles and remotely onboarded new people in line with business demand. As part of our Corporate Public Responsibility, FINEOS developed and made a US Federal Paid Leave COVID-19 payments calculator freely available to the market to support benefit calculations and entitlements for COVID-19 payments at a Federal level. In addition, the FINEOS Product Compliance team released several information bulletins and published related blogs on Federal and State COVID-19 regulatory changes as they occurred. This helped demonstrate the FINEOS expertise and growing market leadership position in the area of paid and unpaid leaves and absence management.

COVID-19 continues to impact many of our clients and the community more broadly. We will continue to be guided by our purpose, of helping our clients care for the people they serve through the delivery of superior insurance technology, as we support them in these challenging times. Our purpose will also continue to guide the decisions we make to help ensure we deliver results in a sustainable way for all FINEOS securityholders.

> *"Our results were driven by a combination of new client wins, existing client upgrades to the cloud and increasing demand from clients to accelerate FINEOS implementations to meet business and regulatory needs."*

Board Appointment and Forthcoming Retirement

Since listing in August, one new Director joined the Board. Mr David Hollander who is based in the US, was appointed in October 2019. David has been a senior leader within the global insurance, technology, and professional services industries for over 35 years. He was previously Global Insurance Leader for Ernst & Young LLP.

After 10 years supporting and guiding FINEOS, both as a Non-executive Director and Chairman, Mr Peter Le Beau will not stand for re-election at our Annual General Meeting later this year. Peter has brought great insight to FINEOS leveraging his many years of experience, particularly in the income protection and life assurance sector in the U.K., Europe and United States. We thank Peter for his contributions and wish him well for the future.

Outlook

Our current financial year has commenced with an exciting development following our announcement in August 2020 of the acquisition of Limelight Health, a leading insurtech Silicon Valley provider of cloud-based quoting, rating and underwriting software to the life, accident and health insurance carrier market in North America.

Limelight Health's technology is highly complementary to the FINEOS AdminSuite. The integration of the Limelight new business product suite gives FINEOS an end to end core product suite, from 'quotations to claims management' to make the FINEOS Platform the leading industry platform for US Employee Benefits. The combination of the two companies sets forth an exciting future for both organisations' clients, our employees and for you as securityholders as we look to add value, grow market share and further develop and enhance our full suite of core products to the market. In addition to adding clients and market share for FINEOS in the US we plan to take the Limelight product suite to our international clients and new markets in the future in line with our FINEOS growth strategy. Integration has begun and we look forward to reporting back to you on progress throughout the year.

To part fund the Limelight acquisition, an $85 million institutional equity raise was undertaken on 11 August 2020, and a security purchase plan for retail securityholders to raise up to $5 million is currently underway, to complete in September 2020.

In spite of the significant global headwinds and uncertainty caused by the COVID-19 pandemic, we at FINEOS continue to be confident that we can continue to achieve impressive revenue growth levels for this financial year so we are targeting topline revenue growth of 20% and subscription growth of 30%, before counting the contribution Limelight will add.

On behalf of the Board, we would like to congratulate and thank all FINEOS employees for their outstanding efforts and contributions this year and look forward to continuing an exciting new financial year in FY21.

Yours sincerely,

Anne O'Driscoll
Chairman

Michael Kelly
Founder and CEO

Board of Directors

Anne O'Driscoll
Chairman
Non-executive Director

Based in Sydney, Anne joined the Board in 2019. Anne has over 35 years of business experience across a broad spectrum of the insurance industry. Anne is currently on the boards of ASX listed companies, Steadfast Group Limited and Infomedia Limited, as well as non-listed companies, MDA National Pty Limited and Commonwealth Insurance Limited. Anne chairs the audit committee for each of these boards.

Anne has held various other senior management roles within organisations such as Insurance Australia Group Limited and NRMA Group, as well as being the CFO of Genworth Australia between 2009 and 2012. She is also a former director of the NSW Self-Insurance Corporation and Australasian Investor Relations Association Limited.

Anne qualified as a chartered accountant in Ireland with Haughey Boland (now Deloitte) before joining Coopers & Lybrand (now PwC) in London. Anne moved to Sydney in 1988 and is a graduate of the Australian Institute of Company Directors and a Fellow of the Australian and New Zealand Institute of Insurance and Finance, Chartered Accountants Ireland and Chartered Accountants Australia and New Zealand.

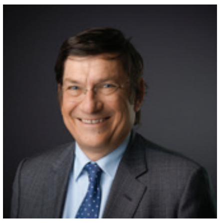
Michael Kelly
Executive Director
Chief Executive Officer

Based in Dublin, Michael is the Chief Executive Officer and founder of FINEOS. Michael has more than two decades of senior management experience in the insurance industry.

Michael began his career with Paxus Corporation, an Australian insurance software vendor entering the European market. Michael assisted in establishing Paxus's LIFE400 product as the market leading policy administration system in continental Europe, which was later acquired by CSC.

Michael is a previous winner of the EY Ireland Technology Entrepreneur of the Year, and in 2015 was named as one of the top ten most influential executives in the Irish international FinTech sector.

Michael attended Dublin City University where he graduated with a BSc in Computer Science.



Gilles Biscay
Non-executive Director

Based in Paris, Gilles joined the Board in 2019, having previously served on the Board of Fineos Corporation Limited, the main operating entity of the FINEOS Group from 2014. Gilles spent most of his career at Accenture, where he worked in multiple areas ranging from large system integration, post-merger implementations, case tools and enterprise resource planning software development.

In 2005, Gilles was named as the managing director and global lead for Accenture portfolio in insurance systems. Under his leadership, Accenture's vertical software activities grew significantly both organically and with new clients in countries such as Japan and Turkey, and externally with acquisitions such as NaviSys and Duck Creek, both insurance software providers.

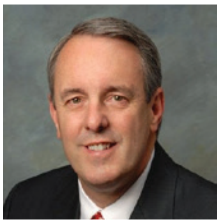
Gilles is also a founding partner and president of FutureWork SAS, a strategy consulting firm aimed at helping corporations manage digital transformations, and a non-executive independent director and board member of EUDONET SAS, a cloud-based CRM provider.

Dr Martin Fahy
Non-executive Director

Based in Sydney, Martin joined the Board in 2019. Martin is currently the CEO of the Association of Superannuation Funds of Australia (ASFA). Prior to this Martin was a senior partner in the management consulting practice of KPMG, where he led the firm's Global Business Services and Business Process Outsourcing activities.

From 2007 to 2011, Martin was CEO at the Financial Services Institute of Australasia (FINSIA) where he led the organisation's transformation post the sale of its education business. Prior to FINSIA, he led strategy and development for the Chartered Institute of Management Accountants (CIMA) in Asia Pacific.

Martin holds a Ph.D. from University College Cork, is a former Senior Fulbright Scholar and has extensive research and policy experience from his time as an academic in Ireland, France and the United States. Martin is a member of Chartered Accountants Australia and New Zealand.



David Hollander
Non-executive Director

Based in the US, David joined the Board on 14 October 2019. David has over 35 years of experience in the insurance, technology and professional services industries.

David most recently served as Global Insurance Leader for Ernst & Young LLP (EY), a professional services operation across 150 countries with US$31bn+ in revenues. David currently sits on the Board of Directors at Westfield Insurance and Distinguished Programs, both in the United States. Previously David served as the CEO of UNIRISX, a SaaS-based policy administration insurtech solution based in the UK.

David began his career with Accenture (NYSE: ACN), where he served in a variety of leadership and client service roles including CEO of Accenture's Financial Services Solutions Group. He led the creation of a 200-person global Insurance software company within Accenture, driving more than US$1bn in consulting and outsourcing pull through revenues, in addition to leading the acquisition and integration of a major life and annuity software provider.

Peter Le Beau, MBE
Non-executive Director

Based in Kent, Peter joined the Board in 2019, having previously served on the Board of Fineos Corporation Limited, the main operating entity of the FINEOS Group from 2010. Peter has over 50 years' experience in the insurance industry and is recognised as one of Europe's prominent consultants in the life and health insurance industry.

Peter is currently the Managing Director and founder of Le Beau Visage, a consulting company specialising in product design, innovation and differentiation, and is Chairman of 'The-Net-Work', a strategic discussion group comprising approximately sixty senior executives from the insurance industry.

Prior to this Peter held a number of senior management roles at Swiss Re, including as head of UK marketing between 1996 and 2001. Peter has served on the Boards of Red Arc Assured, Exeter Family Friendly, Criterion and Permanent Insurance. In 2009 Peter received an MBE (Most Excellent Order of the British Empire) for services to insurance and charity.

Board of Directors (continued)

Tom Wall
Executive Director
Chief Financial Officer

Based in Dublin, Tom joined FINEOS in 2003 as Chief Financial Officer and was appointed to the Board in 2019. Tom has over 30 years of industry experience having worked in financial management with a number of global corporations across the IT, financial services, distribution, and manufacturing industries.

Prior to joining FINEOS, Tom spent seven years at Oracle where he held various positions including as a Board Member and Finance Director of Oracle Ireland and Finance Director for Oracle EMEA Ltd. Tom also gained expertise working across a number of financial and accounting roles at MFS Communications Ltd, Unisys World Trade Incorporated and Black & Decker Inc.

Tom is a Fellow of the Chartered Institute of Management Accountants and a Chartered Global Management Accountant in Ireland.

Directors' Report
for the year ended 30 June 2020

The Directors present herewith their report and audited consolidated financial statements for the year ended 30 June 2020. These financial statements reflect the performance of FINEOS Corporation Holdings plc and its subsidiaries ('the Group') for the year ended 30 June 2020.

1. Directors and Secretary

The Directors who served during the year are Anne O'Driscoll (appointed 25 July 2019), Michael Kelly, Gilles Biscay, Martin Fahy (appointed 25 July 2019), David Hollander (appointed 15 October 2019), Peter Le Beau and Tom Wall.

Anne O'Driscoll served as Chairman of the Board for the year. Tom Wall and Vanessa Chidrawi (appointed 16 August 2019) served as Joint Company Secretary for the year.

Particulars of the Directors' qualifications and experience as well as their directorships of other listed companies are set out under Board of Directors on pages 4 to 6.

2. Directors' Meetings

The number of meetings of the Company's Board of Directors (the 'Board') and of each Board Committee held during the year ended 30 June 2020, and the number of meetings attended by each Director were as follows:

	Board		Audit and Risk Management Committee		Remuneration and Nomination Committee	
	A	**B**	**A**	**B**	**A**	**B**
Anne O'Driscoll	11	11	5	5	3	3
Michael Kelly	11	11	–	–	–	–
Gilles Biscay	11	11	5	5	3	2
Martin Fahy	11	11	5	5	3	3
David Hollander (i)	5	5	–	–	3	3
Peter Le Beau	11	10	5	5	3	3
Tom Wall	11	11	–	–	–	–

A: Meetings eligible to attend

B: Meetings attended as a member

(i) Appointed October 2019

Particular details of the responsibilities of the members of the Board and the various Committees are set out in the Corporate Governance Statement (see section 11 of the Directors' Report).

3. Audit Committee

The Audit and Risk Management Committee assists the Board in carrying out its accounting, auditing and financial reporting responsibilities, including those outlined in Section 167 of the Companies Act 2014.

4. Principal Activities and Review of the Development and Performance of the Business During the Financial Year

The principal activity of the Group is the development and sale of enterprise claims and policy management software for the Life, Accident and Health Insurance Industry. On 16 August 2019 the Company listed on the Australian Securities Exchange ('ASX') by means of issuing CHESS Depositary Interests.

4. Principal Activities and Review of the Development and Performance of the Business During the Financial Year (continued)

FINEOS Corporation Holdings plc ('the Company') and subsidiaries (collectively 'FINEOS', or 'the Group') remains an innovator of enterprise claims and policy management software for the Life, Accident and Health Insurance Industry. The Group continues to develop and sell its solutions to enable greater flexibility, efficiency and profitability within business operations. FINEOS software solutions are typically integrated with existing back office administration systems and other systems in operation within insurance organisations.

Business summary and key performance indicators

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

- an increase in revenue from €62.8 million for the year ended 30 June 2019 to €87.8 million for the year ended 30 June 2020 which is a 39.8% improvement;
- an increase of 37.9% in subscription revenues over the results for the year to 30 June 2019;
- the revenue increase of €25 million reflects the growth in new business during a transition to a subscription-based licence and billing model;
- employee retention rates continued at over 90%;
- the profit before tax for the year ended 30 June 2020 is €0.7 million compared to a loss before tax of €1.7 million for the year ended 30 June 2019; and
- basic loss per share of €0.11 cents for the year ended 30 June 2020 compared to a basic loss per share of €0.81 cents for the year ended 30 June 2019.

Despite the challenging operating environment stemming from COVID-19, FINEOS has been able to deliver overall revenue growth of 39.8% in FY20 when compared to FY19. This growth highlights the resilience of the FINEOS platform.

The impact of COVID-19 on profit before tax for the year is reflected in the receipt of an Australian taxation office cash flow boost in the amount of €33,457 (see Note 6 to the Consolidated Financial Statements) and a decrease in travel, accommodation and events expense in the period of April to June 2020 due to travel restrictions.

FINEOS has continued its strategy of investment in research and development during the year ended 30 June 2020 in the FINEOS AdminSuite product suite, which includes the development and launch of Absence Management, Policy Administration and Billing to complement the existing FINEOS Claims solution. In addition, FINEOS also increased its investment in the FINEOS Cloud platform.

The financial statements are presented in Euro which is the functional currency of the Group. Euro-based currency volatility continued during fiscal year 2020 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 €0.77 million for the Group in the year (2019: foreign exchange loss of €0.03 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.

Continued close management and control of the fixed cost base continues to be a key focus for the business. This is important given the ongoing need for investment in sales, implementation and support services in the separate geographies in which the Group operates.

FINEOS continues to align its organisational structure to reflect the specific business needs in the respective regions. This is in line with the Group's strategy of focusing on actively resourcing and training staff in line with business demand in the respective locations.

The year ended 30 June 2020 reflects the continued focus on delivering value in the insurance market, primarily within the Life, Accident and Health Claims sector in the USA, Canada, Australia and New Zealand.

The cash reserves closed at €39.8 million as at 30 June 2020 compared to €6.9 million as at 30 June 2019. This increase includes the proceeds of shares issued on the Company's listing on the Australian Stock Exchange ('ASX') of €61.2 million, share issue costs of €5.8 million and repayment of borrowings inclusive of accrued interest in the amount of €16.7 million.

4. Principal Activities and Review of the Development and Performance of the Business During the Financial Year (continued)

The consolidated statement of comprehensive income for the year ended 30 June 2020 and the consolidated statement of financial position at that date are set out on pages 26 and 27. The consolidated profit on ordinary activities for the year, before tax, amounted to €0.7 million compared to a loss before tax of €1.7 million in 2019. After deducting taxation of €0.9 million (2019: €0.1 million), a loss of €0.2 million has been debited to reserves (2019: loss of €1.8 million 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 growth strategy is to increase its market share by leveraging its comprehensive FINEOS Platform and the strong reputation of the FINEOS Claims product. The Group plans to drive up-sell and cross-sell opportunities with its existing clients and attract new clients in both existing and new geographic markets.

5. Significant Changes in the State of Affairs

On 16 August 2019 the Company completed an initial public offering in Australia, raising AU$99,950,302. In preparation for this the Company's share capital was restructured. The Group repaid the bank loans per Note 20 to the Consolidated Financial Statements and outstanding interest, in full, on 13 September 2019.

The Novel Coronavirus ('COVID-19') was declared a pandemic in March 2020 by the World Health Organisation ('WHO'). There continues to be considerable economic impact globally arising from the outbreak of COVID-19 and government action to reduce the spread of the virus. The outbreak of COVID-19 and the subsequent quarantine measures imposed by governments as well as the travel and trade restrictions imposed by countries have caused disruption to businesses and economic activity.

COVID-19 has not substantially impacted the operations of the Group and its core operations. To date the group has noted minimal impact in terms of the deferral of procurement decisions by customers impacting the rate of securing new customers and cross-selling to existing customers or the re-phasing of payments by customers. At present, the Group continues to operate effectively with business as usual.

The Group has no external debt and as at 30 June 2020 had €39.8 million of cash available to the Group. FINEOS has also just completed an equity raising in August 2020 (see section 10 below).

Management believes the Group has sufficient cash to absorb the effects of COVID-19 even if the related restrictions remain in force for an extended period of time.

The Directors do not consider that the impact is likely to compromise the ability of the Group to continue operating for the foreseeable future.

6. Dividends

During the year the Company made no interim dividend payments to Ordinary shareholders. The Directors do not propose the payment of a final dividend for the year.

7. Political Donations

There were no political donations made during the year ended 30 June 2020.

8. Future Developments in the Business

The future developments of the business are addressed in the Chairman and CEO's report on pages 2 to 3.

9. Principal Risks and Uncertainties Faced

In the opinion of the Directors, the main risks and uncertainties faced by the Group, along with the nature of their potential impact, are as follows:

- global economic and political uncertainty and volatility continues in all marketplaces where FINEOS trades (see section 5 above on COVID 19). This could potentially lead to delays and uncertainty on the allocated budgets of existing and prospective customers. It may lead to extended procurement timelines, extended contract negotiation timelines, and adds additional focus on return on investment and specific payback timelines on these investments;
- FINEOS continues to face competition in its respective markets, and if FINEOS fails to compete successfully, market share will decline;
- FINEOS subsidiaries and branches operate in currencies other than the Euro, and continued volatility in foreign exchange rates relative to the Euro could adversely affect the Group's reported earnings and cash flow;
- competitors' products may replace existing FINEOS products and as a result, FINEOS may lose market share in the markets for these products;
- major changes in technology could have an impact on FINEOS and its trading model unless it continues to invest in research and development and remains competitive and current;
- FINEOS sells product and services in the USA, Canada, Australia, New Zealand, the UK and Europe, which increases the complexity of local customer requirements, including addressing local compliance requirements in the respective countries;
- the loss of the chief executive officer or other key employees, or the limited availability of qualified personnel, may disrupt operations or increase the cost structure; and
- the loss of a significant customer could have a significant negative effect on revenues and profits.

The impact of the above is difficult or impossible to predict accurately and many of the risks and uncertainties faced are beyond the Group's control.

In the normal course of business, the Group is also exposed to price risk, credit risk, and liquidity risk, which are discussed in more detail in Note 25 to the Consolidated Financial Statements.

10. Events Subsequent to the Year End

On 14 August 2020, FINEOS acquired Limelight Health, Inc. ('Limelight'), a leading US-based provider of end-to-end quoting, rating and underwriting Software-as-a-Service ('SaaS') that streamlines critical front office workflows for life, accident and health insurance carriers, for total acquisition consideration of US$75 million, subject to customary adjustments.

FINEOS undertook an equity raising on 11 August 2020 to provide funding towards the acquisition. FINEOS successfully completed a fully underwritten institutional placement, raising approximately AU$85 million through the issue of approximately 20 million new fully paid CHESS Depositary Interests over FCL shares ('CDIs'). The placement was undertaken at an offer price of AU$4.26 per new CDI. FINEOS is also undertaking a non-underwritten Security Purchase Plan ('SPP') to raise up to AU$5 million, which will complete in September 2020.

11. Corporate Governance Statement

The corporate governance statement of FINEOS Corporation Holdings Plc, as approved by the Board, can be found on the Company's website at https://www.fineos.com/investors/corporate-governance/.

12. Transactions with Directors

There were no contracts of any significance in relation to the business of the Group in which the Directors had any interest, as defined by the Companies Act 2014, at any time during the year ended 30 June 2020.

13. Controlling Party

Michael Kelly is the ultimate controlling party of the FINEOS Group.

14. Directors' and Secretary's Interests

The Directors' and Company Secretary's interests in shares and share options as at 30 June 2020 are set out on pages 17 and 18 in the Remuneration and Nomination Committee report.

15. Group Companies

Particulars of the companies within the Group required to be disclosed under Section 314(1) of the Companies Act 2014 in respect of Group companies are detailed in Note 28 to the Consolidated Financial Statements.

16. Directors' Compliance Statement

The Directors have considered the requirements of the Group to prepare a Directors' Compliance Statement in accordance with Section 225 of Companies Act 2014. It was noted that FINEOS Corporation Holdings plc, as a single entity, does not meet the requirement threshold and accordingly no Statement of Compliance is presented. However, certain individual subsidiaries do meet the thresholds required and Statements of Compliance relevant to those entities will be disclosed in their respective financial statements in accordance with legislation.

17. Accounting Records

The Directors are responsible for ensuring that proper books and accounting records, as outlined in Sections 281 to 285 of the Companies Act 2014, are kept by the Company. To achieve this, the Directors have appointed a professionally qualified financial director who reports to the Board and ensures that the requirements of Sections 281 to 285 of the Companies Act 2014 are complied with. These books and accounting records are maintained at the Company's registered office at FINEOS House, East Point Business Park, Dublin 3.

18. Statement on Relevant Audit Information

In the case of all persons who are Directors at the time this report is approved in accordance with Section 332 of the Companies Act 2014:

(a) So far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and

(b) The Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information, and to establish that the Company's statutory auditors are aware of that information.

Directors' Report (continued)
for the year ended 30 June 2020

19. Auditors

Mazars Chartered Accountants and Statutory Audit Firm express their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

20. Takeover Provisions

FINEOS is not subject to chapters 6, 6A, 6B and 6C of the Companies Act 2014 dealing with the acquisition of its shares (including substantial holdings and takeovers).

FINEOS has incorporated into its Articles shareholder protection provisions that are similar to the provisions of the Australian Corporations Act 2001. These provisions seek to protect the interests of shareholders where a person seeks to acquire a substantial interest in, or control of, FINEOS. The Articles prohibit a person from acquiring a relevant interest in issued voting shares in FINEOS if any person's voting power will increase from 20% or below to more than 20%, or from a starting point that is above 20% and below 90%. Exceptions to the prohibition apply (e.g. acquisitions with shareholder approval, 3% creep over six months and rights issues that satisfy prescribed conditions). Compulsory acquisitions are permitted by persons who hold 90% or more of securities or voting rights in a company.

21. Restrictions on the Transfer of Securities under the Companies Act

The Company is an Irish company formed under the laws of Ireland and therefore subject to the provisions of the (Uncertificated Securities) Regulations, 1996 (S.I No 68 of 1996) ('1996 Regulations') and its Articles of Association accordingly contains prohibitions on transfers. The provision of uncertificated securities is regulated by the 1996 Regulations, which is administered by the Office of the Director of Corporate Enforcement and the Companies Registration Office. The Company must comply with the provisions of the 1996 Regulations. The Company may therefore refuse to register transfers, pursuant to a direction from the Irish High Court, where the transfer is prohibited under another enactment, where the Company has noted the transfer is to a deceased person, or where the instruction requires a transfer of units to an entity which is not a legal person, a minor, or to be held jointly in the names of more persons than permitted under the terms of issue of the security. Refer to Articles 36.2 and 36.3 of the Company's Articles of Association.

On behalf of the Board

Michael Kelly   Tom Wall

Michael Kelly
Director

Tom Wall
Director

25 August 2020

Remuneration and Nomination Committee Report

for the year ended 30 June 2020

As chair of the Remuneration and Nomination Committee (the Committee), I am pleased to present the report for the Committee for the year ended 30 June 2020.

The objective of this report is to provide shareholders with information to enable them to understand the remuneration structures in place and how they relate to the Group's financial performance. The report also provides a summary of the Committee's roles and responsibilities and how these were discharged in the year ended 30 June 2020.

Membership and Meetings of the Committee

The members of the Committee at any time during the year ended 30 June 2020 are set out in the table below, together with the date of appointment of each member. All members of the Committee are independent Non-executive Directors.

Committee Member	Position	Appointed
Ms Anne O'Driscoll	Chair	25 July 2019
Mr Gilles Biscay	Member	25 June 2019
Dr Martin Fahy	Member	25 July 2019
Mr David Hollander	Member	15 October 2019
Mr Peter Le Beau	Member	25 June 2019

Attendance details for the three meetings held during the year are outlined on page 7 in the Annual Report. The Committee members' biographies are set out on pages 4 to 6.

Role of the Remuneration and Nomination Committee

The purpose of the Committee is to assist the Board by reviewing and making recommendations to the Board in relation to:

- the Group's remuneration policy, including as it applies to Directors, and the process by which any pool of Directors' fees approved by shareholders is allocated to Directors;
- remuneration packages of Executive Directors, Non-executive Directors and senior executives,
- equity-based incentive plans and other employee benefit programs;
- the Group's pension/superannuation arrangements;
- those aspects of the Group's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval;
- succession plans of the Chief Executive Officer, Executive Directors and senior executives;
- Board succession issues and planning;
- the appointment and re-election of Board and Committee members;
- the induction of new Directors and continuing professional development programs for Directors;
- the process for recruiting a new Director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board;
- the process for the evaluation of the performance of the Board, its Board Committees and individual Directors; and
- the size and composition of the Board and strategies to address Board diversity and the Group's performance in respect of the Group's Diversity Policy, including whether there is any gender or other inappropriate bias in remuneration for Directors, senior executives or other employees.

The Committee charter can be found at https://www.fineos.com/investors/corporate-governance/.

Remuneration and Nomination Committee Report
(continued)
for the year ended 30 June 2020

Remuneration Policy

The Group is committed to attracting and retaining the best people to work in the organisation, including Directors and senior management. Appropriate remuneration designed to reward, retain and motivate people is a key element in achieving that objective. Part of the Committee's role is to assist the Board in implementing its Remuneration Policy. A copy of the policy can be found at https://www.fineos.com/investors/corporate-governance/.

Executive Remuneration Framework

There are two Executive Directors: the Chief Executive, Mr Michael Kelly, and the Chief Financial Officer, Mr Tom Wall.

The elements of the remuneration package which may apply to Executive Directors are base salary, pension contributions, other benefits and both short-term and long-term incentives.

The tables below summarise the framework which was applied during the year ended 30 June 2020. A similar structure will apply during the year ended 30 June 2021. The relevant benefits are included in the Directors' remuneration table shown below.

Benefit	Nature of Benefit
Annual base salary	Salary levels are reviewed annually by reference to market comparisons and reflect the individuals' level of expertise and contribution to the organisation, in conjunction with other benefits being provided. Salary increases are normally in line with the wider workforce.
Pension contributions	Participation in a defined contribution scheme available to employees in the same geography. Company contribution of 10% of base salary for the CFO. The CEO does not utilise this benefit.
Other benefits	Benefits currently provided are healthcare cover, life insurance and permanent health insurance cover. Premiums payable are included in remuneration.

Incentive	Basis of Incentive	Maximum Opportunity	Achieved for FY2020
Short-Term Incentives (Bonus and Commissions paid in cash)	The CEO is entitled to receive an additional annual cash bonus in recognition of his contribution towards new client acquisitions.	CEO: Mr Kelly leads a number of key customer relationships and, as such, participates in the FINEOS sales commission plan.	CEO: The amount disclosed below does not reflect his full entitlement for FY20. The balance was provided to other employees who supported Mr Kelly on the client acquisitions.
	The CFO is entitled to receive an annual bonus based on achievement of agreed Company and individual performance targets.	CFO: 15% of base salary if all objectives achieved and up to 25% where there is over-achievement beyond such agreed targets.	CFO: Bonus of 25% of salary
Long-term incentives (Equity-based remuneration)	A long-term incentive plan was established on admission to the ASX ('the 2019 Equity Incentive Plan'). Awards from this scheme may be made in the form of options, restricted shares, restricted stock units and performance shares. See Note 19 to the Consolidated Financial Statements for more details. The terms and conditions of any awards made to Executive Directors under the 2019 Equity Incentive Plan, including those relating to targets, vesting and/or exercise (as the case may be), will be determined by the Remuneration and Nomination Committee and to the extent required, subject to CDI holder approval.	No more than 5% of the issued share capital of the Company may be issued or reserved under the 2019 Equity Incentive Plan at any time. There were no awards in FY20 to the Executive Directors under the 2019 Equity Incentive Plan during the year.	N/A

The Committee reviews the performance of the Executive Directors for the purposes of determining short-term incentives and makes recommendations to the Board as to the pay-out level. The short-term incentives are payable in cash following approval of the annual audited accounts.

Remuneration and Nomination Committee Report
(continued)
for the year ended 30 June 2020

Non-executive Directors

The Board aims to recruit high-calibre Non-executive Directors, with broad commercial, international or other relevant experience.

Non-executive Director remuneration is reviewed by the Board based on recommendations from the Committee. The aggregate amount paid to all Non-executive Directors in any financial year for their services must not exceed the amount fixed by FINEOS' general meeting. This amount is currently fixed at AU$800,000 (€485,201[i]) per annum.

The current remuneration levels for Non-executive Directors were effective from August 2019 when FINEOS listed on the ASX. As Chair of the Board, I am paid a fee of AU$160,000 (€97,040) per annum. David Hollander is paid a fee of US$170,000 (€153,721) per annum for acting as Non-executive Director and invoices the Company separately for the provision of consultancy services to the Board. The other Non-executive Directors, Gilles Biscay, Martin Fahy and Peter Le Beau are paid fees of €52,167, AU$90,000 (€54,585) and €52,167 respectively. These Non-executive Director fees include fees payable to each Non-executive Director for his/her role on the relevant Board committees.

The amounts set out above are exclusive of pension/superannuation contributions where required by law to be made by FINEOS but such contributions are included in the remuneration set out in the Table of Directors' Remuneration for the year ended 30 June 2020 below.

Under their letters of appointment, the Non-executive Directors are not entitled to participate in any share, bonus, retirement benefit or other scheme operated by the Company or any Group Company.

In addition, all reasonable and documented expenses incurred in the performance of the Non-executive Directors' duties are reimbursed.

Service Contracts/Letters of Appointment

Details of service contracts for the Executive Directors are outlined below.

Name	Title	Date of Contract	Notice Period by Company or Director
Michael Kelly	Chief Executive Officer and Founder	12 December 2018	12 months
Tom Wall	Chief Financial Officer	25 June 2019	6 months

Each of the Non-executive Directors has received an appointment letter from FINEOS, confirming their respective roles and responsibilities as directors, and FINEOS' expectations of them as Non-executive Directors.

The appointment letter includes membership of any Board Committees, the fees to be paid and the time commitment expected. The letter also covers matters such as confidentiality, data protection and securities dealing policy. In addition, Non-executive Directors are expected to acquire a beneficial interest in CDIs equivalent to their annual fees within 36 months of the Company's IPO (occurred in August 2019).

Dates of appointment for the Non-executive Directors are set out below:

Name	Date of Appointment
Anne O'Driscoll	25 July 2019
Gilles Biscay	25 June 2019
Martin Fahy	25 July 2019
David Hollander	15 October 2019
Peter Le Beau	25 June 2019

[i] Throughout this Committee report, amounts denominated in Australian or US dollars are translated into Euro at a rate of AUD/EUR 1.6488 and USD/EUR 1.1059, being the average rates for the year to 30 June 2020.

Annual Report on Remuneration 2020

The following table sets out the total remuneration for Directors for the year ending 30 June 2020.

Director	Salary/fees €	Short-term incentives €	Post-employment benefits €	Other benefits €	Shares allotted[(a)] €	Share awards gain on exercise[(b)] €	LTIP €	Total 2020 €
Executive Directors								
Michael Kelly	380,592	120,000	–	3,125	–	–	–	503,717
Tom Wall	277,418	67,500	27,742	11,487	–	921,117	–	1,305,264
Non-executive Directors								
Anne O'Driscoll	93,590	–	8,618	–	12,255	–	–	114,463
Gilles Biscay	52,167	–	–	–	–	–	–	52,167
Martin Fahy	52,644	–	4,847	–	12,255	–	–	69,746
David Hollander	115,908	–	–	–	–	–	–	115,908
Peter Le Beau	52,167	–	–	–	–	–	–	52,167
Total	**1,024,486**	**187,500**	**41,207**	**14,612**	**24,510**	**921,117**	**–**	**2,213,432**

(a) 8,000 CDIs were allotted to each of Anne O'Driscoll and Martin Fahy for their services in relation to pre-IPO work (see Note 17 to the Consolidated Financial Statements for further detail).

(b) The market price of the CDIs at the date of exercise of Tom Wall's share options during the year was AU$3.65. 200,000 options were exercised at €0.135 and 275,640 options were exercised at €0.249.

Directors' Interests in Company Shares

	Total CDIs held at 1 July 2019[(a)]	Purchases/ Increase in indirect holdings	Acquired on exercise of options	Sales/ Reductions	Total shares/ CDIs held at 30 June 2020[(b)]	CDIs held nominally at 30 June 2020[(c)]
Anne O'Driscoll	–	68,000	–	–	68,000	8,000
Michael Kelly	182,333,430	4,084,610		(20,000,000)	166,418,040	–
Gilles Biscay		29,400		–	29,400	29,400
Martin Fahy		8,000	–	–	8,000	8,000
David Hollander	–	–	–	–	–	–
Peter Le Beau	–	–	–	–	–	–
Tom Wall	–	–	475,640	(475,640)	–	–

(a) The shares of the Company were restructured in July 2019 leading up to the Company's IPO on the ASX in August 2019. As part of the IPO, all shares are held by Chess Depositary Nominees Pty Limited and beneficial interests held through CDIs where one CDI is an interest in one share. The balances shown for 1 July 2019 are as if the restructure in shares and transfer to the nominee had occurred on 30 June 2019. Details of the restructuring are set out in Note 17 to the Consolidated Financial Statements.

(b) Total CDIs at 30 June 2020 represent CDIs held directly by the director and indirectly by relevant director's related parties inclusive of domestic partner, dependents and entities jointly controlled or significantly influenced by the director. They also represent the relevant interest in the Company's listed securities as notified by the Directors to the ASX in accordance with the ASX Listing Rules

(c) Shares/CDIs held nominally are those CDIs registered in the name of the individual director.

Remuneration and Nomination Committee Report
(continued)
for the year ended 30 June 2020

Directors' Interests in Options

The only options on issue that are held by Directors are as follows:

	Options held at 30 June 2019[a]	Options issued	Options exercised	Options lapsed	Options held at 30 June 2020[b]
Tom Wall	2,775,640	–	475,640	–	2,300,000

(a) The options on issue at 30 June 2019 were restructured leading up to the Company's IPO on the ASX in August 2019 to retain their proportionality and move to be options over CDIs when the Company's shares were restructured and listed. The balances shown for 1 July 2019 are as if the restructure of the shares had occurred on 30 June 2019.

These options over CDIs are now exercisable at €0.135 and expire on 3 February 2026.

See Note 19 to the Consolidated Financial Statements for further detail on the Company's equity incentive schemes.

On behalf of the Committee

Anne O'Driscoll
Chair of the Remuneration and Nomination Committee

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements in accordance with applicable law and regulations.

Irish company law requires the Directors to prepare group and company financial statements for each financial year. Under the law, the Directors have elected to prepare the Group and Company financial statements in accordance with the Companies Act 2014 and IFRS. Under company law, the Directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company as at the financial year end date and of the profit or loss of the Group for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records, which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Group and parent Company to be determined with reasonable accuracy, enable them to ensure that the parent Company and Group financial statements comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance of the financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Michael Kelly   Tom Wall

Michael Kelly
Director

Tom Wall
Director

25 August 2020

Independent Auditor's Report

MAZARS

Report on the audit of the financial statements

To the Members of Fineos Corporation Holdings Plc

Opinion

We have audited the financial statements of FINEOS Corporation Holdings Plc ('the Company') and Subsidiaries ('the Group') for the year ended 30 June 2020, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated and Company Statement of Cash Flows and the notes to the financial statements, including the summary of significant accounting policies set out in Note 2. The financial reporting framework that has been applied in their preparation is Irish Law and the International Financial Reporting Standards as adopted by the European Union ('IFRS').

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Group and parent Company as at 30 June 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

MAZARS

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Revenue recognition (€87.8 million for the year ended 30 June 2020; 2019: €62.8 million) • The significance of revenue to understanding the financial results for users of the financial statements. • The extent of deferred revenue held by the Group and the assessment of its systematic release in line with relevant revenue recognition principles. • The complexity involved in applying IFRS 15. • The complexity associated with the varied nature of bespoke contracts in forming new commercial arrangements.	We performed a number of procedures including the following: • developed an understanding of and evaluated the operating effectiveness of relevant key revenue internal controls, including deferred revenue calculation and release controls; • use of IT audit to perform data reconciliations; • carried out detailed substantive testing; • on a sample basis, recalculated the deferred portion of customer agreements and compared this to the amount deferred on the balance sheet; • assessed associated reconciliations including accounts receivable and deferred revenue for unusual reconciling items; • assessed the value of credit notes raised over the year and for a select period post year end; and • developed a risk-based approach to perform journal entry testing on a sample basis to determine the appropriateness of manual postings to revenue.
Capitalisation of development expenditure (€16.8 million capitalised in the year ended 30 June 2020; 2019: €13.9 million) The Group capitalises costs incurred in the development of its software. These costs are then amortised over the estimated useful life of the software. The costs are mainly comprised of payroll. The Group's process for calculating the value of internally developed software involves judgement as it includes estimating time which staff spend developing software and determining the value attributable to that time.	Our work on capitalised development costs focused on the Group's process for estimating the time spent by staff on software development that can be capitalised under IAS 38: • assessing the nature of a sample of projects against the requirements of IAS 38 to determine if they were capital in nature; • assessing the procedures applied by the Group to review the rates applied to capitalise payroll costs; • assessing the effectiveness of controls over the payroll process; • assessing capitalised costs with reference to actual payroll information for a sample of employees; and • assessing the adequacy of the disclosures related to capitalised development costs in the consolidated financial statements.

MAZARS

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Impairment consideration relating to capitalised development expenditure (€50.1 million at 30 June 2020; 2019: €42.2 million) Intangible assets make up €53.4 million of the Group's non-current assets (2019: €44.0 million). The most significant of these intangibles is capitalised software development costs of €50.1 million at 30 June 2020 (2019: €42.2 million). IAS 36: Impairment of Assets required that finite life intangible assets be tested for impairment whenever there is an indication that the intangible assets may be impaired and this assessment requires judgement. The assessment as to whether there are any indicators of impairment requires judgement including consideration of both internal and external sources of information.	We assessed the factors that the Group considered regarding impairment of capitalised development costs and whether any indicators of impairment existed. This included having regard to: • significant changes in the extent or manner in which the associated software is used; • potential or actual redundancy or disposal of developed software; • amortisation periods applied by the Group to develop software relative to its experience of software lifecycle; • significant changes in the market in which the assets are used; and • evaluating the Group's assessment that the useful lives of intangible assets are appropriate at year end.

Our application of materiality and an overview of the scope of our audit

The scope and focus of our audit was influenced by our assessment and application of materiality. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the consolidated financial statements.

We define financial statements materiality as the magnitude by which misstatements, including omissions, could influence the economic decisions taken on the basis of the consolidated financial statements by reasonable users.

We also determine a level of performance materiality, which we use to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the consolidated financial statements as a whole.

We determined materiality for the consolidated financial statements as a whole to be €1.3 million. This was based on the key performance indicator, being 1.5% of the Group's revenue. This benchmark is considered the most appropriate because Revenue is a key benchmark used by management and shareholders in assessing the performance of the business.

We determined materiality for the Company to be €0.2 million which is approximately 1% of the net assets of the parent company, excluding intercompany balances.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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.

MAZARS

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of Directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.

Respective Responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 19, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and 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 Group'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 management either intends to liquidate the Group or parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 auditor's 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditors responsibilities for audit.pdf. This description forms part of our auditor's report.

Independent Auditor’s Report (continued)

MAZARS

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Group’s and parent Company’s members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Group’s and parent Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group’s members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lorcan Colclough
for and on behalf of Mazars
Chartered Accountants and Statutory Audit Firm
Harcourt Centre,
Block 3,
Harcourt Road,
Dublin 2

25 August 2020

Financial Statements and Notes

Consolidated Statement of Comprehensive Income
for the year ended 30 June 2020

	Note	2020 €	2019 €
Revenue	4	87,808,301	62,812,770
Cost of sales		(29,348,198)	(18,808,676)
Gross profit		58,460,103	44,004,094
Product development and delivery		(29,913,935)	(24,000,915)
Sales and marketing		(4,182,559)	(3,950,360)
General and administration		(11,635,389)	(7,886,577)
Amortisation	11	(9,954,905)	(7,115,224)
Depreciation	12	(1,892,089)	(1,357,376)
Initial public offering costs		(688,563)	(1,068,273)
Other income	6	1,261,760	1,053,172
Operating profit/(loss)		1,454,423	(321,459)
Finance income		27,296	6,467
Finance costs	7	(766,480)	(1,358,629)
Profit/(loss) on ordinary activities before taxation		715,239	(1,673,621)
Income tax	9	(942,422)	(96,036)
Loss for the financial year		(227,183)	(1,769,657)
Other comprehensive income for the year:			
Foreign exchange differences on translation of operations of foreign subsidiaries and branches		(53,193)	(4,270)
Total comprehensive loss for the year attributable to the equity holders of the parent		(280,376)	(1,773,927)

All results relate to continuing operations.

The notes on pages 35 to 73 are an integral part of these financial statements.

Consolidated Statement of Financial Position

as at 30 June 2020

	Note	30 June 2020 €	30 June 2019 €
ASSETS			
Non-current assets			
Intangible assets	11	53,356,909	44,027,266
Property, plant and equipment	12	7,234,637	7,295,724
		60,591,546	51,322,990
Current assets			
Trade and other receivables	14	23,936,154	16,037,285
Cash and cash equivalents	15	39,831,380	6,903,010
		63,767,534	22,940,295
Total Assets		124,359,080	74,263,285
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	16	28,482,204	23,646,628
Non-current liabilities			
Long-term liabilities	16	12,206,975	27,813,499
Provisions	9	488,045	193,870
Total liabilities		41,177,224	51,653,997
Capital and reserves			
Called up share capital presented as equity	17	272,030	224,402
Share premium	17	59,903,254	-
Foreign exchange reserve	18	(266,262)	(213,069)
Other undenominated capital	18	1	1
Share option reserve	18	2,664,088	1,762,026
Reorganisation reserve	18	11,123,985	11,123,985
Retained earnings	18	9,484,760	9,711,943
Total equity		83,181,856	22,609,288
TOTAL EQUITY AND LIABILITIES		124,359,080	74,263,285

The notes on pages 35 to 73 are an integral part of these financial statements.

On behalf of the Board

Michael Kelly

Michael Kelly
Director

Tom Wall

Tom Wall
Director

25 August 2020

Company Statement of Financial Position
as at 30 June 2020

	Note	30 June 2020 €	30 June 2019 €
ASSETS			
Non-current assets			
Financial assets	13	22,834,215	22,834,215
Current assets			
Trade and other receivables	14	59,704,503	–
Cash and cash equivalents	15	6,204	101
		59,710,707	101
TOTAL ASSETS		82,544,922	22,834,316
EQUITY AND LIABILITIES			
Current liabilities	16	–	100
Total liabilities		–	100
Capital and reserves			
Called up share capital presented as equity	17	272,030	224,402
Share premium	17	59,903,254	–
Other undenominated capital	18	1	1
Reorganisation reserve	18	22,609,813	22,609,813
Retained earnings		(240,176)	–
Total equity		82,544,922	22,834,216
TOTAL EQUITY AND LIABILITIES		82,544,922	22,834,316

The notes on pages 35 to 73 are an integral part of these financial statements.

On behalf of the Board

Michael Kelly
Director

Tom Wall
Director

25 August 2020

Consolidated Statement of Changes In Equity
for the year ended 30 June 2020

	Called up share capital presented as equity €	Foreign exchange reserves arising on translation €	Other undenominated capital €	Share option reserve €	Reorganisation reserve €	Retained earnings €	Total €
At 1 July 2018	224,402	(208,799)	1	964,665	11,123,985	11,481,600	23,585,854
Loss for the year	–	–	–	–	–	(1,769,657)	(1,769,657)
Other comprehensive income for the year	–	(4,270)	–	–	–	–	(4,270)
Total comprehensive income for the year	–	(4,270)	–	–	–	(1,769,657)	(1,773,927)
Share-based payment charge	–	–	–	797,361	–	–	797,361
At 30 June 2019	224,402	(213,069)	1	1,762,026	11,123,985	9,711,943	22,609,288

All amounts are attributable to the equity holders of the Group.

The notes on pages 35 to 73 are an integral part of these financial statements.

Consolidated Statement of Changes In Equity (continued)

for the year ended 30 June 2020

	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 €
At 30 June 2019	224,402	–	(213,069)	1	1,762,026	11,123,985	9,711,943	22,609,288
Loss for the year	–	–	–	–	–	–	(227,183)	(227,183)
Other comprehensive income for the year	–	–	(53,193)	–	–	–	–	(53,193)
Total comprehensive income for the year	–	–	(53,193)	–	–	–	(227,183)	(280,376)
Issue of share capital	47,628	58,531,261	–	–	–	–	–	58,578,889
Reserves transfer from share options exercised	–	1,371,993	–	–	(1,371,993)	–	–	–
Share-based payment charge	–	–	–	–	2,274,055	–	–	2,274,055
At 30 June 2020	272,030	59,903,254	(266,262)	1	2,664,088	11,123,985	9,484,760	83,181,856

All amounts are attributable to the equity holders of the Group.

The notes on pages 35 to 73 are an integral part of these financial statements.

Company Statement of Changes In Equity
for the year ended 30 June 2020

	Called up share capital presented as equity €	Other undenominated income €	Reorganisation reserve €	Total €
At 12 December 2018 (date of incorporation)	–	–	–	–
Initial capitalisation of the Company	1	–	–	1
Result for the period	–	–	–	–
Other comprehensive income for the period	–	–	–	–
Total comprehensive income for the period	–	–	–	–
Issue of shares	224,402	–	–	224,402
Change in denomination of reserves	(1)	1	–	–
Reorganisation reserve on acquisition of subsidiary companies	–	–	22,609,813	22,609,813
At 30 June 2019	224,402	1	22,609,813	22,834,216

All amounts are attributable to the equity holders of the parent Company.

The notes on pages 35 to 73 are an integral part of these financial statements.

Company Statement of Changes In Equity (continued)

for the year ended 30 June 2020

	Called up share capital presented as equity €	Share premium €	Other undenominated income €	Reorganisation reserve €	Retained earnings €	Total €
At 30 June 2019	224,402	–	1	22,609,813	–	22,834,216
Result for the year	–	–	–	–	(240,176)	(240,176)
Other comprehensive income for the year	–	–	–	–	–	–
Total comprehensive income for the year	–	–	–	–	(240,176)	(240,176)
Issue of shares	47,628	58,531,261	–	–	–	58,578,889
Arising on share options exercised	–	1,371,993	–	–	–	1,371,993
At 30 June 2020	272,030	59,903,254	1	22,609,813	(240,176)	82,544,922

All amounts are attributable to the equity holders of the parent Company.

The notes on pages 35 to 73 are an integral part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2020

	Note	2020 €	2019 €
Cash flows from operating activities			
Group (loss) after tax		(227,183)	(1,769,657)
Adjusted for:			
Income tax expense	9	942,422	96,036
Finance costs	7	766,480	1,358,629
Finance income		(27,296)	(6,467)
Other income	6	(1,261,760)	(1,053,172)
Depreciation	12	1,892,089	1,357,376
Amortisation	11	9,954,905	7,115,224
Lease expense	22	(2,088,032)	(1,610,017)
Movement in trade and other receivables		(10,173,710)	2,451,511
Movement in trade and other payables		7,609,861	3,560,517
Net tax paid		(522,881)	(726,129)
Research and development refund received		1,729,484	1,763,353
Effect of movement in exchange rates		(34,280)	32,647
Share-based payment expense	19	2,274,055	797,361
Initial public offering costs		688,563	–
Cost of shares allotted to Non-executive Directors	17	24,510	–
Net cash flows generated from operating activities		11,547,227	13,367,212
Cash flows from investing activities			
Interest received		27,296	6,467
Grant income		–	62,388
Payment for property, plant and equipment		(1,304,183)	(861,575)
Payment for intangible assets		(17,495,207)	(15,269,513)
Net cash used in investing activities		(18,772,094)	(16,062,233)
Cash flows from financing activities			
Interest paid		(1,674,896)	(495,351)
Repayment of bank loan	20	(15,000,000)	–
Proceeds from issue of shares	17	62,612,075	–
Transaction costs		(5,783,942)	–
Net cash generated from/(used in) financing activities		40,153,237	(495,351)
Net increase/(decrease) in cash and cash equivalents		32,928,370	(3,190,372)
Cash and cash equivalents at the beginning of the year		6,903,010	10,093,382
Cash and cash equivalents at the end of the year	15	39,831,380	6,903,010

Company Statement of Cash Flows
for the year ended 30 June 2020

	Note	2020 €	Period from 12 December 2018 (date of incorporation) to 30 June 2019 €
Cash flows from operating activities			
Company (loss) after tax		(240,176)	–
Adjusted for:			
Finance costs		146	–
Other non-cash items	17	24,510	–
Net cash flows used in operating activities		(215,520)	–
Cash flows from investing activities			
Amounts advanced (to)/from Group companies		(58,332,610)	100
Net cash (used in)/generated from investing activities		(58,332,610)	100
Cash flows from financing activities			
Interest paid		(146)	–
Issue of shares	17	62,612,075	1
Transaction costs	17	(4,057,696)	–
Net cash generated from financing activities		58,554,233	1
Net increase in cash and cash equivalents		6,103	101
Cash and cash equivalents at the beginning of the year/period		101	–
Cash and cash equivalents at the end of the year/period	15	6,204	101

Notes to the Consolidated Financial Statements

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 that of enterprise claims and policy management software for Life, Accident and Health insurers. Foreign operations are included in accordance with the significant accounting policies set out in Note 2 to the Consolidated Financial Statements.

On 16 August 2019 the Company completed an initial public offering in Australia, resulting in the raising of AU$99,950,302. In preparation for this the Company's share capital was restructured as outlined in Note 17 to the Consolidated Financial Statements. The Group repaid the bank loans per Note 20 to the Consolidated Financial Statements and outstanding interest in full on 13 September 2019.

2. Summary of Significant Accounting Policies

a) Basis of financial statements

Incorporation of FINEOS Corporation Holdings Plc and restructure of the Group

FINEOS Corporation Holdings plc ('FINEOS') was incorporated on 12 December 2018. Prior to becoming the holding Company of the FINEOS Group of companies on 24 June 2019 it did not undertake any trading activities. The FINEOS Group contains FINEOS Corporation Limited (formerly FINEOS Corporation U.C.) ('FINEOS Ireland'), which is the main operating entity of the FINEOS Group and which, itself, holds various subsidiaries that together operate the business for the Group. FINEOS Ireland is the entity that has historically prepared consolidated financial statements for the FINEOS Group.

The Directors elected to account for the restructure as a capital re-organisation rather than a business combination as in the Directors' judgement, the continuation of the existing accounting values is consistent with the accounting that would have occurred if the assets and liabilities had already been in a structure suitable to operate as a listed entity and most appropriately reflects the substance of the internal restructure. As such, the consolidated financial statements of FINEOS Corporation Holdings plc have been presented as a continuation of the pre-existing accounting values of assets and liabilities in FINEOS Corporation Limited's financial statements, and those of its intermediate holding companies FINEOS Europe Limited and FINEOS International Limited. Therefore, although FINEOS was only incorporated on 12 December 2018 the results, assets and liabilities of the entire Group are accounted for as if these entities had been combined throughout the year ended 30 June 2019. The reorganisation reserve represents the difference between the fair value of the shares issued to effect the reorganisation and the nominal value of the shares acquired.

Compliance with IFRS, new standards and interpretation

The financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and interpretations issued by the IFRS Interpretations Committee ('IFRS IC') applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board and as adopted by the EU, and the Companies Act 2014.

There are no changes to IFRS which became effective for the Group during the financial year which resulted in material changes to the financial statements.

Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 July 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements:

Reference to the Conceptual Framework (Amendments to IFRS 3)

On 14 May 2020, the IASB issued Reference to the Conceptual Framework (Amendments to IFRS 3) with amendments to IFRS 3 'Business Combinations' that

- update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;

- add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and
- add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

On 14 May 2020, the IASB issued 'Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)' amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

The changes specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16)

On 14 May 2020, the IASB issued 'Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16)' regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

It amends the standard to prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

On 23 January 2020, the IASB issued 'Classification of Liabilities as Current or Non-current (Amendments to IAS 1)' providing a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date.

The amendments in Classification of Liabilities as Current or Non-current (Amendments to IAS 1) affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items.

They:

- clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least 12 months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
- make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023.

Historical cost, presentation currency and going concern

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

Management has 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 consolidated financial statements on the going concern assumption.

Exemption from preparing Company statement of comprehensive income

In accordance with Section 304 of the Companies Act 2014 the Company is availing of the exemption from presenting its individual statement of comprehensive income to the Annual General Meeting and from filing it with the Registrar of Companies. The Company's loss for the year to 30 June 2020 was €240,176 (period from 12 December 2018 (date of incorporation) to 30 June 2019: €Nil).

b) Basis of consolidation

The financial statements of the Group incorporate the financial statements of the Company (the parent) and entities controlled by the Company (its subsidiaries) made up to 30 June each year.

Control is achieved when the Company:

- has the power over the subsidiary entity;
- is exposed, or has rights, to variable returns from its involvement with the subsidiary entity; and
- has the ability to use its power to affect those returns.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to their control. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Intra-Group assets and liabilities, equity, income, expenses and cash flows relating to intra-Group transactions are eliminated on consolidation. Where necessary, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of.

The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

c) Revenue recognition

The Group recognises revenue from the following major sources:

- initial product licence fees;
- annual subscriptions; and
- rendering of services, including professional services and support contracts.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Initial product licence fees

Initial software licence revenue is recognised upon delivery of the software to the customer, provided that the Group has no significant related obligations or collection uncertainties remaining.

Annual subscriptions

Annual subscriptions are recognised on a straight-line basis, for the right to continued access to the licenced intellectual property (IP) and the support and maintenance services for the licences held, in accordance with the master licence agreement in place. Annual subscriptions include all support, maintenance, software updates and cloud services provided by FINEOS to customers.

Rendering of services, including professional services and support contracts

Revenue from rendering of services is recognised in the accounting period in which the services are rendered when the outcome of the contract can be estimated reliably.

Professional services are provided primarily on a time and materials basis for which revenue is recognised in the period that the services are provided.

For the services element of fixed price project engagements, revenue is recognised when the outcome of the transaction can be estimated reliably by reference to the stage of completion of the transaction at the end of the reporting period. The stage of completion is generally measured using output measures, primarily arrangement milestones, where such milestones indicate progress to completion. When the outcome of the transaction involving the rendering of services cannot be estimated reliably, an entity shall recognise revenue only to the extent of the expenses recognised that are recoverable.

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

When the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the effective rate of interest.

The Group's policy for contract costs (associated with revenue contracts) is outlined in Note 2(l) to the Consolidated Financial Statements.

d) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- amounts expected to be payable under a residual value guarantee.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the statement of comprehensive income if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment', and lease liabilities in trade and other payables in the statement of financial position. Right-of-use asset of office rentals is presented under 'property, plant and equipment', while right-of-use asset of licences is presented under 'intangible assets'. The movement of right-of-use of the assets of the Group is disclosed in Notes 11 and 12 to the Consolidated Financial Statements.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of offices and licences that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease modifications

The Group as lessee accounts for a lease modification as a separate lease if both:

(a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

(b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification the Group as lessee:

(a) allocates the consideration in the modified contract;

(b) determines the lease term of the modified lease; and

(c) remeasures the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined; or the Group's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

For a lease modification that is not accounted for as a separate lease, the Group as lessee accounts for the remeasurement of the lease liability by:

(a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The Group recognises in profit or loss any gain or loss relating to the partial or full termination of the lease; or

(b) making a corresponding adjustment to the right-of-use asset for all other lease modifications.

e) Foreign currencies

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of comprehensive income for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the statement of comprehensive income for the year except for differences arising on the retranslation of non-monetary items in respect of which gains, and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Euro using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in the statement of comprehensive income in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated accordingly.

f) Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

Defined contribution pension plans

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value of the equity instruments (excluding the effect of non-market-based vesting conditions) at the date of grant. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 19 to the Consolidated Financial Statements. The cost of equity-settled transactions with employees is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by an external valuer using an appropriate pricing model. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each year end date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions, the number of equity instruments that will ultimately vest, or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in the cumulative expense since the previous year end date is recognised in the statement of comprehensive income, with a corresponding entry in 'share option reserves'.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

h) Interest income

Interest income comprises income on cash held in interest-bearing bank deposits. Interest income is recognised as it occurs in the statement of comprehensive income, using the effective interest rate method.

i) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the statement of comprehensive income on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to the statement of comprehensive income on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the statement of comprehensive income in the period in which they become receivable.

Government grants towards staff re-training costs are recognised as income over the periods necessary to match them with the related costs and are deducted in reporting the related expense.

Government grants relating to the acquisition of property, plant and equipment or intangible assets are treated as deferred income and released to the statement of comprehensive income over the expected useful lives of the assets concerned.

j) Income tax

The taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

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 Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

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 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 the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting 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, based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

k) Research and development tax credit

Research and development tax credits are recognised as a gain, set against the related expenditure in the year to which they relate. To the extent that the related expenditure is capitalised, the tax credit is deferred on the statement of financial position.

l) Intangible assets

Intangible assets acquired separately

Computer software

Computer software separately acquired, including computer software which is not an integral part of an item of computer hardware, is stated at cost less any accumulated amortisation and any accumulated impairment losses. Cost comprises purchase price and other directly attributable costs.

Computer software is recognised as an asset only if it meets the following criteria:

- an asset can be separately identified;
- it is probable that the asset created will generate future economic benefits;
- the development cost of the asset can be measured reliably;
- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Costs relating to the development of computer software for internal use are capitalised once the recognition criteria outlined above are met.

Computer software is amortised on a straight-line basis over its useful economic life, which is considered to be between three to five years. The amortisation expense is disclosed separately on the face of the consolidated statement of comprehensive income.

Internally-generated intangible assets

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of comprehensive income in the period in which it is incurred.

Borrowing costs, which meet the criteria as set out in Note 2(g) to the Consolidated Financial Statements above, incurred in respect of an internally-generated intangible asset arising from development which meets each of the aforementioned criteria is capitalised and classified as an intangible asset.

Development expenditure is amortised on a straight-line basis over its useful economic life, which commences when the asset is brought into use, and is considered to be between five and ten years. The amortisation expense is disclosed separately on the face of the consolidated statement of comprehensive income.

Contract costs

The incremental costs of obtaining a contract are recognised as an asset if the Group expects to recover those costs. However, those incremental costs are limited to the costs that the Group would not have incurred if the contract had not been successfully obtained.

Costs incurred to fulfil a contract are recognised as an asset if and only if all of the following criteria are met:

- the costs relate directly to a contract (or a specific anticipated contract);
- the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future; and
- the costs are expected to be recovered.

These include costs such as direct labour, direct materials, and the allocation of overheads that relate directly to the contract.

The asset recognised in respect of the costs to obtain or fulfil a contract is amortised on a systematic basis that is consistent with the associated revenue contract's pattern of transfer of the services to which the asset relates. The amortisation expense is included within administrative expenses in the consolidated statement of comprehensive income. The incremental costs of obtaining a contract are expensed if the associated amortisation period would be 12 months or less.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of comprehensive income when the asset is derecognised.

m) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs, and borrowing costs capitalised.

Depreciation

Depreciation is calculated using the straight-line method to write off the cost of property, plant and equipment over their expected useful lives as follows:

Office equipment	33.33%
Computer equipment	33.33%
Fixtures and fittings	20% – 33.33%
Right-of-use assets	Lower of the useful life of the asset or the lease term

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Subsequent additions

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

n) Financial assets

Investments in subsidiary companies

Investments in subsidiary companies are reflected in the separate financial statements of the parent Company. Investments in subsidiaries are stated at cost less accumulated impairment losses.

o) Impairment of tangible and intangible assets

The Group reviews the carrying amounts of its tangible and intangible assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in the statement of comprehensive income; unless the relevant asset is carried at a revalued amount, in which case the impairment loss is first treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

p) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Financial assets

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income.

All financial assets are recognised on a trade date - the date on which the Group commits to purchase or sell the asset. They are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss; held-to-maturity investments; loans and receivables; and available-for-sale financial assets. The classification depends on the nature and purpose for which these financial assets were acquired and is determined at the time of initial recognition.

Loans and receivables

The Group's loans and receivables comprise trade and other receivables, amounts due from contract customers, bank balances and fixed deposits.

Such loans and receivables are non-derivatives with fixed or determinable payments that are not quoted in an active market. They are measured at amortised cost, using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses ('ECL') for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate. When there has not been a significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL which represents the portion of lifetime

Notes to the Consolidated Financial Statements (continued)

ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date; except for assets for which a simplified approach was used.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(a) the financial instrument has a low risk of default;

(b) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and

(c) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has an external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there are no past due amounts.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivable.

Financial liabilities and equity

Classification of debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

Borrowings

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In order to manage interest rate and foreign currency risks, the Group has from time to time entered into derivative financial instruments (principally interest rate swaps, currency swaps and forward foreign exchange contracts). Derivative financial instruments are recognised initially at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The carrying value of derivatives is fair value based on discounted future cash flows and adjusted for counterparty risk. Future floating rate cash flows are estimated based on future interest rates (from observable yield curves at the end of the reporting period). Fixed and floating rate cash flows are discounted at future interest rates and translated at period-end foreign exchange rates. At the statement of financial position date, no derivative instruments were recognised on the statement of financial position.

q) Provisions and contingencies

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

r) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

s) Related party transactions

Related party transactions are disclosed in accordance with IAS 24 Related Party Disclosures and the Companies Act 2014.

Notes to the Consolidated Financial Statements (continued)

3. Significant Accounting Judgements, Estimates and Assumptions

In preparing these financial statements, the Group and Company make judgements, estimates and assumptions concerning the future that impact the application of policies and reported amounts of assets, liabilities, income and expenses.

The resulting accounting estimates calculated using these judgements and assumptions are based on historical experience and expectations of future events and may not equal the actual results. Estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to estimates are recognised prospectively.

The judgements and key sources of assumptions and estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are discussed below.

Critical judgements made in applying the Group's and Company's accounting policies

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these financial statements are set out below:

Group:

(a) Development expenditure

The Group capitalises a proportion of costs related to software development in accordance with its accounting policy. The Group regularly reviews the carrying value of capitalised development costs, which are amortised over five to ten years, to ensure they are not impaired and the amortisation period is appropriate. Management makes judgements about the technical feasibility and economic benefit of completed products, as well as the period of time over which the economic benefit will cease.

(b) Useful life of intangible assets

Intangible assets are amortised over their useful lives. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of intangible assets. Changes in the economic usage and developments could affect the economic useful life of the intangible fixed asset which could then consequently impact future amortisation charges. The carrying amount of the intangible assets of the Group as at 30 June 2020 was €53,356,909 (2019: €44,027,266) (Note 11 to the Consolidated Financial Statements).

(c) Revenue recognition

The Group recognises revenue in line with IFRS 15 Revenue recognition. Management applies judgement in determining the nature, variable considerations, and timing of satisfaction of promises in the context of the contract that meet the basis of revenue recognition criteria. Significant judgements include identifying performance obligations, identifying distinct intellectual property licences, and determining the timing of satisfaction and approach in recognising the revenue of those identified performance obligations; whether a point in time or a passage of time approach is to be adopted. See applied revenue recognition criteria for each revenue streams within Note 2 (c) to the Consolidated Financial Statements for details on the Group's revenue recognition policies adopted. The amount of the Group's revenue recognised as at 30 June 2020 was €87,808,301 (2019: €62,812,770) (Note 4 to the Consolidated Financial Statements).

Company:

(a) Impairment of investment in subsidiaries

Investments in subsidiary companies are reflected in the separate financial statements of the parent Company at cost less accumulated impairment losses. At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments are impaired. The Company's assessment is based on the performance of the underlying subsidiary companies and no impairment has been recognised in the year under review. The carrying amount of investments in subsidiaries in the Company statement of financial position at 30 June 2020 was €22,834,215 (2019: €22,834,215).

4. Revenue

	2020 €	2019 €
Amount of revenue by class of activity:		
Professional services	58,303,497	39,524,122
Annual subscriptions	27,012,410	19,588,954
Initial product licence fees	2,492,394	3,699,694
	87,808,301	**62,812,770**
Amount of revenue by market:		
North America	51,806,318	28,248,723
APAC	30,657,403	28,368,929
EMEA	5,344,580	6,195,118
	87,808,301	**62,812,770**

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.

Major customers

Three individual external customers each account for over 10% of the Group's revenue, as follows:

	2020 €	2019 €
Client 1	16,494,211	15,344,891
Percentage of total revenue	18.8%	24.4%
Client 2	12,040,943	2,652,886
Percentage of total revenue	13.7%	4.2%
Client 3	12,034,533	11,095,136
Percentage of total revenue	13.7%	17.7%

Initial product licence fees

Initial software licence is considered a distinct performance obligation to the customer. Revenue is recognised when control is transferred to the customer which is upon delivery of the licenced intellectual property (IP) at a point in time, provided that the Group has no significant related obligations remaining which would significantly enhance or modify the licenced IP or any collection uncertainties over the term of the contract.

Licences with related obligations which significantly enhance or modify the IP are considered a single performance obligation. The performance obligation is satisfied over time as the client avails of consistent access to the services enhancing and customising the licenced IP. The satisfaction of the performance obligation is reliably measured primarily on a percentage-of-completion basis. Revenue is recognised over the passage of time using the output method based on pre-agreed milestones between the parties in accordance with the master licence agreement in place. Income arising on customised solutions where the provision of the service has not been completed at the year-end date is deferred and recognised as the service is provided.

Notes to the Consolidated Financial Statements (continued)

Annual subscriptions

Annual subscriptions include all support, maintenance, software updates and cloud services provided by FINEOS to customers.

Annual support and maintenance is considered a distinct performance obligation. The performance obligation is satisfied over time and the annual licence fees are recognised using the output method on a straight-line basis which reflects time lapsed, for the right to continued support and maintenance for licences held, in accordance with the master licence agreement in place.

Income arising on support and maintenance where the provision of the service has not been completed at the year-end date is deferred creating a contract liability which is subsequently recognised as the service is provided.

Cloud services are made available to the customer through the Group's preferred Virtual Private Cloud (VPC) provider. In accordance with the master agreement, the subscription includes the provision of the licence along with annual support and maintenance services. The promises are considered a single performance obligation which is satisfied over time and the subscription fees, including the third-party fees, are recognised using the output method on a straight-line basis which reflects time lapsed, for the continued right to access the licenced IP and to benefit from the support and maintenance services.

Income arising on Cloud subscription where the provision of the service has not been completed at the year-end date is deferred creating a contract liability which is subsequently recognised as the service is provided.

Rendering of services, including professional services

Rendering of services are distinct performance obligations for which revenue is recognised in the accounting period in which the services are rendered when the outcome of the contract can be estimated reliably.

The performance obligations are satisfied over time and the satisfaction of the promises is measured using the input method, primarily on a time and materials basis for which revenue is recognised in the period that the services are provided.

For the services element of fixed price project engagements, the performance obligations are satisfied over time and the satisfaction of the promises are reliably measured primarily on a percentage-of-completion basis over the term of the contract. Revenue is recognised using the output method based on pre-agreed milestones indicating progress to completion.

Income arising on rendering of services where the provision of the service has not been completed at the year-end date is deferred creating a contract liability which is subsequently recognised as the service is provided.

Contract assets and contract liabilities

Contract assets

Contract assets are disclosed separately as unbilled receivables in Trade and other receivables amounting to €639,097 (2019: €1,405,217) (Note 14 to the Consolidated Financial Statements).

Contract liabilities

Contract liabilities are disclosed separately as deferred revenue in Trade and other payables amounting to €14,201,684 (2019: €10,397,118) (Note 16 to the Consolidated Financial Statements). 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.

5. Employees

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

	2020 Number	2019 Number
Product development and delivery	711	577
Sales and marketing	20	13
Administration	46	41
	777	**631**

The staff costs comprise:	**2020** **€**	**2019** **€**
Wages and salaries	54,024,075	44,168,771
Social welfare costs	4,753,053	3,568,332
Pension costs	2,839,647	2,285,974
Share-based payments	2,274,055	797,361
	63,890,830	**50,820,438**

Directors' remuneration	**2020** **€**	**2019** **€**
Directors' remuneration in respect of qualifying services in respect of FINEOS Corporation Limited:		
Emoluments	1,226,598	1,082,069
Pension/superannuation	41,207	27,342
Shares allotted	24,510	-
Gain on exercise of options	921,117	-
	2,213,432	**1,109,411**

The number of Directors to whom retirement benefits are accruing under defined contribution scheme pension/superannuation costs noted above is three (2019: one).

Other than as shown above any further disclosures in respect of section 305 and 306 of the Companies Act 2014 are €Nil for the financial year presented.

Staff costs as qualifying development expenditure

The qualifying development expenditure generating an asset as shown in Note 11 to the Consolidated Financial Statements consists of qualifying staff costs incurred in relation to the development of the Group's projects. During the current year, qualifying staff costs amounted to €16,787,883 (2019: €13,925,681).

Notes to the Consolidated Financial Statements (continued)

6. Other Income

	2020 €	2019 €
Research and development tax credit	1,228,303	990,784
Australian taxation office cash flow boost	33,457	–
Grant income	–	62,388
	1,261,760	1,053,172

The Company has previously availed of research and development tax credits pursuant to Section 33, Finance Act 2004.

7. Finance Costs

	2020 €	2019 €
Bank charges and interest	258,563	1,095,351
Lease interest	507,917	263,278
	766,480	1,358,629

8. Profit/(Loss) on Ordinary Activities Before Taxation

		2020 €	2019 €
The profit/(loss) on ordinary activities before taxation is stated			
after charging/(crediting):			
Auditor's remuneration	– Audit of Group companies	111,000	95,000
	– Other assurance services	10,000	151,000
	– Tax advisory services	46,000	119,000
	– Other non-audit services	–	7,000
Amortisation (Note 11)		9,954,905	7,115,224
Depreciation (Note 12)		1,892,089	1,357,376
Research and development expense		11,639,095	8,919,930
Research and development tax credit (Note 6)		(1,228,303)	(990,784)
Foreign exchange (gain)/loss		(770,281)	34,387

The other assurance services and tax advisory services fees for the current and prior year very substantially relate to advisory work in connection with the IPO.

9. Tax on Profit/(Loss) on Ordinary Activities

(a) Tax on profit/(loss) on ordinary activities

The tax charge is made up as follows:

	2020 €	2019 €
Current tax:		
Overseas taxation	832,700	509,640
Foreign withholding tax	–	66,070
Adjustments in respect of previous years	2,482	–
Total current tax	**835,182**	**575,710**
Deferred tax:		
Origination and reversal of timing differences	107,240	(479,674)
Tax on profit/(loss) on ordinary activities	**942,422**	**96,036**

Overseas taxation has been provided on the results of overseas subsidiary companies at the appropriate overseas rates of tax.

(b) Factors affecting the tax charge for the year

The current tax charge for the year differs from the amount computed by applying the standard rate of corporation tax in the Republic of Ireland to the profit/(loss) on ordinary activities before taxation. The sources and tax effects of the differences are explained below:

	2020 €	2019 €
Profit/(loss) on ordinary activities before tax	715,239	(1,673,621)
Profit/(loss) on ordinary activities multiplied by the standard rate of tax of 12.5%	89,405	(209,203)
Depreciation greater than capital allowances	100,983	56,559
Short-term timing differences	53,997	(1,652)
Non-deductible expenses/non-taxable income	402,764	256,018
Higher tax charge on passive income	1,286	57
Higher rates of tax on foreign income	361,590	279,450
Research and development tax credits claimed	(66,720)	(157,791)
Foreign withholding tax	–	66,070
Adjustments in respect of previous years	2,482	–
Losses (utilised)/carried forward	(110,605)	286,202
Deferred tax	107,240	(479,674)
Total tax charge	942,422	96,036

(c) Deferred tax asset/(liability)

Group	2020 €	2019 €
At beginning of year	117,698	(359,593)
(Charged)/released to the statement		
of comprehensive income (Note 9(a))	(107,240)	479,674
Foreign exchange	5	(2,383)
At end of year	10,463	117,698
The deferred tax asset/(liability) is analysed as follows:		
Timing differences between depreciation		
and capital allowances	134,979	138,076
Timing differences on holiday leave	401,012	251,284
Timing differences between losses		
forward and capitalised development costs	(636,048)	(401,183)
Other timing differences	110,520	129,521
At end of year	10,463	117,698
Being:		
Deferred tax asset	498,508	311,568
Provision for deferred tax	(488,045)	(193,870)
Deferred tax asset	10,463	117,698

10. Earnings Per Share

	2020 €	2019 €
Basic earnings per share		
(Loss) attributed to ordinary shareholders	(280,376)	(1,773,927)
Weighted average number of ordinary shares outstanding	261,429,432	219,990,350
Basic (loss) per share (cent)	**(0.11)**	**(0.81)**

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

Diluted earnings per share		
(Loss) attributed to ordinary shareholders	(280,376)	(1,773,927)
Weighted average number of ordinary shares outstanding	261,429,432	219,990,350
Diluted (loss) per share (cent)	**(0.11)**	**(0.81)**

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.

The calculation of basic and diluted earnings per share for the comparative period presented has been adjusted retrospectively to reflect the resolution passed to subdivide all issued and unissued ordinary shares of €0.01 each in the capital of the Company by 10 (see Note 17 to the Consolidated Financial Statements).

Notes to the Consolidated Financial Statements (continued)

11. Intangible Assets

Group 2020	Right of use assets €	Development expenditure €	Contract costs €	Computer software €	Total €
Cost					
At 30 June 2019	2,743,877	64,912,209	1,660,417	341,736	69,658,239
Additions	1,789,341	16,787,883	707,324	–	19,284,548
At 30 June 2020	4,533,218	81,700,092	2,367,741	341,736	88,942,787
Amortisation					
At 30 June 2019	2,371,132	22,744,835	271,833	243,173	25,630,973
Charged in the year	679,987	8,822,419	384,025	68,474	9,954,905
At 30 June 2020	3,051,119	31,567,254	655,858	311,647	35,585,878
Net book amounts					
At 30 June 2020	1,482,099	50,132,838	1,711,883	30,089	53,356,909
At 30 June 2019	372,745	42,167,374	1,388,584	98,563	44,027,266

Group 2019	Right of use assets €	Development expenditure €	Contract costs €	Computer software €	Total €
Cost					
At 30 June 2018	2,743,877	50,986,528	316,585	341,736	54,388,726
Additions	–	13,925,681	1,343,832	–	15,269,513
At 30 June 2019	2,743,877	64,912,209	1,660,417	341,736	69,658,239
Amortisation					
At 30 June 2018	1,688,038	16,603,105	49,884	174,722	18,515,749
Charged in the year	683,094	6,141,730	221,949	68,451	7,115,224
At 30 June 2019	2,371,132	22,744,835	271,833	243,173	25,630,973
Net book amounts					
At 30 June 2019	372,745	42,167,374	1,388,584	98,563	44,027,266
At 30 June 2018	1,055,839	34,383,423	266,701	167,014	35,872,977

Development expenditure

In total, research and development costs for the Group amounted to €28,426,978 (2019: €22,845,611) in the reporting period, out of which €16,787,883 (2019: €13,925,681) qualifies for capitalisation under IAS 38 'Intangible assets'. Qualifying development expenditure is amortised on a straight-line basis over its useful economic life, which is considered to be between five and ten years. The amortisation expense amounts to €8,717,419 in 2020 (2019: €6,036,730).

No borrowing costs were capitalised within Group development expenditure additions during the year (2019: €Nil). The amortisation expense relating to previously capitalised borrowing costs is €105,000 (2019: €105,000).

12. Property, Plant and Equipment

Group 2020	Right of use assets €	Office equipment €	Computer equipment €	Fixtures and fittings €	Total €
Cost					
At 30 June 2019	8,894,069	685,451	2,996,543	1,701,812	14,277,875
Additions	545,734	108,860	1,003,537	191,786	1,849,917
Translation adjustment	(36,362)	(3,638)	(13,355)	(3,718)	(57,073)
At 30 June 2020	9,403,441	790,673	3,986,725	1,889,880	16,070,719
Depreciation					
At 30 June 2019	2,613,940	623,448	2,120,443	1,624,320	6,982,151
Charged in the year	1,177,699	42,374	622,453	49,563	1,892,089
Translation adjustment	(21,136)	(8,894)	(2,812)	(5,316)	(38,158)
At 30 June 2020	3,770,503	656,928	2,740,084	1,668,567	8,836,082
Net book amounts					
At 30 June 2020	5,632,938	133,745	1,246,641	221,313	7,234,637
At 30 June 2019	6,280,129	62,003	876,100	77,492	7,295,724

Notes to the Consolidated Financial Statements (continued)

Group 2019	Right of use assets €	Office equipment €	Computer equipment €	Fixtures and fittings €	Total €
Cost					
At 30 June 2018	4,818,466	726,557	1,871,394	2,720,325	10,136,742
Additions	190,016	28,879	832,091	605	1,051,591
Lease modification	3,916,847	-	-	-	3,916,847
Disposals/retirements	-	-	-	(719,253)	(719,253)
Translation adjustment	(31,260)	(69,985)	293,058	(299,865)	(108,052)
At 30 June 2019	8,894,069	685,451	2,996,543	1,701,812	14,277,875
Depreciation					
At 30 June 2018	1,908,471	638,158	1,394,273	2,474,261	6,415,163
Charged in the year	709,255	42,213	440,637	165,271	1,357,376
Disposals/retirements	-	-	-	(719,253)	(719,253)
Translation adjustment	(3,786)	(56,923)	285,533	(295,959)	(71,135)
At 30 June 2019	2,613,940	623,448	2,120,443	1,624,320	6,982,151
Net book amounts					
At 30 June 2019	6,280,129	62,003	876,100	77,492	7,295,724
At 30 June 2018	2,909,995	88,399	477,121	246,064	3,721,579

13. Financial Assets

	2020 €	2019 €
Company		
Shares in Group undertakings – unlisted, at cost:		
At beginning of period	22,834,215	–
Additions during period	–	22,834,215
At end of period	**22,834,215**	**22,834,215**

Details of subsidiary undertakings are included in Note 28 to the Consolidated Financial Statements.

14. Trade and Other Receivables

	2020 €	2019 €
Group		
Trade receivables	17,566,095	7,400,917
Unbilled receivables	639,097	1,405,217
Other receivables	210,380	192,830
Prepayments	1,481,820	2,344,511
Research and development tax credits	2,289,342	3,771,908
Value added tax recoverable	1,130,024	439,399
Corporation tax recoverable	120,888	170,935
Deferred tax asset (Note 9)	498,508	311,568
	23,936,154	**16,037,285**

Company	2020 €	2019 €
Amounts owed by subsidiary undertakings	**59,704,503**	–

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 and Company's normal terms, which are 30 days. Trade receivables are shown net of a provision for expected credit losses.

Unbilled receivables

The terms of the accrued income are based on underlying invoices.

Taxes and tax credits

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

15. Cash and Cash Equivalents

	2020 €	2019 €
Group		
Cash and cash equivalents	**39,831,380**	6,903,010

	2020 €	2019 €
Company		
Cash and cash equivalents	6,204	101

There are no restrictions on the cash held.

Notes to the Consolidated Financial Statements (continued)

16. Trade and Other Payables

Current	2020 €	2019 €
Group		
Trade payables	2,504,346	1,868,820
Corporation tax	407,864	145,605
Value added tax	77,396	57,420
PAYE and PRSI	2,347,389	1,119,744
Accruals	6,136,009	7,630,504
Deferred revenue	14,201,684	10,397,118
Research and development tax credit	1,282,910	1,344,922
Lease liabilities (Note 22)	1,524,606	1,082,495
	28,482,204	**23,646,628**

Company	2020 €	2019 €
Amounts due to subsidiary undertakings	–	100

Non-current	2020 €	2019 €
Group		
Long-term loan (Note 20)	-	15,000,000
Lease liability (Note 22)	6,251,540	5,938,691
Research and development tax credit	5,955,435	6,874,808
	12,206,975	**27,813,499**

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.

Amount due to Group companies

The amounts due to Group and related companies are unsecured, interest free and are repayable on demand.

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 year 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 year-end date is deferred and recognised as the service is provided.

17. Called up Share Capital

	Nominal value	Ordinary shares €	Preferred A shares €	B Ordinary Redeemable shares €	C Ordinary Redeemable shares €	Total €
Authorised share capital (Group and Company)						
At 30 June 2019	€0.01 per share	4,312,175	79,782	24,629	83,414	4,500,000
At 30 June 2020	€0.001 per share	4,500,000	–	–	–	4,500,000

The movement in the number of authorised shares during the financial year was as follows:

	Ordinary shares	Preferred A shares	B Ordinary Redeemable shares	C Ordinary Redeemable shares	Total number of authorised shares
At 30 June 2019	431,217,456	7,978,180	2,462,944	8,341,420	450,000,000
Resolution to subdivide shares by 10	3,880,957,104	71,803,620	22,166,496	75,072,780	4,050,000,000
	4,312,174,560	79,781,800	24,629,440	83,414,200	4,500,000,000
Conversion to Ordinary shares	187,825,440	(79,781,800)	(24,629,440)	(83,414,200)	–
At 30 June 2020	4,500,000,000	–	–	–	4,500,000,000

	Nominal value	Ordinary shares €	Preferred A shares €	B Ordinary Redeemable shares €	C Ordinary Redeemable shares €	Total €
Issued share capital presented as equity						
At 30 June 2019	€0.01 per share	152,971	4,411	365	66,655	224,402
At 30 June 2020	€0.001 per share	272,030	–	–	–	272,030

Notes to the Consolidated Financial Statements (continued)

The movement in the number of issued shares during the financial year was as follows:

	Ordinary shares	Preferred A shares	B Ordinary Redeemable shares	C Ordinary Redeemable shares	Total number of issued shares
At 30 June 2019	15,297,109	441,124	36,440	6,665,486	22,440,159
Resolution to subdivide shares by 10	137,673,981	3,970,116	327,960	59,989,374	201,961,431
	152,971,090	4,411,240	364,400	66,654,860	224,401,590
Conversion to Ordinary shares	71,430,500	(4,411,240)	(364,400)	(66,654,860)	–
Share capital issued	47,628,261	–	–	–	47,628,261
At 30 June 2020	272,029,851	–	–	–	272,029,851

Ordinary share capital

A resolution was passed on 9 July 2019 to subdivide all issued and unissued ordinary shares of €0.01 each in the capital of the Company by 10 so that the nominal value of each share in the Company shall be €0.001 rather than €0.01 and to re-designate all the issued and unissued 'A Ordinary Shares' as 'Ordinary Shares' but with no change to the rights attached to the shares.

On 15 August 2019, in preparation for the Company's admission to the official list of the Australian Stock Exchange ('ASX') and its initial public offering, the Company issued and allotted 39,980,121 new ordinary shares at a price of AU$2.50 per Ordinary Share. In addition, the Preferred A Shares, B Ordinary Redeemable Shares and C Ordinary Redeemable Shares were converted into Ordinary Shares.

Details of share options granted under the Company's share option schemes and the terms attaching thereto are provided in Note 19 to the Consolidated Financial Statements. Under these schemes, options over a total of 7,648,140 new ordinary shares of €0.001 per share were exercised during the financial year (2019: Nil) at a weighted average exercise price of €0.18 per share.

	Share premium €
At 30 June 2019	–
Premium arising on shares issued	62,588,957
Transaction costs accounted for as a deduction from equity	(4,057,696)
	58,531,261
Transfer from share option reserve	1,371,993
At 30 June 2020	59,903,254

Reconciliation of shares issued to proceeds	**2020 €**
Shares issued at nominal amount	47,628
Premium arising on shares issued	62,588,957
Total value of shares issued	62,636,585
Shares allotted to Non-executive Directors	(24,510)
Proceeds from issue of shares	62,612,075

8,000 Ordinary shares were allotted to each of Anne O'Driscoll and Martin Fahy for their services in relation to pre-IPO work.

18. Reserves

Foreign exchange reserve

The foreign exchange reserve represents gains/losses arising on retranslating the net assets of overseas operations into Euro.

Retained earnings

The retained earnings represent cumulative gains and losses recognised, net of transfers to/from other reserves and dividends paid.

Other undenominated capital

This reserve records the nominal value of shares repurchased by the Company.

Share option reserve

The share option reserve represents the movement in share-based payments. The movement in the cumulative expense since the previous year end date is recognised in the statement of comprehensive income, with a corresponding entry in 'share option reserve'.

Re-organisation reserve

FINEOS Corporation Holdings plc ('FINEOS') was incorporated on 12 December 2018 and the Directors elected at that date to account for the restructure of the Group as a capital re-organisation rather than a business combination. The reorganisation reserve represents the difference between the fair value of the shares issued to effect the reorganisation and the nominal value of the shares acquired. See Note 2(a) to the Consolidated Financial Statements for further detail.

19. 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 consolidated statement of comprehensive income is as follows:

	2020	**2019**
	€	**€**
Share-based payment expense	2,274,055	797,361

Details of the schemes operated by the Group are set out below.

2019 Equity Incentive Plan

A new Equity Incentive Plan (the '2019 Equity Incentive Plan') was adopted by the Board on 24 June 2019 and approved by the shareholders of the Company on 9 July 2019. It became effective on Listing. The 2019 Equity Incentive Plan, administered by the Remuneration and Nomination Committee, allows for the grant of the following awards to employees: options, restricted share awards, RSU awards and performance awards. Total awards under the 2019 Equity Incentive Plan are subject to a limit of 5% of the ordinary issued share capital of the Company at any time. The exercise of awards may be conditional upon the satisfaction of performance factors during a performance period as determined by the Remuneration and Nomination Committee and set out in each award agreement.

In December 2019, the Remuneration and Nomination Committee approved the award of 4,475,000 share options under the 2019 Equity Incentive Plan to all eligible employees of the Group at the date of grant. The options have an exercise price of AU$2.5038 (€1.55 using a spot AUD/EUR FX rate of 1.6177), are subject to a three-year service period (no further performance criteria) and will expire seven years after the date of grant. An expense of €386,370 was recognised during the financial year relating to the current year award of options under the 2019 Equity Incentive Plan.

2012 Share Option Plan, 2015 Share Option Plan and 2019 Share Option and Retention Plan

Prior to listing, FINEOS International Limited, the previous ultimate parent undertaking of the Group, operated a 2012 Share Option Plan and a 2015 Share Option Plan. The options awarded were subject to a three-year service period and the occurrence of a 'triggering event', being the acquisition by any person, or group of persons acting in concert (excluding any persons connected or related to the existing shareholders), of control of the Company as a result of purchasing and/or subscribing for shares under a trade sale or IPO.

In February 2019, the Group modified the terms and conditions of the share options granted under its 2015 Share Option Plan and granted new options under a 2019 Share Option and Retention Plan. The options granted under the 2019 Share Option and Retention Plan were issued as replacements for options granted under the Company's 2012 Share Option Plan, which lapsed on 1 February 2019 without having vested.

On 24 June 2019, as part of the restructure, all options were exchanged for options in the new parent Company, FINEOS Corporation Holdings Limited, on a one-for-one basis. The awards were to vest six months after listing.

These 2015 and 2019 share option plans have now closed, and no further awards were issued under these plans during the year. An expense of €1,887,685 was recognised during the financial year (2019: €797,361) relating to the prior year modification of options under the 2015 Share Option Plan and the grant of options under the 2019 Share Option Plan.

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 Group employees during the year. During the year ended 30 June 2020, the Company issued 7,648,140 shares of €0.001 per share on foot of the vesting of share option awards granted under the terms of the 2012 and 2015 Share Options Plans (see Note 17 to the Consolidated Financial Statements). The weighted average exercise price at the date of exercise for options exercised during the year was €0.18.

	2020 No.	**2020 WAEP**	**2019 No.**	**2019 WAEP**
Outstanding as at 1 July at €0.01 per share	2,044,064	1.83	2,064,839	1.85
Resolution to subdivide shares by 10	18,396,576	–	–	–
	20,440,640	0.18	2,064,839	1.85
Options granted during year	4,475,000	1.55	–	–
Options exercised during year	(7,648,140)	0.18	–	–
Options forfeited during year	(50,000)	1.55	–	–
Options expired during year	–	–	(20,775)	2.12
Outstanding at 30 June at €0.001 per share	17,217,500	0.53	2,044,064	1.83
Exercisable at 30 June	12,792,500	0.18	–	–

If the subdivision of shares by 10 had occurred in the prior year, the weighted average exercise price at the prior year end would have been €0.18.

For the share options not yet exercisable as at 30 June 2020 the weighted average remaining contractual life is 2.5 years (30 June 2019: 1 year). 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 Company has used expected share price volatilities of comparable listed companies.

The following table lists the inputs to the model used for the year ended 30 June 2020:

	2020 %	2019 %
Dividend yield	0	0
Expected volatility	42.13	16.50
Risk free interest rate	0.80	0.93
Average expected life remaining in years	**5**	**7**

20. Bank Loans

	2020 €	2019 €
Group		
Due after one year	–	15,000,000

Following completion of its initial public offering in Australia, the Group repaid the bank loan and outstanding interest in full on 13 September 2019.

21. Commitments and Contingencies

(a) Capital commitments

At the year end the Group had no capital commitments.

(b) Contingent liabilities

At the year end the Group had no contingent liabilities.

(c) Lease commitments

The Group has total future minimum lease payments under non-cancellable lease commitments as follows:

At 30 June 2020	Land and buildings €	Software licences €	Total €
Due within one year	1,313,744	655,291	1,969,035
Due within two to five years	3,791,472	883,460	4,674,932
Due after five years	3,118,624	–	3,118,624
	8,223,840	**1,538,751**	**9,762,591**

At 30 June 2019	Land and buildings €	Software licences €	Total €
Due within one year	1,112,257	414,333	1,526,590
Due within two to five years	3,960,640	–	3,960,640
Due after five years	3,898,280	–	3,898,280
	8,971,177	**414,333**	**9,385,510**

Notes to the Consolidated Financial Statements (continued)

22. Lease Liabilities

	2020 €	2019 €
Group		
Current lease liabilities	1,524,606	1,082,495
Non-current lease liabilities	6,251,540	5,938,691
Total lease liabilities	**7,776,146**	**7,021,186**

The Group's total lease liability over the years are as follows:

	2020 €	2019 €
Opening liability	(7,021,186)	(4,261,063)
Additions for the year	(2,355,075)	(4,106,863)
Interest for the year	(507,917)	(263,277)
Lease expense for the year	2,088,032	1,610,017
Closing lease liability	**(7,776,146)**	**(7,021,186)**
Short-term lease expenses in the statement of comprehensive income	–	–

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 lease terms range from two to 15 years depending on the term set in the contract. The effective interest rate charged during the financial year ranged from 3.2% to 7% (2019: 7%) per annum. The lower rate of 3.2% reflects the Group's overdraft facility rate and the higher rate of 7% reflects the borrowing rate on the loan drawn by the Group in 2017 and repaid in September 2019.

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 11 and 12 to the Consolidated Financial Statements.

23. Controlling Party

Michael Kelly is the ultimate controlling party of the FINEOS Group.

24. Pension Commitments

The Group operates a defined contribution pension scheme. Pension benefits are funded over the employee's period of service by way of contributions to an insured fund. The Group's contributions are charged to the statement of comprehensive income in the year to which they relate and amounted to €2,839,647 (2019: €2,285,974). An amount of €368,211 was payable at the year end (2019: €300,847).

25. Financial Instruments

(i) Liquidity risk

Liquidity risk refers to the risk that the Group encounters difficulties in meeting its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle. The following table details the Group's remaining contractual maturity for its liabilities. The table has been drawn up based on contractual undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to receive or (pay). The table includes both interest and principal cash flows.

30 June 2020 **Group**	**Total** **€**	**Within 1 year** **€**	**Between 1 – 5 years** **€**	**Over 5 years** **€**
Financial liabilities	25,674,688	25,674,688	–	–
Finance lease	7,776,146	1,524,606	3,551,873	2,699,667
Research and development tax credit	7,238,345	1,282,910	3,675,490	2,279,945
Bank loan	–	–	–	–
	40,689,179	**28,482,204**	**7,227,363**	**4,979,612**

30 June 2019 **Group**	**Total** **€**	**Within 1 year** **€**	**Between 1 – 5 years** **€**	**Over 5 years** **€**
Financial liabilities	21,219,211	21,219,211	–	–
Finance lease	7,021,186	1,082,495	3,239,027	2,699,664
Research and development tax credit	8,219,730	1,344,922	4,240,214	2,634,594
Bank loan	15,000,000	–	15,000,000	–
	51,460,127	**23,646,628**	**22,479,241**	**5,334,258**

Fair values

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial instruments whose carrying amounts approximate fair value

Management has determined that the carrying amounts of cash and bank balances, trade and other receivables and trade and other payables reasonably approximate their fair values because these are mostly short-term in nature. The fair values of other classes of financial assets and liabilities are disclosed in their respective notes to these financial statements.

Notes to the Consolidated Financial Statements (continued)

The analysis of the carrying amounts of the financial instruments of the Group required under IFRS 9 Financial Instruments is as set out below:

Financial assets that are debt instruments measured at amortised cost	**Group 2020 €**	**Group 2019 €**
Trade receivables	17,566,095	7,400,917
Cash and cash equivalents	39,831,380	6,903,010
Financial liabilities at amortised cost		
Trade payables	2,504,346	1,868,820
Long-term loan	–	15,000,000
Lease liabilities	7,776,146	7,021,186

The main risks arising from the Group's financial instruments are credit risk, market risk, foreign currency risk, interest rate risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below:

(ii) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each customer. The Group has established credit limits for each customer under which these customers are analysed for credit-worthiness before the Group's standard payment and delivery terms are offered. Most of the customers have been with the Group for many years and losses have occurred infrequently. In most cases, the Group does not require collateral in respect of trade and other receivables. The Group monitors their balances regularly.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Group always recognises lifetime expected credit losses ('ECL') for trade receivables. The ECL on these financial assets are estimated using a provision matrix as shown below, based on the Group's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Expected credit losses analysis:

At 30 June 2020	**Current**	**1 month**	**2 months**	**3 months**	**4+ months**	**Balance**
Trade receivables as at 30 June 2020	9,296,686	5,867,591	1,315,239	1,139,313	19,316	17,638,145
Expected credit losses %	0%	0%	1%	5%	10%	
Loss allowance	**–**	**–**	**13,152**	**56,966**	**1,932**	**72,050**

At 30 June 2019	**Current**	**1 month**	**2 months**	**3 months**	**4+ months**	**Balance**
Trade receivables as at 30 June 2019	5,995,120	1,161,378	231,575	(80,573)	101,893	7,409,393
Expected credit losses %	0%	0%	1%	5%	10%	
Loss allowance	**–**	**–**	**2,316**	**(4,029)**	**10,189**	**8,476**

FINEOS has not noted a significant impact on it's customer base due to COVID-19. The increase in the provisioning for expected future credit losses is primarily driven by the increase in revenue.

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(a) Foreign currency risk

The Group's foreign currency risk arises from sales and purchases denominated in foreign currencies, primarily the United States dollar, Australian dollar and New Zealand dollar. During the year, the Group used foreign currency forward exchange contracts to hedge its exposure; however at the year end the Group had no outstanding contracts in place.

Sensitivity analysis

At 30 June 2020, if the foreign currencies strengthen or weaken 5% against the functional currencies, with all variables held constant, the maximum adjustment to the pre-tax profit/loss of the Group, respectively, for the financial years presented would have been as set out below:

	2020 €	**2019 €**
NZ $	407,543	423,850
AU $	152,402	139,642
US $	1,214,584	594,836
CAN $	246,329	169,310
GBP £	92,008	116,375
PLN	(84,264)	(72,670)
	2,028,602	**1,371,343**

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible changes in foreign exchange rate.

(b) Interest rate risk

There are no variable rate instruments on the balance sheet. The fixed interest rate long-term debt in place at 30 June 2019 has been repaid (see Note 20 to the Consolidated Financial Statements). The Group does not account for any fixed rate financial liabilities at FVTPL, therefore a change in interest rates at the reporting date would not affect profit or loss.

Fixed rate instruments – nominal amount	**2020 €**	**2019 €**
Financial liabilities	–	15,000,000

Notes to the Consolidated Financial Statements (continued)

26. Related Party Transactions

A Group subsidiary, FINEOS Corporation Limited (Ireland), is party to a lease arrangement with Jacquel Properties Limited, 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 year was €779,656 (2019: €418,720). The total rent due to Jacquel Properties Limited at 30 June 2020 was €Nil (2019: €Nil).

Consulting fees invoiced by Non-executive Directors during the year amounted to €9,862 (2019: €55,000).

In common with other companies, which are members of a group of companies, the financial statements reflect the effect of such membership.

Key management personnel

All Directors of the FINEOS Group are considered key management personnel. The current Directors are set out on page 7 of the Annual Report. Total remuneration in respect of these individuals is split as follows:

	2020 **€**	**2019** **€**
Wages and salaries	1,226,598	1,082,069
Employer's PRSI	44,375	32,710
Pension	41,207	27,342
Shares allotted to Directors	24,510	-
Share awards gain on exercise	921,117	-
	2,257,807	**1,142,121**

During the financial year ended 30 June 2020, 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.

27. Capital Management Policies and Objectives

Capital management

The Group's and Company's objectives when managing capital are to safeguard the Group's and Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Group consists of debts, which includes the borrowings and equity attributable to owners of the Company, comprising issued capital and reserves.

There were no changes in the Group's and Company's approach to capital management during the year. The Group and Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including bank borrowings and excluding trade and other payables, provisions for income tax and deferred tax liabilities as shown in the statement of financial position) less cash.

Given that all of the Group's external borrowings were repaid during the year, the gearing ratio is not relevant for the current year and has been reflected as nil.

The gearing ratio of the Group at 30 June 2020 was as follows:

	Group 2020 €	Group 2019 €
Total borrowings	–	15,000,000
Less: cash and cash equivalents	(39,831,380)	(6,903,010)
Net (funds)/debt	(39,831,380)	8,096,990
Total equity	**83,181,856**	**22,609,288**
Total capital	**83,181,856**	**30,706,278**
Gearing ratio	**Nil**	**35.81%**

28. Subsidiary Undertakings

The Company has the following subsidiary undertakings. All subsidiaries are wholly owned unless otherwise indicated:

Subsidiary Undertaking	Country of Incorporation	Principal Activity
FINEOS International Ltd	Jersey	Holding Company
FINEOS Europe Unlimited	Jersey	Holding Company
FINEOS Corporation Limited (previously FINEOS Corporation U.C.)	Republic of Ireland	Innovator of enterprise claims management and policy administration software
FINEOS UK Limited (previously FINEOS Corporation Limited)	United Kingdom	Provision of professional services to its parent undertaking
FINEOS Corporation	United States of America	Provision of professional services and sales and marketing services to its parent undertaking
FINEOS Australia Pty Limited	Australia	Provision of professional services and sales and marketing services to its parent undertaking
FINEOS New Zealand Limited	New Zealand	Provision of professional services to its parent undertaking
FINEOS Polska S.p Z.o.o	Poland	Provision of product engineering services to its parent undertaking
FINEOS Canada Limited	Canada	Provision of professional services to its parent undertaking
FINEOS Hong Kong Limited	Hong Kong	Provision of sales and marketing services to its parent undertaking
Ellaville Invest SL	Spain	Provision of product engineering services to its parent undertaking

Notes to the Consolidated Financial Statements (continued)

Details of registered offices are listed below:

Incorporated in Jersey	Registered Address
FINEOS International Ltd FINEOS Europe Unlimited	2nd Floor, The Le Gallais Building, 54 Bath Street, St. Helier, Jersey JE1 1FW
Incorporated in Ireland	**Registered Address**
FINEOS Corporation Limited (previously FINEOS Corporation U.C.)	FINEOS House, East Point Business Park, Dublin 3, D03 FT97
Incorporated in United Kingdom	**Registered Address**
FINEOS UK Limited (previously FINEOS Corporation Limited)	5 Clapham Chase, Bedford, Bedfordshire, MK41 6FA, UK (previously 5 Amberly Gardens, Bedford, Bedfordshire)
Incorporated in United States of America	**Registered Address**
FINEOS Corporation	60 State Street, Suite 700, Boston, MA 02109 United States of America
Incorporated in Australia	**Registered Address**
FINEOS Australia Pty Limited	Level 8, 224–228 Queen Street, Melbourne, VIC 3000, Australia
Incorporated in New Zealand	**Registered Address**
FINEOS New Zealand Limited	Offices of DLA Phillips Fox, Level 22, DLA Phillips Fox Tower, 209 Queen Street, Auckland 1010, New Zealand
Incorporated in Poland	**Registered Address**
FINEOS Polska S.p Z.o.o	2 Szymanowskiego Street, 80-280 Gdansk, Poland
Incorporated in Canada	**Registered Address**
FINEOS Canada Limited	900-1959 Upper Water Street, Halifax, NS, Canada B3J 3N2
Incorporated in Hong Kong	**Registered Address**
FINEOS Hong Kong Limited	16th floor, Wing On Centre, 111 Connaught Road Central, Hong Kong
Incorporated in Spain	**Registered Address**
Ellaville Invest SL	Calle Principe de Vergara 112, 28002 Madrid, Spain

29. Events Subsequent to the Year End

On 14 August 2020, FINEOS acquired Limelight Health, Inc. ('Limelight'), a leading US-based provider of end-to-end quoting, rating and underwriting Software-as-a-Service ('SaaS') that streamlines critical front office workflows for life, accident and health insurance carriers, for total acquisition consideration of US$75 million, subject to customary adjustments.

FINEOS undertook an equity raising on 11 August 2020 to provide funding towards the acquisition. FINEOS successfully completed a fully underwritten institutional placement, raising approximately AU$85 million through the issue of approximately 20 million new fully paid CHESS Depositary Interests over FCL shares ('CDIs'). The placement was undertaken at an offer price of AU$4.26 per new CDI. FINEOS is also undertaking a non-underwritten Security Purchase Plan ('SPP') to raise up to AU$5 million, which will complete in September 2020.

30. Prior Year Comparatives

Costs have been reclassified in the comparative year ended 30 June 2019 to ensure comparability.

The reclassifications have had no impact on operating profit or loss on ordinary activities before tax in the comparative year.

Cost of sales for the year ended 30 June 2019 has reduced by €2,283,265 arising from the reclassification.

31. Approval of Consolidated Financial Statements

The consolidated financial statements and Company statement of financial position in respect of the year ended 30 June 2020 were approved and authorised for issue by the Directors on 25 August 2020.

Additional Security Holder Information

Information required by ASX Listing Rules and not disclosed elsewhere in this document is set out below. Information is correct as at 21 August 2020, unless otherwise indicated.

(1) There are 272,029,851 CHESS Depositary Interests (CDIs) on issue.

(2) The number of securities held by substantial shareholders are set out below:

	Balance as at 21-08-2020	%
JACQUEL INVESTMENTS LIMITED	162,333,430	55.6%

(3) FINEOS has issued the following securities:

(a) 291,982,903 CDIs held by 1,642 CDI holders; and

(b) 17,373,500 unquoted options held by 595 option holders.

(4) Voting Rights:

Since Chess Deposit Nominees Pty Limited (CDN) is the legal holder of applicable shares but the holders of CDIs are not themselves the legal holders of their applicable shares, the holders of CDIs do not have any directly enforceable right to vote under the FINEOS constitution.

In order to vote at general meetings, CDI holders have the following options:

a) instructing CDN, as the legal owner of the underlying shares, to vote the shares underlying their CDIs in a particular manner;

b) informing FINEOS that they wish to nominate themselves or another person to be appointed as CDN's proxy with respect to the shares underlying their CDIs for the purposes of attending and voting at the general meeting; or

c) converting their CDIs into a holding of shares and voting these at the meeting (however, if thereafter the former CDI holder wishes to sell their investment on ASX it would be necessary to convert the shares back to CDIs).

Option holders are not afforded any voting rights by the options held by them.

(5) Distribution of Security Holders

Distribution spread of Security Holdings as at 21-08-2020

Holding Ranges	Holders	Total Units	%
1-1,000	775	370,710	0.13
1,001-5,000	530	1,375,433	0.47
5,001-10,000	152	1,155,510	0.39
10,001-100,000	153	3,902,882	1.34
100,001-9,999,999,999	32	285,178,368	97.67
Totals	**1,642**	**291,982,903**	**100.00**

(6) Unmarketable Parcels of Shares

Unmarketable Parcels (UMP) as at 21-08-20 (based on a share price of $5.43)

Total Securities/Issued Capital	UMP Securities	UMP Holders	UMP Percent
291,982,903	434	32	0.00015

Additional Security Holder Information (continued)

(7) Top 20 Security Holders

	Balance as at 21-08-2020	%
JACQUEL INVESTMENTS LIMITED	162,333,430	55.6%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	33,202,266	11.4%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	25,463,532	8.7%
CITICORP NOMINEES PTY LIMITED	12,998,736	4.5%
NATIONAL NOMINEES LIMITED	10,645,090	3.7%
CARMEN INVESTMENTS LIMITED	8,009,040	2.7%
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	6,898,532	2.4%
BNP PARIBAS NOMS PTY LTD <DRP>	4,741,901	1.6%
CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	3,005,646	1.0%
WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	2,718,638	0.9%
AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	2,333,048	0.8%
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	2,252,785	0.8%
UBS NOMINEES PTY LTD	1,872,036	0.6%
MIRRABOOKA INVESTMENTS LIMITED	1,454,192	0.5%
BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	1,104,785	0.4%
MERRILL LYNCH (AUSTRALIA)	832,840	0.3%
TRUEBELL CAPITAL PTY LTD <TRUEBELL INVESTMENT FUND>	800,000	0.3%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	667,185	0.2%
POWERWRAP LIMITED <SCHEME - IML TRADES A/C>	617,218	0.2%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	604,411	0.2%
Total Securities of Top 20 Holdings	**282,555,311**	**96.8%**
Total of Securities	**291,982,903**	

(8) FINEOS' securities are listed on the ASX and are not listed on any other securities exchange.

(9) Securities subject to Voluntary Escrow

The following securities are subject to voluntary escrow:

(a) 162,333,430 securities held on behalf of Jacquel Investments Limited; and

(b) 8,009,040 securities held on behalf of Carmen Investments Limited

until FINEOS releases its financial results for the half-year ending on 31 December 2020; of which

(c) 81,166,715 securities on escrow on behalf of Jacquel Investments Limited; and

(d) 4,004,520 securities on escrow on behalf of Carmen Investments Limited,

are further subject to voluntary escrow until FINEOS releases its financial results for FY21 to the ASX.

(10) During the financial year ended 30 June 2020 , the Company has used its cash and assets readily convertible to cash that it had at the time of ASX admission in a way consistent with its business objectives set out in the prospectus dated 26 July 2019.

(11) FINEOS is incorporated in Dublin, Ireland.

This page has been intentionally left blank.

Company Information

Directors

Anne O'Driscoll (Chairman)
Michael Kelly
Gilles Biscay
Martin Fahy
David Hollander
Peter Le Beau
Tom Wall

Company Secretary - Joint

Tom Wall

Company Secretary - Joint

Vanessa Chidrawi

Registered Office

FINEOS House,
East Point Business Park,
Dublin 3, Ireland

Level 8, 224-228 Queen Street,
Melbourne, VIC 3000
Australia

Ph: +61 3 9018 3400

Registered Number

205721

Solicitors

William Fry
2 Grand Canal Square,
Dublin 2, Ireland

Clayton Utz
Level 15,
1 Bligh Street,
Sydney, NSW 2000
Australia

Bankers

Bank of Ireland
Lower Baggot Street,
Dublin 2, Ireland

HSBC Bank
1 Grand Canal Square,
Dublin 2, Ireland

Auditors

Mazars
Chartered Accountants and Statutory Audit Firm
Harcourt Centre,
Block 3,
Harcourt Road,
Dublin 2, Ireland

Share Registry

Boardroom Pty Ltd
GPO Box 3993,
Sydney, NSW 2001
Australia

Ph: +61 2 9290 9600

Deloitte Ireland LLP
Deloitte & Touche House,
29 Earlsfort Terrace,
Dublin 2, Ireland

Ph: +353 1 417 8595

FINEOS