



Complii

FinTech Solutions Ltd

QUARTERLY ACTIVITIES
REPORT AND
APPENDIX 4C **Q1 FY24**

ABN 71 098 238 585

26 OCTOBER 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 September 2023 (**Q1 FY24** or
September Quarter).

Q1 FY24 Highlights

The Complii Group is delighted to advise the market of the Group's continued successes during Q1 FY24:

- **Cash at Bank (including Term Deposits) is \$3.832m as at 30 September 2023.**
- **Complii anticipates receiving R&D Grant for FY23 activities of \$1.273m in Q2 FY24 (noting Complii R&D Grant for FY23 was lodged with the ATO Q2 FY24).**
- **Complii will also receive \$295k in Q2 FY24 from a strategic investment trade done in Q1 FY24.**
- **Complii Group had \$1.594m receipts from customers in Q1 FY24 (Q4 FY23: \$2.019m)**
 - Prior quarter was higher mainly because of work completed on the new CRM (Customer Relationship Management) system for the Australian Investment Exchange (AUSIEX) along with additional development work for new customer contracts (Wilsons). At 30 September 2023 the Group had \$554k of fees receivable (trade receivables) relating to development work and services performed which it expects to receive in Q2 FY24.
- **Total Group Revenue and Other Income Q1 FY24 of \$1.824m.**
- **Completion of the acquisition of MIntegrity (September 2023).**
 - Complii expects this transaction to bring \$1.37m incremental annual revenue this FY.
- **The Group is debt free.**
- **As a SaaS business, ARR is a key metric for us and a key focus through sales and marketing efforts as well as integration of the businesses acquired and cross-selling to the expanded customer base:**
 - Complii up 0.3% on Q4 FY23 and up 6.2% on Q1 FY23
 - PrimaryMarkets down 4.3% on Q4 FY23 but up 46.8% on Q1 FY23
 - Registry Direct up 7.7% on Q4 FY23 and up 71.3% on Q1 FY23
 - ThinkCaddie up 3.6% on Q4 FY23 and up 45.5% on Q1 FY23
 - Advisor Solutions Group down 7.8% on Q4 FY23 but up 53.9% on Q1 FY23

Our focus continues to be on cost reduction, integration of the businesses we have acquired and growth in ARR. In Q1 FY24 Complii formed a group sales team with the focus of cross-selling which is expected to deliver escalated ARR in Q2 FY24 and beyond.

In addition, regarding our main business units:



Complii

- During Q1 FY24, c. \$2.5B new capital funds were raised on the Complii platform across 794 unique offerings from numerous AFSL client firms using Complii's proprietary Capital Raising System ("Adviser Bid/Corporate Highway").
- Complii signed 3 new AFSL clients over the quarter and has another well-known name ready to sign. They will start delivering incremental revenue in Q2 FY24.
- Complii finished on-boarding clients signed in Q4 FY23.
- Complii continued work on several enhancements and product updates over the quarter, increasing further the customer and user experience.



PrimaryMarkets

- PrimaryMarkets has over 100 investment opportunities on the platform, 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 23 live capital raisings this quarter, including 7 new initiatives, and 14 trading hubs with 1 new initiative. Trading volumes remained strong at \$5M traded over the quarter. PrimaryMarkets also has 31 secondary trading opportunities, with 5 new initiatives.
- The total number of contacts on the platform is over 110k contacts across the world, showing significant reach for our investment and trading opportunities.
 - Out of these, the average monthly growth rate of sophisticated investors registrations is increasing at an average of 43% since July.
- PrimaryMarkets has seen increased activity since the end of Q1 FY24 and is expecting a stronger quarter of results ahead.



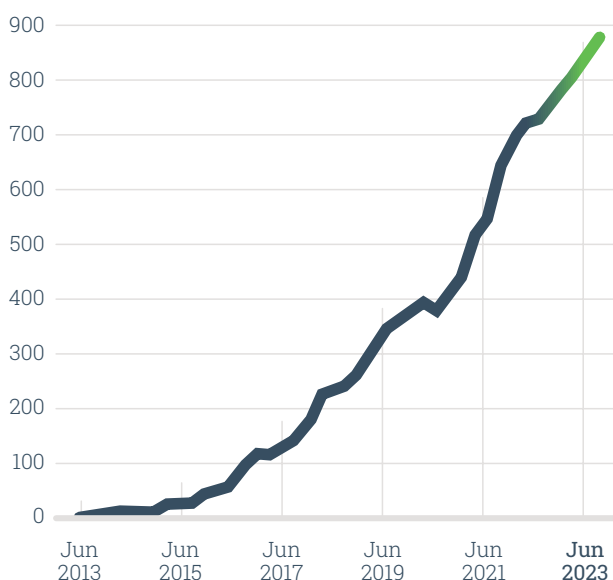
Q1 FY24 Highlights continued



Registry Direct

- Registry Direct's continued their positive growth rate.

Fee paying registers



- Over the last Financial Year, Registry Direct clients have raised over \$750m using the platform.
- Roll out of further functionality for listed and unlisted entities, further enhancing customer experience.
- New customers include Halo, Swtftfx, Sprout Organic and Whitmore Property.



MIntegrity

- Complii completed the acquisition of all of MIntegrity's assets, including the MIntegrity brand, IP, key personnel and client list on 4 September 2023.
- The MIntegrity acquisition is expected to bring \$1.37m incremental annual revenue this FY (and \$1.48m total year 1).
- MIntegrity brings a client base of over 100 clients locally and across the world, including banks, market exchanges and operators, AFSL holders and securities dealers and private wealth firms.
- The acquisition increases cross-promotional potential from a technology point of view as well as consulting services, through RegsWeb (digital regulatory web service) and MIWize (e-learning portal delivered through Complii's CPD platform, ThinkCaddie).



ThinkCaddie

- Caddie gained 4 more significant AFSL business accounts, expanding Complii's cross-selling opportunities.
- Caddie also gained 3 new self-licensed accounts.
- The team launched a new podcast, *The Caddie Corner*.
 - This podcast interviews Financial Services experts about key topics. Along with new free resources and newsletter, the podcast aims at promoting Caddie's unique content and drive brand awareness.





Outlook

Operations

Complii

Complii continued work on new modules and current product improvements.

Complii is also 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 generating new and additional lines of ARR to the group.

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.

The business unit completed further technology enhancements to streamline and automate the off-market share trading processes. The roll-out of PrimaryMarkets' upgraded Platform is in the final stages of design and will move into development in the coming weeks. The key benefits of this new Platform are faster settlement times, a more transparent and informative settlement process, improved security, more detailed reporting and, overall, a better Platform for the management of trades and an improved user experience.

The 708 Wholesale and Sophisticated Investor application portal has also had updates to streamline the application process for certified wholesale investors and to make the process easier to onboard shareholders looking to sell shares.

Complii Group

Across the Group, we are focused on cross-selling opportunities, leveraging our unique ecosystem of solutions.

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

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 resources to realise this opportunity.

Growth

- Complii is ready to sign another well-know customer onto the platform and has a strong pipeline of opportunities for Q2 FY24.
- PrimaryMarkets has signed a mandate with Splitit which has been announced in their ASX delisting announcements. Following a favourable shareholder vote, Splitit will delist from the ASX with the intention to set up a Trading Hub with PrimaryMarkets in early 2024.
- Complii Group completed the business acquisition of MIntegrity in September 2023. This brings a large client base delivering incremental ARR as well as further opportunities for cross-selling.

The Group remains committed to looking for partnership opportunities which complement 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 has now switched to further decrease the cost of acquisition (CAC) whilst increasing customer ARR and lifetime value through cross-selling, to accelerate organic growth profitably.

We have steadily been 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.



Outlook continued

Summary Q1 FY24

- Complii Group saw a net outflow of \$1,656k of cash flow from operations for the quarter vs \$735k for Q4 FY23.
- As at 30 September 2023, Complii has total funds of \$3.832m, being \$3.654m in cash plus \$178k on Term Deposit, with the Group having no debt and no new equity placements since December 2020.
- \$295k will be received in Q2 FY24 from a strategic investment trade done in Q1 FY24.
- Strong ARR growth vs Q4 FY23 and Q1 FY23 for the group, supported by strong sales and marketing efforts and further integration of acquired businesses.
- The Group focus remains on cost reduction and operational efficiency, with circa \$1m in cost reductions made (including Board and key Executive pay freezes) vs budget and the formation of a group sales team to leverage cross-selling opportunities.
- 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 pleased to report on the Group’s Q1 FY 24 activities. We continue to build a unique ecosystem delivering strong ARR growth and strong cash flow, supported by solid cash at bank.

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.

Our Business Acquisition of MIntegrity 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 cost structure and our commercial capabilities.

Complii is well positioned to give our shareholders a strong trajectory into the rest of FY24 and beyond. ”

Outlook continued

Q1 FY24 Financials

Cash at bank as at 30 September 2024 was \$3.654m. Cash on term deposit is \$178k. Total cash at bank and on Term Deposit as at 30 September 2023 is \$3.832m. Note Complii will receive \$295k in Q2 FY24 from a strategic investment trade done in Q1 FY24.

Notable operating cash flow items for Q1 FY24 included:

- \$1.594m receipts from customers (Q4 FY23: \$2.109m). Prior quarter was higher mainly because of development work completed on the new CRM (Customer Relationship Management) System for the Australian Investment Exchange (AUSIEX) along with additional development work for new customer contracts (Wilsons). At 30 September 2023 the Group had \$554k of fees receivable (trade receivables) relating to development work and services performed which it expects to receive in Q2 FY24.
- \$2.345m of staff costs (Q4 FY23: \$2.218m). Current quarter includes one month's cost for MIntegrity staff plus additional staff costs for new development work completed.
- \$0.714m administration and corporate costs (Q4 FY23: \$0.740m). Reduction in costs due to timing of payments in the quarter.
- Q1 FY24 includes \$44k costs attributable to the MIntegrity business unit however there were no receipts from customers as this is billed in arrears and therefore expected in Q2 FY24.
- \$0.030m interest earned on term deposits that matured in Q1 FY24.

Net cash outflows from investing activities for Q1 FY24 were \$444k. This includes \$150k for the acquisition of MIntegrity (see ASX announcement on 4 September 2023 for further information) and \$295k strategic investment in an ASX listed entity.

Directors, being related parties of the Company, were paid remuneration in the amount of \$219k during the September 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.

For more information please contact:

Mr Craig Mason
Executive Chairman

0437 444 881
investors@complii.com.au

Ms Alison Sarich
Managing Director

(02) 9235 0028
investors@complii.com.au



Compli

FinTech Solutions Ltd

APPENDIX 4C Q1 FY24

26 OCTOBER 2023



Appendix 4C

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

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

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,594	1,594
1.2 Payments for		
a research and development	-	-
b product manufacturing and operating costs	(16)	(16)
c advertising and marketing	(124)	(124)
d leased assets	(76)	(76)
e staff costs	(2,345)	(2,345)
f administration and corporate costs	(714)	(714)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	30	30
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes paid	(3)	(3)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,656)	(1,656)

Appendix 4C continued

	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for		
a entities	-	-
b businesses	(150)	(150)
c property, plant and equipment	1	1
d investments	(295)	(295)
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	-	-
e intellectual property	-	-
f 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)	-	-
2.6 Net cash from / (used in) investing activities	(444)	(444)

	Current quarter \$A'000	Year to date (3 months) \$A'000
3. Cash flows from financing activities		
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	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(42)	(42)
3.7 Transaction costs related to loans and borrowings	(2)	(2)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(44)	(44)



Appendix 4C continued

4. Net increase / (decrease) in cash and cash equivalents for the period	Current quarter \$A'000	Year to date (3 months) \$A'000
4.1 Cash and cash equivalents at beginning of period	5,798	5,798
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,656)	(1,656)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(444)	(444)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(44)	(44)
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	3,654	3,654

5. Reconciliation of cash and cash equivalents ¹	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	3,654	1,798
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (Term Deposits maturing within 3 months of quarter end)	-	4,000
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,654	5,798

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	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	219
6.2 Aggregate amount of payments to related parties and their associates included in item 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 facilities²		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (Security Deposits)	178	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		178

Include in the box below a description of each facility above³

Facility	\$A'000	Interest rate
Westpac Term Deposit		
7.6 Maturing 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	

² 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.

³ 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)	(1,656)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,654
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,654
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1) ⁴	2.21
If item 8.5 is less than 2 quarters, please provide answers to the following questions: ⁵	
	Answer
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?	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?	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?	N/A

⁴ 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.

⁵ 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	26 October 2023
Authorised by	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.



Complii

FinTech Solutions Ltd

www.complii.com.au

investors@complii.com.au

