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Compli

FinTech Solutions Ltd

ANNUAL REPORT **FY22**



Corporate directory

Current Directors

Craig Mason
Executive Chairman

Alison Sarich
Managing Director

Gavin Solomon
Executive Director
Appointed 3 November 2021

Greg Gaunt
Non-Executive Director

Nick Prosser
Non-Executive Director
Appointed 1 July 2021

Company Secretary

Karen Logan

ABN 71 098 238 585

Registered Office  6.02 56 Pitt Street
Sydney NSW 2000

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Sydney NSW 2000

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 info@complii.com.au

www.complii.com.au

Auditors **Hall Chadwick WA Audit Pty Ltd**

 283 Rokeby Road
Subiaco WA 6008

 +61 (08) 9426 0666

Share Registry **Automic Group**

 L 2, 267 St Georges Terrace
Perth WA 6000

 GPO Box 5193
Sydney NSW 2001

 1300 288 664
or +61 2 9698 5414

www.automicgroup.com.au

Solicitors to the Company **Grillo Higgins**

 114 William Street
Melbourne VIC 3000

Securities Exchange **Australian Securities Exchange**

 Level 40, Central Park,
152-158 St Georges Terrace
Perth WA 6000

www.asx.com.au

ASX Code **CF1**

Corporate Governance

The Company has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company. In accordance with ASX Listing Rule 4.10.3, the Corporate Governance Statement will be available for review on the Company's website www.complii.com.au/for-shareholders/corporate-governance and will be lodged with ASX at the same time that this Annual Report is lodged with ASX.

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Operations review

The 1 July 2021 to 30 June 2022 Financial Year (FY22) marked a significant milestone for Complii FinTech Solutions Ltd (Complii Group), with the shift from an operating loss of \$4,194,240 in FY21 to a **profit of \$114,937 in FY22** (ref to page 37 for breakdown).

This result reflects significant progress towards Complii Group's core goal to become Australia's leading provider of transparent, efficient, integrated, user-friendly online tools for trading and management of securities in private/unlisted companies and funds, and their capital raisings.

Driven by a combination of business acquisitions and organic growth, annual revenue for the Group increased by 327% to \$8,643,000 in FY22, up from \$ 2,025,000 in FY21. This result clearly demonstrates the strong trajectory of growth for the Complii Group and, more specifically, its ability to accelerate acquired business units growth by leveraging the Complii Group's strong brand and market footprint across the wider financial services sector.

Organic growth

Revenue from existing business units including Complii, Boom, Think Caddie, and Account Fast, grew by 34% from \$1,992,997 during FY21 to \$2,675,334 in FY22. The number of AFSL Holders subscribing to one or more of these integrated services increased by 21% from 100 to 121, while the average subscription value of modules to which each AFSL client subscribed rose 13% from \$214,000 in FY21 to \$243,000 in FY22.

PrimaryMarkets acquisition

The key accomplishment of FY22 was Complii Group's 100% acquisition of PrimaryMarkets Pty Limited (PrimaryMarkets), concluded on 3 November 2021, which completed a further substantial step towards assembling Australia's first end-to-end Fintech online platform, now supplemented by integrated trading capabilities within the Complii Group.

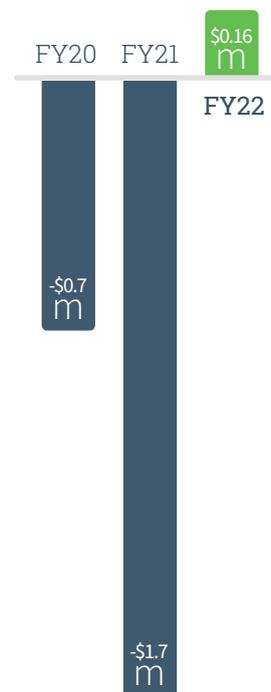
Operating since 2016, PrimaryMarkets provides an off-market trading platform for sophisticated, professional, and institutional investors, enabling trading opportunities in equity in private/unlisted companies and funds and capital raisings via their global network of over 110,000 private investors. This online trading capability complements Complii's established capital raising compliance management software (Advisor Bid) and the Group's recently upgraded Corporate Highway platform (Corporate Highway).

Complii Group's ability to widely promote PrimaryMarkets' off-market trading platform within Australia's private equity trading community and financial services sector, backed by its reputation for conservative governance, in-built compliance assurance and transparency, have already accelerated PrimaryMarkets' rate of growth. The value of trades made through the off-market trading platform increased by 521% to deliver \$6m in revenue in FY22, from \$2.3m in FY21, underpinning PrimaryMarkets' significant contribution to Complii Group's revenue lift from 3 November 2021.

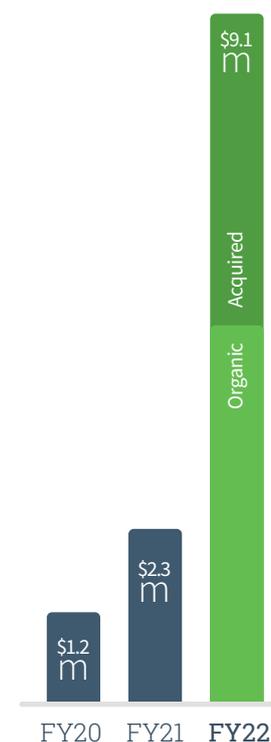
Financial position

Cash at Bank as at 30 June 2022 of \$5,736,421, an increase of 43.5%

Group profit / loss



Group revenue



Operations review continued

from the previous financial year (30 June 2021, \$3,998,000).

Executive Chair's summary

With the creation of Complii FinTech Australia Ltd through the completion of the \$7m public offer and off-market takeover of the Complii Group by Intiger Limited on 10 December 2020, shareholders mandated the newly appointed Board to pursue a strategy of acquisitions and R&D to develop an integrated SaaS platform that is uniquely positioned in the Australian Fintech industry.

I am pleased to report that the strength and clarity of this strategy has been demonstrated by our shift to profitability this financial year, along with our growing reputational strength and shareholder loyalty. The dramatic lift in performance of PrimaryMarkets since the acquisition and its integration with the Complii Group on the 3rd November 2021, provides further clear evidence of the ongoing potential to leverage the Group's scale and service integration capabilities, to deliver better value for our clients and users.

The Complii Group remains debt free, has not raised any new equity since December 2020 and has \$5,736,421 cash at bank as at 30 June 2022.

Reflecting this strong operational performance, we are also pleased to report that our share price increased by 33.3% over the financial year, a period in which the ASX200 fell by -9.6% and the ASX200 INF TECH index was the worst performing sector, declining by -38.6%.

Comparatively, Complii's (ASX.CF1) share price performance was therefore +72.0% above our sectoral average. Should Complii continue to perform at these levels the Board will consider paying a dividend in future reporting periods.

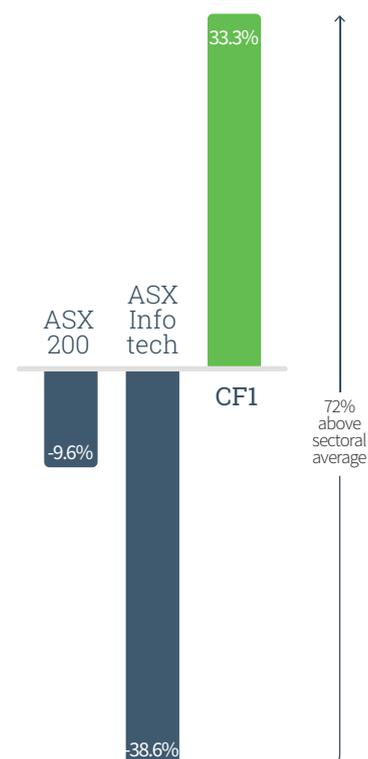
With further potential acquisitions underway or under consideration for next year, the Complii Group is confident of its ability to realise the goal of becoming the first truly integrated operating and trading platform, custom designed for AFSL holders and other participants operating in Australia's private equity trading and capital raising marketplace. Our aim remains to deliver the assurance of built-in compliance, transactional transparency, effective risk mitigation and superior operational efficiency as a Fintech service provider.

Our strong balance sheet, now supported with net positive operating cash flows, positions us very well to complete the final steps of integrated platform development and deployment of the Corporate Highway. Achieving this should move us rapidly to a position of sustained profitability and steady organic growth. This will be underpinned by continuing adoption of additional service modules by existing clients, further penetration of substantial AFSL holders in the advisory and broker sector, and broader cross-selling opportunities amongst private equity investors, unlisted corporations and funds linked through our integrated network of Fintech service users.

PrimaryMarkets trading value



FY22 Share price performance



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Operations review continued

Managing Director's summary

Operationally, the Complii Group has grown and merged into a substantial player within Australia's hotly contested Fintech marketplace. With staff numbers more than doubling from 20 at the end of FY20 to 43 at the end of FY22, we are now equipped with the capabilities and resources needed to develop and manage increasingly integrated and customised SaaS solutions for a wide range of client types.

Bringing staff from all our business units together into a single office has not only realised significant cost savings and operational efficiencies, but also fostered a more innovative culture where opportunities for improved service delivery and complementary service extensions are easier to identify, plan and develop.

The quality of customer relationships and service satisfaction levels remains our top priority, as it is our ability to understand users' operating needs and resolve their pain points which drives their enduring loyalty and willingness to further integrate Complii Group modules into their own business management systems.

Having heavily focussed to date on product development and integration, supported by positive collaboration with key AFSL holding clients – many of whom are also substantial shareholders – we are now ready to broaden our focus more onto new client acquisition, supported by a stronger marketing presence.

With 121 AFSL holding clients (with 3,500+ registered users) to the end of FY22, up from 100 at the end of FY21, our aim to accelerate growth of market penetration in this sector is a top priority in the coming year.

In summary, we are pleased to report that our operational capabilities are well developed to manage further business unit integrations and organic growth efforts, driven increasingly by new client acquisitions alongside the extension of service uptake by existing clients.



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Operations review continued

Business unit performance

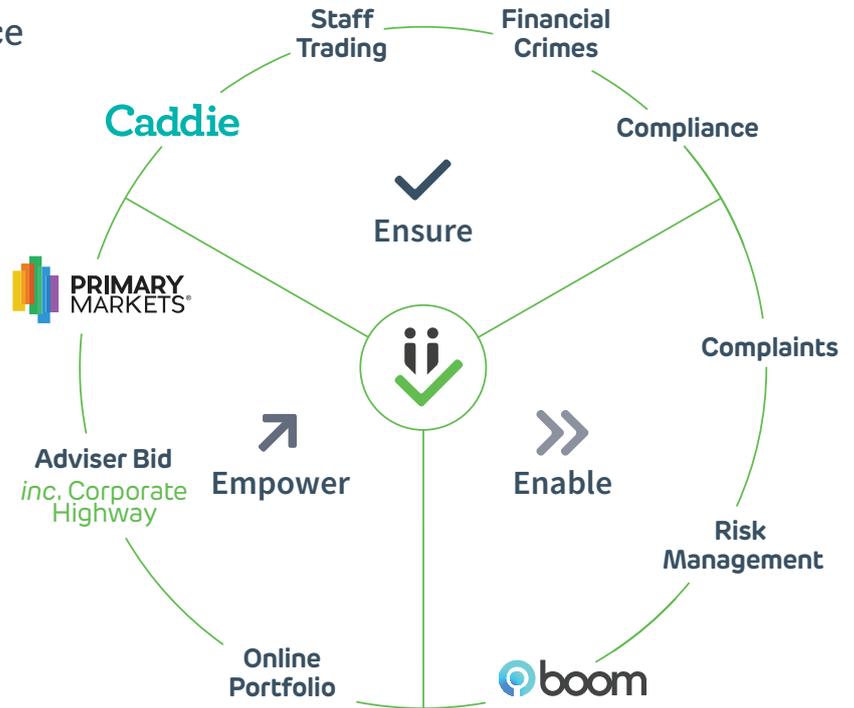
Overview

As Complii Group has acquired and developed an increasing number of business units and distinct service offers, we have simplified our model by defining an over-arching framework to uniquely position and capture customer value of each module, as part of an integrated SaaS suite.

Broadly, each of our business units and service offers primarily aligns with one of three basic user benefits:

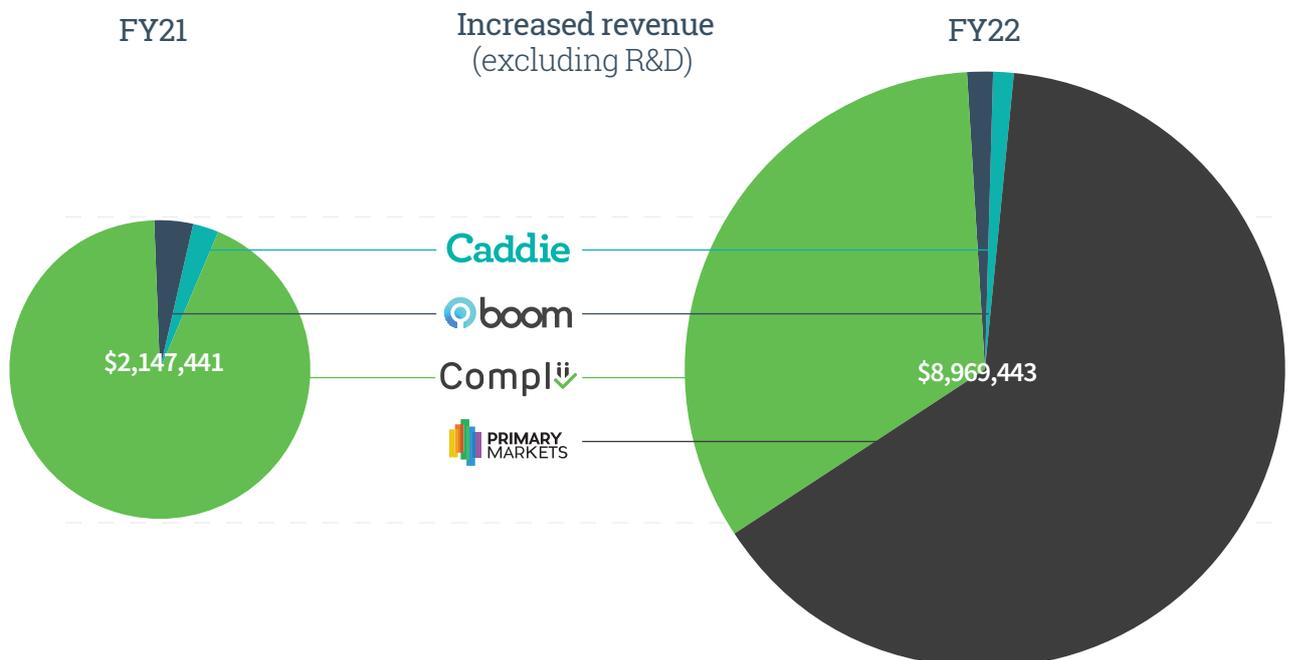
- > **Ensure** compliance
- > **Enable** efficiency
- > **Empower** competitive advantage

Their specific roles and financial performance are summarised below in relation to these categories, while the chart below illustrates the breakdown of annual revenue between five distinctly branded service offerings that currently make up the Complii Group.



Overall revenue breakdown

Whilst there has been good organic growth in revenues from the existing Complii FinTech modules, the major contributor to revenue growth in FY22 has originated from the PrimaryMarkets acquisition and its integration into the Complii Group:



Operations review continued

Complii FinTech modules

The growing suite of Complii FinTech modules span all three areas of user benefit and are best considered as a widening array of operational support software specifically designed for AFSL holders. Overall, the integrated Complii branded software suite now includes the seven key modules summarised below:

| Primary value | Complii FinTech module | Core function | |
|---------------|------------------------|--|-------------------------------|
| ✓ ENSURE | Compliance | Fulfill all AFSL related compliance functions (includes SOA3000 released in FY22) | Substantially Updated in FY22 |
| | Financial Crimes | Alert to suspicious trading and screen clients / investors | |
| » ENABLE | Risk management | Identify, manage, and control risks across an entire organisation | |
| | Complaints | Manage resolution, notify, and alert for mandatory obligation deadlines | Added in FY22 |
| ↗ EMPOWER | Adviser Bid | Automated distribution and acceptance of corporate deals (includes Corporate Highway Phase 3 released in FY22) | Substantially Updated in FY22 |
| | Online Portfolio | Portal for Adviser's clients to access information and download forms | |
| | AccountFast | Integrated Online Account Opening tool | |

The total number of Complii FinTech AFSL holding subscribers increased from 100 at the end of FY21 to 121 at the end of FY22 (up by 21%), with the total number of licenced users (primarily financial advisers and stockbrokers) increased from 3,000 to 3,500 over the same period.

Revenue from licensee fees increased from \$1.26m in FY21 to \$1.84m in FY22, up by 46%. Service fee's have increased from \$764K in FY21 to \$6.8m in FY22, up by 790% with the acquisition of PrimaryMarkets in FY22.

On average, the value of Complii FinTech subscriptions rose from \$18.5k per subscribing client organisation in FY21 to \$20.1k in FY22, through taking on additional Complii modules / functions.

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Operations review continued

Empower modules

A primary driver of customer demand for Complii Group offers are fintech service offers that empower superior business performance and operational efficiencies. The two most important Empower modules are key client value drivers.

Complii Advisor Bid (incorporating Corporate Highway)

Empowering automated distribution and acceptance of corporate deals through a network of over 3,500 AFSL licenced advisors and brokers, this module now incorporates Corporate Highway, which promotes awareness of and facilitates access to corporate deal flow and liquidity within the Complii community.

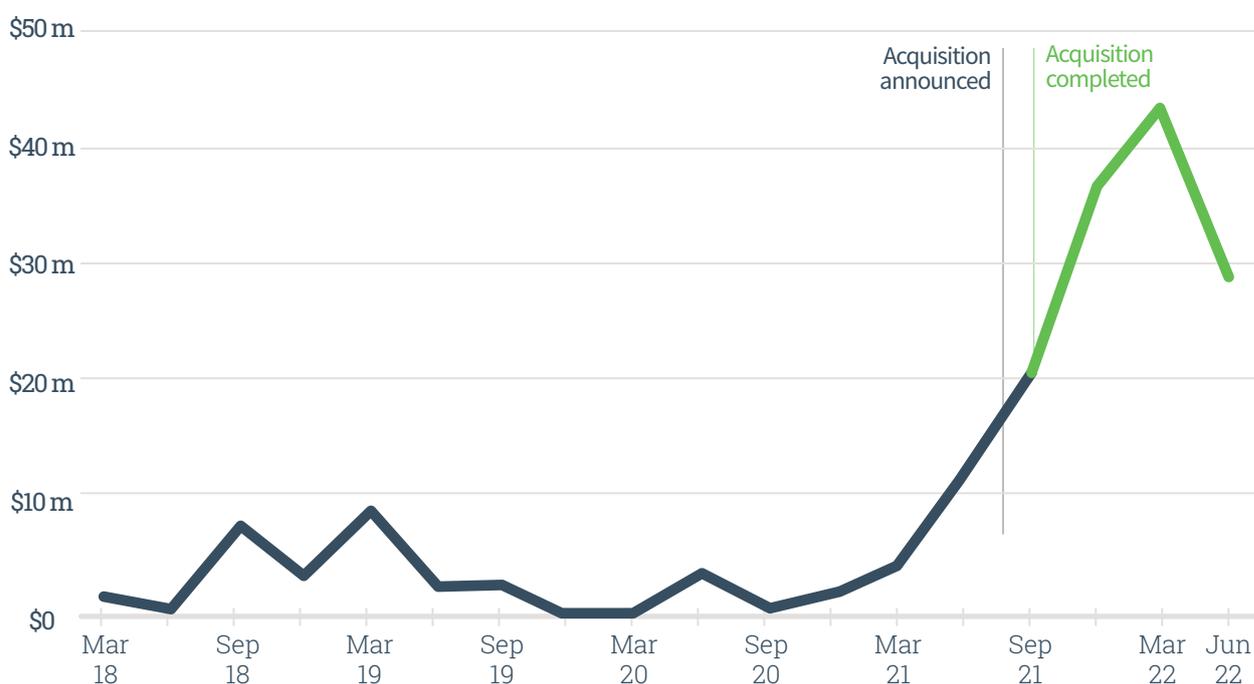
While the number of corporate deals managed through Advisor Bid rose slightly, from 3,252 in FY21 to 3,339 in FY22, the average deal value declined slightly. Total deal value through Advisor Bid was \$14.6B in FY21 compared to \$14.0B in FY22. These numbers represent the sheer volume of Capital raisings done across Australia which are done through the Complii system.

PrimaryMarkets

PrimaryMarkets' off-market trading platform allows trading by private equity investors from around the world to create liquidity for equity in private/unlisted companies and funds as well as those entities raising new capital. Fully acquired by Complii Group on 3 November 2021, Complii Group revenue of around \$6.128m was contributed by PrimaryMarkets' fees and grants received from November 2021 to June 2022. The quarterly breakdown of client driven revenue clearly highlights the accelerated growth impact of Complii Group's takeover of PrimaryMarkets, initially announced in September 2021.



PrimaryMarkets unlisted share trading volume



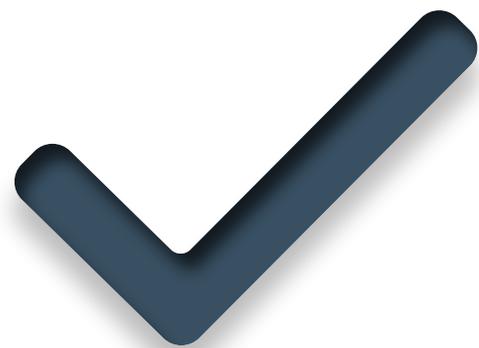
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Operations review continued

Ensure modules

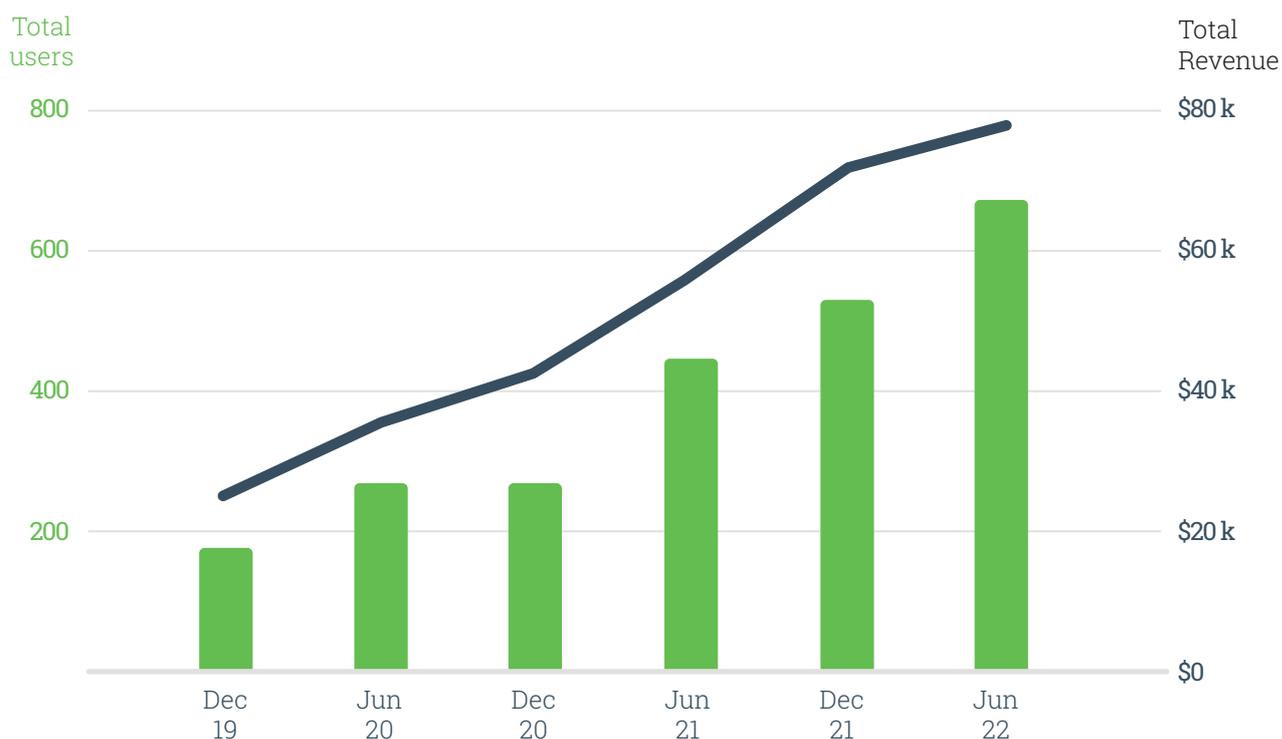
ThinkCaddie

In addition to three Complii FinTech branded Ensure modules, this category also includes Caddie, which ensures that AFSL holders fully and successfully meet all their obligations in relation to continuing professional development (CPD). Since its acquisition in November 2019, Caddie has steadily grown its number of users and associated revenue. With 664 users at the end of FY22, up from 446 at the end of FY21, Caddie revenues have grown by 51% year on year, to \$150,600 in FY22.



Caddie

Half yearly growth - Users and Revenue



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Operations review continued

Enable modules

Apart from the Risk Management and Complaints modules of Complii FinTech, the Group offers two other modules in this category.

BOOM

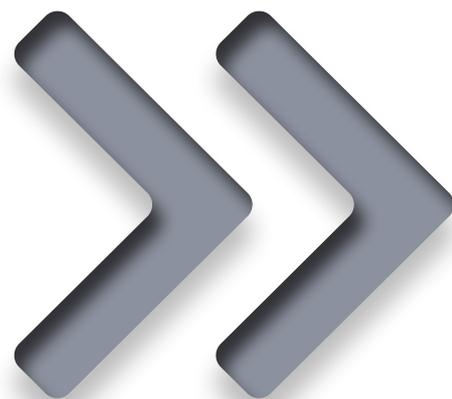
Boom (Back Office Online Management) is an online client account administration and paraplanning module that enables more efficient information capture and management that significantly reduces administrative costs and increases Adviser productivity. Digital information management also enables a wide range of other opportunities for cost saving including offshore processing, application process automation, and digitisation of audit trails, all of which frees up advisors' time for improved client servicing and empowers individual adviser strategies for improving client outcomes.

BOOM has seen a slight decline in revenues from \$140,000 in FY21, down to \$120,000 in FY22, but early indicators for FY23 are showing a stronger rebound.

AccountFast

AccountFast enables instant, automated account establishment, with smartphone input and capture of relevant client details and documents for new adviser client onboarding and online service management. Screen-based client signature, identification, credit card capture and verification, are all capabilities that save time and minimise risks.

Client usage of Account Fast module has been consistent throughout FY22 .



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Operations review continued

Leverageable scale

Since the original merger that created Complii FinTech Solutions Australia Ltd in December 2020, staff numbers in the Group have more than doubled. This follows the IP and human resources integration of six previously separate specialist entities that have so far been brought together under the Complii Group umbrella.

At the end of FY22, with 43 staff all operating out of Complii Groups' head office in the financial district of Sydney's CBD, the Group's total network of connection with clients, users and managers of the unlisted companies and funds that utilise our services now represents a very significant competitive advantage, which continues to be supported by an unparalleled body of knowledge and integrated Fintech development and customisation capabilities.

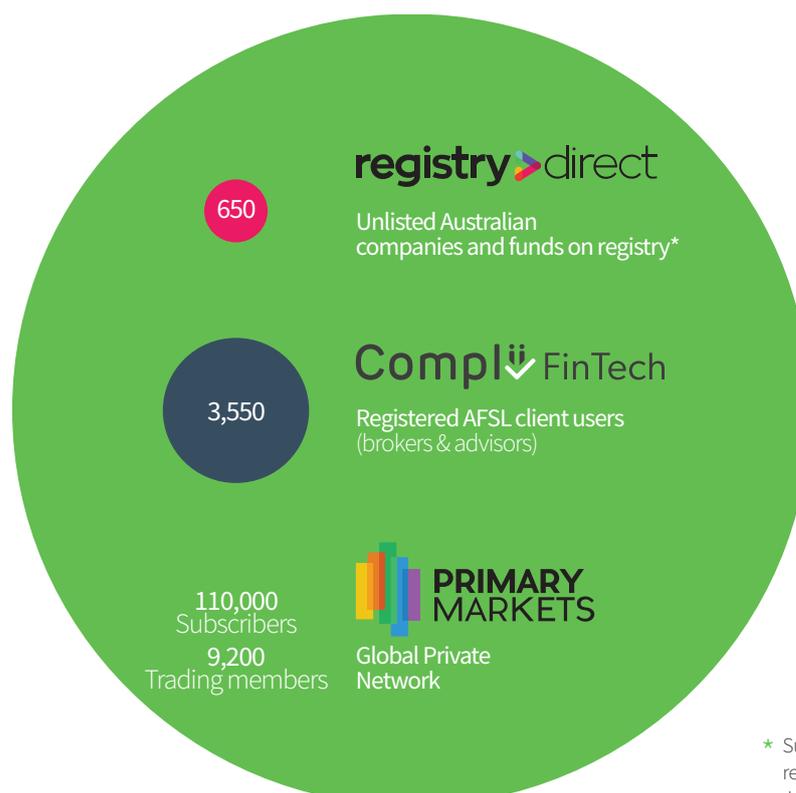
Our growing scale and effective shift to operating cost recovery will enable Complii Group to build further on the operational savings and efficiencies created by a large, integrated group of specialists focused on a narrowly defined set of target segments. The potential scope for growing Complii's set of integrated and complementary modular offerings can now be carefully extended beyond our core target of larger AFSL holding aggregators, to directly target the closely related segments of unlisted corporate entities and funds, as well as substantial investors in private equity.

Our knowledge and human resources can be leveraged to explore and develop innovative new ways to empower clients as they seek to capitalise on their competitive advantage, enable effective risk mitigation and cost minimisation, and ensure their continuing compliance with AFSL and other regulations surrounding off-market capital raising and trading activity.

With the addition of PrimaryMarkets and its direct exposure to a very large number of sophisticated, professional, and institutional investors globally, the total network of active users linked through the Group's diverse software modules also represents a very significant opportunity. Serving as a pivot point for market-responsive innovations, the Complii Group has the potential to support industry-wide initiatives that will support substantially more opportunities for Australian business to compete in the global market for investment funding.

Assuming the Broad recommended takeover of Registry Direct is completed, the three tiers of Complii Group's client and user connected networks will be unprecedented, as a feature of Australia's off-market capital raising and equity trading sector.

Complii Group's leverageable trading network



* Subject to RegistryDirect board recommended acceptance of June 2022 Takeover Offer

Operations review continued

Outlook

Increased AFSL market penetration

With an estimated current penetration of around 24% of the large AFSL holding aggregators representing the primary target market for most of our SaaS offers and the continuing refinement of their user-friendly integration into clients' wider operating systems, the Complii Group is now well positioned to invest in increasing its level of market penetration through more active traditional, social and digital marketing and new business development initiatives.

The continuous improvement of our prospective customer engagement capabilities and ability to devote more human resources to this effort will be key to driving new client subscriptions in the coming financial year.

New product research and development

Investment in new product development has been key to our ability to secure and extend core client subscriptions.

With total R&D funding grants of \$0.94m in FY22 (for expenses incurred in FY21), we have successfully completed the integration of value-adding modules including the new SOA3000 module, Complaints module, PrimaryMarkets trading website upgrade and mobile app, upgrades to ThinkCaddie and the launch of Corporate Highway Phase 3. We have also commenced and are well underway to completing the integration of PrimaryMarkets into the Complii platform, staff trading module, updates to the Corporate Highway and the Complii architecture transformation.

Registry Direct acquisition

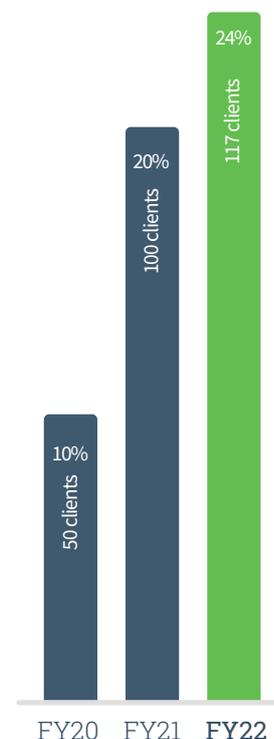
Initiated in FY22, but awaiting completion, the Takeover Offer for Registry Direct Limited (ASX.RD1) aims to add compliant registry functions for 100% unlisted and listed entities to complete a further major link in the Complii Group's integrated offer to unlisted corporate and fund managers, private equity advisors and brokers, and private equity investors. Following completion due in Q1 FY23, as currently unanimously recommended by the Board of Registry Direct, the Complii Group's networks of clients and users will be further extended to include financial governance managers of currently over 650 unlisted companies and funds and, indirectly, their shareholders.

Completion of the Takeover Offer would bring the Group's total size to over 50 employees, and provide additional client relationships and specialist insights, which we will look to maximise through cross-selling opportunities in both directions by directing more capital raising opportunities to subscribing client advisers, and encouraging more adviser clients to adopt Registry Direct as a seamlessly linked chain in their shareholder management protocols.

Acquisitions and beyond

Complii continues to explore further synergistic business growth prospects and will do so for FY23 and beyond, whilst remaining focussed on the success of the Group's organic growth strategy.

AFSL market penetration*



* Client number as % of larger AFSL aggregators

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DIRECTORS' REPORT

Directors' report

Your directors present their report on the consolidated entity, consisting of Complii FinTech Solutions Limited (Complii Group or the Company) and its controlled entities (collectively the Group), for the year ended 30 June 2022.

1 Directors

The names of Directors in office at any time during or since the end of the year are:

| | |
|-------------------------|--|
| Mr Craig Mason | Executive Chairman Appointed 10 December 2020 |
| Ms Alison Sarich | Managing Director Appointed 10 December 2020 |
| Mr Gavin Solomon | Executive Director Appointed 3 November 2021 |
| Mr Gregory Gaunt | Non-Executive Director Appointed 26 February 2019 |
| Mr Nick Prosser | Non-Executive Director Appointed 1 July 2021 |

Directors have been in office since the start of the year to the date of this report unless otherwise stated.

2 Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

| | |
|-------------------|--|
| Company Secretary | Ms Karen Logan |
| Appointed | 10 December 2020 |
| Qualifications | BComm, Grad Dip AppCorpGov, FCG, FGIA, GAICD |

3 Dividends paid or recommended

There were no dividends paid or recommended during the financial year ended 30 June 2022.

4 Significant changes in the state of affairs

During the year, the Company has completed a takeover of PrimaryMarkets Pty Ltd ("PrimaryMarkets"). On completion of the PrimaryMarkets takeover, the company appointed Mr Herbert Gavin Solomon as an Executive Director.

Complii Group completed an unmarketable parcel share buy-back of 1,249,869 ordinary shares at \$0.085

Complii Group has a strong balance sheet with cash on hand at 30 June 2022 being \$5,736,421, with no debt.

There were no other significant changes to the state of affairs of the Group.

5 Operating and financial review

5.1 Nature of operations principal activities

Complii operates within the Fintech sector of the Australian financial services industry, supporting the operations of Australian based firms. The term "Fintech" describes a business that creates software and modern technology to support the delivery of or provide financial services to consumers and/or organisations. Complii focuses on the financial services industry, an industry which is highly regulated. The Complii Group has a vision of becoming the financial services industry standard in targeted risk, compliance and business technology.

The Complii Group provides solutions to the financial services sector covering compliance, capital raising, e-learning, account opening and online portfolio management tools. These solutions are primarily provided through the Complii Platform, a modular and customisable platform that provides a digital solution to meet specific business, compliance and operational needs of financial organisations, their advisers and investors. ThinkCaddie can also be accessed externally to the Complii Platform.

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Directors' report continued

During the 2022 financial year, the Company has completed a takeover of PrimaryMarkets Pty Ltd ("PrimaryMarkets"). PrimaryMarkets uses first-class technology creating an independent global Platform providing liquidity and enabling the trading of securities and shares in unlisted companies.

5.2 Operations review

Refer Operations review of page 4

5.3 Financial review

a Operating results

For the 2022 financial year the Group delivered a profit before tax of \$114,937 (2021: \$4,194,240 loss). The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. Details of the Company's assessment in this regard can be found in note 19.1.3 Statement of significant accounting policies. Going Concern on page 71.

b Financial position

The net assets of the Group have increased from 30 June 2021 by \$7,356,668 to \$10,964,362 at 30 June 2022 (30 June 2021: \$3,607,694). As at 30 June 2022, the Group's cash and cash equivalents increased by \$1,738,241 to \$5,736,421 (30 June 2021: \$3,998,180) and had a working capital surplus of \$4,499,886 (30 June 2021: \$3,502,330) as noted in note 9.

5.4 Events subsequent to reporting date

Complii FinTech Solutions Ltd made an off-market Takeover Offer to acquire all of the ordinary shares in Registry Direct Limited (ASX: RD1) on 20 June 2022, pursuant to its bidder's statement dated 20 June 2022 (Bidder's Statement) as supplemented on 3 August 2022 (Offer). On 12 August 2022 Complii announced that it had freed its Offer for Registry Direct from all conditions other than the 90% minimum acceptance condition. The Offer will close at 5:00pm (AEST) on 19 August 2022 (unless further extended in the limited circumstances set out in Complii's ASX announcement of 3 August 2022).

As of 17 August 2022, Complii has voting power of 78.10%.

5.5 Future developments, prospects and business strategies

The company's principal continuing activity is the development and commercialisation of technologies in the financial markets, specifically around regulatory compliance and capital raising efficiencies. The Company's future developments, prospects and business strategies are to continue to develop and commercialise these technologies.

Complii continues to explore further synergistic business growth prospects and will do so for FY23 and beyond, whilst remaining focussed on the success of the Group's organic growth strategy.

5.6 Environmental regulations

In the normal course of business, there are no environmental regulations or requirements that the Company is subject to.

5.7 Risks

From a sustainability perspective, Complii's ability to provide resilient operations requires disciplined long-term risk management and a commitment to operating as a responsible corporate citizen.

Complii's disciplined approach to long-term risk management is a critical component in the resilience of our day-to-day operations, as it reduces the impact and likelihood of negative outcomes. While we are unable to guarantee there will never be negative outcomes, Complii is committed to continually improving its risk management practices and embedding a risk management culture as we strive to minimise their occurrence.

Long-term resilience also comes from the adoption of responsible business practices. While technology and society continues to evolve, doing the right thing remains a constant in business.

The expected results from those operations in future financial years have not been included because they depend on factors such as general economic conditions, the risks outlined below and the success of Complii's strategies, some of which are outside the control of the Group.

The Company reviews various risk factors including,

- Data, fraud and cyber security risk
- Operational risk
- Systemic risk
- Technology risk

Directors' report continued

6 Information relating to the Directors



Mr Craig Mason Executive Chairman

| | |
|---|--|
| Appointed | 10 December 2020 |
| Qualifications | MSAA |
| Experience | Craig has over 30 Years' experience in the finance industry in various capacities and has been involved in many major changes which have taken place and shaped the industry over this time. He has worked with ASX, ASIC and APRA in the areas of custody, third party trade execution and clearing associated services |
| Interest in Securities and Options | 25,000,000 Ordinary Shares 2,105,002 Tranche 1 Unquoted Options 5,220,527 Tranche 2 Unquoted Options 17,000,000 Performance Rights |
| Special Responsibilities | Nil |
| Directorship held in other listed entities (last 3 years) | Nil |



Ms Alison Sarich Managing Director

| | |
|---|--|
| Appointed | 10 December 2020 |
| Qualifications | MAICD |
| Experience | Alison has over 17 years' experience in the finance industry, including Custody, Corporate actions and client relationship management. Including positions based in Australia and the United Kingdom |
| Interest in Securities and Options | 2,306,750 Ordinary Shares 2,889,188 Tranche 1 Unquoted Options Ex \$0.05 – Exp 31/12/22 3,852,250 Tranche 2 Unquoted Options Ex \$0.10 – Exp 31/12/23 6,000,000 Performance Rights |
| Special Responsibilities | Nil |
| Directorship held in other listed entities (last 3 years) | Nil |

Directors' report continued

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Mr Gavin Solomon

Executive Director

| | |
|--|---|
| Appointed | 3 November 2021 |
| Qualifications | FAICD, B.Comm/LLB, Notary Public |
| Experience | Gavin has over 40 years experience in the Australian, Asian and USA Equity Capital Markets. Gavin is the Founder and Executive Director of PrimaryMarkets Pty Limited and was previously the Founder and Managing Director of Helmsec Global Capital, a pan-Asian ECM house that participated in new capital raisings of over A\$1.7B from 2008 to 2015. Helmsec is now a wholly owned subsidiary of Complii. |
| Interest in Securities and Options | 27,014,502 Ordinary Shares 4,116,496 Tranche 1 PM Unquoted Options Ex \$0.075 – Exp 3/11/2023 5,402,900 Tranche 2 PM Unquoted Options Ex \$0.10 – Exp 03/11/2023 1,800,000 Performance Rights |
| Special Responsibilities | Nil |
| Directorship held in other listed entities (last 3 years) | Nil |



Mr Greg Gaunt

Non-Executive Director

| | |
|--|---|
| Appointed | 26 February 2019 |
| Qualifications | B.Juris and LL.B |
| Experience | Greg is a former Executive Chairman of the law firms Lavan and HHG Legal Group and possesses long-standing experience in the management of law firms where he attained broad business experience across many different sectors. |
| Interest in Securities and Options | 1,500,000 Ordinary Shares |
| Special Responsibilities | Member of Remunerations Committee |
| Directorship held in other listed entities (last 3 years) | Nil |

Directors' report continued



Mr Nick Prosser Non-Executive Director

| | |
|--|--|
| Appointed | Appointed 1 July 2021 |
| Qualifications | Dip Sec and Risk, AICD |
| Experience | Nick is an experienced fintech specialist with over 20 years' experience in the internet, communications and telecommunications (ICT) industry. He has a Diploma in Security (Risk Management) from the Canberra Institute of Technology and is a member of the Australian Institute of Company Directors. |
| Interest in Securities and Options | 8,667,061 Ordinary Shares 2,166,765 Tranche 1 Unquoted Options Ex \$0.05 – Exp 31/12/22 2,889,020 Tranche 2 Unquoted Options Ex \$0.10 – Exp 31/12/23 |
| Special Responsibilities | Member of Remuneration Committee |
| Directorship held in other listed entities (last 3 years) | Advance Human Imaging Limited (ASX: AHI) since 18 April 2018 and appointed interim Non-Executive Chairman of the Advanced Human Imaging Board effective from 15 February 2022 |

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Directors' report continued

7 Meetings of Directors and committees

During the financial year 11 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year are stated in the following table.

Directors' meetings

| | Number eligible to attend | Number attended |
|--|---------------------------|-----------------|
| Craig Mason | 11 | 11 |
| Alison Sarich | 11 | 11 |
| Gavin Solomon Appointed 3 Nov 21 | 7 | 7 |
| Greg Gaunt | 11 | 11 |
| Nick Prosser Appointed 1 July 2021 | 11 | 10 |

At the date of this report, the Audit and Risk, and Nomination Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees.

Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.

During the financial year 1 meeting of the Remunerations Committee was held. Attendances by each Member during the year are stated in the following table.

Remunerations committee meetings

| | Number eligible to attend | Number attended |
|---------------------|---------------------------|-----------------|
| Greg Gaunt | 1 | 1 |
| Nick Prosser | 1 | 1 |

8 Indemnifying Officers

8.1 Indemnification

The Company has entered an Indemnity, Insurance and Access Deed with each Director. Pursuant to the Deed:

The Director is indemnified by the Company against any liability incurred in that capacity as an officer of the Company to the maximum extent permitted by law subject to certain exclusions.

The Company must keep a complete set of company documents until the later of:

- The date which is seven years after the Director ceases to be an officer of the Company; and
- The date after a final judgment or order has been made in relation to any hearing, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company (Relevant Proceedings).

The Director has the right to inspect and copy a Company document in connection with any relevant proceedings during the period referred to above.

Subject to the next sentence, the Company must maintain an insurance policy insuring the Director against liability as a director and officer of the Company while the Director is an officer of the Company and until the later of:

- The date which is seven years after the Director ceases to be an officer of the Company; and
- The date any Relevant Proceedings commenced before the date referred to above have been finally resolved.

The Company may cease to maintain the insurance policy if the Company reasonably determines that the type of coverage is no longer available.

The Company has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

Directors' report continued

Indemnifying Officers

The Company indemnifies each of its Directors, officers and company secretary. The Company indemnifies each director or officer to the maximum extent permitted by the Corporations Act 2001 from liability to third parties, except where the liability arises out of conduct involving lack of good faith, and in defending legal and administrative proceedings and applications for such proceedings.

The Company must use its best endeavours to insure a director or officer against any liability, which does not arise out of conduct constituting a wilful breach of duty or a contravention of the Corporations Act 2001. The Company must also use its best endeavours to insure a Director or officer against liability for costs and expenses incurred in defending proceedings whether civil or criminal.

8.2 Insurance premiums

During the year the Company paid insurance premiums to insure Directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Group. In accordance with the policy, the amount of premium cannot be disclosed.

9 Options

9.1 Unissued shares under option

At the date of this report, the unissued ordinary shares under option are as follows:

| | Expiry Date | Grant Date | Exercise Price | Number Under Option |
|--------------------------|--------------------|------------------|----------------|---------------------|
| Tranche 1 | 31 December 2022 | 10 December 2020 | \$0.05 | 11,058,612 |
| | 31 December 2022 | 22 January 2021 | \$0.05 | 30,307 |
| | 31 December 2022** | 10 December 2020 | \$0.05 | 17,909,620 |
| Tranche 2 | 31 December 2023 | 10 December 2020 | \$0.10 | 14,999,575 |
| | 31 December 2023 | 22 January 2021 | \$0.10 | 40,409 |
| | 31 December 2023** | 10 December 2020 | \$0.10 | 26,293,351 |
| Convertible Note Options | 31 December 2023 | 10 December 2020 | \$0.05 | 7,500,000 |
| Tranche 1 PM | 03 November 2023 | 03 November 2021 | \$0.075 | 16,000,000 |
| Tranche 2 PM | 03 November 2023 | 03 November 2021 | \$0.10 | 21,000,000 |

** Subject to escrow until 17 Dec 2022.

No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

9.2 Shares issued on exercise of options

4,501,464 options were exercised raising the Company \$241,740. No options have been exercised since the end of the financial year.

Directors' report continued

10 Performance rights

At the date of this report, the performance rights are as follows

| Expiry Date | Expiry Date | Vesting Deadline | Consideration | Probability of achieving % | Number |
|--------------|-------------------|---------------------|---------------|----------------------------|-------------------|
| Tranche 1 | 30 March 2026 | 1 July 2021* | Nil | | - |
| Tranche 2 | 30 March 2026 | 1 January 2022 *** | Nil | | - |
| Class A | 17 September 2025 | 30 September 2021** | Nil | | - |
| Class A | 30 March 2026 | 30 September 2021** | Nil | | - |
| Class B **** | 17 September 2025 | 30 September 2021 | Nil | 90 | 3,000,000 |
| Class B **** | 30 March 2026 | 30 September 2022 | Nil | 90 | 500,000 |
| Class C **** | 17 September 2025 | 31 December 2023 | Nil | 90 | 4,000,000 |
| Class D | 17 September 2025 | 31 December 2023 | Nil | 100 | 4,000,000 |
| Class D | 30 March 2026 | 31 December 2023 | Nil | 100 | 500,000 |
| Class E | 17 September 2025 | 31 December 2023 | Nil | 100 | 4,000,000 |
| Class F | 17 September 2025 | 31 December 2023 | Nil | 100 | 4,000,000 |
| Class F | 30 March 2026 | 31 December 2023 | Nil | 100 | 500,000 |
| Class F | 31 December 2023 | 31 December 2023 | Nil | 100 | 3,000,000 |
| Class G | 17 September 2025 | 31 December 2023 | Nil | 100 | 4,000,000 |
| Class G | 30 March 2026 | 31 December 2023 | Nil | 100 | 500,000 |
| Class G | 31 December 2023 | 03 November 2026 | Nil | 100 | 3,000,000 |
| Class H **** | 3 November 2026 | 03 November 2026 | Nil | 100 | 1,500,000 |
| Class I | 3 November 2026 | 31 December 2023 | Nil | 100 | 1,500,000 |
| Employee | 16 September 2023 | 16 September 2022 | Nil | 100 | 1,346,411 |
| | | | | | 35,346,411 |

* Vested 1 July 2021

** Vesting milestone achieved at 31 August 2021

*** Vested 1 January 2022

**** Vesting milestone achieved at 30 June 2022

Performance rights may be issued to executives as part of their remuneration.

The performance rights are issued to encourage goal alignment between executives, directors and shareholders. The issue of performance rights (on a post-consolidation basis) to the proposed directors in order to link part of the remuneration and performance paid to specific criteria, namely the achievement of specific milestones, include a market-linked incentive component in their remuneration package or fees payable (as applicable), motivate and reward the successful performance of the proposed directors in their respective roles in managing the operation and strategic direction of the Company.

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Directors' report continued

The Performance Rights have the following milestones attached to them:

| Performance Rights | Milestone |
|--------------------|--|
| Tranche 1 * | Performance Rights will vest at the earlier of 1 July 2021 and on termination by the Company, except for cause. |
| Tranche 2 * | Performance Rights will vest at the earlier of 1 January 2022 and on termination by the Company, except for cause. |
| Class A ** | The Complii Group achieving a minimum of a 15% increase in group revenue from the financial year ended 30 June 2020 to the financial year ending 30 June 2021, as independently verified by the Company's auditors. |
| Class B *** | The Company Group achieving a minimum of a 15% increase in group revenue from the financial year ending 30 June 2021 to the financial year ending 30 June 2022, as independently verified by the Company's auditors. |
| Class C *** | The Company Group recording positive EBIT in any of the financial years ending 30 June 2021, 30 June 2022 or 30 June 2023, as independently verified by the Company's auditors. |
| Class D | The volume weighted average price of the Shares over 20 consecutive trading days on which the Company's Shares have actually traded (20-Day VWAP) being equal to or greater than \$0.10. |
| Class E *** | The Company Group recording revenue of \$5,000,000 in any of the financial years ending 30 June 2021, 30 June 2022 or 30 June 2023, as independently verified by the Company's auditors. |
| Class F | The 20-Day VWAP of the Company's Shares being equal to or greater than \$0.15. |
| Class G | The 20-Day VWAP of the Company's Shares being equal to or greater than \$0.20. |
| Class H *** | The PrimaryMarkets business achieving revenue of greater than \$2,700,000 for the financial year ending 30 June 2022, as independently verified by the Company's auditors. |
| Class I | The PrimaryMarkets business achieving revenue of greater than \$3,150,000 for the financial year ending 30 June 2023, as independently verified by the Company's auditors. |
| Employee | Performance Rights will vest subject to one (1) year of continuous employment from 16 September 2021 and expire on 16 September 2023 |

* Vested 1 July 2021 and 1 January 2022 ** Vesting milestone achieved at 31 August 2021 *** Vesting milestone achieved at 18 August 2022

11 Non-audit services

During the year, Hall Chadwick WA Audit Pty Ltd, the Company's auditor, did not perform any services other than their statutory audits (2021: \$nil). Other firms and divisions provided tax and other services to the group of \$916 (2021: \$18,300). Details of remuneration paid to the auditor can be found within the financial statements at note 15 Auditor's Remuneration.

In the event that non-audit services are provided by Hall Chadwick WA Audit Pty Ltd, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- › non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- › ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

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Directors' report continued

12 Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

13 Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Hall Chadwick WA Audit Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from their report on the financial report.

14 Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 (Cth) for the year ended 30 June 2022 has been received and can be found on page 35 of the annual report.



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Remuneration report (audited)

15 Remuneration report

The information in this remuneration report has been audited as required by s308(3C) of the Corporations Act 2001. As a result of the reverse acquisition (ref note 11.1), the remuneration report is prepared as a continuation of the previously unlisted Complii FinTech Solutions Ltd.

15.1 Key management personnel (KMP)

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Company and key executive personnel:

| | |
|-------------------|---|
| Mr Craig Mason | Executive Chairman |
| Ms Alison Sarich | Managing Director |
| Mr Gavin Solomon | Executive Director Appointed 3 November 2021 |
| Mr Greg Gaunt | Non-executive Director |
| Mr Nick Prosser | Non-executive Director Appointed 1 July 2021 |
| Mr Ian Kessell | Chief Operating Officer Appointed 1 August 2020 |
| Mr Marcus Ritchie | Managing Director – PrimaryMarkets Appointed 3 November 2021 |
| Mr James Green | Chairman – PrimaryMarkets Appointed 3 November 2021 |

15.2 Principles used to determine the nature and amount of remuneration

The remuneration policy of the Company has been designed to ensure reward for performance is competitive and appropriate to the result delivered. The framework aligns executive reward with the creation of value for shareholders, and conforms to market best practice. The Board ensures that Director and executive reward satisfies the following key criteria for good reward government practices:

- Competitiveness and reasonableness;
- Acceptability to the shareholders;
- Performance;
- Transparency; and
- Capital management.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and Directors' and Executives' performance. Currently, this is facilitated through the issues of options to the majority of Directors and Executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. The Board's policy for determining the nature and amount of remuneration for Board members and Senior Executive of the Company is as follows:

a Executive Directors and other Senior Executives

The Company's remuneration policy for executive directors and senior management is designed to promote superior performance and long-term commitment to the Company.

Executives receive a base remuneration which is market related and may receive performance - based remuneration. The Board reviews Executive packages annually by reference to the Company's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries. Executives are also entitled to participate in employee share and option schemes.

Remuneration report (audited) continued

b Non-Executive Directors

The Company's Constitution provides that Directors are entitled to be remunerated for their services as follows:

- The total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.
- The Directors' remuneration accrues from day to day.
- The total aggregate fixed sum per annum which may be paid to non-executive Directors is \$300,000.

This amount cannot be increased without the approval of the Company's Shareholders.

The Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors.

c Fixed remuneration

Other than statutory superannuation contribution, no retirement benefits are provided for Executive and Non-Executive Directors of the Company. To align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the company.

d Performance based remuneration – short-term and long-term incentive structure

The Board will review short-term and long-term incentive structures from time to time. Any incentive structure will be aligned with shareholders' interests

➤ Short-term incentives

No short-term incentives in the form of cash bonuses were granted during the year.

➤ Long-term incentives

The Board has a policy of granting incentive options to executives with exercise prices above market share price. As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted.

- The executive Directors will be eligible to participate in any short term and long-term incentive arrangements operated or introduced by the Company (or any subsidiary) from time to time.

e Service contracts

Remuneration and other terms of employment for the directors, KMP and the company secretary are formalised in contracts of employment.

f Engagement of remuneration consultants during the financial year

The Company did not engage any remuneration consultants.

g Relationship between remuneration of KMP and earnings

In considering the Group's performance and benefits for shareholders wealth, the Board has regard to the following indices in respect of the current financial year and the previous four financial years:

| As at 30 June | 2022 | 2021 | 2020 | 2019 | 2018 |
|---------------------------------|------|--------|------|------|------|
| Profit/(Loss) per share (cents) | 0.03 | (2.38) | - | - | - |
| Share price (\$) | 0.08 | 0.06 | - | - | - |

Remuneration report (audited) continued

15.3 Directors and KMP remuneration

Details of the remuneration of the Directors and KMP of the Group (as defined in AASB 124 Related Party Disclosures) are set out in the following table.

2022– Group

| | Short-term benefits | | | Post-employment benefits Super-annuation | Long-term benefits Other | Termination benefits | Equity-settled share based payments | | Total |
|-----------------------------|------------------------|--------------------------|-------|---|-----------------------------|----------------------|-------------------------------------|------------------------------|-----------|
| | Salary, fees and leave | Profit share and bonuses | Other | | | | Equity | Options / Performance Rights | |
| Group KMP | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Craig Mason ¹ | 303,437 | - | - | - | - | - | - | 255,212 | 558,649 |
| Alison Sarich | 215,000 | - | - | 21,500 | - | - | - | 98,670 | 335,170 |
| Greg Gaunt | 32,118 | - | - | 3,219 | - | - | - | - | \$35,337 |
| Nick Prosser ² | 31,818 | - | - | 3,182 | - | - | - | - | 35,000 |
| Gavin Solomon ³ | 120,000 | - | - | 12,000 | - | - | - | 13,294 | 145,294 |
| Ian Kessell | 185,000 | - | - | 18,500 | - | - | - | 58,510 | 262,010 |
| James Green ³ | 153,939 | - | - | 15,394 | - | - | - | 13,294 | 182,627 |
| Marcus Ritchie ³ | 153,939 | - | - | 15,394 | - | - | - | 126,223 | 295,556 |
| | 1,195,251 | - | - | 89,189 | - | - | - | 565,203 | 1,849,643 |

¹ Included in the director's remuneration are amounts payable in respect of accrued salary package as noted in 14.1 to the Remuneration report

² Appointed 1 July 2021

³ Appointed 3 November 2021

2021– Group

| | Short-term benefits | | | Post-employment benefits Super-annuation | Long-term benefits Other | Termination benefits | Equity-settled share based payments | | Total |
|-----------------------------|------------------------|--------------------------|--------|---|-----------------------------|----------------------|-------------------------------------|------------------------------|---------|
| | Salary, fees and leave | Profit share and bonuses | Other | | | | Equity | Options / Performance Rights | |
| Group KMP | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Craig Mason ¹ | 242,729 | - | - | - | - | - | - | 147,235 | 389,964 |
| Alison Sarich | 205,115 | - | - | 19,486 | - | - | - | 58,890 | 283,491 |
| Greg Gaunt | 17,500 | - | - | 1,663 | - | - | 27,500 | - | 46,663 |
| Nick Prosser ² | - | - | - | - | - | - | - | - | - |
| Peter Robinson ⁴ | 20,622 | - | - | 1,959 | - | - | - | - | 22,581 |
| Ian Kessell ³ | 141,538 | - | 30,000 | 16,296 | - | - | - | 50,615 | 238,449 |
| | 627,504 | - | 30,000 | 39,404 | - | - | 27,500 | 256,740 | 981,148 |

¹ Included in the director's remuneration are amounts payable in respect of accrued salary package as noted in 14.1 to the Remuneration report

² Appointed 1 July 2021

³ Appointed 1 August 2020

⁴ Resigned 10 December 2020

Remuneration report (audited) continued

15.4 Service Agreements

a Mr Craig Mason – Executive Chairman

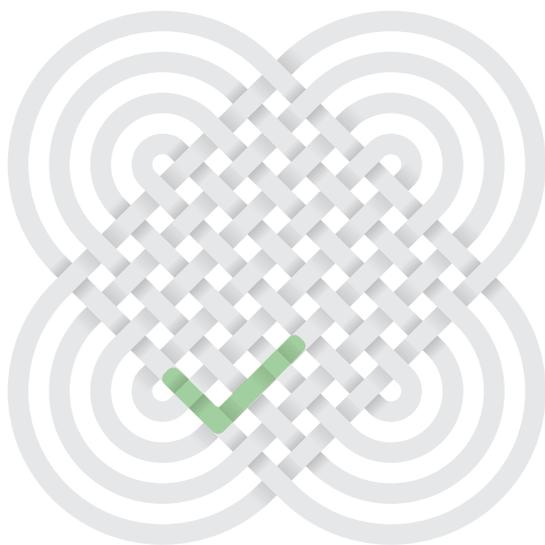
The Company has entered into a consultancy services agreement with C&K Mason Investments Pty Ltd (ACN 097 749 623), an entity controlled by Mr Mason, on the following material terms:

- Term** Mr Mason's term as Executive Chair commenced on 10 December 2020 ("Commencement Date").
- Remuneration** Mr Mason receives a salary of \$325,000 (which is exclusive of GST) for the services provided to the Company by Mr Mason.
- Incentive** 18,500,000 Performance Rights (on a post-Consolidation basis). (balance 17,000,000 – 30 June 2022).
- Notice Period** Each party must give six months' notice to terminate the agreement, other than for cause.
- Other Terms** The agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and Confidentiality provisions).

b Alison Sarich – Managing Director

The Company has entered into an executive services agreement with Ms Alison Sarich on the following material terms:

- Term** Ms Sarich's term as Managing Director will commence on 10 December 2020 ("Commencement Date")
- Remuneration** Ms Sarich will receive a salary of \$250,000, which is exclusive of directors' fees and superannuation.
- Incentive** 6,750,000 Performance Rights (on a post-Consolidation basis). (balance 6,000,000 – 30 June 2022).
- Notice Period** **Termination by Company**
The Company must either give Ms Sarich three months' written notice and, at the end of that notice period, make a payment to Ms Sarich equal to her salary over a three month period; or, otherwise may terminate Ms Sarich's employment with immediate effect by paying her the equivalent of her salary over a six month period.
- Termination by Ms Sarich**
Ms Sarich may terminate her employment if the Company commits a serious breach of the agreement and does not remedy that breach within 28 days of receipt of written notice from Ms Sarich to do so; or, otherwise, by providing three months written notice to the Company.
- Other Terms** The agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and Confidentiality provisions).



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Remuneration report (audited) continued

c Gavin Solomon – Executive Director

The Company has entered into an executive services agreement with Mr Gavin Solomon on the following material terms:

Term Mr Solomon's term as Executive Director will commence on 3 November 2021 ("Commencement Date").

Remuneration Mr Solomon will receive a salary of \$180,000 for services rendered, which is exclusive of directors' fees and superannuation.

Mr Solomon will not receive directors' fees for the first 12 months after the Commencement Date. At which time the Board shall determine the directors' fees payable to Mr Solomon.

Incentive 1,800,000 Performance Rights issued on 3 November 2021.

Notice Period Termination by Company

The Company must either give Mr Solomon's three months' written notice and, at the end of that notice period, make a payment to Mr Solomon's equal to his salary over a three month period; or, otherwise may terminate Mr Solomon's employment with immediate effect by paying him the equivalent of his salary over a six month period.

Termination by Mr Solomon

Mr Solomon may terminate his employment if the Company commits a serious breach of the agreement and does not remedy that breach within 21 days of receipt of written notice from Mr Solomon to do so; or, otherwise, by providing three months written notice to the Company.

Other Terms The agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and Confidentiality provisions).

d Non-Executive Director appointment letter with Mr Greg Gaunt

The Company has entered into a Non-Executive Director letter agreement with Mr Greg Gaunt effective from 26 February 2019. The Company has agreed to pay Mr Gaunt a director fee of \$40,000 including superannuation per year for services provided to the Company as Non-Executive Director from 1 January 2022.

e Non-Executive Director appointment letter with Mr Nick Prosser

The Company has entered into a Non-Executive Director letter agreement with Mr Nick Prosser effective from 1 July 2021. The Company has agreed to pay Mr Prosser a director fee of \$30,000 including superannuation per year for services provided to the Company as Non-Executive Director from 1 July 2021.

This was increased to \$40,000 from 1 January 2022.

f Ian Kessell – Chief Operating Officer

The Company has entered into an executive services agreement with Mr Ian Kessell on the following material terms:

Term Mr Kessell's term as Chief Operating Officer commence on 1 August 2020 ("Commencement Date").

Remuneration Mr Kessell will receive a salary of \$200,000, which is exclusive of superannuation.

Incentive 4,000,000 Performance Rights issued on 31 March 2021 (balance 2,000,000 – 30 June 2022).

Notice Period Each party must give four weeks written notice to terminate the agreement, other than for cause.

Other Terms The agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and Confidentiality provisions).

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Remuneration report (audited) continued

g James Green – Chairman, PrimaryMarkets

The Company has entered into an executive services agreement with Mr James Green on the following material terms:

| | |
|----------------------|--|
| Term | Mr Green's term as Chairman of PrimaryMarkets will commenced on 3 November 2021 ("Commencement Date"). |
| Remuneration | Mr Green will receive a salary of \$254,000, which is inclusive of directors' fees and superannuation. |
| Incentive | 1,800,000 Performance Rights issued on 3 November 2021. |
| Notice Period | Termination by Company The Company must either give Mr Green's three months' written notice and, at the end of that notice period, make a payment to Mr Green's equal to his salary over a three month period; or, otherwise may terminate Mr Green's employment with immediate effect by paying him the equivalent of his salary over a six month period. Termination by Mr Green Mr Green may terminate his employment if the Company commits a serious breach of the agreement and does not remedy that breach within 21 days of receipt of written notice from Mr Green to do so; or, otherwise, by providing three months written notice to the Company. |
| Other Terms | The agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and Confidentiality provisions). |

h Marcus Ritchie – CEO, PrimaryMarkets

The Company has entered into an executive services agreement with Mr Marcus Ritchie on the following material terms:

| | |
|----------------------|--|
| Term | Mr Ritchie's term as CEO of PrimaryMarkets will commenced on 3 November 2021 ("Commencement Date"). |
| Remuneration | Mr Ritchie's will receive a salary of \$230,909 which is exclusive of superannuation (Including superannuation it is \$254,000). |
| Incentive | 4,500,000 Performance Rights issued on 3 November 2021. |
| Notice Period | Termination by Company The Company must either give Mr Ritchie's three months' written notice and, at the end of that notice period, make a payment to Mr Ritchie's equal to his salary over a three month period; or, otherwise may terminate Mr Ritchie's employment with immediate effect by paying him the equivalent of his salary over a six month period. Termination by Mr Ritchie Mr Ritchie may terminate his employment if the Company commits a serious breach of the agreement and does not remedy that breach within 21 days of receipt of written notice from Mr Ritchie to do so; or, otherwise, by providing three months written notice to the Company. |
| Other Terms | The agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and Confidentiality provisions). |

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Remuneration report (audited) continued

15.5 Share-based compensation

Overview of share options and performance rights

During the current financial year, the Company has granted performance rights to certain Key Management Personnel.

The Performance Rights is a mechanism for providing a share based performance incentive for Key Management Personnel and to achieve alignment between Key Management Personnel and Shareholder objectives.

Performance rights were granted for no consideration, neither carry dividend or voting rights.

The Issue of Performance Rights was designed to align the interests of executives with shareholders by providing direct participation in the benefits of future Company performance over the medium to long term.

The Board is currently reviewing policies going forward in relation to short and long term incentives. Long term performance targets of the Company will be established every year and the future award of performance rights may be made at the Board's sole discretion.

No share options were granted to key management personnel during the financial year to 30 June 2022 (2021: Nil Unlisted share options) (refer note 7).

a Securities received that are not performance-related

No members of KMP are entitled to receive securities that are not performance-based as part of their remuneration package.

b Options and rights granted as remuneration

10,346,411 performance rights, of which 8,100,000 performance rights were issued to KMPs and Nil options were granted as remuneration during 2022 (2021: 29,250,000)

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Remuneration report (audited) continued

15.6 KMP equity holdings

a Fully paid ordinary shares of Complii FinTech Solutions held by each KMP

2022 – Group

| Group KMP | Balance at start of year /date of appointment Number | Received during the year as compensation Number | Received during the year on the exercise of options Number | Received during the year on conversion of performance shares Number | Other changes / resignation during the year Number ¹ | Balance at end of year Number |
|-----------------------------|---|--|---|--|--|----------------------------------|
| Craig Mason | 16,350,000 | - | 1,810,383 | 1,500,000 | 5,339,617 | 25,000,000 |
| Alison Sarich | 11,556,750 | - | - | 750,000 | - | 12,306,750 |
| Gavin Solomon ⁴ | 27,014,502 | - | - | - | - | 27,014,502 |
| Nick Prosser ² | 8,667,061 | - | - | - | - | 8,667,061 |
| Greg Gaunt | 1,500,000 | - | - | - | - | 1,500,000 |
| Ian Kessell ³ | - | - | - | 2,000,000 | (1,000,000) | 1,000,000 |
| James Green ⁴ | 13,728,210 | - | - | - | - | 13,728,210 |
| Marcus Ritchie ⁴ | 526,799 | - | - | - | - | 526,799 |
| | 79,343,322 | - | 1,810,383 | 4,250,000 | 4,339,617 | 89,743,322 |

¹ Other changes during the year relate to acquisitions and disposals for KMP and their related parties.

² Shareholding at date of appointment – 1 July 2021

³ Appointed Chief Operating Officer on 1 August 2020

⁴ Appointed 3 November 2021

b Fully paid ordinary shares of Complii FinTech Solutions held by each KMP

2021 – Group

| Group KMP | Balance at start of year /date of appointment Number | Received during the year as compensation Number | Received during the year on the exercise of options Number | Received during the year on conversion of performance shares Number | Other changes / resignation during the year Number ¹ | Balance at end of year Number |
|--------------------------|---|--|---|--|--|----------------------------------|
| Craig Mason | 15,661,583 | - | - | - | 688,417 | 16,350,000 |
| Alison Sarich | 11,556,750 | - | - | - | - | 11,556,750 |
| Greg Gaunt | - | 550,000 | - | - | 950,000 | 1,500,000 |
| Ian Kessell ² | - | - | - | - | - | - |
| | 27,218,333 | 550,000 | - | - | 1,638,417 | 29,406,750 |

¹ Other changes during the year relate to acquisitions and disposals for KMP and their related parties.

² Appointed Chief Operating Officer on 1 August 2020

Remuneration report (audited) continued

c Fully paid performance Rights of Complii FinTech Solutions held by each KMP

2022 – Group

| Group KMP | Balance at start of year Number | Granted as Remuneration during the year Number | Converted during the year Number | Other changes during the year ¹ Number | Balance at end of year Number | Vested and convertible Number | Not Vested Number |
|-----------------------------|------------------------------------|---|-------------------------------------|--|----------------------------------|----------------------------------|----------------------|
| Craig Mason | 18,500,000 | - | (1,500,000) | - | 17,000,000 | 8,000,000 | 9,000,000 |
| Alison Sarich | 6,750,000 | - | (750,000) | - | 6,000,000 | 3,000,000 | 3,000,000 |
| Gavin Solomon ³ | - | 1,800,000 | - | - | 1,800,000 | - | 1,800,000 |
| Greg Gaunt | - | - | - | - | - | - | - |
| Nick Prosser ² | - | - | - | - | - | - | - |
| Ian Kessell | 4,000,000 | - | (2,000,000) | - | 2,000,000 | 500,000 | 1,500,000 |
| James Green ³ | - | 1,800,000 | - | - | 1,800,000 | - | 1,800,000 |
| Marcus Ritchie ³ | - | 4,500,000 | - | - | 4,500,000 | 1,500,000 | 3,000,000 |
| | 29,250,000 | 8,100,000 | (4,250,000) | | 33,100,000 | 13,000,000 | 20,100,000 |

¹ Other changes during the year relate to acquisitions and disposals for KMP and their related parties.

² Appointed – 1 July 2021

³ Appointed 3 November 2021

d Fully paid performance Rights of Complii FinTech Solutions held by each KMP

2021 – Group

| Group KMP | Balance at start of year Number | Granted as Remuneration during the year Number | Converted during the year Number | Other changes during the year ¹ Number | Balance at end of year Number | Vested and convertible Number | Not Vested Number |
|---------------------------|------------------------------------|---|-------------------------------------|--|----------------------------------|----------------------------------|----------------------|
| Craig Mason | - | 18,500,000 | - | - | 18,500,000 | 1,500,000 | 17,000,000 |
| Alison Sarich | - | 6,750,000 | - | - | 6,750,000 | 750,000 | 6,000,000 |
| Greg Gaunt | - | - | - | - | - | - | - |
| Nick Prosser ³ | - | - | - | - | - | - | - |
| Ian Kessell ² | - | - | - | - | 4,000,000 | 1,200,000 | 2,800,000 |
| | - | 29,250,000 | - | - | 29,250,000 | 3,450,000 | 25,800,000 |

¹ Other changes during the year relate to acquisitions and disposals for KMP and their related parties.

² Appointed Chief Operating Officer on 1 August 2020

³ Appointed – 1 July 2021

Remuneration report (audited) continued

e Options in Complii FinTech Solutions held by each KMP

2022 – Group

| Group KMP | Balance at start of year Number | Granted as Remuneration during the year Number | Converted during the year Number | Other changes during the year Number | Balance at end of year Number | -Vested and convertible Number | Not Vested Number |
|-----------------------------|------------------------------------|---|-------------------------------------|---|----------------------------------|-----------------------------------|----------------------|
| Craig Mason | 9,135,922 | - | (1,810,383) | - | 7,325,539 | - | - |
| Alison Sarich | 6,741,438 | - | - | - | 6,741,438 | - | - |
| Gavin Solomon ¹ | 9,519,396 | - | - | - | 9,519,396 | - | - |
| Greg Gaunt | - | - | - | - | - | - | - |
| Nick Prosser ² | 5,055,785 | - | - | - | 5,055,785 | - | - |
| Ian Kessell | - | - | - | - | - | - | - |
| James Green ¹ | 4,837,559 | - | - | - | 4,837,559 | - | - |
| Marcus Ritchie ¹ | 185,634 | - | - | - | 185,634 | - | - |
| | 35,475,734 | - | (1,810,383) | - | 33,665,351 | - | - |

¹ Shareholding at date of appointment – 3 November 2021

² Shareholding at date of appointment – 1 July 2021

f Options in Complii FinTech Solutions held by each KMP

2021 – Group

| Group KMP | Balance at start of year Number | Granted as Remuneration during the year Number | Converted during the year Number | Other changes during the year ¹ Number | Balance at end of year Number | Vested and convertible Number | Not Vested Number |
|---------------------------|------------------------------------|---|-------------------------------------|--|----------------------------------|----------------------------------|----------------------|
| Craig Mason | - | - | - | 9,135,922 | 9,135,922 | - | - |
| Alison Sarich | - | - | - | 6,741,438 | 6,741,438 | - | - |
| Greg Gaunt | - | - | - | - | - | - | - |
| Nick Prosser ¹ | - | - | - | 5,055,785 | 5,055,785 | - | - |
| Ian Kessell | - | - | - | - | - | - | - |
| | - | - | - | 20,933,145 | 20,933,145 | - | - |

¹ Shareholding at date of appointment – 1 July 2021

15.7 Other transaction with KMP and related parties

There have been no other transactions other than those described in the tables above relating to options, rights and shareholdings and detailed in note 14.1.



Craig Mason
Executive Chairman

Dated this Thursday 18 August 2022

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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 audit of the financial statements of Complii Fintech Solutions Ltd for the financial year ended 30 June 2022, 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 audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 18th day of August 2022
Perth, Western Australia

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FINANCIAL REPORT

Financial report

for the year ended 30 June 2022

Consolidated statement of profit or loss and other comprehensive income

| | Note | 2022 \$ | 2021 \$ |
|--|---|----------------|--------------------|
| Revenue | 1.1 | 8,642,969 | 2,024,663 |
| Other income | 1.2 | 326,474 | 122,778 |
| Research and development grant | | 942,080 | 573,917 |
| | | 9,911,523 | 2,721,358 |
| Consulting fees | | (268,711) | (253,413) |
| Corporate secretarial fees | | (134,024) | (194,847) |
| Depreciation and amortisation | | (211,703) | (42,319) |
| Employment costs | 2.1 | (4,790,200) | (2,935,477) |
| Finance costs | | (15) | (50,506) |
| Acquisition transaction costs | 11.1.3 | - | (1,866,703) |
| Legal expenses | | (519,775) | (257,728) |
| Licensing Fees | | (1,456,254) | (254,271) |
| Occupancy costs | | (33,595) | (16,645) |
| Professional fees | | (254,262) | (125,241) |
| Share-based payments expense | 17.1 | (627,959) | (256,739) |
| Other Employment Costs | | (319,100) | (297,777) |
| Travel and Entertainment | | (25,190) | (19,503) |
| Other Expenses | | (1,155,798) | (344,429) |
| Profit/(Loss) before tax | | 114,937 | (4,194,240) |
| Income tax expense | 4.1 | - | - |
| Net profit/(loss) for the year | | 114,937 | (4,194,240) |
| | Net loss on equity instruments designated at fair value through other comprehensive income | (86,756) | - |
| Other comprehensive income | Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods | (86,756) | - |
| | Other comprehensive income/(loss) for the year, net of tax | (86,756) | - |
| | Total comprehensive income for the year, net of tax | 28,181 | - |
| Total comprehensive income attributable to | Non-controlling interest | - | - |
| | Owners of the parent | 28,181 | (4,194,240) |
| Earnings per share | Basic earnings per share | 16.4 | 0.03 |
| | Diluted earnings per share | 16.4 | 0.02 |
| | | | (2.38) |
| | | | N/A |

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

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Financial report continued

for the year ended 30 June 2022

Consolidated statement of profit or loss and other comprehensive income

| | Note | 2022 \$ | 2021 \$ | |
|----------------------------------|--------------------------------------|------------------|-------------------|------------------|
| Current assets | Cash and cash equivalents | 5.1 | 5,736,421 | 3,998,180 |
| | Trade and other receivables | 5.2.1 | 183,448 | 171,087 |
| | Other assets | 5.3.1 | 333,371 | 60,561 |
| | Total current assets | | 6,253,240 | 4,229,828 |
| Non-current assets | Property, plant, and equipment | 6.1 | 36,608 | 30,964 |
| | Other assets | 5.3.2 | 160,504 | - |
| | Financial assets | 5.5.1 | 73,748 | - |
| | Intangible assets | 6.2 | 6,220,682 | 7,639 |
| | Right-of-use Assets | 6.5.2 | 643,854 | 106,637 |
| Total non-current assets | | 6,974,892 | 145,240 | |
| All assets | Total assets | | 13,228,132 | 4,375,068 |
| Current liabilities | Trade and other payables | 5.4 | 912,703 | 432,797 |
| | Financial liabilities | 5.5 | 242,155 | 1,965 |
| | Provisions | 6.4 | 331,818 | 169,291 |
| | Lease Liabilities | 6.5 | 266,678 | 123,445 |
| | Total current liabilities | | 1,753,354 | 727,498 |
| Non - current liabilities | Provisions | 6.4 | 125,958 | 39,876 |
| | Lease liabilities | 6.5 | 384,458 | - |
| | Total non-current liabilities | | 510,416 | 39,876 |
| Total liabilities | | 2,263,770 | 767,374 | |
| All liabilities | Net (liabilities) / assets | | 10,964,362 | 3,607,694 |
| Equity | Issued capital | 7.1 | 20,427,265 | 14,382,790 |
| | Reserves | 7.4 | 1,704,807 | 507,551 |
| | Accumulated losses | | (11,167,710) | (11,282,647) |
| | Total equity | | 10,964,362 | 3,607,694 |

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

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Financial report continued

for the year ended 30 June 2022

Consolidated statement of changes in equity

| | Note | Issued Capital \$ | Share-based Payments Reserve \$ | Financial assets at FVOCI Reserve \$ | Accumulated Losses \$ | Total \$ |
|---|------------|-------------------------|--|---|-----------------------------|-------------|
| Balance at 1 July 2020 | | 5,441,323 | 437,071 | - | (7,341,334) | (1,462,940) |
| Loss for the year attributable owners of the parent | | - | - | - | (4,194,240) | (4,194,240) |
| Other comprehensive income for the year attributable owners of the parent | | - | - | - | - | - |
| Total comprehensive income for the year attributable owners of the parent | | - | - | - | (4,194,240) | (4,194,240) |
| Transaction with owners, directly in equity | | | | | | |
| Shares issued during the year | 7.1 | 8,941,467 | - | - | - | 8,941,467 |
| Share Based Payment Expense | 7.2 | - | 256,741 | - | - | 256,741 |
| Reversal of lapsed options | 7.3 | - | (252,927) | - | 252,927 | - |
| Options granted during the year | 7.3 | - | 66,666 | - | - | 66,666 |
| Balance at 30 June 2021 | | 14,382,790 | 507,551 | - | (11,282,647) | 3,607,694 |
| Balance at 1 July 2021 | | 14,382,790 | 507,551 | - | (11,282,647) | 3,607,694 |
| Profit/(Loss) for the year attributable owners of the parent | | - | - | - | 114,937 | 114,937 |
| Other comprehensive income for the year attributable owners of the parent | | - | - | (86,756) | - | (86,756) |
| Total comprehensive income for the year attributable owners of the parent | | - | - | (86,756) | 114,937 | 28,181 |
| Transaction with owners, directly in equity | | | | | | |
| Shares issued during the year | 7.1 | 6,075,000 | - | - | - | 6,075,000 |
| Share Based Payment Expense | 7.2 | - | 627,959 | - | - | 627,959 |
| Options issued | 7.3 | - | 848,900 | - | - | 848,900 |
| Share Buy Back | 7.1 | (126,979) | - | - | - | (126,979) |
| Options exercised | 7.1 | 241,740 | (16,666) | - | - | 225,074 |
| Performance Rights issued during the period | 7.1 7.2 | 176,181 | (176,181) | - | - | - |
| Transaction Costs | 7.1 | (321,467) | - | - | - | (321,467) |
| Balance at 30 June 2022 | | 20,427,265 | 1,791,563 | (86,756) | (11,167,710) | 10,964,362 |

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

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Financial report continued

for the year ended 30 June 2022

Consolidated statement of cash flows

| | Note | 2022 \$ | 2021 \$ |
|---|---|------------------|------------------|
| Cash flows from operating activities | Receipts from customers | 8,946,993 | 2,098,340 |
| | Payments to suppliers and employees | (8,895,126) | (4,704,419) |
| | Interest received | 1,906 | 4,150 |
| | R&D tax refund | 942,080 | 573,917 |
| | Net cash used in operating activities | 5.1.3 | 995,853 |
| Cash flows from investing activities | Payment for non-current assets | (98,800) | - |
| | Purchase of property, plant and equipment | (24,335) | (24,047) |
| | Acquisition of subsidiary, net of cash acquired | 663,642 | 26,025 |
| | Net cash provided by investing activities | | 540,507 |
| Cash flows from financing activities | Proceeds from borrowings | 242,155 | 205,000 |
| | Repayment of borrowings | (7,885) | (398,413) |
| | Repayment of lease liabilities(principal) | (187,259) | (108,740) |
| | Share Buy Back | (70,203) | - |
| | Costs for share issue | - | (825,717) |
| | Proceeds from share issue | | 225,073 |
| Net decrease in cash and cash equivalents held | | 201,881 | 5,872,130 |
| Net(decrease)/ increase in cash held | | 1,738,241 | 3,846,096 |
| Cash and cash equivalents at the beginning of the year | | 3,998,180 | 152,084 |
| Cash and cash equivalents at the end of the year | | 5,736,421 | 3,998,180 |

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

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Notes to the consolidated financial statements

for the year ended 30 June 2022

Significant accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-significant are not included in the financial statements.

The financial report is presented in Australian dollars, except where otherwise stated.

Section A How the numbers are calculated

This section provides additional information about those individual line items in the financial statements that the directors consider most relevant in the context of the operations of the entity, including:

- a accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction.
- b analysis and sub-totals.
- c information about estimates and judgements made in relation to particular items.

Note 1

Revenue and other income

| 1.1 Revenue | 2022 | 2021 |
|--------------------|-------------|-------------|
| | \$ | \$ |
| Licence Fees | 1,839,659 | 1,260,602 |
| Service Fees | 6,803,310 | 764,061 |
| | 8,642,969 | 2,024,663 |

| 1.2 Other Income | 2022 | 2021 |
|-------------------------|-------------|-------------|
| | \$ | \$ |
| Interest income | 1,906 | 1,025 |
| Sundry income | 324,568 | 121,753 |
| | 326,474 | 122,778 |

1.3 Accounting policy

1.3.1 Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step process outlined in AASB 15 which is as follows:

- Step 1:** Identify the contract with a customer;
- Step 2:** Identify the performance obligations in the contract and determine at what point they are satisfied;
- Step 3:** Determine the transaction price;
- Step 4:** Allocate the transaction price to the performance obligations; and
- Step 5:** Recognise the revenue as the performance obligations are satisfied.

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied, i.e. when the control of the goods or services underlying the particular performance obligation is transferred to the customer. A performance obligation is a promise to transfer a distinct goods or service (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's customary business practices.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

The Company provides software to support the Financial services industry under agreed fee based contracts. Revenue is recognised based on the actual service provided to the end of the reporting period. Revenue is recognised in the amount to which services have been rendered at a point in time. Customers are invoiced monthly and consideration is payable when invoiced.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as sales taxes or services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome.

If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract. Revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

- i the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- ii the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

1.3.2 Interest income

Interest revenue is recognised in accordance with note 3.1 Finance income and expenses.

Note 2

Profit/(Loss) before income tax

The following significant revenue and expense items are relevant in explaining the financial performance:

| 2.1 Employment costs | 2022 \$ | 2021 \$ |
|--|------------|------------|
| Directors' fees | 272,572 | 231,183 |
| Increase in employee benefits provisions | 119,641 | 75,905 |
| Superannuation expenses | 350,751 | 204,895 |
| Wages and salaries | 3,763,922 | 2,354,618 |
| Payroll tax expense | 132,752 | 64,916 |
| Other employment related costs | 150,562 | 3,960 |
| | 4,790,200 | 2,935,477 |

| 2.2 Other expenses | 2022 \$ | 2021 \$ |
|--------------------|------------|------------|
| Advertising | 151,423 | 42,979 |
| Computer expenses | 93,802 | 15,382 |
| Insurance | 140,346 | 58,411 |
| Rebate commissions | 167,894 | 19,886 |
| Other expenses | 602,332 | 207,771 |
| | 1,155,798 | 344,429 |

2.1.1 Accounting policy

a Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

b Other long-term benefits

The Group's obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

The discount rate is the Reserve Bank of Australia's cash rate at the report date that have maturity dates approximating the terms of the Company's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

c Retirement benefit obligations: defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

d Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the costs include termination benefits.

In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

e Equity-settled compensation

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

Note 3 **Other significant accounting policies related to items of profit and loss**

3.1 Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

Foreign currency gains and losses are reported on a net basis.

Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 4 Income tax

4.1 Income tax (benefit) / expense

| | 2022 | 2021 |
|--------------|------|------|
| | \$ | \$ |
| Current tax | - | - |
| Deferred tax | - | - |

4.2 Reconciliation of income tax expense to prima facie tax payable

The prima facie tax payable/(benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:

| | 2022 | 2021 |
|--|-----------|-------------|
| | \$ | \$ |
| Accounting loss before tax | 114,937 | (4,194,240) |
| Prima facie tax on operating loss at 25% (2021: 26%) | 28,734 | (1,090,502) |
| Add / (Less) tax effect of: | | |
| • Non-deductible expenses | 159,964 | 554,560 |
| • Non-assessable income | (235,520) | (162,218) |
| • Temporary differences not recognised | 46,822 | 698,160 |
| • Effect of change in corporate tax rate | - | - |
| Income tax expense attributable to operating loss | - | - |

4.3 Accounting policy

The income tax expense or benefit for the period is the tax payable on the current year's taxable income (loss) based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge (benefit) is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax is provided on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at the end of the reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit and loss and other comprehensive income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Complii FinTech Solutions and its wholly owned Australian controlled entities have formed an income tax consolidated group under tax consolidation legislation, Primary Markets joined the tax consolidated group during the year. Complii FinTech Solutions is the head entity of the tax consolidated group. Members of the group are taxed as a single entity and the deferred tax assets and liabilities of the entities are set-off in the consolidated financial statements.

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates consider both the financial performance and position of the company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

Note 5 Financial assets and financial liabilities

5.1 Cash and cash equivalents

| | 2022 \$ | 2021 \$ |
|--------------|------------|------------|
| Cash at bank | 5,736,421 | 3,998,180 |
| | 5,736,421 | 3,998,180 |

5.1.1 Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

| | 2022 \$ | 2021 \$ |
|---------------------------|------------|------------|
| Cash and cash equivalents | 5,736,421 | 3,998,180 |
| | 5,736,421 | 3,998,180 |

5.1.2 The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 8 Financial risk management.

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for the year ended 30 June 2022

5.1.3 Cash flow information

a Reconciliation of cash flow from operations to loss after income tax

| | 2022 \$ | 2021 \$ |
|---|------------|-------------|
| Profit/(Loss) after income tax | 114,937 | (4,194,240) |
| Non-cash flows in (loss)/ profit from ordinary activities: | | |
| • Depreciation and amortisation | 33,971 | 42,319 |
| • Acquisition transaction costs | - | 1,866,703 |
| • Borrowing Costs | - | 60,017 |
| • Bad debts | 25,538 | - |
| • Share based payments | 627,959 | 256,748 |
| • Right of use assets | 177,733 | 117,591 |
| Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries: | | |
| • Decrease/(increase) in receivables | (20,544) | (44,955) |
| • Decrease/(increase) in prepayments and other assets | (261,441) | (30,771) |
| • Decrease/(increase) in unearned revenue | - | 6,133 |
| • Increase/(decrease) in trade and other payables | 178,058 | (155,740) |
| • Movement in provisions | 119,642 | 48,183 |
| Cash flow (used in)/ generated from operations | 995,853 | (2,028,012) |

b Credit and loan standby arrangement with banks.

The Group has no credit standby facilities.

c Non-cash investing and financing activities

Refer to note 11.1.3 for the reverse acquisition.

5.1.4 Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short borrowings in current liabilities on the Statement of financial position.

5.2 Trade and other receivables

5.2.1 Current

| | Note | 2022 \$ | 2021 \$ |
|------------------------------|-------|----------------|----------------|
| Trade receivable | 5.2.3 | 122,800 | 79,210 |
| Provision for Doubtful Debts | | (1,792) | (1,914) |
| Accrued Revenue | | 28,919 | - |
| Other receivables | 5.2.4 | 33,521 | 93,791 |
| Total | | 183,448 | 171,087 |

5.2.2 The Group's exposure to credit rate risk

Is disclosed in note 8 Financial risk management.

5.2.3 The average credit period on sales of goods and rendering of services is 30 days.

Interest is not charged. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Group and the customer or counter party to the transaction.

5.2.4 Other receivables are non-interest bearing and expected to be received within 30 days.

5.2.5 Accounting policy

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known

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significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the consolidated statement of profit or loss and other comprehensive income. Collectability of trade and other receivables are reviewed on an ongoing basis. An impairment loss is recognised for debts which are known to be uncollectible. An impairment provision is raised for any doubtful amounts (see also note 5.7.1d).

The amount of the impairment loss is recognised in the statement of profit or loss and other comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

5.3 Other assets

| 5.3.1 Current | Note | 2022 \$ | 2021 \$ |
|----------------------|------|------------|------------|
| Prepayments | | 327,436 | 54,450 |
| Other current assets | | 5,935 | 6,111 |
| | | 333,371 | 60,561 |

5.4 Trade and other payables

| 5.4.1 Current | Note | 2022 \$ | 2021 \$ |
|-----------------------------|-------|------------|------------|
| Unsecured | | - | - |
| Trade payables | 5.4.2 | 454,712 | 171,993 |
| Accruals | | 130,065 | 19,720 |
| Other Creditors | | 57,331 | 204,817 |
| Employment related payables | | 241,428 | 26,634 |
| Unearned Revenue | | 29,167 | 9,633 |
| | | 912,703 | 432,797 |

5.4.2 Trade payables

Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

5.4.3 The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 8 Financial risk management

5.4.4 Accounting policy

a Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

5.5 Financial assets

| 5.5.1 Non-Current | Note | 2022 \$ | 2021 \$ |
|------------------------|---------|------------|------------|
| Fair value through OCI | Level 1 | 19,044 | - |
| | Level 2 | 54,704 | - |
| | | 73,748 | - |

The above investments are Level 1 and financial assets. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from other than quoted prices included with level 1 that are observable for the assets or liabilities either directly or indirectly.

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5.5.2 Financial liabilities

| | 2022 | 2021 |
|-----------------|---------|-------|
| Current | \$ | \$ |
| Unsecured | | |
| Premium Funding | 242,155 | 1,965 |
| | 242,155 | 1,965 |

5.6 Accounting policy

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

5.7 Other significant accounting policies related to financial assets and liabilities

5.7.1 Investments and other financial assets

a Classification

The group classifies its financial assets in the following measurement categories:

- › those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- › those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group reclassifies debt investments when and only when its business model for managing those assets changes.

b Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

c Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

i Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- › **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss
- › **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

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- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

ii Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d Impairment

The group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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for the year ended 30 June 2022

Note 6

Non-financial assets and financial liabilities

6.1 Property, plant, and equipment

| | | Plant and Equipment | Leasehold Improvements | Total |
|--------------------------------|----------------------------------|------------------------|---------------------------|---------|
| | | \$ | \$ | \$ |
| Cost or valuation | At 1 July 2020 | 58,228 | 5,950 | 64,178 |
| | Additions | 26,139 | - | 26,139 |
| | At 30 June 2021 | 84,367 | 5,950 | 90,317 |
| | Additions | 23,657 | 678 | 24,335 |
| | Acquisition of a subsidiary | 1,167 | - | 1,167 |
| | At 30 June 2022 | 109,191 | 6,628 | 115,819 |
| Depreciation and Impairment | At 1 July 2020 | 45,544 | 185 | 45,729 |
| | Depreciation for the year | 13,476 | 148 | 13,624 |
| | At 30 June 2021 | 59,020 | 333 | 59,353 |
| | Depreciation charge for the year | 19,697 | 161 | 19,858 |
| | At 30 June 2022 | 78,717 | 494 | 79,211 |
| Net book value | At 30 June 2021 | 25,347 | 5,617 | 30,964 |
| | At 30 June 2022 | 30,474 | 6,134 | 36,608 |

6.2 Intangible assets and goodwill

| | | Platform & Software Development | Licence Establishment | Goodwill | Total |
|--------------------------------|----------------------------------|---------------------------------------|--------------------------|-----------|-----------|
| | | \$ | \$ | \$ | \$ |
| Cost or valuation | At 1 July 2020 | 1,473,695 | - | - | 1,473,695 |
| | Additions | - | - | - | 0 |
| | At 30 June 2021 | 1,473,695 | - | - | 1,473,695 |
| | Prior year Adjustment | - | 28,837 | - | 28,837 |
| | Acquisition of a subsidiary | - | - | 6,205,528 | 6,205,528 |
| | At 30 June 2022 | 1,473,695 | 28,837 | 6,205,528 | 7,708,060 |
| Depreciation and Impairment | At 1 July 2020 | 1,435,268 | - | - | 1,435,268 |
| | Depreciation for the year | 30,788 | - | - | 30,788 |
| | At 30 June 2021 | 1,466,056 | - | - | 1,466,056 |
| | Depreciation charge for the year | 6,904 | 7,209 | - | 14,113 |
| | Prior year Adjustment | - | 7,209 | - | 7,209 |
| | At 30 June 2022 | 1,472,960 | 14,418 | - | 1,487,378 |
| Net book value | At 30 June 2021 | 7,639 | - | - | 7,639 |
| | At 30 June 2022 | 735 | 14,419 | 6,205,528 | 6,220,682 |

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6.3 Other significant accounting policies related to non-financial assets and liabilities

6.3.1 Software development

Software development costs are capitalised when incurred. They have a finite life and are carried at cost less any accumulated amortisation & impairment. Software development costs are amortised over 4 years and are assessed for impairment when an impairment trigger event occurs.

6.3.2 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (see accounting policy at note 4.4) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

6.4 Provisions

6.4.1 Current

| | Note | 2022 \$ | 2021 \$ |
|-------------------------------------|-------|------------|------------|
| Provision for employee entitlements | 6.4.3 | 331,818 | 169,291 |
| | | 331,818 | 169,291 |

6.4.2 Non-current

| | Note | 2022 \$ | 2021 \$ |
|-------------------------------------|-------|------------|------------|
| Provision for employee entitlements | 6.4.3 | 125,958 | 39,876 |
| | | 125,958 | 39,876 |

6.4.3 Description of provisions

Provision for employee benefits represents amounts accrued for annual leave (AL) and long service leave (LSL). The current portion for this provision includes the total amount accrued for AL entitlements and the amounts accrued for LSL entitlements that have vested due to employees having completed the required period of service. The Group does not expect the full amount of AL or LSL balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

6.4.4 Accounting policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

6.5 Lease liabilities

6.5.1 Current operating lease commitments

– group as a lessee

| | Current | |
|----------------------------|---------|---------|
| | 2022 | 2021 |
| | \$ | \$ |
| a Lease Liabilities | 266,678 | 123,445 |
| Lease Liabilities | 266,678 | 123,445 |

6.5.2 Non-current operating lease commitments

– group as a lessee

| | Non-Current | |
|------------------------------|-------------|----------|
| | 2022 | 2021 |
| | \$ | \$ |
| a Right of use assets | 712,546 | 174,348 |
| Accumulated depreciation | (68,692) | (67,711) |
| | 643,854 | 106,637 |
| b Lease Liabilities | 384,458 | - |
| Lease Liabilities | 384,458 | - |

6.5.3 Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

| | 2022 | 2021 |
|---------------------------------------|---------|---------|
| | \$ | \$ |
| Interest expense on lease liabilities | 14,810 | 7,604 |
| Depreciation of right-of-use assets | 162,923 | 109,986 |
| | 177,733 | 117,590 |

6.5.4 Leases

The Company as lessee

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (i.e., a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expenses on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date and any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 7

Issued capital

| | 2022 Number | 2021 Number | 2022 \$ | 2021 \$ |
|--|----------------|----------------|------------|------------|
| Fully paid ordinary shares at no par value | 417,411,157 | 299,153,562 | 20,427,265 | 14,382,790 |

7.1 Ordinary shares

| | 2022 Number | 2021 Number | 2022 \$ | 2021 \$ |
|---|----------------|-----------------|------------|--------------|
| At the beginning of the year | | | | |
| Shares issued during the year: | 299,153,562 | 77,235,255 | 14,382,790 | 5,441,324 |
| Issue of shares on acquisition of PrimaryMarkets | 105,000,000 | - | 5,775,000 | - |
| Facilitation Shares | 6,000,000 | - | 300,000 | - |
| Complii Director shares | 4,250,000 | - | 176,181 | - |
| Exercise of Options | 4,501,464 | - | 241,740 | - |
| Unmarketable parcel buy-back at \$0.085 | (1,493,869) | - | (126,979) | - |
| Complii Salary Shares | - | 306,249 | - | 18,375 |
| Complii Director Shares * | - | 1,250,000 | - | - |
| Complii Employee Shares | - | 963,275 | - | 38,531 |
| Complii Loan Conversion Shares | - | 19,957,413 | - | 1,197,445 |
| Balance before reverse acquisition | 417,411,157 | 99,712,192 | 20,748,732 | 6,695,674 |
| Elimination of Complii Issued Share Capital | - | (99,712,192) | - | - |
| Shares of legal acquirer at acquisition date | - | 1,936,136,913 | - | 46,201,072 |
| Share consolidation (Ratio 80:1) | - | (1,911,934,550) | - | - |
| Elimination of Intiger Issued capital on acquisition | - | - | - | (46,201,072) |
| Issue of Securities under the takeover offer ** and *** | - | 123,878,773 | - | 1,208,935 |
| Public Offer Subscription | - | 140,000,000 | - | 7,000,000 |
| Facilitation Shares | - | 5,000,000 | - | 250,000 |
| Convertible note Shares | - | 5,000,000 | - | 200,000 |
| Interest Shares | - | 213,698 | - | 8,548 |
| Director Fee Shares | - | 550,000 | - | 27,500 |
| Placement Fee Shares | - | 187,500 | - | 9,375 |
| Issue of Securities under the takeover Offer ** and *** | - | 121,228 | - | 1,183 |
| Convertible Note Adjustment | - | - | - | 66,666 |
| Transaction costs relating to share issues | - | - | (321,467) | (1,085,092) |
| At reporting date | 417,411,157 | 299,153,562 | 20,427,265 | 14,382,790 |

* Shares Issued during the current year. These shares were paid for prior to the start of the financial year.

** There were a further 121,228 ordinary shares issued under the Takeover Offer on 22 January 2021.

*** In accordance with reverse asset acquisition accounting principles the consideration is deemed to have been incurred by Complii in the form of equity instruments issued to Shareholders. The acquisition date fair value of this consideration has been determined with reference to the fair value of the issued shares of Intiger immediately prior to the acquisition and has been determined to be \$1,210,118 based on 24,202,363 Shares (on a post-Consolidation basis) on a value of \$0.05 per Share, being the issue price under the Public Offer. As a result, transaction costs of \$1,866,703 have been determined being the difference between the consideration and the fair value of net assets of Intiger (Refer Note 11.1.3 for further details)

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7.1.1 Accounting policy

Ordinary issued capital is recorded at the consideration received. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

7.2 Performance rights

| | 2022 Number | 2021 Number | 2022 \$ | 2021 \$ |
|---|----------------|----------------|------------|------------|
| Performance rights | 35,346,411 | 29,250,000 | 708,517 | 256,739 |
| At the beginning of the period | 29,250,000 | - | 256,739 | - |
| Performance shares issued/(lapsed) during the year: | | | | |
| Issued to Directors – Alison Sarich | - | 6,750,000 | 98,669 | 58,889 |
| Issued to Directors – Craig Mason | - | 18,500,000 | 255,212 | 147,235 |
| Issued to KMP – Ian Kessell | - | 4,000,000 | 58,510 | 50,615 |
| Issued to employees | 1,346,411 | - | 56,110 | - |
| Issued on acquisition of PrimaryMarkets | | | | |
| Issued to Directors – Gavin Solomon | 1,800,000 | - | 13,294 | - |
| Issued to Nicholas Capp | 900,000 | - | 6,647 | - |
| Issued to James Green | 1,800,000 | - | 13,294 | - |
| Issued to Marcus Ritchie | 4,500,000 | - | 126,223 | - |
| Exercised | (3,450,000) | - | (176,181) | - |
| At reporting date | 35,346,411 | 29,250,000 | 708,517 | 256,739 |

Performance shares may be issued to executives as part of their remuneration. The performance shares are issued to encourage goal alignment between executives, directors and shareholders. The issue of Performance Shares (on a post-Consolidation basis) to the Directors and Key Management in order to link part of the remuneration and performance paid to specific criteria, namely the achievement of specific milestones, include a market-linked incentive component in their remuneration package or fees payable (as applicable), motivate and reward the successful performance of the Directors and Key Management in their respective roles in managing the operation and strategic direction of the Company.

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Rights vesting conditions

The vesting conditions for the Performance Rights are:

Tranche 1 Performance Rights will vest at the earlier of 1 July 2021 and on termination by the Company, except for cause.

Tranche 2 Performance Rights will vest at the earlier of 1 January 2022 and on termination by the Company, except for cause.

Class A The Complii Group achieving a minimum of a 15% increase in group revenue from the financial year ended 30 June 2020 to the financial year ending 30 June 2021, as independently verified by the Company's auditors.

Class B The Company Group achieving a minimum of a 15% increase in group revenue from the financial year ending 30 June 2021 to the financial year ending 30 June 2022, as independently verified by the Company's auditors.

Class C The Company Group recording positive EBIT in any of the financial years ending 30 June 2021, 30 June 2022 or 30 June 2023, as independently verified by the Company's auditors.

Class D The volume weighted average price of the Shares over 20 consecutive trading days on which the Company's Shares have actually traded (20-Day VWAP) being equal to or greater than \$0.10.

Class E The Company Group recording revenue of \$5,000,000 in any of the financial years ending 30 June 2021, 30 June 2022 or 30 June 2023, as independently verified by the Company's auditors.

Class F The 20-Day VWAP of the Company's fully paid ordinary shares being equal to or greater than \$0.15.

Class G The 20-Day VWAP of the Company's fully paid ordinary shares being equal to or greater than \$0.20.

Class H The PrimaryMarkets business achieving revenue of greater than \$2,700,000 for the financial year ending 30 June 2022, as independently verified by the Company's auditors.

Class I The PrimaryMarkets business achieving revenue of greater than \$3,150,000 for the financial year ending 30 June 2023, as independently verified by the Company's auditors.

Employee Performance Rights will vest subject to one (1) year of continuous employment from 16 September 2021 and expire on 16 September 2023.

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| Number | | Exercise Price | Expiry Date | Key management Personnel/Employees | Probability of achieving |
|--------------------|----------------|----------------|-------------|---------------------------------------|-----------------------------|
| Performance Rights | | | | | |
| Tranche 1 | Ian Kessell | \$0.05 | 30/03/2026 | 800,000 | Met & Vested |
| Tranche 2 | Ian Kessell | \$0.05 | 30/03/2026 | 800,000 | Met & Vested |
| Class A | Alison Sarich | \$0.05 | 17/09/2025 | 750,000 | Met & Vested |
| | Craig Mason | \$0.05 | 17/09/2025 | 1,500,000 | Met & Vested |
| | Ian Kessell | \$0.05 | 30/03/2026 | 400,000 | Met & Vested |
| Class B | Alison Sarich | \$0.05 | 17/09/2025 | 1,000,000 | Achieved as at FY2022, 100% |
| | Craig Mason | \$0.05 | 17/09/2025 | 2,000,000 | Achieved as at FY2022, 100% |
| | Ian Kessell | \$0.05 | 30/03/2026 | 500,000 | Achieved as at FY2022, 100% |
| Class C | Alison Sarich | \$0.05 | 17/09/2025 | 1,000,000 | Achieved as at FY2022, 100% |
| | Craig Mason | \$0.05 | 17/09/2025 | 3,000,000 | Achieved as at FY2022, 100% |
| Class D | Alison Sarich | \$0.05 | 17/09/2025 | 1,000,000 | 100% |
| | Craig Mason | \$0.05 | 17/09/2025 | 3,000,000 | 100% |
| | Ian Kessell | \$0.05 | 30/03/2026 | 500,000 | 100% |
| Class E | Alison Sarich | \$0.05 | 17/09/2025 | 1,000,000 | Achieved as at FY2022, 100% |
| | Craig Mason | \$0.05 | 17/09/2025 | 3,000,000 | Achieved as at FY2022, 100% |
| | Alison Sarich | \$0.05 | 17/09/2025 | 1,000,000 | 100% |
| Class F | Craig Mason | \$0.05 | 17/09/2025 | 3,000,000 | 100% |
| | Ian Kessell | \$0.05 | 30/03/2026 | 500,000 | 100% |
| | Gavin Solomon | \$0.00 | 31/12/2023 | 900,000 | 100% |
| | Nicholas Capp | \$0.00 | 31/12/2023 | 450,000 | 100% |
| | James Green | \$0.00 | 31/12/2023 | 900,000 | 100% |
| | Marcus Ritchie | \$0.00 | 31/12/2023 | 750,000 | 100% |
| | Alison Sarich | \$0.05 | 17/09/2025 | 1,000,000 | 100% |
| Class G | Craig Mason | \$0.05 | 17/09/2025 | 3,000,000 | 100% |
| | Ian Kessell | \$0.05 | 30/03/2026 | 500,000 | 100% |
| | Gavin Solomon | \$0.00 | 31/12/2023 | 900,000 | 100% |
| | Nicholas Capp | \$0.00 | 31/12/2023 | 450,000 | 100% |
| | James Green | \$0.00 | 31/12/2023 | 900,000 | 100% |
| | Marcus Ritchie | \$0.00 | 31/12/2023 | 750,000 | 100% |
| | Alison Sarich | \$0.05 | 17/09/2025 | 1,000,000 | 100% |
| Class H | Marcus Ritchie | \$0.00 | 03/11/2026 | 1,500,000 | 100% |
| Class I | Marcus Ritchie | \$0.00 | 03/11/2026 | 1,500,000 | 100% |
| Performance Rights | Employees | \$0.00 | 16/09/2023 | 1,346,411 | 100% |
| Exercised/Vested | | | | (4,250,000) | |
| | | | | 35,346,411 | |

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Values

| Performance rights | Key management personnel | Employees | Total |
|--------------------|--------------------------|---------------|------------------|
| Tranche 1 | 33,600 | - | 33,600 |
| Tranche 2 | 33,600 | - | 33,600 |
| Class A | 116,370 | - | 116,370 |
| Class B | 171,000 | - | 171,000 |
| Class C | 200,000 | - | 200,000 |
| Class D | 143,658 | - | 143,658 |
| Class E | 200,000 | - | 200,000 |
| Class F | 205,177 | - | 205,177 |
| Class G | 178,976 | - | 178,976 |
| Class H | 82,500 | - | 82,500 |
| Class I | 82,500 | - | 82,500 |
| Employee | - | 71,360 | 71,360 |
| | 1,447,381 | 71,360 | 1,518,741 |

Expensed during the period

| Performance rights | Key management personnel | Employees | Total |
|--------------------|--------------------------|---------------|----------------|
| Tranche 1 | - | - | - |
| Tranche 2 | 29,260 | - | 29,260 |
| Class A | 56,171 | - | 56,171 |
| Class B | 87,749 | - | 87,749 |
| Class C | 60,884 | - | 60,884 |
| Class D | 44,238 | - | 44,238 |
| Class E | 60,884 | - | 60,884 |
| Class F | 62,776 | - | 62,776 |
| Class G | 54,742 | - | 54,742 |
| Class H | 82,500 | - | 82,500 |
| Class I | 32,645 | - | 32,645 |
| Employee | - | 56,110 | 56,110 |
| | 571,849 | 56,110 | 627,959 |

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

7.3 Options

| | 2022 Number | 2021 Number | 2022 \$ | 2021 \$ |
|---|----------------|----------------|------------|------------|
| Options | 114,831,874 | 82,333,338 | 1,083,046 | 250,812 |
| At the beginning of the period | 82,333,338 | 5,950,000 | 250,812 | 437,071 |
| Options issued/(exercised) during the year: | | (2,000,000) | - | - |
| Elimination of existing legal acquiree options | - | - | - | - |
| 5¢ options, expiry 31.12.2022 | (2,001,464) | 30,969,696 | - | - |
| 10¢ options, expiry 31.12.2023 | | 41,292,926 | - | - |
| 5¢ options, expiry 31.12.2023 | (2,500,000) | 10,000,000 | (16,666) | 66,666 |
| Options issued/ (lapsed) during the year: | | | | |
| 5¢ options, expiry 31.12.2021 | | 30,307 | - | - |
| 10¢ options, expiry 31.12.2023 | | 40,409 | - | - |
| 7.5¢ options, expiry 03.11.2023 | 16,000,000 | - | 401,600 | - |
| 10¢ options, expiry 31.12.2023 | 21,000,000 | - | 447,300 | - |
| Lapse of options/cancellation | - | (3,950,000) | - | (252,925) |
| At reporting date | 114,831,874 | 82,333,338 | 1,083,046 | 250,812 |

7.4 Reserves

| | Note | 2022 \$ | 2021 \$ |
|-----------------------------|------|------------|------------|
| Option Reserve | 7.3 | 1,083,046 | 250,812 |
| Fair value through OCI | | (86,756) | - |
| Share-based payment reserve | 7.2 | 708,517 | 256,741 |
| | | 1,704,807 | 507,553 |

7.4.1 Share-based payment reserve

The share-based payment reserve records the value of options and performance rights issued the Company to its employees or consultants.

| | 2022 \$ | 2021 \$ |
|-----------------------------|------------|------------|
| Opening balance | 507,551 | 437,071 |
| Share based payment expense | 627,959 | 256,741 |
| Options Issued | 848,900 | - |
| Reversal of lapsed options | (16,666) | (252,927) |
| Vesting performance rights | (176,181) | - |
| Expired options | - | 66,667 |
| Closing balance | 1,791,563 | 507,551 |

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Notes to the consolidated financial statements continued

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Section B

Risk

This section of the notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

Note 8

Financial risk management

8.1 Financial risk management policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts payable and receivable. The Group does not speculate in the trading of derivative instruments.

A summary of the Group's Financial Assets and Liabilities is shown below:

| | Floating Interest Rate | Fixed Interest Rate | Non-Interest Bearing | 2022 Total | Floating Interest Rate | Fixed Interest Rate | Non-Interest Bearing | 2021 Total |
|---|------------------------|---------------------|----------------------|------------------|------------------------|---------------------|----------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial Assets | | | | | | | | |
| Cash and cash equivalents | 5,736,421 | - | - | 5,736,421 | 3,998,180 | - | - | 3,998,180 |
| Trade and other receivables | - | - | 183,448 | 183,448 | - | - | 171,087 | 171,087 |
| Total Financial Assets | 5,736,421 | - | 183,448 | 5,919,869 | 3,998,180 | - | 171,087 | 4,169,267 |
| Financial Liabilities | | | | | | | | |
| Trade and other payables | - | - | 912,703 | 912,703 | - | - | 432,797 | 432,797 |
| Lease Liabilities | - | - | 651,136 | 651,136 | - | - | 123,445 | 123,445 |
| Loan | - | 242,155 | - | 242,155 | - | 1,965 | - | 1,965 |
| Total Financial Liabilities | - | 242,155 | 1,563,839 | 1,805,994 | 1,965 | 556,242 | - | 558,207 |
| Net Financial Assets/(Liabilities) | 5,736,421 | (242,155) | (1,380,391) | 4,113,875 | 3,998,180 | (1,965) | (385,155) | 3,611,060 |

8.2 Specific financial risk exposures and management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

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Notes to the consolidated financial statements continued

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8.2.1 Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

The objective of the Group is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant. The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Credit risk exposures

The maximum exposure to credit risk is to its alliance partners and is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board's policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, where ever possible.

Impairment losses

The ageing of the Group's trade and other receivables at reporting date was as follows:

| | | Gross 2022 | Impaired 2022 | Net 2022 | Past due but not impaired 2022 |
|--------------------------|-----------------------------|-----------------------|--------------------------|---------------------|---|
| | | \$ | \$ | \$ | \$ |
| | Not past due | 100,149 | - | 100,149 | - |
| Trade receivables | Past due up to 60 days | 13,824 | (2,289) | 11,535 | - |
| | Past due 60 days to 90 days | 12,751 | (7,919) | 4,832 | - |
| | Past due over 90 days | 25,276 | (18,992) | 6,284 | - |
| Other receivables | Not past due | 33,521 | - | 33,521 | - |
| Total | | 185,521 | (29,200) | 156,321 | - |

8.2.2 Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group.

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed

conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The financial liabilities of the Group include trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

Notes to the consolidated financial statements continued

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Contractual maturities

The following are the contractual maturities of financial assets and liabilities of the Group:

| | | Within 1 Year | | Greater Than 1 Year | | Total | |
|--|-----------------------------|---------------|-----------|---------------------|------|-----------|-----------|
| | | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial liabilities due for payment | Trade and other payables | 912,703 | 432,797 | - | - | 912,703 | 432,797 |
| | Lease Liabilities | 266,678 | 123,445 | 384,458 | - | 651,136 | 123,445 |
| | Borrowings | 242,155 | 1,965 | - | - | 242,155 | 1,965 |
| Financial assets | Cash and cash equivalents | 5,736,421 | 3,998,180 | - | - | 5,736,421 | 3,998,180 |
| | Trade and other receivables | 183,448 | 171,087 | - | - | 183,448 | 171,087 |
| | Total anticipated inflows | 5,819,869 | 4,169,267 | - | - | 5,819,869 | 4,169,267 |
| Net inflow/(outflow) on financial instruments | | 4,498,333 | 3,611,060 | (384,458) | - | 4,113,875 | 3,611,060 |

8.2.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board meets on a regular basis and considers the Group's interest rate risk.

a Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Due to the low amount of debt exposed to floating interest rates, interest rate risk is not considered a high risk to the Group. Movement in interest rates on the Group's financial liabilities and assets is not material.

b Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

The Group has no material exposure to foreign exchange risk.

c Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group does not presently hold material amounts subject to price risk. As such the Board considers price risk as a low risk to the Group.

8.2.4 Sensitivity analyses

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables. Foreign exchange risk relates solely to the translation of the Group's foreign subsidiary, and as such has no effect on profit.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

| a Interest rates | Profit \$ | Equity \$ |
|--|--------------|--------------|
| Year ended 30 June 2022 | | |
| ±100 basis points change in interest rates | 5,736 | 5,736 |
| Year ended 30 June 2021 | | |
| ±100 basis points change in interest rates | 3,998 | 3,998 |

| b Foreign exchange | Profit \$ | Equity \$ |
|---|--------------|--------------|
| Year ended 30 June 2022 | | |
| ±10% of Australian dollar strengthening/weakening against the PHP | - | - |
| Year ended 30 June 2021 | | |
| ±10% of Australian dollar strengthening/weakening against the PHP | - | - |

8.2.5 Net fair values

a Fair value estimation

The fair values of financial assets and financial liabilities are presented in the table in note 8.1 and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include: Cash and cash equivalents;

- Trade and other receivables; and
- Trade and other payables.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

Note 9

Capital management

9.1 The Directors' objectives when managing capital are to ensure that the Group can maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors monitors the availability of liquid funds in order to meet its short-term commitments.

The focus of the Group's capital risk management is the current working capital position against the requirements of the Group in respect to its operations, software developments programmes, and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group were as follows:

| | 2022 \$ | 2021 \$ |
|---------------------------|-------------|------------|
| Total current assets | 6,253,240 | 4,229,828 |
| Total current liabilities | (1,753,354) | (727,498) |
| Working capital position | 4,499,886 | 3,502,330 |

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Notes to the consolidated financial statements continued

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Section C

Group structure

This section provides information which will help users understand how the group structure affects the financial position and performance of the group as a whole.

In particular, there is information about:

- a changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation
- b transactions with non-controlling interests, and
- c interests in joint operations.

A list of significant subsidiaries is provided in note 10.

Note 10

Interest in subsidiaries

10.1 Information about principal subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group and the proportion of ownership interest held equals the voting rights held by the Group. Investments in subsidiaries are accounted for at cost. Each subsidiaries country of incorporation is also its principal place of business:

| | Country of Incorporation | Class of shares | Percentage owned | |
|----------------------------------|--------------------------|-----------------|------------------|-----------|
| | | | 2022 % | 2021 % |
| Complii Pty Ltd | Australia | Ordinary | 100 | 100 |
| Intiger Asset Management Limited | Australia | Ordinary | 100 | 100 |
| Shroogle Pty Ltd | Australia | Ordinary | 100 | 100 |
| ThinkCaddie Pty Ltd | Australia | Ordinary | 100 | 100 |
| SCS Credit Services Pty Ltd | Australia | Ordinary | 100 | 100 |
| PrimaryMarkets Pty Ltd | Australia | Ordinary | 100 | - |
| Helmsec Global Capital Pty Ltd | Australia | Ordinary | 100 | - |
| PrimaryLedger Pty Ltd | Australia | Ordinary | 100 | - |
| Unlisteds Exchange Pty Ltd | Australia | Ordinary | 100 | - |
| Adviser Solutions Group Pty Ltd | Australia | Ordinary | 100 | 100 |
| Lion2 Business Process, Inc | Philippines | Ordinary | 100 | 100 |

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 11

Other significant accounting policies related to group structure

11.1 Basis of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

11.1.1 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to variable returns from another entity and has the ability to affect those returns through its power over the entity.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

11.1.2 Summary of acquisition

The following acquisition has been provisionally accounted for. On 3 November 2021, Complii FinTech Solutions Limited acquired 100% of the ordinary share capital of PrimaryMarkets Limited (PrimaryMarkets) as detailed in the bidder's statement lodged with the ASX on 22 September 2021.

The acquisition date fair value of this consideration has been determined with reference to the fair value of the issued shares of PrimaryMarkets Pty Ltd immediately prior to the acquisition and has been determined to be \$6,623,900, based on 105,000,000 shares based on a value of \$0.055 per share and 16,000,000 options based on a value of \$0.0251 per option and 21,000,000 options based on a value of \$.0213. As a result, goodwill of \$6,205,528 have been determined being the difference between the consideration and the net assets of PrimaryMarkets Pty Ltd as at the acquisition date.

Below is a summary of the consideration transferred and fair value of the assets and liabilities acquired at acquisition date.

| | \$ |
|---|---|
| Fair value of consideration transferred | 6,623,900 |
| Assets and liabilities acquired at acquisition date | Cash at bank 663,642 Current assets 28,723 Non-current assets 62,871 |
| Liabilities | (336,864) |
| Net assets acquired on acquisition | 418,372 |
| Goodwill | 6,205,528 |
| Net cash inflow arising from acquisition: | Cash consideration paid - Less; cash acquired (included in investing activities) 663,642 |
| Net cash inflow arising from acquisition | 663,642 |

From the date of acquisition PrimaryMarkets contributed \$6,127,745 in revenue and \$3,868,443 to profit before tax to the Group.

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11.1.3 Summary of acquisition

On 17 December 2020, Intiger Group Limited (to be renamed 'Complii FinTech Solutions Limited') acquired 100% of the ordinary share capital of Complii FinTech Solutions Limited (Complii) as detailed in the prospectus lodged with the ASX on 12 November 2020

In accordance with reverse asset acquisition accounting principles under AASB 3 Business Combinations, Complii is the deemed acquirer of Intiger Group Limited (renamed 'Complii FinTech Solutions Limited'), gained control of the Board and voting power by virtue of shareholdings. The consideration is deemed to have been incurred by Complii in the form of equity instruments issued to Intiger Group Limited (to be renamed 'Complii FinTech Solutions Limited') shareholders. The consolidation of these two companies is on the basis of the continuation of Complii with no fair value adjustments, whereby Complii is the accounting parent. Therefore, the most appropriate treatment for the transaction is to account for it under AASB 2 Share Based Payments, whereby Complii is deemed to have issued shares to Intiger Group Limited (renamed 'Complii FinTech Solutions Limited') shareholders in exchange for the net assets held by Intiger Group Limited (renamed 'Complii FinTech Solutions Limited').

In this instance, the value of the Intiger Group Limited (renamed 'Complii FinTech Solutions Limited') shares provided has been determined as the notional number of equity instruments that the shareholders of Complii would have had to issue to Intiger Group Limited (to be renamed 'Complii FinTech Solutions Limited') to give the owners of Complii the same percentage ownership in the combined entity.

The acquisition date fair value of this consideration has been determined with reference to the fair value of the issued shares of Intiger Group Limited (renamed 'Complii FinTech Solutions Limited') immediately prior to the acquisition and has been determined to be \$1,210,118 based on 24,202,363 shares based on a value of \$0.05 per share, being the issue price under the Prospectus. As a result, transaction costs of \$1,866,703 have been determined being the difference between the consideration and the fair value of net assets of Intiger Group Limited (renamed 'Complii FinTech Solutions Limited') as at the acquisition date.

Below is a summary of the consideration transferred and fair value of the assets and liabilities acquired at acquisition date.

| | | \$ |
|---|---------------------------|------------------|
| Fair value of consideration transferred | | 1,210,118 |
| Fair value of assets and liabilities held at acquisition date (Intiger Group Limited) | Cash at bank | 26,025 |
| | Current assets | 92,879 |
| | Non-current assets | 11,179 |
| Liabilities | | (786,668) |
| Fair value of net liabilities assumed on acquisition | | (656,585) |
| Excess deemed consideration on acquisition transaction expense | | 1,866,703 |

11.1.4 Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained in note 10 Interest In Subsidiaries of the financial statements.

11.1.5 Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

11.1.6 Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Section D Unrecognised items

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 12 Contingent liabilities

There are no other contingent liabilities as at 30 June 2022 (2021: Nil).

Section E Other information

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Note 13 Key Management Personnel (KMP) compensation

13.1 The names and positions of KMP are as follows:

| | |
|-------------------|--|
| Mr Craig Mason | Executive Chairman |
| Ms Alison Sarich | Managing Director |
| Mr Gavin Solomon | Executive Director Appointed 3 November 2021 |
| Mr Greg Gaunt | Non-Executive Director |
| Mr Nick Prosser | Non-Executive Director Appointed 1 July 2021 |
| Mr Ian Kessell | Chief Operating Officer Appointed 1 August 2020) |
| Mr Marcus Ritchie | Chief Executive Officer - PrimaryMarkets Appointed 3 November 2021 |
| Mr James Green | Chairman – PrimaryMarkets Appointed 3 November 2021 |

Information regarding individual directors and executives' compensation and some equity instruments disclosures as required by the Corporations Regulations 2M.3.03 is provided in the Remuneration report table on page 25.

Refer to the remuneration report for further information on remuneration.

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Notes to the consolidated financial statements continued

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Note 14

Related party transactions

14.1 KMP compensation

The aggregate compensation made to directors and other members of the key management personnel of the Group is set out below:

| | 2022 | 2021 |
|------------------------------|-----------|---------|
| | \$ | \$ |
| Short term employee benefits | 1,195,251 | 657,504 |
| Post employment benefits | 89,189 | 39,404 |
| Equity settled | 565,203 | 284,240 |
| | 1,849,643 | 981,148 |

14.2 Other KMP transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

The following entities transacted with the Company during the year. The terms and conditions of those transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

The aggregate amounts recognised during the year relating to key management personnel and their related parties were as follows:

| | | Transactions value for the year | | Balance outstanding at 30 June | |
|--|-------------------------------|---------------------------------|----------|--------------------------------|------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | \$ | \$ | \$ | \$ |
| Sales revenue | Licence fee ¹ | - | (48,085) | - | - |
| | Additional work ¹ | - | (3,628) | - | - |
| Total revenue from director related entities | | - | (51,713) | - | - |
| Goods and services provided by related entities on commercial terms: | Interest payable ² | - | 29,040 | - | - |
| | Office expenses ¹ | - | - | - | - |
| Total costs of services provided by director-related entities | | - | 29,040 | - | - |

¹ CPS Capital Pty Ltd, a company associated with Mr Robinson, licenses software from the Group.

² The unsecured loans provided by director-related entities were provided at an interest rate of 12.5% per annum. Refer to Note 5.5 for further details of the unsecured loans.

All transactions with related parties are on commercial terms and under conditions no more favourable than those available to other parties unless otherwise stated.

There were no other key management personnel transactions during the 2022 or 2021 financial years.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 15

Auditor's remuneration

15.1 Remuneration of the auditor for Auditing or reviewing the financial reports

| | 2022 \$ | 2021 \$ |
|--------------------|------------|------------|
| Non-audit services | 31,000 | 32,500 |
| Tax services | - | 18,300 |
| | 31,000 | 50,800 |

Note 16

Earnings per share (EPS)

16.1 Reconciliation of earnings to profit or loss

| | 2022 \$ | 2021 \$ |
|---|------------|-------------|
| Profit/(Loss) for the year | 114,937 | (4,194,240) |
| Loss used in the calculation of basic and diluted EPS | 114,937 | (4,194,240) |

16.2 Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS

| | Note | 2022 Number | 2021 Number |
|---|------|----------------|----------------|
| Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS | | 374,021,992 | 176,285,896 |
| Weighted average number of dilutive equity instruments outstanding | 16.4 | 114,831,874 | N/A |
| Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS | | 488,853,866 | 176,285,896 |

16.3 Earnings per share

| | Note | 2022 \$ | 2021 \$ |
|-------------------------------|------|------------|------------|
| Basic EPS (cents per share) | | 0.03 | (2.38) |
| Diluted EPS (cents per share) | 16.4 | 0.02 | N/A |

16.4 Diluted earnings per share

As at 30 June 2022 the Group has 114,831,874 unissued shares under options (2021: 82,333,338). The Group does not report diluted earnings per share on losses generated by the Group.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 17

Share-based payments

17.1 Share-based payment expense

| | Note | 2022 \$ | 2021 \$ |
|-----------------------------|------|------------|------------|
| Share-based payment expense | 17.2 | 627,959 | 256,739 |

17.2 Share-based payment arrangements in effect during the period

| | 2022 \$ | 2021 \$ |
|--|------------|------------|
| Outstanding at the beginning of the year | 507,551 | 437,071 |
| Share based payment expense | 627,959 | 256,741 |
| Reversal of lapsed options | - | (252,927) |
| Vesting performance rights | (176,181) | - |
| Options exercised | (16,666) | - |
| Expired Options | - | 66,666 |
| Options Issued | 848,900 | - |
| Outstanding at year-end | 1,791,563 | 507,551 |

| Weighted average price per option | Number of options | Weighted Average Option Price |
|-----------------------------------|-------------------|-------------------------------|
| Opening balance | 82,333,338 | 0.08 |
| Granted during the year | 37,000,000 | 0.09 |
| Exercised during the year | (4,501,464) | 0.05 |
| Closing balance | 114,831,874 | 0.08 |

17.3 Accounting policy

The grant-date fair value of equity-settled share-based payment arrangements granted to holders of equity-based instruments (including employees) are generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-market conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. In determining the fair value of share-based payments granted, a key estimate and judgement is the volatility input assumed within the pricing model.

The Company uses historical volatility of the Company to determine an appropriate level of volatility expected, commensurate with the expected instrument's life.

17.4 Key estimate

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed above.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 18

Operating segments

18.1 Identification of reportable segments

The Group has identified its operating segment 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 three segments, being the 'Complii' segment, financial technology platform sector, the 'PrimaryMarkets' segment, trading platform sector and the 'Adviser Solutions Group' the AFSL 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.

18.2 Basis of accounting for purposes of reporting by operating segments

18.2.1 Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of directors as the chief operating decision maker is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group. For the current reporting period, the Group operated in three segments, being the 'Complii' segment, financial technology platform sector, the 'PrimaryMarkets' segment, trading platform sector and the 'Adviser Solutions Group' the AFSL sector.

18.3 Segment Information

| | | Complii | Primary Markets | Adviser Solutions Group | Total |
|-----------------------|--------------|-------------|-----------------|-------------------------|-------------|
| Revenue | 30 June 2022 | 2,364,364 | 6,127,745 | 150,860 | 8,642,969 |
| | 30 June 2021 | 1,942,607 | - | 82,056 | 2,024,663 |
| Segment profit/(loss) | 30 June 2022 | (3,818,303) | 3,868,443 | 64,797 | 114,937 |
| | 30 June 2021 | (4,210,113) | - | 15,873 | (4,194,240) |
| Assets | 30 June 2022 | 9,827,204 | 3,084,543 | 316,385 | 13,228,132 |
| | 30 June 2021 | 4,346,892 | - | 28,176 | 4,375,068 |
| Liabilities | 30 June 2022 | (1,669,642) | (359,547) | (234,581) | (2,263,770) |
| | 30 June 2021 | (756,042) | - | (11,332) | (767,374) |

18.4 Major customers

Complii FinTech Solutions Ltd has one major client, which represents 8.3% of its revenue.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 19

Parent Entity Information

19.1 Financial position of Complii FinTech Solutions Ltd

| | 2022 | 2021 |
|--------------------------|-----------|------------|
| | \$ | \$ |
| Current assets | 4,087,368 | 6,254,752 |
| Non-current assets | 4,329,123 | 3,790,367 |
| Total assets | 8,416,491 | 10,045,119 |
| Current liabilities | 1,063,823 | 575,590 |
| Total liabilities | 1,489,867 | 615,466 |
| Net (liabilities)/assets | 6,926,624 | 9,429,653 |

| | | |
|-----------------------------|-------------|-------------|
| Equity | | |
| Issued capital | 14,652,265 | 14,382,790 |
| Share-based payment reserve | 942,663 | 507,551 |
| Accumulated losses | (8,668,304) | (5,460,688) |
| Total equity | 6,926,624 | 9,429,653 |

19.2 Financial performance of Complii FinTech Solutions

| | 2022 | 2021 |
|----------------------------|-------------|-------------|
| | \$ | \$ |
| Loss for the year | (3,207,616) | (1,677,703) |
| Other comprehensive income | - | - |
| Total comprehensive income | (3,207,616) | (1,677,703) |

19.3 Guarantees

There are no guarantees entered into by Complii FinTech Solutions for the debts of its subsidiaries as at 2022 (2021: none).

19.4 Contractual commitments

The group has no capital commitments at 2022 (2021: \$nil).

19.5 Contingent liabilities

There are no contingent liabilities to report for the period 2022 (2021: none).

19.6 Subsequent events

Complii FinTech Solutions Ltd made an off-market takeover bid to acquire all of the ordinary shares in Registry Direct Limited (ASX: RD1) on 20 June 2022, pursuant to its bidder's statement dated 20 June 2022 (Bidder's Statement) as supplemented on 3 August 2022 (Offer). On 12 August 2022 Complii announced that it had freed its Offer for Registry Direct from all conditions other than the 90% minimum acceptance condition. The Offer will close at 5:00pm (AEST) on 19 August 2022 (unless further extended in the limited circumstances set out in Complii's ASX announcement of 3 August 2022). As of 17 August 2022, Complii FinTech Solutions Ltd has a voting power of 78.1%.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

Note 20

Statement of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

20.1 Basis of preparation

20.1.1 Reporting entity

Complii FinTech Solutions (Complii or the Company) is a listed public company limited by shares, domiciled and incorporated in Australia. These are the consolidated financial statements and notes of Complii and controlled entities (collectively the Group). The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. The Group is a for-profit entity and is primarily involved in the financial services industry.

The separate financial statements of Complii, as the parent entity, have not been presented with this financial report as permitted by the Corporations Act 2001 (Cth).

20.1.2 Basis of accounting

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AAS Board) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and the Corporations Act 2001 (Cth).

Australian Accounting Standards (AASBs) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

20.1.3 Going concern

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

The consolidated entity incurred a profit for the year ended 30 June 2022 of \$114,937 (2021 loss: \$4,194,240) and net cash inflows from operating activities of \$995,853 (2021: \$2,028,012 outflows).

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 months period from the date of signing this financial report.

20.1.4 Comparative figures

Where required by AASBs comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

20.2 Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

20.3 Foreign currency transactions and balances

20.3.1 Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

20.3.2 Transaction and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period.

All exchange differences in the consolidated financial report are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

20.3.3 Group companies and foreign operations

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- a assets and liabilities are translated at year-end exchange rates prevailing at that reporting date; income and expenses are translated at average exchange rates for the period; and
- b retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

20.4 Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 19.4.1.

20.4.1 Critical accounting estimates and judgments

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- a **Key estimate – Taxation**
Refer note 4 Income Tax.
- b **Key estimate – Impairment of share-based payments**
Refer note 17 share-based payments.

20.5 Fair value

20.5.1 Fair Value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable AASB.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date.

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Notes to the consolidated financial statements continued

for the year ended 30 June 2022

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

20.5.2 Fair value hierarchy

AASB 13 Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

- Level 1** Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2** Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3** Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise,

to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- If a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa;
- Or if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

20.5.3 Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Notes to the consolidated financial statements continued

for the year ended 30 June 2022

20.6 Accounting Standards that are mandatorily effective for the current reporting year

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting

Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2020. New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- › AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business
- › AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- › AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework
- › AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform
- › AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies

Standards and interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Group has not applied the new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective. Based on a preliminary review of the standards and amendments, the Directors do not anticipate a material change to the Group's accounting policies, however further analysis will be performed when the relevant standards are effective.

Note 21 Company details

The registered office of the Company is:

| | |
|--------------------------|--|
| Registered office | 📍 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 |

Directors' declaration

The Directors of the Company declare that:

- 1 The financial statements and notes, as set out on pages 36 to 75, are in accordance with the Corporations Act 2001 (Cth) and:
 - a comply with Accounting Standards;
 - b are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 20.1.2 to the financial statements; and
 - c give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Group.
 - d the Directors have been given the declarations required by s.295A of the Corporations Act 2001 (Cth);
- 2 in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Craig Mason

Executive Chairman

Dated this Thursday 18 August 2022

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Complii Fintech Solutions Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in note 20.1.2.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| <p>Revenue Recognition</p> <p>During the year ended 30 June 2022, the Consolidated Entity generated revenue of \$8,642,969 (2021: \$2,024,663).</p> <p>Revenue recognition is considered a key audit matter due to its financial significance.</p> | <p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> • We reviewed the Consolidated Entity's revenue accounting policy and their contracts with customers and assessed its compliance with <i>AASB 15 Revenue from Contracts with Customers</i>; • Performed audit procedures on a sample basis by verifying revenue to relevant supporting documentation including verification contractual terms of the relevant transaction, verification of receipts and ensuring the revenue was recognised at the appropriate time and classified correctly; and • Performed cut off procedures to assess whether revenue is recorded in the correct period; • We assessed the appropriateness of the disclosures included in Notes 1.1 to the financial report. |
| <p>Business Combination</p> <p>As disclosed in note 11.1.2 of the financial report, on 3 November 2021, the Consolidated Entity acquired PrimaryMarkets Limited (PrimaryMarkets) for consideration of \$6,623,900 via the issue of shares and options.</p> <p>As disclosed in note 11.1.2 the acquisition constitutes a business combination in accordance with <i>AASB 3 Business Combinations</i>. The acquisition has been provisionally accounted for during the year.</p> <p>Accounting for the acquisition constituted a key audit matter due to:</p> <ul style="list-style-type: none"> • The size and nature of the acquisition; • The complexities inherent in such a transaction; and • The judgement required in determining the value of the consideration transferred. | <p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> • Review of the acquisition agreement to understand the key terms and conditions of the transaction; • Assessment of the fair value of consideration transferred with reference to the terms of the acquisition agreement; • Verification the acquisition date balance sheet of the acquiree to underlying supporting documentation; and • We assessed the appropriateness of the disclosures included in Note 11.1.2 to the financial report. |

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| Key Audit Matter | How our audit addressed the Key Audit Matter |
|---|---|
| <p>Share-Based Payments</p> <p>As disclosed in note 17 to the financial statements, during the year ended 30 June 2022 the Company incurred share-based payments totaling \$627,959. Share based payments consisted of options and performance rights issued during the year, as well as the continued vesting of share-based payments granted in prior periods.</p> | <p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> • Analysing agreements to identify the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with <i>AASB 2 Share Based Payments</i>; • Evaluating Valuation Models and assessing the assumptions and inputs used; and • Assessing the amount recognised during the year in accordance with the vesting conditions; and • We assessed the appropriateness of the disclosures included in Notes 17 to the financial report |

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In note 20.1.2, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Complii Fintech Solutions Limited, for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

D M Bell

D M BELL CA
Director

Dated this 18th day of August 2022
Perth, Western Australia

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ADDITIONAL INFORMATION

Additional Information for ASX Listed Companies

The following additional information is required under the ASX Listing Rules and is current as of 31 July 2022.

Capital structure

| Security | Number |
|--|-------------|
| Fully paid ordinary shares | 417,411,157 |
| Options exercisable at \$0.05 each on or before 31 December 2022 (Tranche 1 Complii Options) | 28,998,539 |
| Options exercisable at \$0.075 each on or before 3 November 2023 (T1 PrimaryMarkets Options) | 16,000,000 |
| Options exercisable at \$0.10 each on or before 3 November 2023 (T2 PrimaryMarkets Options) | 21,000,000 |
| Options exercisable at \$0.05 each on or before 31 December 2023 (Convertible Note Options) | 7,500,000 |
| Options exercisable at \$0.10 each on or before 31 December 2023 (Tranche 2 Complii Options) | 41,333,335 |
| Performance rights | 35,346,411 |

Top shareholders

The 20 largest registered holders of fully paid ordinary shares were:

| Rank | Shareholder name | Number | % |
|------|--|-------------|-------|
| 1 | Mr Anthony Raymond Cunningham <Cunningham Family A/C> | 27,728,708 | 6.64 |
| 2 | Herbert Gavin Solomon | 27,014,502 | 6.47 |
| 3 | BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP> | 25,695,005 | 6.16 |
| 4 | Kylie Mason | 25,000,000 | 5.99 |
| 5 | Jason Peterson | 18,504,864 | 4.43 |
| 6 | Magenta City Pty Ltd <Emery Super Fund A/C> | 13,000,000 | 3.11 |
| 7 | Alison Sarich | 12,306,750 | 2.95 |
| 8 | Mr Maxwell James Green | 11,372,192 | 2.72 |
| 9 | NCMAO Investments Pty Ltd <NCMAO Investments Trust> | 8,667,061 | 2.08 |
| 10 | H&G High Conviction Limited | 7,936,984 | 1.90 |
| 11 | River Properties Pty Ltd <Vaux No 3 A/C> | 6,564,207 | 1.57 |
| 12 | Mr Michael Stanley Carter <The Carter Family A/C> | 6,540,145 | 1.57 |
| 13 | L39 Pty Ltd <No 12 A/C> | 6,000,000 | 1.44 |
| 14 | Mr Andrew David Wilson <Wilson Family A/C> | 5,540,145 | 1.33 |
| 15 | Teragoal Pty Ltd <Gray Family A/C> | 5,000,000 | 1.20 |
| 16 | Magenta City Pty Ltd <Emery Super Super Fund A/C> | 4,982,761 | 1.19 |
| 17 | Zenix Nominees Pty Ltd | 4,187,500 | 1.00 |
| 18 | Mr Paul Richard Fielding | 4,100,000 | 0.98 |
| 19 | Bomat Holdings Pty Ltd <Milarm Family A/C> | 4,000,000 | 0.96 |
| 20 | Linqto Inc | 3,846,682 | 0.92 |
| | Total | 227,987,506 | 54.61 |

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Additional information for ASX listed companies continued

Distribution schedule

Fully paid ordinary shares

| Range | Holders | Units | % |
|--------------------|-------------|--------------------|---------------|
| 1 – 1,000 | 118 | 31,055 | 0.01 |
| 1,001 – 5,000 | 61 | 155,478 | 0.04 |
| 5,001 – 10,000 | 192 | 1,495,295 | 0.35 |
| 10,001 – 100,000 | 456 | 17,499,672 | 4.19 |
| 100,001 – and over | 331 | 398,265,657 | 95.41 |
| | 1158 | 417,447,157 | 100.00 |

Tranche 1 Complii Options

Exercisable at \$0.05 each on or before 31 December 2022

| Range | Holders | Units | % |
|--------------------|-----------|-------------------|---------------|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | 1 | 2,680 | 0.01 |
| 5,001 – 10,000 | 2 | 13,132 | 0.05 |
| 10,001 – 100,000 | 48 | 1,960,873 | 6.76 |
| 100,001 – and over | 41 | 27,021,854 | 93.18 |
| | 92 | 28,998,539 | 100.00 |

Tranche 1 PrimaryMarkets Options

Exercisable at \$0.075 each on or before 3 November 2023

| Range | Holders | Units | % |
|--------------------|-----------|-------------------|---------------|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | 1 | 6,801 | 0.04 |
| 10,001 – 100,000 | 52 | 2,170,702 | 13.57 |
| 100,001 – and over | 37 | 13,822,497 | 86.39 |
| | 90 | 16,000,000 | 100.00 |

Tranche 2 PrimaryMarkets Options

Exercisable at \$0.10 each on or before 3 November 2023

| Range | Holders | Units | % |
|--------------------|-----------|-------------------|---------------|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | 1 | 8,927 | 0.04 |
| 10,001 – 100,000 | 48 | 2,410,397 | 11.48 |
| 100,001 – and over | 41 | 18,580,676 | 88.48 |
| | 90 | 21,000,000 | 100.00 |

Tranche 2 Complii Options

Exercisable at \$0.10 each on or before 31 December 2023

| Range | Holders | Units | % |
|--------------------|-----------|-------------------|---------------|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | 1 | 3,574 | 0.01 |
| 5,001 – 10,000 | 1 | 7,147 | 0.02 |
| 10,001 – 100,000 | 47 | 2,193,335 | 5.30 |
| 100,001 – and over | 47 | 39,129,279 | 94.67 |
| | 96 | 41,333,335 | 100.00 |

Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

| Holder Name | Number of Shares |
|-----------------------|------------------|
| Herbert Gavin Solomon | 27,014,502 |
| Tony Cunningham | 27,728,708 |
| Kylie Mason | 25,000,000 |

Unmarketable parcels

There were 203 shareholders holding less than a marketable parcel of shares (being 6,097 shares), comprising a total of 322,975 shares.

Additional information for ASX listed companies continued

Unquoted securities

Unquoted securities on issue were:

Performance rights

| Class | Expiry Date | Number of Rights | Number of holders |
|---|-------------------|------------------|-------------------|
| Employee Performance Rights | 16 September 2023 | 1,346,411 | 8 |
| Class B to G Performance Rights | 10 December 2025 | 23,000,000 | 2 |
| Tranche 1 and 2 and Class B to G Performance Rights | 30 March 2026 | 2,000,000 | 1 |
| Class F to I Performance Rights | 3 November 2026 | 9,000,000 | 4 |

The holders of the Class B to I Performance Rights are disclosed in the Remuneration Report contained in the Directors' Report. The Performance Rights are subject to vesting conditions and were issued under the Complii Performance Rights Plan.

Options

| Class | Expiry Date | Exercise Price | Number of Options | Number of holders |
|---------------------------|------------------|----------------|-------------------|-------------------|
| Tranche 1 Complii Options | 31 December 2022 | \$0.05 | 28,998,539 | 92 |
| Convertible Note Options | 31 December 2023 | \$0.05 | 7,500,000 | 4 |
| Tranche 2 Complii Options | 31 December 2023 | \$0.10 | 41,333,335 | 96 |
| T1 PrimaryMarkets Options | 3 November 2023 | \$0.075 | 16,000,000 | 90 |
| T2 PrimaryMarkets Options | 3 November 2023 | \$0.10 | 21,000,000 | 90 |

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Additional information for ASX listed companies continued

Tranche 1 Complii Options

The top 20 holders of the Tranche 1 Complii Options were as follows:

| Rank | Holder Name | Number | % |
|------|--|-------------------|--------------|
| 1 | Mr Anthony Raymond Cunningham <Cunningham Family A/C> | 4,598,476 | 15.86 |
| 2 | Jason Peterson | 4,104,848 | 14.16 |
| 3 | Alison Sarich | 2,889,188 | 9.96 |
| 4 | NCMAO Investments Pty Ltd <NCMAO Investments Trust> | 2,166,765 | 7.47 |
| 5 | Kylie Mason | 2,105,002 | 7.26 |
| 6 | Mr Michael Stanley Carter <The Carter Family A/C> | 1,385,036 | 4.78 |
| 7 | Mr Andrew David Wilson <Wilson Family A/C> | 1,385,036 | 4.78 |
| 8 | Magenta City Pty Ltd <Emery Super Super Fund A/C> | 1,245,690 | 4.30 |
| 9 | Chelsee Larmer | 777,237 | 2.68 |
| 10 | Zetta Group Limited | 701,752 | 2.42 |
| 11 | Sobol Capital Pty Ltd <BOC Investment A/C> | 461,679 | 1.59 |
| 12 | Mr Kyle Bradley Haynes | 461,679 | 1.59 |
| 13 | Simone Hetherington | 320,362 | 1.10 |
| 14 | Nelcan Pty Ltd <Nelcan Retirement Fund> | 259,079 | 0.89 |
| 15 | Mr Robert Evans & Ms Ann Hadden <R A Evans Super Fund A/C> | 259,079 | 0.89 |
| 16 | Mrs Suzannah Jane Quay | 249,755 | 0.86 |
| 17 | Ract Super Pty Ltd <Rand Super Fund A/C> | 242,887 | 0.84 |
| 18 | Zachary Larmer | 232,865 | 0.80 |
| 19 | Steven Robert Carroll | 198,347 | 0.68 |
| 20 | Sasha Marie Lincoln | 195,669 | 0.67 |
| | Total | 24,240,431 | 83.58 |

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Additional information for ASX listed companies continued

Tranche 2 Complii Options

The top 20 holders of the Tranche 2 Complii Options were as follows:

| Rank | Holder Name | Number | % |
|------|--|-------------------|---------------|
| 1 | Mr Anthony Raymond Cunningham <Cunningham Family A/C> | 6,131,301 | 14.83% |
| 2 | Jason Peterson | 5,473,130 | 13.24% |
| 3 | Kylie Mason | 5,220,527 | 12.63% |
| 4 | Alison Sarich | 3,852,250 | 9.32% |
| 5 | NCMAO Investments Pty Ltd <NCMAO Investments Trust> | 2,889,020 | 6.99% |
| 6 | Mr Michael Stanley Carter <The Carter Family A/C> | 1,846,715 | 4.47% |
| 7 | Mr Andrew David Wilson <Wilson Family A/C> | 1,846,715 | 4.47% |
| 8 | Magenta City Pty Ltd <Emery Super Super Fund A/C> | 1,660,920 | 4.02% |
| 9 | Chelsee Larmer | 1,036,316 | 2.51% |
| 10 | Zetta Group Limited | 935,669 | 2.26% |
| 11 | Sobol Capital Pty Ltd <BOC Investment A/C> | 615,572 | 1.49% |
| 12 | Mr Kyle Bradley Haynes | 615,572 | 1.49% |
| 13 | Simone Hetherington | 427,150 | 1.03% |
| 14 | Nelcan Pty Ltd <Nelcan Retirement Fund> | 345,439 | 0.84% |
| 15 | Mr Robert Evans & Ms Ann Hadden <R A Evans Super Fund A/C> | 345,439 | 0.84% |
| 16 | Mrs Suzannah Jane Quay | 333,006 | 0.81% |
| 17 | Ract Super Pty Ltd <Rand Super Fund A/C> | 323,849 | 0.78% |
| 18 | Zachary Larmer | 310,487 | 0.75% |
| 19 | Steven Robert Carroll | 264,462 | 0.64% |
| 20 | Sasha Marie Lincoln | 260,893 | 0.63% |
| | Total | 34,734,432 | 84.04% |

Convertible Note Options

The holders of the Convertible Note Options were as follows:

| Rank | Holder Name | Number | % |
|------|---|------------------|----------------|
| 1 | Lollywatch Pty Ltd <PST Super A/C> | 4,500,000 | 60.00% |
| 2 | Windamurah Pty Ltd <Atkins Super Fund A/C> | 1,000,000 | 13.33% |
| 3 | Mr Adam Stuart Davey <The Davey Investment A/C> | 1,000,000 | 13.33% |
| 4 | Peters Investments Pty Ltd | 1,000,000 | 13.33% |
| | Total | 7,500,000 | 100.00% |

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Additional information for ASX listed companies continued

Tranche 1 Primary Markets Options

The top 20 holders of the Tranche 1 Primary Markets Options were as follows:

| Rank | Holder Name | Number | % |
|------|---|------------|-------|
| 1 | Herbert Gavin Solomon | 4,116,496 | 25.73 |
| 2 | Mr Maxwell James Green | 1,732,905 | 10.83 |
| 3 | River Properties Pty Ltd <Vaux No 3 A/C> | 1,000,260 | 6.25 |
| 4 | Richardson Property Management Services Pty Ltd <A J Richardson No 3 A/C> | 595,638 | 3.72 |
| 5 | Linqto Inc | 586,161 | 3.66 |
| 6 | Maxwell James Green & Ruth Louise Green <The Green Super Fund A/C> | 359,012 | 2.24 |
| 7 | Apollan Pty Ltd <The Hopetoun A/C> | 355,189 | 2.22 |
| 8 | Beeton Enterprises Pty Ltd <Scott & Sally Beeton Fam A/C> | 334,604 | 2.09 |
| 9 | Novus Capital Limited | 334,604 | 2.09 |
| 10 | Pamiro Pty Limited | 322,170 | 2.01 |
| 11 | Langney Pty Limited | 318,807 | 1.99 |
| 12 | Sapsford Financial Services Pty Ltd <Sapsford Investment A/C> | 265,673 | 1.66 |
| 13 | Alimold Pty Ltd | 250,953 | 1.57 |
| 14 | Dordaze Pty Ltd <RAS Superannuation Fund A/C> | 209,247 | 1.31 |
| 15 | Mr Richard Douglas Berry | 207,704 | 1.30 |
| 16 | Mr Paul Maxwell Bide | 196,981 | 1.23 |
| 17 | Gailforce Marketing & Pr Pty Ltd <Hale Agency Pty Ltd S/F A/C> | 167,302 | 1.05 |
| 18 | Rimoyne Pty Ltd | 167,302 | 1.05 |
| 19 | Mr John Glenn Crane | 160,362 | 1.00 |
| 20 | Muhlbauer Investments Pty Ltd <The Muhlbauer Family A/C> | 159,404 | 1.00 |
| | Total | 11,840,774 | 74.00 |

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Additional information for ASX listed companies continued

Tranche 2 Primary Markets Options

The top 20 holders of the Tranche 2 Primary Markets Options were as follows:

| Rank | Holder Name | Number | % |
|------|---|------------|-------|
| 1 | Herbert Gavin Solomon | 5,402,900 | 25.73 |
| 2 | Mr Maxwell James Green | 2,274,438 | 10.83 |
| 3 | River Properties Pty Ltd <Vaux No 3 A/C> | 1,312,841 | 6.25 |
| 4 | Richardson Property Management Services Pty Ltd <A J Richardson No 3 A/C> | 781,775 | 3.72 |
| 5 | Linqto Inc | 769,336 | 3.66 |
| 6 | Maxwell James Green & Ruth Louise Green <The Green Super Fund A/C> | 471,204 | 2.24 |
| 7 | Apollan Pty Ltd <The Hopetoun A/C> | 466,185 | 2.22 |
| 8 | Novus Capital Limited | 439,168 | 2.09 |
| 9 | Beeton Enterprises Pty Ltd <Scott & Sally Beeton Fam A/C> | 439,168 | 2.09 |
| 10 | Pamiro Pty Limited | 422,848 | 2.01 |
| 11 | Langney Pty Limited | 418,434 | 1.99 |
| 12 | Sapsford Financial Services Pty Ltd <Sapsford Investment A/C> | 348,695 | 1.66 |
| 13 | Alimold Pty Ltd | 329,376 | 1.57 |
| 14 | Dordaze Pty Ltd <RAS Superannuation Fund A/C> | 274,637 | 1.31 |
| 15 | Mr Richard Douglas Berry | 272,611 | 1.30 |
| 16 | Mr Paul Maxwell Bide | 258,538 | 1.23 |
| 17 | Gailforce Marketing & Pr Pty Ltd <Hale Agency Pty Ltd S/F A/C> | 219,584 | 1.05 |
| 18 | Rimoyne Pty Ltd | 219,584 | 1.05 |
| 19 | Mr John Glenn Crane | 210,476 | 1.00 |
| 20 | Nandaroo Pty Ltd | 209,217 | 1.00 |
| | Total | 15,541,015 | 74.00 |

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Additional information for ASX listed companies continued

Restricted securities

Fully paid ordinary shares

| Number | Escrow period |
|------------|--|
| 69,195,203 | Restricted securities until 17 December 2022 |

Tranche 1 Complii Options

Exercisable at \$0.05 each on or before 31 December 2023

| Number | Escrow period |
|------------|--|
| 19,720,013 | Restricted securities until 17 December 2022 |

Tranche 2 Complii Options

Exercisable at \$0.10 each on or before 31 December 2023

| Number | Escrow period |
|------------|--|
| 26,293,351 | Restricted securities until 17 December 2022 |

Performance Rights

| Number | Escrow period |
|------------|--|
| 23,000,000 | Restricted securities until 17 December 2022 |

Securities subject voluntary escrow

Fully paid ordinary shares

| Number | Escrow period |
|------------|---|
| 40,742,713 | Voluntary escrow until 17 December 2022 |
| 6,000,000 | Voluntary escrow until 3 November 2023 |

Voting rights

The voting rights attached to each class of equity security are as follows:

- **Ordinary shares:** each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- **Options:** options do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the options are exercised and subsequently registered as ordinary shares.
- **Performance rights:** performance rights do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the performance rights are vested and converted and subsequently registered as ordinary shares.

ASX admission statement

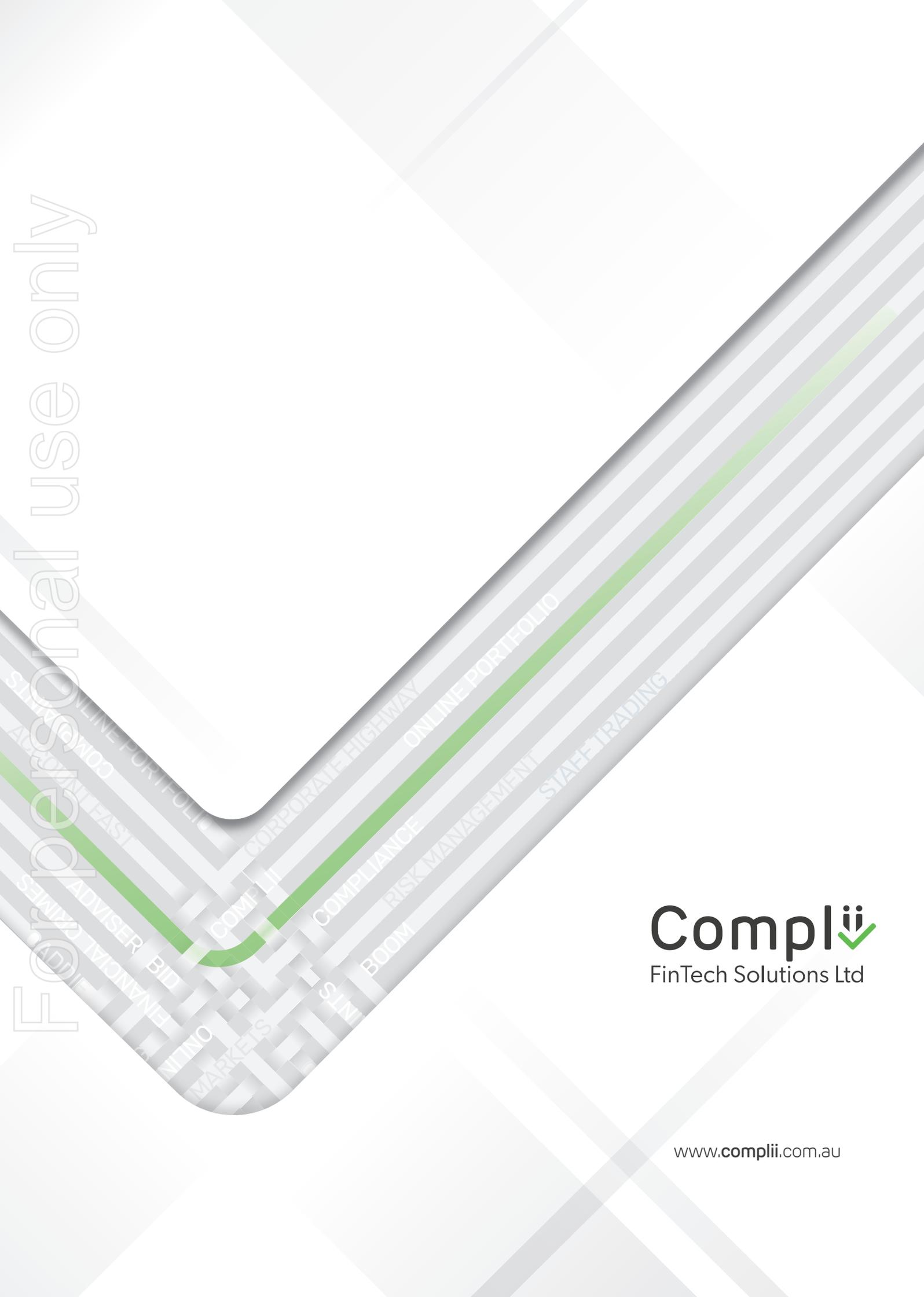
During the financial year, the Company applied its cash in a way that is consistent with its business objectives.

On-market buy-back

There is no current on-market buy-back.

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