

Interim Financial Report and Appendix 4D

Complii FinTech Solutions Limited (**Complii** or the **Company**) (CF1.ASX) is pleased to present its Interim Financial Report and Appendix 4D for the half year ended 31 December 2023.

This announcement is authorised by the Board of Complii Fintech Solutions Limited.

- ENDS -

For more information please contact:



Craig Mason
Executive Chairman

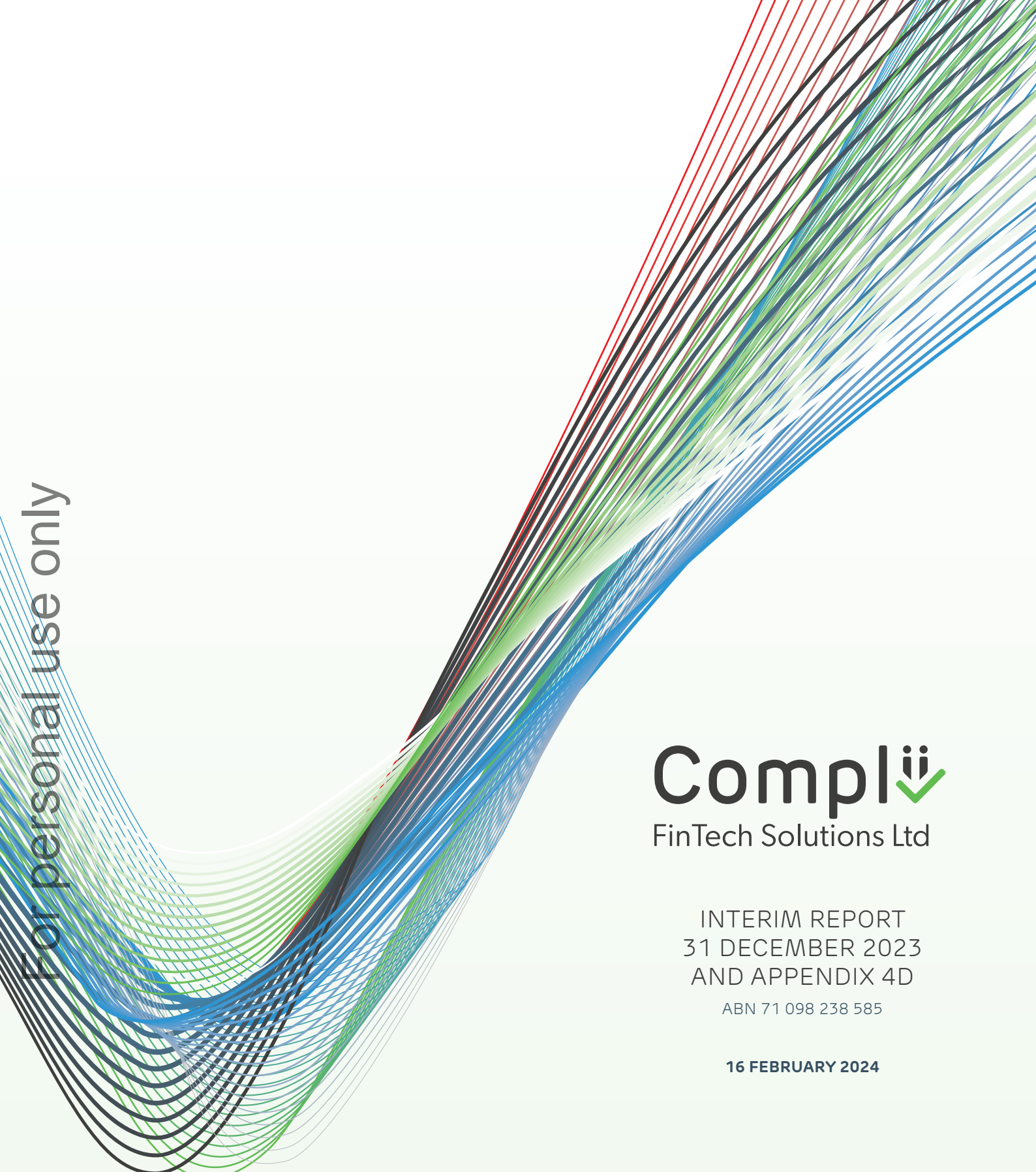
0437 444 881
investors@complii.com.au



Alison Sarich
Managing Director

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

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Compli

FinTech Solutions Ltd

INTERIM REPORT
31 DECEMBER 2023
AND APPENDIX 4D













ABN 71 098 238 585

16 FEBRUARY 2024



Corporate directory

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– is pleased to provide its Interim Financial Report and Appendix 4D for the half year ended 31 December 2023.

ABN	71 098 238 585
Registered Office and Principal Place of Business	<ul style="list-style-type: none">  6.02 56 Pitt Street Sydney NSW 2000  6.02 56 Pitt Street Sydney NSW 2000  +61 (02) 9235 0028  info@complii.com.au  www.complii.com.au
Auditors	<p>Hall Chadwick WA Audit Pty Ltd</p> <ul style="list-style-type: none">  283 Rokeby Road Subiaco WA 6008  +61 (08) 9426 0666
Share Registry	<p>Registry Direct Pty Ltd</p> <ul style="list-style-type: none">  Level 6, 56 Pitt Street, Sydney NSW 2000  PO Box 572, Sandringham VIC 3191  1300 55 66 35  www.registrydirect.com.au
Solicitors to the Company	<p>Grillo Higgins</p> <ul style="list-style-type: none">  114 William Street Melbourne VIC 3000
Stock exchange listing	Complii FinTech Solutions Ltd shares are listed on the Australian Securities Exchange
ASX Code	CF1

Current Directors



Craig Mason
Executive Chairman



Alison Sarich
Managing Director



Stuart Roe
Executive Director



Greg Gaunt
Non-Executive Director



Nick Prosser
Non-Executive Director



Company Secretary

Karen Logan

Contents

General information

The financial statements cover Complii FinTech Solutions Ltd as a consolidated entity consisting of Complii FinTech Solutions Ltd and the entities it controlled at the end of, or during, the half-year ended 31 December 2023. The financial statements are presented in Australian dollars, which is Complii FinTech Solutions Ltd's functional and presentation currency.

Complii FinTech Solutions Ltd is a listed public company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

6.02 56 Pitt Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 16 February 2024.

Corporate Governance Statement

The Corporate Governance Statement is available of the Company's website at www.complii.com.au/for-shareholders/corporate-governance

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Directors' report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of Complii FinTech Solutions Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were Directors of Complii FinTech Solutions Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

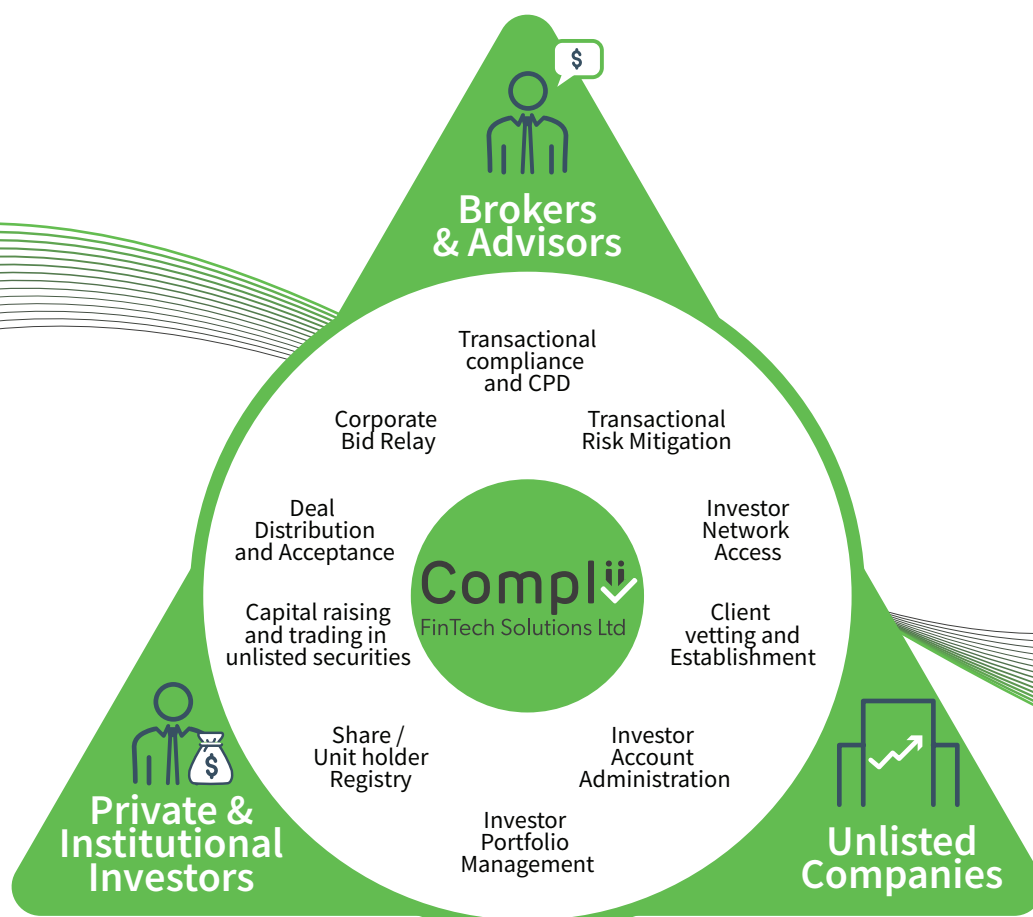
Craig Mason	Executive Chairman
Alison Sarich	Managing Director
Steuart Roe	Executive Director
Greg Gaunt	Non-Executive Director
Nick Prosser	Non-Executive Director

Principal activities

[Complii FinTech Solutions](#) is 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.

Complii Group is Australia's first fully integrated Corporate & Adviser management platform, which serves as the backbone of equity capital markets, enabling new levels of operating efficiencies and competitive advantage for AFSL holders and their thousands of licensed users.

Complii's range of products covers the whole corporate lifecycle with a focus on capital raise, corporate deal flow services, and risk and compliance management technology, including:



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Directors' report continued

Established in 2007 and listed in 2020, Complii Group offers technology solutions to the Australian financial services sector. The company delivers premium, end-to-end Software as a Service (SaaS) based technology solutions for Australian Financial Services License (AFSL) entities including dealers / brokers, financial advisors, financial planners, wealth advisors, as well as listed and unlisted companies and investors.

Complii serves over 28% of the addressable AFSL target market and is continuously expanding this market through both organic and M&A activity, as well as driving cross-selling opportunities amongst its existing client base.

Within the highly regulated financial services industry, registered users benefit from compliance solutions for their capital raising and operational needs, a global trading platform for securities of unlisted companies and funds, and registry services for listed and unlisted companies and funds.

Through innovative research and development (R&D) and complementary business acquisitions, Complii Group has built Australia's only integrated, modular SaaS platform

for managing compliance, control and capital markets engagement.

Complii Group products and services include registry services from inception of a corporation or trust, trading facilities whilst unlisted (pre-IPO), new capital raising (pre-IPO rounds + IPO listing + placements post listing), administration tools and shareholder services plus all the compliance controls required for those AFSL holders and their registered users dealing for and in capital markets.

Complii Group client entities and their users extend across AFSL holders dealing with listed and unlisted issuers, retail, professional, sophisticated, and institutional investors.

Following the acquisitions of PrimaryMarkets in 2021 and Registry Direct in 2022, Complii Group acquired MIntegrity in September 2023, a specialised compliance and operational risk consultancy, further strengthening the Group's positioning as "the backbone of Capital Markets" in Australia.

The Complii Group is the only tech vendor for financial services firms offering an end-to-end, modular solution.

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Half Year Financials Highlights



CASH AT BANK

\$3.484m

Group cash at Bank of \$3.484m which includes \$0.178m on Term Deposit.

This amount equates to 6.2 quarters of funding available for future operating activities from 31 December 2023



ANNUAL RECURRING REVENUE

↑ 18%

Group Annual Recurring Revenue (ARR) of \$2,156,236
↑ 6% compared to 2H FY23 and
↑ 18% compared to 1H FY23



RESEARCH AND DEVELOPMENT

\$1.340m

Research and Development grant income of \$1.340 million for FY23 activities









Directors' report continued

Business Units

The Complii Group is comprised of the below seven distinct business units, each operating under its own management reporting to Group management, and each responsible for its own P&L.

Each business unit has the overlay of Group activities such as common Directors, back-office, accounting, marketing, investor relations and cross-selling activities.

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 <p>Catering to AFSL holders, providing risk and compliance solutions and corporate deal flow services, including:</p>	Corporate Highway	<p>An online network whereby all trading and investment opportunities will be able to be accessed and cross promoted to all of Complii's AFSL client firms.</p>
	Adviser Bid	<p>Complii's Proprietary Capital Raising System - an online, seamless tool for automatically offering documentation, bidding, scale backs, subscription documentation, e-signature, manage flow of funds from subscribers to issuers supplemented with fulsome broker management and reporting tools. During the half-year ended 31 December 2023, \$4.5B of new capital funds was raised on the Complii platform across 1611 unique offerings from numerous AFSL client firms.</p>
	Retail Compliance	<p>Investors can be profiled using electronic KYC and investor risk profiling, with compliance documentation being issued based on the client's profile, ensuring Complii Customer's clients base are compliant.</p>
	Risk Management	<p>A new, bank-grade module to identify, manage and control operational workflow risks across entire organisations</p>
		<p>A module that AFSL client firms use via a distinctly branded client portal to onboard, establish and manage their global client base for AML/KYC/CTF regimes and client accounts.</p>
	Other modules	<p>Include complaints, financial crimes, risk management and staff trading.</p>
		<p>Enables AFSL client financial planners and wealth managers to manage their client information and undertake paraplanning activities online.</p>
	<p>Provides mandatory training to enable AFSL client firms and their registered users plus their registered clients and individuals to satisfy and maintain their individual required professional accreditations.</p>	
	<p>Provides a complete, online share and unit holder registry and communications service for both issuers and investors across both listed and unlisted corporations as well as funds and corporate employee share schemes management services.</p>	
	<p>Provides new capital raising and online trading platform for securities in unlisted companies and funds, connecting unlisted companies and funds to a global investor network of over 110,000.</p>	
	<p>A specialised operational risk and compliance consultancy, including digital tools such as RegsWeb (Digital Regulatory Web Service that combines MIntegrity's regulatory domain expertise with access to our digital regulatory library) and MIWize (e-Learning solution delivered through Caddie's portal).</p>	
	<p>Provides corporate-authorized representative services and applicable AFSL supervisory functions to financial services firms and their advisers.</p>	

Review of operations – Group

The [Group's business units](#) all operated during the half-year in accordance with the Group's overall strategy, including several new projects. Having reduced our underlying cost basis, our focus is back on growing revenue and ARR through both cross-selling to our expanded client base and customer acquisition, further cost reduction, and integration of the businesses we have acquired.

During the half-year, the Company acquired the business and assets of [MIntegrity](#). MIntegrity is a successful and fast-growing Australian consulting business focused on operational risk and AFSL compliance. Their expertise complements the technology and services already provided by the Group and we expect to leverage their expertise with our existing client base. Conversely their client list is opening the door to incremental business opportunities for Complii and other Group business units.

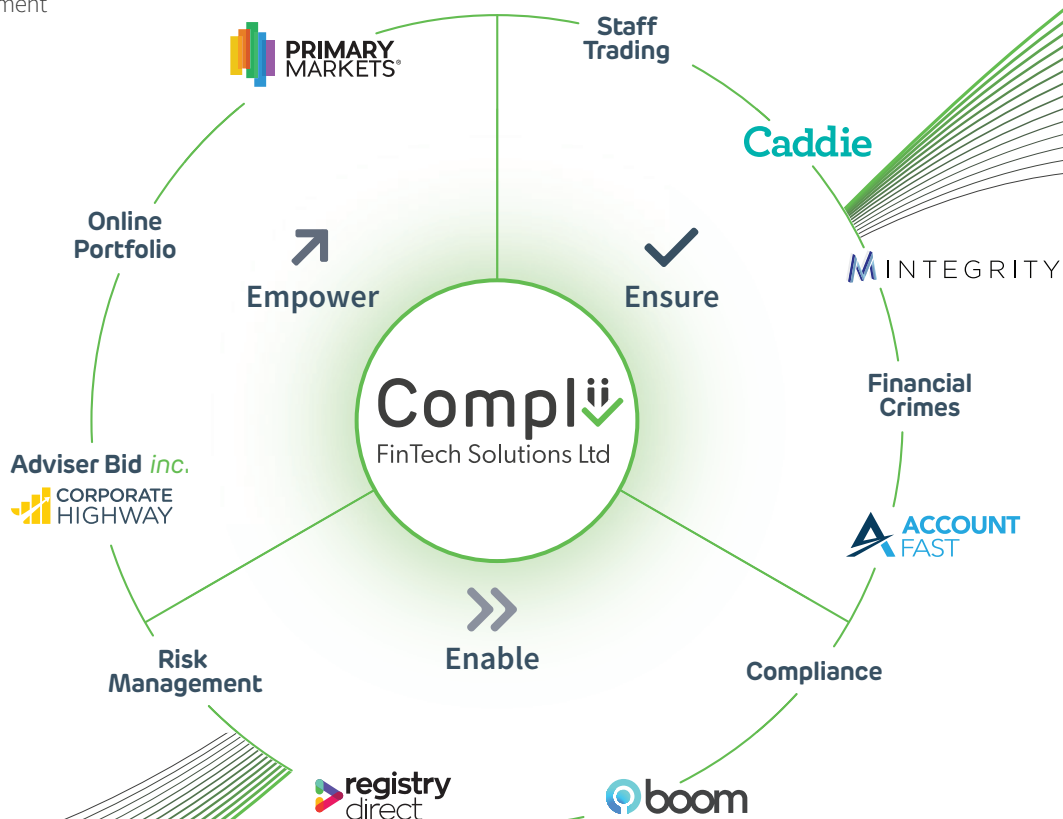
MIntegrity's solutions include RegsWeb, a digital regulatory web service that combines MIntegrity's regulatory domain expertise with access to their digital regulatory library, which complements Complii's compliance module. The MIntegrity offering also includes their MIWize e-learning portal, a library of specialised e-learning modules designed to help financial services practitioners in line with FASEA requirements, delivered through Complii's existing CPD online management platform, ThinkCaddie.

Complii also entered into a strategic partnership agreement with Praemium (ASX:PPS), including a cross-referral agreement aiming to promote respective products and services to each other client base. This partnership is gaining traction, supported by strong collaboration between the firms.

The Complii group continued to work on integrating the various business units to drive synergies and cost savings as well as deliver an integrated offer, working seamlessly from one business unit to another. We have been harmonising technologies and centralising certain functions and capabilities at group level to avoid duplication and increase efficiency. A significant portion of our development activities have been classified as R&D activities, which enabled the Group to again be the recipient of significant government grants for FY23 activities.

Across the Group we are focused on cross-selling opportunities and 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.

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Directors' report continued

During the half-year, 11 new AFSL firms have joined one or more of Complii's Group offering. The Group services over 28% of the current addressable AFSL target market (TAM). The Group has expanded its TAM through acquisitions and partnerships, as well as increased cross-selling activities. This shows steady growth for the business and will have increased ARR flow effect throughout the rest of FY24, once onboarded.

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. Following a reduction in costs, the Group will focus on further decreasing the cost of acquisition (CAC) whilst increasing customer ARR and lifetime

value through cross-selling, to accelerate organic growth and reach profitability.

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.

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Achievements since ASX listing (2020)



REVENUE

↑ 437%

\$3,840,401 for 1H FY24
VS \$715,774 for 1H FY20



CAPITAL RAISED

\$24.5 Billion

Through Adviser Bid
since launch

Timeline

2021

ACQUISITION



2022

ACQUISITION



2023

ACQUISITION



2023

ISO CERTIFICATION



Directors' report continued

Review of operations – Business Units

Complii

Complii signed 6 new AFSL clients over H1 FY24, including Wilsons and Bell Potter, and 2 more AFSL's in January 2024 alone. Complii has a strong pipeline of opportunities for H2 FY24.

Complii continued work on new modules and current product improvements.

Complii has also commenced work on a new Customer Relationship Management ('CRM') system and continued work on several enhancements and product updates, further increasing the customer and user experience.

- Staff Trading module enhancements and broad launch to existing customer base and into new industries.
- Account Opening and Rescreening Enhancements.
- Model Portfolio and Rebalancing Developments, making the solution suitable for all stockbroking firms, scheduled for release in Q3 FY24.
- Canadian Capital Raising capabilities now live.
- Next generation Corporate Highway offer.
- Work was also done on integration of MIntegrity's RegsWeb and the PrimaryMarkets' Platform.

Complii has achieved ISO/IEC 27001:2022 certification in December 2023. These international standards address growing global cybersecurity challenges and improve digital trust.

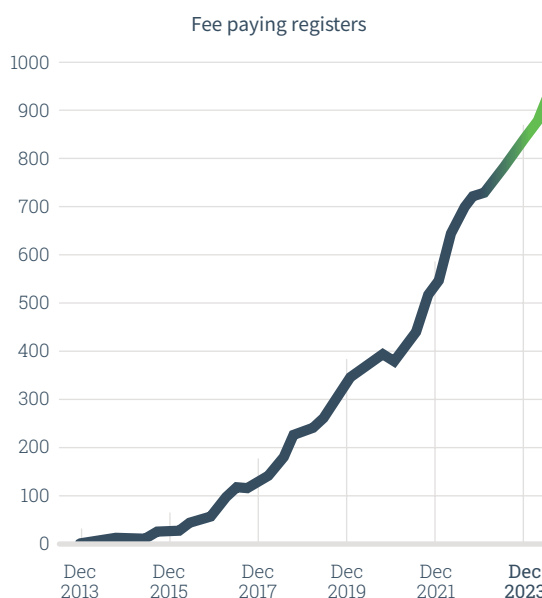
Our core security principle is to ensure the confidentiality, integrity and availability of the information we manage on behalf of our customers and business partners, as well as our own information. This "stamp of quality" is the proof of our commitment to customer service, attention to detail and our ongoing focus on security and compliance.

This certification is a major milestone and an important step forward, both operationally and commercially, as these international standards will help gain the trust of large Australian and international customers.

Complii organised a second successful conference in Perth, with MIntegrity, AUSIEX and Praemium as partners, following on from the Sydney event. Complii is also driving thought-leadership through PR and digital activities.

registry direct

Registry Direct continued their positive growth rate, reaching 927 paying registers end of December 2023, with their strongest quarter since September 2021.



- Registry Direct achieved ISO/IEC 27001:2022 certification, the world's leading standard for information security management systems (ISMS).
- Registry Direct supported The Australian Wealth Advisors Group Limited on their IPO to list on the ASX. The capital for the IPO was exclusively raised using Registry Direct's proprietary technology from over 300 investors.

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Directors' report continued



- **PrimaryMarkets** currently has 92 open 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 30 live capital raisings end H1 FY24, including 7 new initiatives, and 16 trading hubs with 2 new initiatives.
- PrimaryMarkets has signed a mandate with Splitit, which has been announced in their ASX delisting announcements. Splitit delisted from the ASX in December 2023 and are setting up a Trading Hub with PrimaryMarkets in February 2024.
- Another new trading hub is expected to open in Q3 FY24.
- PrimaryMarkets also has 44 secondary trading opportunities, with 4 new initiatives.
- PrimaryMarkets continues to cement itself as an industry defining leader in unlisted trading with the development of the new technological enhancements for the platform. Several important milestone improvements to trading settlements, management, and overall user experience are currently in development and expected to be rolled out towards the beginning of Q4 FY24. Several other new technical enhancements to support the current and future onboarding of trading hubs pivotal to PrimaryMarkets growth strategy have taken priority and are expected to be complete within Q3 FY24.
- PrimaryMarkets is also in discussion with share registries on how to better streamline and improve the overall experience for customers and will be making this an important initiative over the current year.
- PrimaryMarkets' focus continues to be the direct asset ownership for their customers.
- PrimaryMarkets is gearing up for its inaugural webinar on 21 February 2024, aiming to showcase several innovative companies on a monthly basis.
- PrimaryMarkets' international presence is strengthened by their cross-referral agreement with Forge Securities, a leading global private securities marketplace based in the USA. This partnership gives PrimaryMarkets' investors the potential to transact in investment opportunities through the Forge Platform.



The **MIntegrity** integration to Complii was completed, following acquisition in September 2023. MIntegrity staff have been fully onboarded and all existing client novation agreements were sent out.

- Client sentiment has been positive after the acquisition and all staff have opted to remain with MIntegrity.
- Had the acquisition of MIntegrity been effected at 1 July 2023, the revenue of the Group from continuing operations for the six months ended 31 December 2023 would have been \$575,987, up 33% previous corresponding period (pcp). The directors of the Group consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined group on a half-yearly basis and to provide a reference point for comparison in future half-years.

Caddie

- **Caddie** gained 5 more significant AFSL business accounts and 11 new self-licensed accounts over H1 FY24, expanding Complii's cross-selling opportunities.
- Caddie also had 4 trial AFSL clients, who committed for a start in Q3 FY24.
- Caddie is further integrating MIntegrity's MIWize into their platform, adding valuable content through MIntegrity's library of specialised eLearning modules
- Caddie launched their new podcast, Caddie Corner.

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Directors' report continued

Financial Review

Operating Loss

The loss for the consolidated entity after providing for income tax amounted to \$2,495,236 (31 December 2022: \$1,535,181).

Revenue and other income

	31 December 2023	31 December 2022	Change	Change
	\$	\$	\$	%
Revenue				
Licence fees (recurring)	1,061,472	1,011,564	49,908	5%
Service fees (recurring and trading)	2,536,839	2,977,675	(440,836)	(15%)
Other revenue	242,090	209,364	32,706	16%
Total Revenue	3,840,401	4,198,623	(358,222)	(9%)
Research and development grant	1,339,827	2,386,298	(1,046,471)	(44%)
Other income				
Other income	11,227	-	11,227	-
Interest income	53,682	41,492	9,190	21%
Total other income	64,909	44,492	20,411	46%

The key components of revenue and other income:

- **Licence fees were \$1.061m up 5% on pcp.** This relates to recurring revenue for use of the Complii platform.
- **Service fees were \$2.537m down 15% on pcp.** The decrease is driven mainly by the decrease in PrimaryMarkets' transactional revenue due to the continuing poor general global financial market conditions.
- **Research and development grant \$1.340m down 44% on pcp.** The Board believes that a significant portion of development activities completed to date in FY24 may be classified as R&D activities which may enable the Group to again be the recipient of significant government grants for FY24 activities.

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Directors' report continued

As a SaaS business, Annual Recurring Revenue (ARR) is a key metric for us and a key focus through sales and marketing efforts, integration of the businesses acquired and cross-selling to the expanded customer base.



ANNUAL RECURRING REVENUE

↑ 18%

Group Annual Recurring Revenue (ARR) of \$2,156,236

↑ 6% compared to 2H FY23 and

↑ 18% compared to 1H FY23

Complii

↑ 6%

Complii

↑ 3% on 2H FY23 and
↑ 6% on 1H FY23

**PRIMARY
MARKETS**
a Complii Company

↑ 26%

PrimaryMarkets

↑ 10% on 2H FY23 and
↑ 26% on 1H FY23

**registry
direct**

↑ 36%

Registry Direct *

↑ 8% on 2H FY23 and
↑ 36% on 1H FY23

Caddie

↑ 22%

ThinkCaddie

↑ 5% on 2H FY23 and
↑ 22% on 1H FY23

ASG Adviser Solutions Group

↑ 64%

Advisor Solutions Group (ASG)

↑ 9% on 2H FY23 and
↑ 64% on 1H FY23

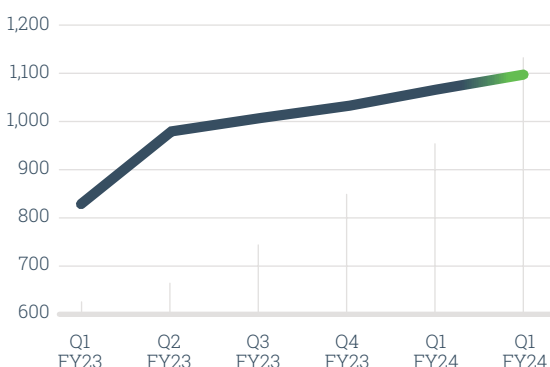
* Note that 1H FY23 includes preacquisition revenue for comparison purposes
(Acquisition date: 31 August 2022)

M INTEGRITY

MIntegrity contributed \$37.8k to group ARR from date of acquisition

(Acquisition date: September 2023)

Group Annual Recurring Revenue (ARR) \$'000



This result clearly demonstrates the strong trajectory of growth for the Group and also provides clear evidence of the as-yet untapped revenue growth potential inherent in a better integrated, compliance assured, private trader broking platform. Complii plans to continue to look for complementary strategic opportunities throughout FY24 and beyond.

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Directors' report continued

Total expenses

Total expenses were \$8.109m, down 1% on pcp.

	31 December 2023	31 December 2022	Change	Change	Commentary
	\$	\$	\$	%	
Consulting fees	423,683	478,731	(55,048)	(11%)	Consulting fees decreased 11% to \$424k mainly due to synergies integrating the various business units and cost savings.
Corporate secretarial fees	45,876	83,554	(37,678)	(45%)	Corporate secretarial fees decreased 45% to \$46k mainly due to additional costs in 1H FY23 for the Registry Direct acquisition.
Employee benefits expense	4,451,789	3,606,599	845,190	23%	Employee benefits expense increased 23% to \$4,452k. This reflects the annual remuneration and superannuation guarantee increases, increased headcount due to MIntegrity business, 6 months of Registry Direct staff costs vs 4 months in pcp. The headcount of permanent employees decreased to 51 (excluding 4 MIntegrity employees) compared to 57 in the pcp.
Legal expenses	103,531	153,437	(49,906)	(33%)	Legal expenses decreased 33% to \$104k mainly due to additional costs in 1H FY23 for the Registry Direct acquisition.
Depreciation and amortisation expense	646,600	988,605	(342,005)	(35%)	Depreciation and amortisation expense decreased 35% to \$647k. In H1 FY23, in accordance with the requirements of AASB 3 Business Combinations, an independent valuation was completed to identify the intangible assets acquired on the purchase of PrimaryMarkets which resulted in an increased amortisation charge along with amortisation charge for the Registry Direct intangible assets acquired on 31 August 2022.
Licensing fees	465,643	676,644	(211,001)	(31%)	Licensing fees decreased 31% to \$466k mainly due to reduced escrow fees in PrimaryMarkets in line with lower transactional revenue due to the poor general global financial market conditions.
Security fees	127,470	17,998	109,472	608%	Security fees increased 608% to \$127k due to added security measures to ensure customer data and service Integrity, including ISO/IEC 27001:2022 certification, security enhancements and testing. Our ongoing focus on security and compliance remains a priority.
Other expenses	939,619	1,371,605	(431,986)	(31%)	Other expenses decreased 31% to \$940k due to additional costs in 1H FY23 for the Registry Direct acquisition, costs in 1H FY23 for PrimaryMarkets integration to the Complii platform, reduced insurance premiums in FY24 along with other cost reductions in 1H FY24.
Finance costs	19,780	21,243	(1,463)	(7%)	Finance costs are in line with pcp.
Occupancy	4,349	37,169	(32,820)	(88%)	Occupancy expenses decreased 88% to \$4k due to rent savings from no longer renting an office which was on a month to month rolling contract.
Professional fees	70,878	157,315	(86,437)	(55%)	Professional fees decreased 55% to \$71k mainly due to additional costs in 1H FY23 for the Registry Direct acquisition.
Share based payments expense-	284,012	474,578	(190,566)	(40%)	Share based payments expense decreased 40% to \$284k. Share-based payments are recognised for performance rights issued to staff, KMP and Directors.
Other employment expenses	459,038	52,608	406,430	773%	Other employment expenses increased 773% (or \$407k) to \$459k. This increase is due to overseas developers to support development work (\$338k) as well as contractors for the new MIntegrity business acquired during the half year (\$67k). Work finished up on the Complii side in Q2 FY24 so we should see a reduction in these costs in 2H FY24.
Travel and Entertainment	66,303	44,508	21,795	49%	Travel and Entertainment expenses increased 49% to \$66k. This increase is in relation to travel for business development and the Complii conference held in WA during the period.
TOTAL	8,108,571	8,164,594	(56,023)	(1%)	

The Complii group continues to focus on client acquisition, cross-selling, cost reduction and broader operational efficiency.

Directors' report continued

Significant changes in the state of affairs

Other than the acquisition mentioned above, there were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Group.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Mr Craig Mason
Executive Chairman

16 February 2024

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To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of Complii Fintech Solutions Ltd for the period ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 16th day of February 2024
Perth, Western Australia

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Financial report

Statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2023

		Consolidated		
		31 December 2023	31 December 2022	
		\$	\$	
	Note			
Revenue and other income	Revenue	3	3,840,401	4,198,623
	Research and development grant		1,339,827	2,386,298
	Other income	4	64,909	44,492
Expenses	Consulting fees		(423,683)	(478,731)
	Corporate secretarial fees		(45,876)	(83,554)
	Employee benefits expense	5	(4,451,789)	(3,606,599)
	Legal expenses		(103,531)	(153,437)
	Depreciation and amortisation expense	5	(646,600)	(988,605)
	Licensing fees		(465,643)	(676,644)
	Security costs		(127,470)	(17,998)
	Other expenses	5	(939,619)	(1,371,605)
	Finance costs	5	(19,780)	(21,243)
	Occupancy		(4,349)	(37,169)
	Professional fees		(70,878)	(157,315)
	Share based payments expense	5	(284,012)	(474,578)
	Other employment expenses		(459,038)	(52,608)
	Travel and Entertainment		(66,303)	(44,508)
	Profit/(loss) before income tax benefit		(2,863,434)	(1,535,181)
Income tax benefit		368,198	-	
Profit/(loss) after income tax benefit for the half-year attributable to the owners of Complii FinTech Solutions Ltd	18	(2,495,236)	(1,535,181)	
Other comprehensive loss for the year, net of tax		-	-	
Total comprehensive loss for the half-year attributable to the owners of Complii FinTech Solutions Ltd		(2,495,236)	(1,535,181)	
		Cents	Cents	
Earnings per share	Basic earnings per share	24	(0.44)	(0.31)
	Diluted earnings per share	24	(0.44)	(0.31)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Financial report continued

Statement of financial position

As at 31 December 2023

		Consolidated			
		31 December 2023	30 June 2023		
		\$	\$		
		Note			
Assets	Current assets	Cash and cash equivalents	6	3,306,550	5,796,052
		Trade and other receivables	7	772,623	443,831
		Other assets	8	245,368	299,676
		Total current assets		4,324,541	6,539,559
	Non-current assets	Financial assets		99,704	74,704
		Property, plant and equipment		43,750	49,682
		Right-of-use assets	9	345,523	451,572
		Intangible assets	10	12,277,063	11,596,686
		Deposits	11	226,994	226,992
	Total non-current assets		12,993,034	12,399,636	
Total assets		17,317,575	18,939,195		
Liabilities	Current liabilities	Trade and other payables	12	1,209,496	1,210,236
		Lease liabilities	13	291,209	277,077
		Provisions		737,383	664,333
		Financial Liabilities		44,366	172,697
		Total current liabilities		2,282,454	2,324,343
	Non-current liabilities	Lease liabilities	14	77,441	197,376
		Provisions		173,512	150,364
		Other financial liabilities	15	135,000	-
		Total non-current liabilities		385,953	347,740
	Total liabilities		2,668,407	2,672,083	
Net assets		14,649,168	16,267,112		
Equity	Issued capital	16	31,135,761	30,325,617	
	Reserves	17	2,625,059	2,557,911	
	Accumulated losses	18	(19,111,652)	(16,616,416)	
	Total equity		14,649,168	16,267,112	

The above statement of financial position should be read in conjunction with the accompanying notes

Financial report continued

Statement of changes in equity

For the half-year ended 31 December 2023

		Issued capital	Share Based Payments Reserve	Financial Assets at FVOCI Reserve	Accumulated Losses	Total equity
		\$	\$	\$	\$	\$
Consolidated						
Balance at 1 July 2022		20,427,265	1,791,563	(86,756)	(11,167,710)	10,964,362
Adjustment for correction of error		-	-	-	(343)	(343)
Balance at 1 July 2022 - restated		20,427,265	1,791,563	(86,756)	(11,168,053)	10,964,019
Loss after income tax expense for the half-year		-	-	-	(1,535,181)	(1,535,181)
Other comprehensive income for the half-year, net of tax		-	-	-	-	-
Total comprehensive loss for the half-year		-	-	-	(1,535,181)	(1,535,181)
Transactions with owners in their capacity as owners:	Shares issued during the period in lieu of director fees	27,149	-	-	-	27,149
	Shares issued during the period on the exercise of options	1,152,291	-	-	-	1,152,291
	Shares issued during the period as part of the Registry Direct acquisition	7,896,412	-	-	-	7,896,412
	Options issued during the period as part of the Registry Direct acquisition	-	828,023	-	-	828,023
	Shares issued as consideration to MST Financial Services Pty Ltd for Registry Direct acquisition	125,000	-	-	-	125,000
	Impairment of investment	-	-	(19,044)	-	(19,044)
	Share Based Payment Expense	-	474,578	-	-	474,578
	Transaction Costs	(1,079)	-	-	-	(1,079)
	Foreign Exchange Translation	-	-	(10,087)	-	(10,087)
	Performance Rights exercised during the period	697,500	(697,500)	-	-	-
Balance at 31 December 2022		30,324,538	2,396,664	(115,887)	(12,703,234)	19,902,081
Balance at 1 July 2023		30,325,617	2,678,285	(120,374)	(16,616,416)	16,267,112
Loss after income tax benefit for the half-year		-	-	-	(2,495,236)	(2,495,236)
Other comprehensive income for the half-year, net of tax		-	-	-	-	-
Total comprehensive loss for the half-year		-	-	-	(2,495,236)	(2,495,236)
Transactions with owners in their capacity as owners:	Shares issued during the period in lieu of director fees	40,808	-	-	-	40,808
	Shares issued during the period in lieu of consultancy fees	35,000	-	-	-	35,000
	Shares issued during the period as part of the MIntegrity acquisition	520,000	-	-	-	520,000
	Share Based Payment Expense	-	284,012	-	-	284,012
	Foreign Exchange Translation	-	-	(2,528)	-	(2,528)
	Performance Rights exercised during the period	214,336	(214,336)	-	-	-
Balance at 31 December 2023		31,135,761	2,747,961	(122,902)	(19,111,652)	14,649,168

The above statement of changes in equity should be read in conjunction with the accompanying notes

Financial report continued

Statement of cash flows

For the half-year ended 31 December 2023

		Consolidated	
		31 December 2023	31 December 2022
		\$	\$
	Note		
Cash flows from operating activities	Receipts from customers (inclusive of GST)	3,499,413	3,956,907
	Payments to suppliers and employees (inclusive of GST)	(6,883,708)	(5,961,670)
	Research and development tax incentive	1,339,827	774,463
	Interest received	50,407	1,550
	Interest and other finance costs paid	(13,102)	(17,489)
	Net cash used in operating activities	(2,007,163)	(1,246,239)
Cash flows from investing activities	Acquisition of subsidiary, net of cash acquired	22	(179,895)
	Payments for investments	(294,595)	(7,965)
	Payments for property, plant and equipment	(5,041)	(21,163)
	Payments for term deposits	-	(5,291,877)
	Proceeds from disposal of investments	293,626	6,372
	Proceeds from release of term deposits	-	118,576
Net cash used in investing activities	(185,905)	(3,744,016)	
Cash flows from financing activities	Proceeds from exercise of options (net of costs)	-	1,147,561
	Payments for share buy-backs	(918)	(15,867)
	Repayment of borrowings	(111,212)	(3,912)
	Repayment of lease liabilities	(180,710)	(148,536)
Net cash from/(used in) financing activities	(292,840)	979,246	
Net decrease in cash and cash equivalents		(2,485,908)	(4,011,009)
Cash and cash equivalents at the beginning of the financial half-year		5,796,052	5,736,421
Effects of exchange rate changes on cash and cash equivalents		(3,594)	(2,686)
Cash and cash equivalents at the end of the financial half-year	6	3,306,550	1,722,726

The above statement of cash flows should be read in conjunction with the accompanying notes

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Notes to the financial statements

31 December 2023

Note 1 Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

There have been no impact to the financial statements arising from new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial report has been prepared on a going concern basis which assumes the settlement of liabilities and the realisation of assets in the normal course of business.

The group has incurred a loss before income tax benefit of \$2,863,434 (31 December 2022: loss of \$1,535,181 and experienced net cash outflows from operating activities of \$2,007,163 (31 December 2022: outflows of \$1,246,239). As at 31 December 2023, the Group had cash and cash equivalents of \$3,306,550 (30 June 2023: \$5,796,052).

The Directors believe that the Group will be able to continue as a going concern after considering the following factors:

- › The ability of the group to receive R&D refund, for which the company has a successful history in doing so;
- › Recognising that the priority of the Board and management remains revenue growth and cost reductions.

The Directors have prepared a cash flow forecast which indicates that the consolidated entity will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period following the signing of this financial report.

Note 2 Operating segments

Identification of reportable operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. Operating segments are presented in a manner consistent with the internal reporting provided to the chief operating decision makers (CODM). The CODM is responsible for the allocation of resources to operating segments and assessing their performance and has been identified as the Board Directors of the Company. For the current reporting period, the Group operated in five segments, being the 'Complii' segment, financial technology platform sector, the 'PrimaryMarkets' segment, trading platform sector, the 'Advisor Solutions Group' segment, the AFSL sector, the 'Registry Direct' segment, the share register sector and the 'MIntegrity' segment, the compliance consulting sector.

The financial information presented in the consolidated statement of comprehensive income and the consolidated statement of financial position is the same as that presented to the chief operating decision maker.

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Notes to the financial statements continued

31 December 2023

Note 2 Operating segments continued

Operating segment information

		Complii \$	Primary Markets \$	Advisor Solutions Group \$	Registry Direct \$	MIntegrity \$	Total \$
Consolidated - 31 December 2023							
Revenue	Revenue from contracts with customers	1,310,140	889,087	101,762	851,515	445,807	3,598,311
	Other revenue	194,041	-	-	48,049	-	242,090
	Sundry income	10,227	1,000	-	-	-	11,227
	Interest income	53,464	218	-	-	-	53,682
	Total revenue	1,567,872	890,305	101,762	899,564	445,807	3,905,310
Assets	Segment assets	15,255,230	5,796,294	165,874	3,869,786	545,712	25,632,896
	Intersegment eliminations						(8,315,321)
	Total assets						17,317,575
Liabilities	Segment liabilities	9,811,333	(4,184,649)	112,562	4,234,341	576,703	10,550,290
	Intersegment eliminations						(7,881,883)
	Total liabilities						2,668,407
Consolidated - 31 December 2022							
Revenue	Revenue from contracts with customers	1,228,460	2,212,469	96,116	452,194		3,989,239
	Sundry income	190,246	(93)	150	19,081		209,384
	Interest income	1,270	1,091	-	42,131		44,492
	Total revenue	1,419,976	2,213,467	96,266	513,406		4,243,115
Consolidated - 30 June 2023							
Assets	Segment assets	6,717,544	5,835,483	190,154	3,996,689		16,739,870
	Intersegment eliminations						2,199,325
	Total assets						18,939,195
Liabilities	Segment liabilities	8,644,603	(4,392,498)	119,498	4,457,409		8,829,012
	Intersegment eliminations						(6,156,929)
	Total liabilities						2,672,083

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Notes to the financial statements continued

31 December 2023

Note 3 Revenue

		Consolidated	
		31 December 2023	31 December 2022
		\$	\$
Revenue from contracts with customers	Licence fees (recurring)	1,061,472	1,011,564
	Service fees (recurring and trading)	2,536,839	2,977,675
		3,598,311	3,989,239
Other revenue	Other revenue	242,090	209,384
Revenue		3,840,401	4,198,623

Note 4 Other income

		Consolidated	
		31 December 2023	31 December 2022
		\$	\$
Other income		11,227	-
Interest income		53,682	44,492
		64,909	44,492

Note 5 Expenses

		Consolidated	
		31 December 2023	31 December 2022
		\$	\$
Loss before income tax includes the following specific expenses:			
Depreciation	Plant and equipment	11,611	12,179
	Buildings right-of-use assets	142,168	131,530
	Total depreciation	153,779	143,709
Amortisation	Platform & Software Development	382,753	736,401
	Customer relationships	106,464	104,890
	Licence Establishment	3,604	3,605
	Total amortisation	492,821	844,896
Total depreciation and amortisation		646,600	988,605
Employee benefits expense	Directors fees	167,841	160,497
	Increase in employee benefits provisions	96,201	64,052
	Superannuation expenses	281,326	304,124
	Wages and salaries	3,685,233	2,802,280
	Payroll tax expense	206,791	151,032
	Other employment related costs	14,397	124,614
		4,451,789	3,606,599
Other expenses	Professional advisor and legal costs	110,651	446,897
	Advertising and promotion	309,839	227,810
	Software and development	130,352	277,070
	Bad debt	8,520	(1,325)
	Cost of sales	61,082	31,280
	Other	319,175	389,873
	939,619	1,371,605	
Finance costs	Interest and finance charges paid/payable on lease liabilities	9,373	14,666
	Other finance costs	10,407	6,577
	Finance costs expensed	19,780	21,243
Share-based payments expense	Share-based payments expense	284,012	474,578

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Notes to the financial statements continued

31 December 2023

Note 6 Current assets – cash and cash equivalents

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Cash at bank	3,306,550	1,796,052
Term deposit	-	4,000,000
	3,306,550	5,796,052

Note 7 Current assets – trade and other receivables

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Trade receivables	735,115	427,911
Other receivables	9,549	10,333
Accrued Revenue	23,500	31,904
Provision for Doubtful Debts	-	(27,500)
Interest receivable	4,459	1,183
	772,623	443,831

Note 8 Current assets – other

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Prepayments	245,368	299,676

Note 9 Non-current assets – right-of-use assets

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Right-of-use asset	797,630	793,438
Less: Accumulated depreciation	(452,107)	(341,866)
	345,523	451,572

The consolidated entity leases 3 offices under agreements of between 2 to 3 years with options to extend. The leases terminate 30 September 2024, 31 March 2025 and 30 September 2025.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Consolidated	
	Right-of-use asset	Total
	\$	\$
Balance at 1 July 2023	451,572	451,572
Additions	36,119	36,119
Disposals	(31,927)	(31,927)
Depreciation expense	(110,241)	(110,241)
Balance at 31 December 2023	345,523	345,523

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Notes to the financial statements continued

31 December 2023

Note 10 Non-current assets – intangibles

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Goodwill - at cost	8,052,020	8,155,690
Less: Impairment	(1,798,446)	(1,798,446)
	6,253,574	6,357,244
Platform and Software Development - at cost	9,961,855	9,150,286
Less: Accumulated amortisation	(5,034,894)	(4,649,666)
Less: Impairment	(17,604)	(17,604)
	4,909,357	4,483,016
Patents and trademarks - at cost	8,065	-
Less: Accumulated amortisation	(1,628)	-
	6,437	-
Customer relationships - at cost	1,360,398	899,061
Less: Accumulated amortisation	(256,308)	(149,844)
	1,104,090	749,217
Preliminary expenses	3,412	-
Less: Accumulated amortisation	(3,412)	-
	-	-
Licence Establishment- at cost	28,837	28,837
Less: Accumulated amortisation	(25,232)	(21,628)
	3,605	7,209
	12,277,063	11,596,686

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Notes to the financial statements continued

31 December 2023

Note 10 Non-current assets – intangibles continued

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Goodwill	Platform & Software Development	Patents and trademarks	Customer Relationships	Licence Establishment	Total
Consolidated	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	6,357,244	4,483,016	-	749,217	7,209	11,596,686
Additions through acquisition of MIntegrity	798,563	-	6,437	-	-	805,000
Reallocation of intangibles	(1,270,431)	809,094	-	461,337	-	-
Deferred tax liability on Registry Direct acquisition	368,198	-	-	-	-	368,198
Amortisation expense	-	(382,753)	-	(106,464)	(3,604)	(492,821)
Balance at 31 December 2023	6,253,574	4,909,357	6,437	1,104,090	3,605	12,277,063

Note 11 Non-current assets – deposits

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Security Deposit	226,994	226,992

Security deposits represent four security deposits for office spaces rented along with security deposits for outsourced contractors through HR platforms. On termination or cancellation of the rental contracts and contractor agreements the deposits will be refunded.

Note 12 Current liabilities – trade and other payables

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Trade payables	435,422	382,099
Employment related payables	456,886	403,623
Accruals	127,560	243,398
Unearned revenue	106,182	59,975
Other payables	83,446	121,141
	1,209,496	1,210,236

Notes to the financial statements continued

31 December 2023

Note 13 Current liabilities – lease liabilities

	Consolidated	
	31 December	30 June
	2023	2023
	\$	\$
Lease liability	291,209	277,077

The consolidated entity leases 3 offices under agreements of between 2 to 3 years with options to extend. The leases terminate 30 September 2024, 31 March 2025 and 30 September 2025.

Note 14 Non-current liabilities – lease liabilities

	Consolidated	
	31 December	30 June
	2023	2023
	\$	\$
Lease liability	77,441	197,376

Refer to note 13 for further information on financial instruments.

Note 15 Non-current liabilities – other financial liabilities

	Consolidated	
	31 December	30 June
	2023	2023
	\$	\$
Contingent consideration	135,000	-

Contingent consideration

The provision represents the obligation to pay contingent consideration following the acquisition of MIntegrity.

For more information refer to note 22.

Note 16 Equity – issued capital

	Consolidated			
	31 December	30 June	31 December	30 June
	2023	2023	2023	2023
	Shares	Shares	\$	\$
Ordinary shares – fully paid	567,920,511	549,492,575	31,135,761	30,325,617

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Notes to the financial statements continued

31 December 2023

Note 16 Equity – issued capital continued

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	549,492,575		30,325,617
Shares issued in lieu of Director Fees	26 July 2023	750,540	\$0.05	40,808
Shares issued on exercise of Performance Rights	27 July 2023	500,000	\$0.04	20,000
Shares issued in lieu of Consultancy Fees	1 August 2023	1,000,000	\$0.04	35,000
Shares issued as part of MIntegrity acquisition	4 September 2023	13,000,000	\$0.04	520,000
Shares issued on exercise of Performance Rights	12 September 2023	2,000,000	\$0.06	124,000
Shares issued on exercise of Performance Rights	12 September 2023	516,225	\$0.05	27,360
Shares issued on exercise of Performance Rights	12 October 2023	385,786	\$0.07	25,076
Shares issued on exercise of Performance Rights	1 December 2023	275,385	\$0.07	17,900
Balance	31 December 2023	567,920,511		31,135,761

Options

Details	Date	Options	\$
Balance	1 July 2023	116,799,774	1,911,069
Options expired during the period	31 December 2023	(85,833,335)	-
Balance	31 December 2023	30,966,439	1,911,069

Performance Rights

Details	Date	Performance Rights	\$
Balance	1 July 2023	49,346,727	767,216
Exercised during the period		(3,677,396)	(214,336)
Forfeited during the period		(142,500)	-
Lapsed during the period		(16,200,000)	-
Performance Rights issued as part of MIntegrity acquisition	4 September 2023	6,000,000	49,345
Performance Rights issued under employee incentive scheme	28 November 2023	5,302,898	14,227
Performance Rights issued to Key Management Personnel	28 November 2023	5,050,000	2,762
Performance Rights issued to Directors	28 November 2023	26,000,000	15,076
Share based payments expense		-	202,602
Balance	31 December 2023	71,679,729	836,892

Notes to the financial statements continued

31 December 2023

Note 16 Equity – issued capital continued

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 17 Equity – reserves

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Share-based payments reserve	836,892	767,216
Options reserve	1,911,069	1,911,069
Fair value through OCI	(122,902)	(120,374)
	2,625,059	2,557,911

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Share-based payments reserve	Options reserve	Fair Value through OCI	Total
	\$	\$	\$	\$
Balance at 1 July 2023	767,216	1,911,069	(120,374)	2,557,911
Foreign currency translation	-	-	(2,528)	(2,528)
Performance rights exercised during the year	(214,336)	-	-	(214,336)
Performance Rights issued as part of MIntegrity acquisition	49,345	-	-	49,345
Performance Rights issued under employee incentive scheme	14,227	-	-	14,227
Performance Rights issued to KMP	2,762	-	-	2,762
Performance Rights issued to Directors	15,076	-	-	15,076
Share-based payment expense	202,602	-	-	202,602
Balance at 31 December 2023	836,892	1,911,069	(122,902)	2,625,059

Notes to the financial statements continued

31 December 2023

Note 18 Equity – accumulated losses

	Consolidated	
	31 December 2023	30 June 2023
	\$	\$
Accumulated losses at the beginning of the financial half-year	(16,616,416)	(11,167,710)
Loss after income tax benefit for the half-year	(2,495,236)	(5,448,706)
Accumulated losses at the end of the financial half-year	(19,111,652)	(16,616,416)

Note 19 Equity – dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 20 Contingent liabilities

There are no contingent liabilities as at the date of signing this report.

Note 21 Related party transactions

Parent entity

Complii FinTech Solutions Ltd is the parent entity.

Transactions with related parties

Mr Craig Mason is one of the ultimate controlling parties of CK Consulting Services.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company have been eliminated on consolidation and are not disclosed in this note.

The following transactions occurred with related parties:

		Consolidated	
		31 December 2023	31 December 2022
		\$	\$
Payment for goods and services	Payment/Accrual to CK Consulting Services for consulting services and Director fees	197,778	164,583

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

		Consolidated	
		31 December 2023	30 June 2023
		\$	\$
Current payables	CK Consulting Services	31,778	31,243

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

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Notes to the financial statements continued

31 December 2023

Note 22 Business combinations

Registry Direct Limited

On 31 August 2022, Complii FinTech Solutions Limited acquired 91.04% of the ordinary share capital of Registry Direct Limited (Registry Direct) as detailed in the bidder's statement lodged with the ASX on 4 July 2022. On 5 October 2022 following completion of the compulsory acquisition process, Complii FinTech Solutions Limited acquired the remaining 8.96% of the Ordinary share capital of Registry Direct.

Registry Direct provides share and unit registry software and services. Registry Direct is highly complementary to Complii as it will provide access and engagement to ~100,000+ holdings with investors, advisers and companies.

Registry Direct has 900+ listed and unlisted companies and trusts, which compliments Complii's PrimaryMarkets with providing stockholders with future liquidity and Private Trading Hub opportunities when these companies look to stay private longer whilst still offering liquidity for shareholders, raise new capital, undertake sell downs and/or progress towards an ASX listing.

Acquisition of Registry Direct enhances Complii's aim to facilitate T+0 execution and settlement of secondary trading of securities in unlisted companies and funds.

On completion of the acquisition, the Company has issued to the accepting shareholders: (a) 84,572,835 fully paid ordinary shares in the capital of the Company; and (b) 28,191,026 unlisted options exercisable at \$0.125 each and expiring 31 August 2024. In addition to the issues of securities under the Takeover Offer, the Company issued 4.5 unquoted options for every one Registry Direct option held. Consequently, the Company has issued 1,388,890 unlisted options exercisable at \$0.0675 each and expiring 31 May 2023 under the Company's 15% placement capacity under Listing Rule 7.1.

The initial accounting for the acquisition of Registry Direct was provisionally determined as at 30 June 2023. During the half-year in accordance with the requirements of AASB 3 Business Combinations, the necessary valuations have been finalised with the assistance of an independent valuation expert.

The assessment resulted in the recognition of separately identifiable intangible assets being software development of \$1,472,793, and Customer Relationships of \$461,337.

The fair value of the consideration paid has been determined with reference to the fair value of the issued shares of Registry Direct Limited immediately prior to the acquisition and has been determined to be \$8,639,491, based on 84,572,835 shares

based on a value of \$0.0850 per share, 8,326,135 shares based on a value of \$0.0850 per share, 30,966,439 options on a value of \$0.0254 per option and 1,388,890 options based on a value of \$0.030 per option, being the issue price under the Offer. As a result, goodwill of \$5,455,011 has been determined being the difference between the consideration and the fair value of net assets of Registry Direct Limited as at the acquisition date.

Details of the acquisition are as follows:

	Fair value \$
Cash and cash equivalents	1,945,397
Trade receivables	121,752
Prepayments	29,703
Plant and equipment	4,081
Software Development	1,472,793
Customer relationships	461,337
Trade payables	(63,347)
Other payables	(36,554)
Contract liabilities	(215)
Deferred tax liability	(368,198)
Employee benefits	(263,868)
Accrued expenses	(33,457)
Net assets acquired	3,269,424
Goodwill	5,455,011
Acquisition-date fair value of the total consideration transferred	8,724,435
Representing:	
Complii FinTech Solutions Ltd shares issued to vendor	7,896,412
Complii FinTech Solutions Ltd options issued to vendor	828,023
	8,724,435
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	(484,156)
Less: cash and cash equivalents	1,936,197
Net cash used	1,452,041

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Notes to the financial statements continued

31 December 2023

Note 22 Business combinations continued

MIntegrity

On 4 September 2023, the Company acquired the business and assets of MIntegrity as detailed in the announcement to the ASX on 4 September 2023.

MIntegrity is a successful and fast-growing Australian consulting business focused on risk and compliance. Their enterprise complements the technology and services already provided by the Group and we expect to leverage their skills with our existing client base. Conversely their client list will open the door to incremental business opportunities for Complii and other Group business units.

MIntegrity's solutions include RegsWeb, a digital regulatory web service that combines MIntegrity's regulatory domain expertise with access to their digital regulatory library, which complements Complii's compliance modules. The MIntegrity offering also includes their MIWize e-learning portal, a library of specialised e-learning modules designed to help financial services practitioners in line with FASEA requirements, delivered through Complii's existing CPD online management platform, ThinkCaddie.

On completion of the acquisition, the Company paid \$150,000 of cash, issued 13,000,000 fully paid ordinary shares in Complii FinTech Solutions Ltd. The shares will be escrowed for 24 months from completion of acquisition. In addition to the Upfront Consideration, the Vendors will, depending on the financial performance of MIntegrity's business following the completion, be entitled to receive (in aggregate) up to \$150,000 cash (Contingent consideration cash) as follows:

- ▶ if and only if the revenue generated by MIntegrity during the year ended 30 June 2024 is at least \$1,200,000.00 (as determined by reference to Complii's financial statements for that period);
- ▶ if and only if the revenue generated by MIntegrity during 30 June 2025 is at least \$1,450,000.00 (as determined by reference to Complii's financial statements for that period).

The fair value of the consideration paid has been determined with reference to the \$150,000 cash paid, \$135,000 deferred cash consideration (adjusted for probability of milestones will be met of 90%) and the fair value of the issued shares of MIntegrity immediately prior to the acquisition and has been determined to be \$520,000 based on 13,000,000 shares based on a value of \$0.040 per share. As a result, goodwill of \$798,536 has been determined being the difference between

the consideration and the fair value of assets of MIntegrity as at the acquisition date. The acquisition has been provisionally accounted for.

Details of the acquisition are as follows:

	Fair value \$
Other current assets	6,437
Intangible assets acquired	6,437
Goodwill	798,563
Acquisition-date fair value of the total consideration transferred	805,000
Representing:	
Cash paid or payable to vendor	150,000
Complii FinTech Solutions Ltd shares issued to vendor	520,000
Contingent consideration	135,000
	805,000

Impact of the acquisition on the results of the Group

Included in the loss for the half-year is a loss of \$30,992 attributable to MIntegrity Pty Limited. Revenue for the half-year includes \$445,807 in respect of MIntegrity Pty Limited.

Had the acquisition of MIntegrity Pty Limited been effected at 1 July 2023, the revenue of the Group from continuing operations for the six months ended 31 December 2023 would have been \$3,970,581, and the loss for the half-year from continuing operations would have been \$2,850,180. The Directors of the Group consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined group on a half-yearly basis and to provide a reference point for comparison in future half-years.

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Notes to the financial statements continued

31 December 2023

Note 23 Events after the reporting period

No matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 24 Earnings per share

	Consolidated	
	31 December 2023	31 December 2022
	\$	\$
Loss after income tax attributable to the owners of Complii FinTech Solutions Ltd	(2,495,236)	(1,535,181)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	561,543,784	488,065,629
Weighted average number of ordinary shares used in calculating diluted earnings per share	561,543,784	488,065,629
	Cents	Cents
Basic earnings per share	(0.44)	(0.31)
Diluted earnings per share	(0.44)	(0.31)

As at 31 December 2023 the Group has 30,966,439 unissued shares under options (31 December 2022: 118,188,664) and 71,679,729 Performance Rights on issue (31 December 2022: 53,646,727). The Group does not report diluted earnings per share on losses generated by the Group. During the half-year ended 31 December 2023 the Group's unissued shares under option and partly-paid shares were anti-dilutive.

Note 25 Share-based payments

During the half-year ended 31 December 2023 Complii issued 3,000,000 Performance Rights (Class Q) in September 2023 as part of the MIntegrity acquisition with nil exercise price. The rights have been valued with reference to market price, adjusted for probability of vesting of 90% and an expense of \$32,510 has been recognised during the half-year ended 31 December 2023 as part of Share-based payments. Vesting occurs in equal instalments subject to non-market-based conditions being achieved.

During the half-year ended 31 December 2023 Complii issued 3,000,000 Performance Rights (Class R) in September 2023 as part of the MIntegrity acquisition with nil exercise price. The rights have been valued with reference to market price, adjusted for probability of vesting of 90% and an expense of \$16,835 has been recognised during the half-year ended 31 December 2023 as part of Share-based payments. Vesting occurs in equal instalments subject to non-market-based conditions being achieved.

During the half-year ended 31 December 2023 Complii issued 8,650,000 Performance Rights (Class S) in November 2023 to Directors and KMP with nil exercise price. The rights have been valued with reference to market price, adjusted for probability of vesting of 20% and an expense of \$5,579 has been recognised during the half-year ended 31 December 2023 as part of Share-based payments. Vesting occurs in equal instalments subject to non-market-based conditions being achieved.

During the half-year ended 31 December 2023 Complii issued 9,150,000 Performance Rights (Class T) in November 2023 to Directors and KMP with nil exercise price. The rights have been valued with reference to market price, adjusted for probability of vesting of 20% and an expense of \$2,696 has been recognised during the half-year ended 31 December 2023 as part of Share-based payments. Vesting occurs in equal instalments subject to non-market-based conditions being achieved.

During the half-year ended 31 December 2023 Complii issued 7,250,000 Performance Rights (Class U) in November 2023 to Directors and KMP with nil exercise price. The rights have been valued with reference to market price and an expense of \$6,176 has been recognised during the half-year ended 31 December 2023 as part of Share-based payments. Vesting occurs in equal instalments subject to non-market-based conditions being achieved.

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Notes to the financial statements continued

31 December 2023

Note 25 Share-based payments continued

During the half-year ended 31 December 2023 Complii issued 6,000,000 Performance Rights (Class V) in November 2023 to Directors and KMP with nil exercise price. The rights have been valued with reference to market price and an expense of \$3,387 has been recognised during the half-year ended 31 December 2023 as part of Share-based payments. Vesting occurs in equal instalments subject to non-market-based conditions being achieved.

During the half-year ended 31 December 2023 Complii issued 5,302,898 Performance Rights (Class Employee Performance Rights X) in November 2023 to employees with nil exercise

price. The rights have been valued with reference to market price and an expense of \$14,227 has been recognised during the half-year ended 31 December 2023 as part of Share-based payments. Vesting occurs in equal instalments subject to non-market-based conditions being achieved.

During the half-year ended 31 December 2023 16,200,000 Performance Rights lapsed because the conditions had not been met.

During the half-year ended 31 December 2023 3,677,396 Performance Rights were exercised relating to Directors, KMP and employees meeting the vesting conditions.

Set out below are summaries of options movements during the period: 31 December 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
10/12/2020	31/12/2023	\$0.10	41,292,926	-	-	(41,292,926)	-
10/12/2020	31/12/2023	\$0.05	7,500,000	-	-	(7,500,000)	-
22/01/2021	31/12/2023	\$0.10	40,409	-	-	(40,409)	-
03/11/2021	03/11/2023	\$0.08	16,000,000	-	-	(16,000,000)	-
03/11/2021	03/11/2023	\$0.10	21,000,000	-	-	(21,000,000)	-
31/08/2022	31/08/2024	\$0.13	28,191,026	-	-	-	28,191,026
05/10/2022	31/08/2024	\$0.13	2,775,413	-	-	-	2,775,413
			116,799,774	-	-	(85,833,335)	30,966,439

Set out below are summaries of performance rights movements during the period: 31 December 2023

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
18/09/2020	17/09/2025	\$0.00	12,000,000	-	-	(12,000,000)	-
30/03/2021	30/06/2026	\$0.00	1,500,000	-	-	(1,500,000)	-
16/09/2021	16/09/2023	\$0.00	516,225	-	(516,225)	-	-
03/11/2021	31/12/2023	\$0.00	6,000,000	-	-	(2,700,000)	3,300,000
03/11/2021	03/11/2026	\$0.00	1,500,000	-	-	-	1,500,000
21/09/2022	21/09/2023	\$0.00	1,630,502	-	(661,171)	-	969,331
26/10/2022	25/10/2027	\$0.00	24,200,000	-	(2,000,000)	-	22,200,000
19/04/2023	17/04/2028	\$0.00	2,000,000	-	(500,000)	-	1,500,000
04/09/2023	03/09/2028	\$0.00	-	6,000,000	-	-	6,000,000
28/11/2023	27/11/2023	\$0.00	-	31,050,000	-	-	31,050,000
28/11/2023	01/12/2025	\$0.00	-	5,302,898	-	(142,500)	5,160,398
			49,346,727	42,352,898	(3,677,396)	(16,342,500)	71,679,729

Notes to the financial statements continued

31 December 2023

Note 25 Share-based payments continued

For the performance rights granted during the current financial half-year, a black scholes model was used to calculate the fair value of performance rights with a market-based condition, using a volatility rate and the share price and risk-free rate at grant date. The classes with non-market based conditions were valued based on the share price at the date of issue and the probability of the vesting conditions being met.

The valuation model inputs used to determine the fair value at the grant date, are as follows:

Class	Grant date	Expiry date	Share price at grant date	Probability of vesting %	Risk-free interest rate %	Fair value at grant date
Class J	26/10/2022	25/10/2027	0.085	5%	3.62%	0.062
Class K	26/10/2022	25/10/2027	0.085	5%	3.62%	0.062
Class L	26/10/2022	25/10/2027	0.085	-	3.62%	0.035
Class M	26/10/2022	25/10/2027	0.085	-	3.62%	0.031
Class O	26/10/2022	25/10/2027	0.085	90%	3.62%	0.062
Class P	26/10/2022	25/10/2027	0.085	5%	3.62%	0.620
Employee performance rights CF1PR2	21/09/2022	21/09/2023	0.065	100%	-	0.065
Class J	19/04/2023	17/04/2028	0.040	5%	3.26%	0.040
Class K	19/04/2023	17/04/2028	0.040	5%	3.26%	0.040
Tranche 1	19/04/2023	17/04/2028	0.040	100%	3.26%	0.040
Tranche 2	19/04/2023	17/04/2028	0.040	100%	3.26%	0.040
Class Q	04/09/2023	03/09/2028	0.040	90%	-	0.040
Class R	04/09/2023	03/09/2028	0.040	90%	-	0.040
Class S	28/11/2023	27/11/2028	0.030	20%	-	0.030
Class T	28/11/2023	27/11/2028	0.030	20%	-	0.030
Class U	28/11/2023	27/11/2028	0.030	-	4.10%	0.011
Class V	28/11/2023	27/11/2028	0.030	-	4.10%	0.013
Employee performance rights	28/11/2023	01/12/2025	0.030	100%	-	0.030

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Notes to the financial statements continued

31 December 2023

Note 25 Share-based payments continued

Performance Rights Vesting Conditions

The vesting conditions for the Performance Rights are:

Class J	The Group recording revenue of \$20,000,000 or more in any of the financial years ending 30 June 2023 or 30 June 2024 or 30 June 2025, as independently verified by the Company's auditors.
Class K	The Group recording positive EBITDA of \$4,000,000 or more in any of the financial years ending 30 June 2023, or 30 June 2024 or 30 June 2025, as independently verified by the Company's auditors.
Class L	The 20 day VWAP of the Company's Shares being equal to or greater than \$0.25.
Class M	The 20 day VWAP of the Company's Shares being equal to or greater than \$0.30.
Class O	Registry Direct's revenue is \$1,500,000 or more for the financial year ending 30 June 2024, as independently verified by the Company's auditors.
Class P	PrimaryMarkets' revenue is \$6,000,000 or more for the financial year ending 30 June 2024, as independently verified by the Company's auditors.
Employee performance rights CF1PR2	The performance rights will vest subject to 1 year of continuous employment by the holder commencing upon the date of issuance of the performance rights.
Class Q	MIntegrity to generate at least \$1,200,000 revenue and EBITDA is \$100,000 or more for the financial year ending 30 June 2024, as independently verified by the Company's auditors.
Class R	MIntegrity to generate at least \$1,450,000 revenue and EBITDA is \$150,000 or more for the financial year ending 30 June 2025, as independently verified by the Company's auditors.
Class S	The Group recording increase in revenue in the financial year ending 30 June 2024 of 120% of the revenue for the financial year ending 30 June 2023, as independently verified by the Company's auditors.
Class T	The Group recording increase in revenue in the financial year ending 30 June 2025 of 115% of the revenue for the financial year ending 30 June 2024, as independently verified by the Company's auditors.
Class U	The 20-Day VWAP of the Company's Shares being equal to or greater than \$0.065 by 31 December 2024.
Class V	The 20-Day VWAP of the Company's Shares being equal to or greater than \$0.08 by 31 December 2025.
Employee performance rights	The performance rights will vest subject to 1 year of continuous employment by the holder commencing upon the date of issuance of the performance rights.

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Directors' declaration

31 December 2023

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Mr Craig Mason
Executive Chairman

16 February 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF COMPLII FINTECH SOLUTIONS LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Complii Fintech Solutions Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Complii Fintech Solutions Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

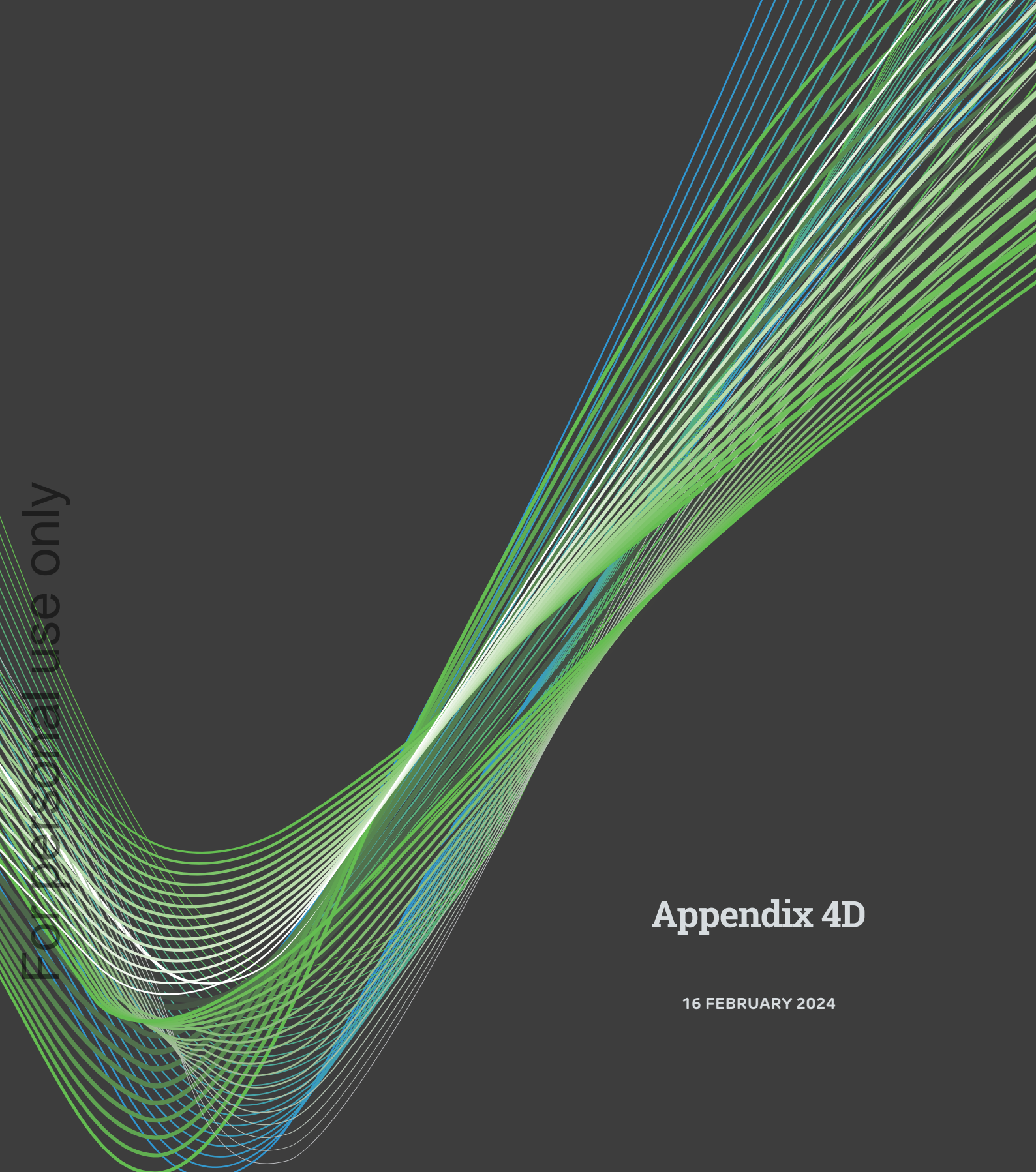
A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark DeLaurentis
MARK DELAURENTIS CA
Director

Dated this 16th day of February 2024
Perth, Western Australia

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Appendix 4D

16 FEBRUARY 2024



Financial report

1 Company details

Name of entity	Complii FinTech Solutions Ltd
ABN	71 098 238 585
Reporting period	For the half-year ended 31 December 2023
Previous period	For the half-year ended 31 December 2022

2 Results for announcement to the market

					\$
Revenues from ordinary activities	Down	8.5%	to	3,840,401	
Loss from ordinary activities after tax attributable to the owners of Complii FinTech Solutions Ltd	Up	62.5%	to	(2,495,236)	
Loss for the half-year attributable to the owners of Complii FinTech Solutions Ltd	Up	62.5%	to	(2,495,236)	

Dividends There were no dividends paid, recommended or declared during the current financial period.

Comments The loss for the consolidated entity after providing for income tax amounted to \$2,495,236 (31 December 2022: \$1,535,181).

3 Net tangible assets

	Reporting period	Previous period
	¢	¢
Net tangible assets per ordinary security	0.42	1.10

4 Control gained over entities

Not applicable.

5 Loss of control over entities

Not applicable.

6 Dividends

Current period There were no dividends paid, recommended or declared during the current financial period.

Previous period There were no dividends paid, recommended or declared during the previous financial period.

7 Dividend reinvestment plans

Not applicable.

8 Details of associates and joint venture entities

Not applicable.

9 Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10 Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11 Attachments

Details of attachments (if any):

The Interim Report of Complii FinTech Solutions Ltd for the half-year ended 31 December 2023 is attached.

12 Signed



Mr Craig Mason
Executive Chairman

16 February 2024

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Complii

FinTech Solutions Ltd

www.complii.com.au

investors@complii.com.au

