

28 July 2025

## Quarterly Activity Report and Business Update

**FINEOS Corporation Holdings PLC (ASX:FCL)**, a leading provider of core systems for life, accident and health insurance (LA&H) globally, presents its unaudited quarterly activity report and Appendix 4C cash flow statement for the three-month period ending 30 June 2025 (2Q25), as attached.

### Highlights:

- Revenue growth and platform / operational efficiency gains continue to support our expectation of positive free cash flow in FY25.
- Closing cash balance at 30 June 2025 of €34.9m, down from €35.4m at 31 March 2025 reflecting seasonal impact of cash collection.
- Cash receipts from customers were €35.1m, down 3% on the prior corresponding period (pcp), and down 32% on the previous quarter, reflecting the seasonal timing of cash receipts.
- During 2Q25 two new North American clients contracted for FINEOS IDAM and FINEOS Claims products. Both projects have commenced and are expected to “Go Live” in 2026.
- An existing top-10 US group insurance carrier client contracted FINEOS to conduct a major migration and consolidation of on-premises systems to FINEOS Absence (including integrated short-term disability claims). The project has commenced and is expected to “Go Live” towards the end of 2026.
- There remains a strong North American business pipeline. It is anticipated that additional deal closures may occur before the end of the fiscal year.
- Product Consulting employee utilisation rate year-to-date average is 88% at 30 June 2025, up 3 percentage points from 30 June 2024.
- Successful FINEOS Customer Connect event, sponsored and attended by PWC, EY, Cap Gemini and AWS, conducted in New York during the quarter, with current and potential clients, showcasing the strategic development of the FINEOS Platform and its transformational role in the employee benefits landscape.

### Financial Performance

The cash balance at 30 June 2025 was €34.9 million, down from €35.4 million at 31 March 2025 reflecting the seasonal impact of cash collection.

2Q25 customer cash receipts (net of tax) of €35.1 million were 3% lower than pcp due to timing of customer receipts. Cash receipts were 32% lower in this quarter than last quarter, as the first quarter benefits from annual subscription revenue invoiced in January. Exchange rate movements during the quarter had a negative impact of €1.5 million on the cash balance.

Research and development costs capitalised for 2Q25 were €7.2 million. The annual tax credit payment related to the R&D tax credit is due in 2H25.

2Q25 product manufacturing and operating costs were €7.7 million, up 2% versus pcp due to greater investment in software. This was in part offset by lower employee and contractor costs which declined 5% from the previous quarter.

2Q25 staff costs of €13.5 million increased 6% versus pcp and 3% from the previous quarter due to higher restructuring costs, lower allocation to cost of sales and lower R&D capitalisation in this period.

2Q25 administration and corporate costs of €4.5 million increased 37% versus pcp, however declined 35% from the previous quarter due to higher software costs and timing of supplier payments for software licensing that were paid in the first quarter.

Headcount of 1,007 at 30 June 2025 was 3.0% lower than the previous quarter as the makeup of headcount continues to be reshuffled to support growth in lower cost regions.

Commenting on the 2Q25 performance, CEO and Founder Michael Kelly said: This quarter underscores the growing strategic value of the FINEOS Platform, as our North American clients continue to adopt and migrate from legacy systems to FINEOS. While cash receipts reflected typical seasonal fluctuations, our pipeline is strong, and we remain confident we will deliver positive free cash flow for fiscal year 2025 and ongoing profitable growth in 2026 and beyond.

We were particularly pleased with the success of our FINEOS Customer Connect event in New York, where clients and partners experienced first-hand the transformational value of our embedded AI capabilities and evolving API driven ecosystem. The event showcased live product demonstrations and client-led insights into their transformation journeys from legacy systems to the modern purpose built FINEOS Platform. The Conference reflected strong ecosystem backing and demonstrated the FINEOS Platform's clear market leadership and proven ability to support what is expected from today's modern employee benefits carriers. These milestones reinforce our singular focus and commitment to helping carriers, employers and employees to have the most flexible and valuable benefits to support today's dynamic society. The FINEOS Platform will continue to deliver more value for all stakeholders and better outcomes for the customer. "

### **Quarterly Payments**

In reference to payments to related parties (Section 6 of the attached Appendix 4C report), item 1 is a lease arrangement with a related entity of Michael Kelly. The rental payment for the quarter was €191k. Item 2 is cash paid for Directors and Non-Executive Directors during the quarter that amounted to €337,000, which includes salaries and reimbursements for costs incurred.

This notice has been authorised for provision to the ASX by the Company's Board of Directors.

### **Investor enquiries:**

Howard Marks

P: +61 402 438 019

E: [howard.marks@automicgroup.com.au](mailto:howard.marks@automicgroup.com.au)

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

**FINEOS Corporation Holdings plc**

ABN

633 278 430

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows	Current quarter €'000	Year to date (6 months) €'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	35,096	86,840
1.2 Payments for		
research and development		
product manufacturing and operating costs	(7,730)	(15,861)
advertising and marketing	(381)	(449)
leased assets	(360)	(621)
staff costs	(13,539)	(26,693)
administration and corporate costs	(4,458)	(11,290)
1.3 Dividends received (see note 3)		
1.4 Interest received	126	232
1.5 Interest and other costs of finance paid	(68)	(141)
1.6 Income taxes paid	(19)	(42)
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	(346)	379
<b>1.9 Net cash from / (used in) operating activities</b>	<b>8,321</b>	<b>32,354</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
businesses		
property, plant and equipment	(112)	(444)
investments		
intellectual property	(7,180)	(14,430)
other non-current assets		

Consolidated statement of cash flows		Current quarter €'000	Year to date (6 months) €'000
2.2	Proceeds from disposal of: (b) entities businesses property, plant and equipment investments intellectual property other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(7,292)</b>	<b>(14,874)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	2	13
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>2</b>	<b>13</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	35,367	19,831
4.2	Net cash from / (used in) operating activities (item 1.9 above)	8,321	32,354
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7,292)	(14,874)

Consolidated statement of cash flows		Current quarter €'000	Year to date (6 months) €'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2	13
4.5	Effect of movement in exchange rates on cash held	(1,519)	(2,445)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>34,879</b>	<b>34,879</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter €'000	Previous quarter €'000
5.1	Bank balances	34,879	35,367
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>34,879</b>	<b>35,367</b>

6.	Payments to related parties of the entity and their associates	Current quarter €'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	191
6.2	Aggregate amount of payments to related parties and their associates included in item 2	326
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

FINEOS Corporation Limited (Ireland) is party to a lease arrangement with Jacquel Properties Limited, a Company controlled by Michael Kelly. The rental expense for the quarter was €191k.

Cash paid for Directors and Non-executive Directors in quarter 2 amounted to €326k which includes salaries, travel and reimbursement of any costs.

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end €'000</b>	<b>Amount drawn at quarter end €'000</b>
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)	2,000	NIL
7.4	<b>Total financing facilities</b>	2,000	NIL
7.5	<b>Unused financing facilities available at quarter end</b>		2,000
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	This is an unsecured overdraft facility from Bank of Ireland, the interest rate is 5.42% per annum.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>€'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	8,331
8.2	Cash and cash equivalents at quarter end (item 4.6)	34,879
8.3	Unused finance facilities available at quarter end (item 7.5)	2,000
8.4	Total available funding (item 8.2 + item 8.3)	36,879
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>  <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	N/A
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 July 2025.....

Authorised by: The Board of Directors.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively