



FinTech Solutions Ltd

QUARTERLY ACTIVITIES
REPORT AND APPENDIX 4C
Q4 FY23

JULY 2023





Complii FinTech Solutions Ltd (ASX: CF1) (**Complii, Group** or the **Company**) – a leading end-to-end compliance and risk management **SaaS (Software as a Service)** platform for equity capital markets participants, from dealers / brokers, financial advisers, financial planners, wealth advisers, to listed and unlisted companies and investors – is pleased to provide its Quarterly Activities Report and Appendix 4C for the period ending 30 June 2023 (**Q4 FY23** or **June Quarter**).



Q4 FY23 Highlights

The Complii Group is delighted to advise the market of the Group's continued successes during Q4 FY23:

- Cash at Bank (including Term Deposits) is \$5.976m as at 30 June 2023.
- Complii Group has achieved another strong quarter of cash flow from operations with \$2.019m receipts from customers (Q3 FY23: \$1.707m). The strong increase QoQ was primarily driven by the Complii business unit. The incremental ARR was driven by the extension of our relationship with Australian Investment Exchange (AUSIEX) and new clients signed.
- Total Group Revenue and Other Income Q4 FY23 of \$2.34m.
- The Group is debt free.
- As a SaaS business, ARR is a key metric for us, with all main subsidiaries up:
 - Complii up 1.4% on Q3 FY23 and up 7% on Q4 FY22
 - PrimaryMarkets up 19.4% on Q3 FY23 and up 124% on Q4 FY22
 - Registry Direct up 7.8% on Q3 FY23 and up 60% on Q4 FY22 (note Q4 FY22 is pre acquisition)
 - ThinkCaddie up 13.9% on Q3 FY23 and up 52% on Q4 FY22
 - Adviser Solutions Group up 12.1% on Q3 FY23 and up 45% on Q4 FY22

In addition, regarding our main business units:

Complii

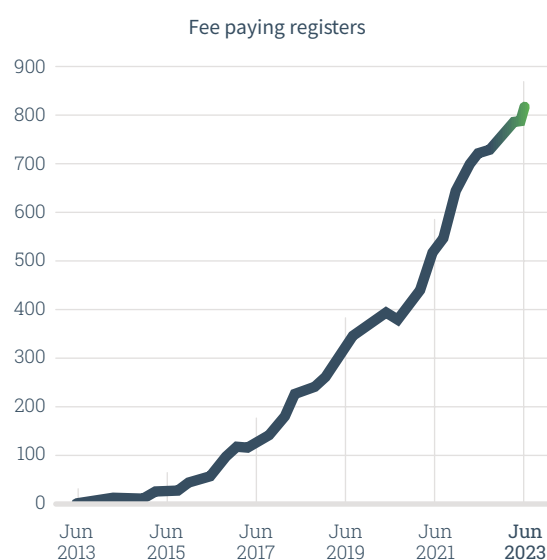
- During Q4 FY23, \$2.825B new capital funds were raised on the Complii platform across 816 unique offerings from numerous AFSL client firms using Complii's proprietary Capital Raising System ("Adviser Bid/Corporate Highway").
- Complii Group signed several new AFSL clients over the quarter, including a well-known name, building and delivering 2 new modules for them. This has started delivering incremental revenue late Q4 FY23.
- We also built a new product for the Complii platform that is being implemented with several existing clients in Q1 FY24 and will therefore also deliver an incremental ARR from next quarter on.
- Several enhancements and product updates have been delivered over the quarter, increasing further the customer and user experience.

PrimaryMarkets

- PrimaryMarkets continues to see increasing enquiries from private companies seeking liquidity and capital raising solutions. This is consistent with the current very difficult IPO market.
- Renewed focus on further technology enhancements to develop tools and resources to streamline and automate the off-market share trading processes.

Registry Direct

- The net increase in fee-paying registers for the quarter was 29, continuing Registry Direct's ongoing growth rate.



Outlook

Operations

Complii

Complii completed delivery of 2 new modules this quarter and has already upsold and delivered these into several existing AFSL clients' environments, in line with upselling as per Complii's ambitions.

Complii also signed a well-known new client onto the platform, adopting 2 new modules; our platform is seeing accelerating growth and will increase ARR further once onboarded.

Complii is continuing custom work with our larger customers on future major enhancements and developments, which will then be standardised and offered to our broader customer base.

Registry Direct

Registry Direct has continued its steady growth in revenue.

The business continued to develop its platform based on client feedback to improve functionality and sales appeal. Further net sales are expected over the next quarter.

PrimaryMarkets

Over FY23, PrimaryMarkets has grown from 50 investment opportunities at the end of Q4 2022 to over 100 at the end of Q4 2023, comprising a mixture of secondary trading, trading hubs, unicorns, capital raises and investor centres.

Capital Raising continues to be an important part of the PrimaryMarkets ecosystem with 39 Companies closing capital raisings this year and trading volumes remaining strong at \$50M traded through the fiscal year.

Further broadening of the network of sophisticated and institutional investors through more robust marketing efforts. The total number of sophisticated investors verified through the PrimaryMarkets Platform has increased 40% year-on-year.

Think Caddie

Think Caddie is launching a new product in Q1 FY24, helping to grow the group's customer base.

Complii Group

Across the Group, the sales and marketing team is focused on increasing our brand awareness and lead-generation cost-effectively, as well as cross-selling all Group products and services.

FY23 saw a restructure of the Complii group from a marketing and sales perspective, and FY24 will continue re-engaging with existing clients, potential clients, new segments, shareholders and investors.

The cross-sell continues to produce ARR growth across our product suit, endorsing our acquisition and growth strategy to date.

Through our ecosystem of solutions, we are steadily growing our total addressable market (TAM) as well as increasing the potential share of wallet through cross-selling of our solutions, as most companies want to work with end-to-end vendors instead of a roster, as it is both simpler and more cost-effective. This makes our offer both differentiated and sticky.

We continue to build on the group's ambition to become the backbone for equity capital markets, with a unique offering covering cost-effective capital raising, absolute compliance assurance, operating risk mitigation and customer servicing efficiency.

Integrating our other business units' solutions, the Complii group offers the only end-to-end platform for managing corporate activity from inception of a Company, pre-IPO trading/liquidity, new capital raising efficiencies through to registry services, as well as providing compliance and efficiency tools along each step of the journey, whether it be from the company or a broker. Complii is continuing to focus its Group marketing and resources to realise this opportunity.

Outlook continued

Growth

Complii is ready and remains committed to look for synergistic, complimentary acquisition and partnership opportunities which complements the Group's organic growth strategy.

Overall, the Complii group has been continuing to invest behind building a differentiated, end-to-end ecosystem and the required go-to-market capabilities, positioning itself for more cross-selling opportunities. The focus going forward will be to further decrease the cost of acquisition whilst increasing customer ARR and lifetime value, to accelerate organic growth profitably.

Q4 FY23 Financials

Cash at bank as at 30 June 2023 was \$5.798m.

Cash on term deposit is \$178k.

Total cash at bank and on Term Deposit as at 30 June 2023 is \$5.976m.

Notable operating cash flow items for Q4 FY23 included:

- \$2.019m receipts from customers (Q3 FY23: \$1.707m). The increase was driven by development work completed to date for the Australian Investment Exchange as announced on the ASX on 31 January 2023 along with additional development work for new customer contracts.
- \$2.216m of staff costs (Q3 FY23: \$2.214m). Current quarter includes costs for additional staff employed to complete development work under new customer agreements and super on staff performance bonuses paid in the prior quarter offset by savings in wages due to terminations and bonus payments in prior quarter.
- \$0.740m administration and corporate costs (Q3 FY23: \$0.913m). Reduction in costs due to timing of payments in the quarter.
- \$0.135m interest earned on term deposits that matured in Q4 FY23.
- \$0.275m Chess Replacement Partnership Program Rebate received by RegistryDirect during the quarter.

Directors, being related parties of the Company, were paid remuneration in the amount of \$187k during the June Quarter. No other related party payments were made.

Further details of the cash flows of the Company are set out in the attached **Appendix 4C**.

This announcement was authorised to be given to ASX by the Board of Directors of Complii FinTech Solutions Ltd.



ENSURE



ENABLE



EMPOWER

Outlook continued

Summary Q4 FY23

- Complii Group achieved another strong quarter of cash flow from operations, with a net outflow of \$733k for the quarter. The difference with Q3 is driven by the R&D grant received in Q3. Excluding the grant, underlying cash outflow saw a significant improvement vs Q2 and Q3.
- As at 30 June 2023, Complii has a total funds of \$5.976m, being \$5.798m in cash plus \$178k on Term Deposit, with the Group having no debt and no new equity placements since December 2020. This is equivalent to 7.89 quarters of cash available.
- Strong ARR growth vs Q3 FY23 and Q4 FY22 for the group overall and all main business units.
- The Complii Group remains well-funded and well-resourced to deliver on its vision of becoming the financial services industry standard in targeted risk, compliance and business technology firm as well as offer investment and trading opportunities.

Complii Executive chairman Craig Mason commented:

We are delighted to report on the Group's Q4 FY23 activities. We continue to build a unique ecosystem delivering strong ARR growth and strong cash flow for all activities, supported by solid cash at bank.

Complii maintains its strong cash position without the need for debt or new equity placements delivering an enhanced Balance Sheet.

Having invested to build a unique ecosystem, we will continue to drive organic growth through new products and partnerships, increasing our share of our addressable market.

We continue to explore synergistic acquisitions, and this will continue to be a broad focus building upon the success of our aggregations of both PrimaryMarkets and Registry Direct. This will help both increase the size of our addressable market as well as increase opportunities for cross-selling. Our Group's cross-selling capabilities continue to provide an expected upside for organic growth within our Group.

We are also focused on improving efficiency in our operations, particularly our go-to-market.

Complii is well positioned to give our shareholders a strong trajectory into FY24.


This announcement was authorised to be given to ASX by the Board of Directors of Complii FinTech Solutions Ltd.

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FinTech Solutions Ltd

APPENDIX 4C Q4 FY23

JULY 2023



Appendix 4C

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

Name of entity	Complii Fintech Solutions Limited
ASX Code	CF1
ABN	71 098 238 585
Quarter ended ("current quarter")	30 June 2023

Consolidated statement of cash flows

	Current quarter	Year to date (12 months)
	\$A'000	\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,019	7,683
a research and development	-	-
b product manufacturing and operating costs	(21)	(38)
c advertising and marketing	(127)	(493)
1.2 Payments for		
d leased assets	(48)	(307)
e staff costs	(2,216)	(7,876)
f administration and corporate costs	(740)	(3,757)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	135	138
1.5 Interest and other costs of finance paid	(5)	(14)
1.6 Income taxes paid	(5)	(22)
1.7 Government grants and tax incentives	-	2,395
1.8 Other (Chess Replacement Partnership Program Rebate)	275	275
1.9 Net cash from / (used in) operating activities	(733)	(2,016)

ASX Listing Rules Appendix 4C (17/07/20). See chapter 19 of the ASX Listing Rules for defined terms.

Appendix 4C continued

2. Cash flows from investing activities		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
	a entities	-	-
	b businesses	-	(477)
2.1	Payments to acquire or for		
	c property, plant and equipment	(11)	(40)
	d investments	-	(8)
	e intellectual property	-	-
	f other non-current assets	-	-
2.2	Proceeds from disposal of		
	a entities	-	-
	b businesses	-	-
	c property, plant and equipment	-	-
	d investments	-	6
	e intellectual property	-	-
	f other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
	Other (Term Deposits with maturity of 3 months or greater)	(150)	(5,442)
2.5	Other (Term Deposits maturing within 3 months of quarter end)	-	5,269
	Cash Balance from purchase of Registry Direct	-	1,936
2.6	Net cash from / (used in) investing activities	(161)	1,244
3. Cash flows from financing activities		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
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	-	1,152
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(24)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(42)	(264)
3.7	Transaction costs related to loans and borrowings	(3)	(8)
3.8	Dividends paid	-	-
3.9	Other		
	Opening Cash Balance adjustment	-	(7)
	Share Buy-Back	(1)	(19)
3.10	Net cash from / (used in) financing activities	(46)	830

Appendix 4C continued

4. Net increase / (decrease) in cash and cash equivalents for the period	Current quarter \$A'000	Year to date (12 months) \$A'000
4.1 Cash and cash equivalents at beginning of period	6,739	5,744
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(733)	(2,016)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(161)	1,244
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(46)	830
4.5 Effect of movement in exchange rates on cash held	(1)	(4)
4.6 Cash and cash equivalents at end of period	5,798	5,798

5. Reconciliation of cash and cash equivalents ¹	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,798	1,589
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (Term Deposits maturing within 3 months of quarter end)	4,000	5,150
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,798	6,739

¹ at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts

6. Payments to related parties of the entity and their associates ²	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	187
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

² These payments represent Director fees, Director consulting fees and reimbursements of expenses. All transactions involving Directors and associates were on normal commercial terms.

Appendix 4C continued

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7. Financing facilities ¹		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Security Deposit)	178	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end	-	178
7.6 Include in the box below a description of each facility above ²		

Facility	\$A'000	Interest rate
Westpac Term Deposit		
Matures 26 April 2024. This Term Deposit is a bank guarantee against the Sydney office rental lease.	150.2	4.35%
Macquarie Bank Term Deposit		
This Term Deposit is a bank guarantee against the Melbourne office rental lease.	4.8	0.01%
Macquarie Bank Security Deposit		
This Term Deposit is a bank guarantee against the RegistryDirect Melbourne office rental lease.	23.1	

- 1 **Note:** the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.
- 2 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.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(733)
8.2 Cash and cash equivalents at quarter end (item 4.6)	5,798
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	5,798
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1) ¹	7.89
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

- 1 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.

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.

Appendix 4C continued

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	19 July 2023
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Authorised by	By the Board
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(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.