

ASX Release

17 August 2020

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FINEOS COMPLETES ACQUISITION OF LIMELIGHT HEALTH, INC. AND ANNOUNCES OPENING OF SECURITY PURCHASE PLAN OFFER

FINEOS Corporation Holdings PLC (ASX: FCL) (FINEOS) is pleased to announce the acquisition of Limelight Health, Inc., (**Limelight**) as previously communicated to the market on 11 August 2020, was completed in the U.S. with effect on 14 August 2020.

Limelight is a leading provider of highly configurable, cloud-based quoting, rating, and underwriting software solutions to insurers in North America. Limelight is highly complementary to FINEOS' strategy of strengthening its focus on the North American market and accelerating its sales, marketing and product development capabilities in the region.

Completion of the acquisition follows the satisfaction of conditions precedent and other completion requirements. The total acquisition price of US\$75 million (A\$106 million) was funded by:

- (a) US\$66 million (A\$94 million) in total cash; and
- (b) US\$9 million (A\$12 million) in total CDIs, representing 2.9 million new CDIs and employee options over CDIs at an issue price of A\$4.27:
 - (i) 2.0 million CDIs to be issued to Limelight management and subject to a two-year escrow (lock-up); and
 - (ii) 0.9 million CDIs to be issued to Limelight non-management and subject to an escrow until the release of FINEOS' 1H FY21.

The A\$/US\$ exchange rate applied at completion of the acquisition was 1.42.

Macquarie Capital (Australia) Limited and Moelis Australia Advisory Pty Ltd acted as Joint Financial Advisors in relation to the acquisition. Clayton Utz has acted as Australian legal adviser to FINEOS.

Security Purchase Plan

The security purchase plan ("**SPP** or **SPP Offer**") as previously announced to the market on 11 August 2020 opens today at 9.00am and dispatch of the booklet in respect of the SPP (**SPP Offer Booklet**) together with a personalised application form (**Application Form**) will commence today.

Under the SPP, eligible CDI holders have the opportunity to subscribe for up to A\$30,000 worth of new securities free of any brokerage, commissions and transaction costs to raise up to A\$5 million¹.

The SPP Booklet and Application Form is being dispatched to all eligible CDI holders, being those persons who are registered as holders of CDIs as at 7.00pm (AEST), Monday 10 August 2020 with a registered address in Australia or Ireland, and who are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that any such holder is acting for the account or benefit of a person in the United States, it is not participating in the SPP in respect of that

¹ If FINEOS receives applications that exceed the amount it proposes to raise under the SPP, FINEOS may decide to scale back applications or raise a higher amount, in its absolute discretion. If a scale back is applied, an Eligible CDI Holder may be allocated fewer FINEOS CDIs than they applied for under the SPP. If FINEOS decides to conduct any scale back, it will apply the scale back having regard to the size of the application and the number of CDIs held on the SPP record date

person) and who meet certain other conditions as set out in the SPP Offer Booklet ("**Eligible CDI Holders**").

Upon receipt of the SPP Offer Booklet, Eligible CDI Holders who wish to participate in the SPP should carefully consider the terms and conditions and follow the instructions in the SPP Offer Booklet and Application Form.

The SPP Offer provides Eligible CDI Holders with an opportunity to apply to buy a parcel of new CDIs in FINEOS valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000 at an issue price of A\$4.26 per CDI, being the issue price under the Placement. New CDIs issued under the SPP will rank equally with existing FINEOS CDIs from the date of issue.

The number of new CDIs to be issued under the SPP and, if applicable, any scale-back will be announced to the ASX shortly after the SPP closing date.

The SPP Offer is also open to custodians who may participate on behalf of certain beneficiaries with a registered address in Australia as at the Record Date, provided that such beneficiary is not in the United States and is not acting for the account or benefit of a person in the United States, on the Terms and Conditions.

Security Purchase Plan – Indicative Timetable

Event	Date
Record date for SPP	7:00pm (AEST) Monday, 10 August 2020
SPP Offer opens and SPP Offer Booklet is dispatched	9:00am (AEST) Monday, 17 August 2020
SPP Offer closes	5:00pm (AEST) Friday, 4 September 2020
Announcement of results of SPP	Wednesday, 9 September 2020
Issue of securities under the SPP	Monday, 14 September 2020
Normal trading of securities issued under the SPP	Wednesday, 16 September 2020

Additional Information

Further details about the Placement and SPP are set out in the Investor Presentation released to the ASX on 11 August 2020. The Investor Presentation contains important information including key risks associated with an investment in FINEOS.

This notice has been authorised for provision to the ASX by the Company's CEO.

Investor enquiries:

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About FINEOS

FINEOS (ASX:FCL) is a leading provider of core systems for life, accident and health insurance carriers globally with 7 of the 10 largest group life and health carriers in the US as well as 6 of the 10 largest life and health carriers in Australia. With employees and offices throughout the world, FINEOS continues to scale rapidly, working with innovative progressive carriers in North America, Europe, and Asia Pacific. The FINEOS Platform provides customers full end to end core administration for group, voluntary and individual across life, accident and health. The FINEOS Platform includes the FINEOS AdminSuite core product suite as well as add-on products, FINEOS Engage to support digital engagement and FINEOS Insight for analytics and reporting.

For more information, visit www.FINEOS.com

About Limelight Health, Inc.

Limelight Health is a leading provider of cloud-based enterprise software solutions delivering the most efficient quoting, rating, and underwriting solutions for employee benefits insurers. The company provides process automation and seamless integration for new business acquisition, including product management, broker self-service, risk management, and sales enablement.

Limelight Health's innovative suite offers highly configurable no-code and low-code solutions for intake, quoting, rating, and underwriting. The API-first and cloud-native architecture provides seamless integration and data exchange for enrolment and case installation, data analysis and reporting, and support for legacy systems. Limelight Health has a remote-first workforce with headquarters in San Francisco, California, and an office in Redding, California.

IMPORTANT NOTICES

FORWARD-LOOKING STATEMENTS

This announcement may contain certain forward-looking statements, forecasts, estimates, projections, beliefs and opinions (Forward Statements). Forward Statements can be identified by the use of 'forward-looking' terminology, including, without limitation, the terms 'believes', 'estimates', 'anticipates', 'expects', 'projects', 'predicts', 'intends', 'plans', 'propose', 'goals', 'targets', 'aims', 'outlook', 'guidance', 'forecasts', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology, and include financial outlook information as defined below.

Forward Statements involve elements of subjective judgment and analysis, and are subject to known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future, assumptions which may or may not prove correct, and may be beyond the Company's ability to control or predict.

You are strongly cautioned not to place undue reliance on Forward Statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Any such statements, opinions and estimates in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward Statements including projections, guidance on future earnings and estimates are by their very nature subject to significant uncertainties and contingencies and are not reliably predictable. They are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of FINEOS. No representation or guarantee is made by the Company or any other person that any of these Forward Statements (including the financial outlook information) will be achieved or proved to be correct. Readers are cautioned not to place undue reliance on Forward Statements and the Company assumes no obligation to update such statements (except as required by applicable regulations or by law).

This announcement is not financial product advice and has not taken into account your objectives, financial situation or needs.

OTHER

The distribution of this announcement (including an electronic copy) in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any state or other jurisdiction. The new CDIs have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act), or the securities laws of any state or other jurisdiction of the United States. The CDIs to be offered and sold in the SPP may not be offered or sold, directly or indirectly, in the United States or to any person that is acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), and may only be offered or sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the U.S. Securities Act.