



Robust prospects in financial compliance

Complii FinTech Solutions (ASX: CF1) is a provider of compliance, capital raising and other client management solutions to financial services companies in Australia. It offers module-based solutions via its web-based Complii platform, which is a secure, flexible and scalable platform through which customers use automated workflows to add efficiency to their operations.

Growing digitalisation to accelerate adoption

As digitalisation continues to make rapid inroads in workplaces, demand for automated solutions is bound to increase. Further, the criticality of compliance in the financial services industry makes automated and paperless solutions the need of the hour. We believe that Complii is well-positioned to benefit from this growing opportunity given its solid product base, wide range of offerings and large clientele of financial advisers and brokerage firms. Notably, in the March 2021 quarter, Complii added seven new customers and registered a 75% q/q growth in revenue, which we think is a testament to its immense growth potential.

Valuation range of A\$0.13–0.22 per share

Using a DCF tool for valuation our numbers today for Complii are A\$52M and A\$92M bull case. Key risks that we see are: 1) low adoption of the newly acquired solution ThinkCaddie; 2) execution risk with new solutions and geographies; and 3) risk of data breaches and intellectual property risk.

Year to Jun (AUD)	2019A	2020A	2021f	2022f	2023f
Sales (mn)	1.0	1.1	2.9	3.7	5.5
EBITDA (mn)	(0.6)	(1.4)	(0.8)	(0.3)	0.8
Net Profit (mn)	(0.8)	(4.0)	(0.9)	(0.5)	0.6
EBIT Margin (%)	Nm	NM	NM	NM	13.8%
ROA (%)	Nm	NM	NM	NM	13.0%
EPS	NM	NM	NM	NM	0.2
DPS	NM	NM	NM	NM	NM
EV/Sales			3.4x	3.1x	2.0x
EV/EBITDA			NM	NM	14.6x
P/E			NM	NM	25.3x

Source: Company, Pitt Street Research

Share Price: A\$0.05

ASX: CF1

Sector: Technology

27 May 2021

Market Cap. (A\$ m)	15.0
# shares outstanding (m)	299.2
# shares fully diluted (m)	410.7
Market Cap Ful. Dil. (A\$ m)	20.5
Free Float	75%
52-week high/low (A\$)	0.064 / 0.036
Avg. 12M daily volume ('1000)	1,723.3
Website	www.complii.com.au

Source: Company, Pitt Street Research

Share price (A\$) and avg. daily volume (k, r.h.s.)



Source: Refinitiv Eikon, Pitt Street Research

Valuation metrics	
DCF fair valuation range (A\$)	0.13–0.22
WACC	11.5%
Assumed terminal growth rate	2.0%

Source: Pitt Street Research

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Complii FinTech Solutions Ltd

Introducing Complii FinTech Solutions, ASX: CF1

Complii FinTech Solutions (ASX: CF1; Complii) is a Sydney-based public fintech company that provides digital services to financial advisers and brokerage firms in Australia. These services include compliance, capital raising, account opening, e-learning and online portfolio management tools. Its Complii platform helps stockbrokers, financial planners and other Australia financial services licence (AFSL) holders meet their regulatory obligations.

The company was formed in Q4 CY20 as a result of the acquisition of Complii Pty Ltd by Intiger Group Ltd. On 5 October 2020, Intiger had announced a bid to acquire Complii, following which the company was re-listed on the ASX as Complii FinTech Solutions. Intiger offered a software platform – BOOM2 – primarily to professional financial planners. The software digitalised and automated the core components of the financial planning process, such as automatically producing statements of advice and tracking key performance indicators (KPIs) of a financial planning company. Intiger also provided financial planning back office and administrative processing services to financial planners. As a merged entity, Complii is expected to benefit from revenue synergies arising from cross-selling solutions to an expanded customer base.

Complii offers a secure platform with a range of services

The Complii platform is a web-based compliance solution, wherein the company provides services to customers in the form of modules in exchange for a monthly or annual subscription fee. The service modules available to customers include Electronic Compliance, Capital Raisings, Client Portfolios, Account Fast (an account opening application) and ThinkCaddie (an e-learning module for AFSL holders).

It is constantly expanding and diversifying its product portfolio

Over the past two years, Complii has expanded its product offerings via the acquisition of two companies: ThinkCaddie Pty Ltd (December 2019) and Adviser Solutions Group Pty Ltd (March 2020). Management intends to continue this trend of acquiring complementary technologies in order to expand its range of offerings. This strategy also allows Complii to cross-sell its legacy products to customers of the acquired businesses, thereby adding to its top line.

Additionally, Complii is focussing on developing existing modules and is undertaking R&D to add new service modules to its platform. Notably, it launched two modules in May 2021 – Risk Management and Financial Crimes Monitoring. Complii also plans to conduct a gap analysis in order to enter international markets such as the UK, Canada and Singapore.

Workplaces are rapidly going digital

In order to make their operations efficient as well as to stay ahead of competition, financial services companies are increasingly adopting digital solutions. According to The Business Research Company, the global fintech market is expected to grow at a CAGR of 9.2% over 2019-2023, reaching to US\$158bn by 2023. We believe that companies providing reliable web-based solutions to the financial community such as Complii are well-placed to benefit from this transition.

Complii has strong organic and inorganic expansion strategies in place



Complii's solutions provide several benefits to customers

Its solutions provide its customers with significant time saving via automated workflows, allowing users to focus more on their clients' needs. Moreover, Complii offers a web-based modular design, where the customer can decide which individual modules it wants to use and pay for, allowing significant cost advantages to customers.

The Australian financial services industry is highly regulated

Financial service providers in Australia are undergoing major changes in order to gain the trust of investors. In 2013, the federal government introduced the Future of Financial Advice (FOFA) reforms to achieve this objective. The 2019 Financial Services Royal Commission also placed significant regulatory pressure on industry players. Given that these measures emphasise the need and importance for compliance, we believe it provides significant untapped potential to companies such as Complii.

Stringent compliance laws likely to drive adoption of Complii's solutions

Ten reasons to look at Complii

- 1) **Complii provides a comprehensive suite of services.** The Complii platform is a customisable platform that provides users a wide range of services, including electronic compliance, capital raising, online portfolio management, digital investor account opening and compliance e-learning solutions.
- 2) **By using cost-effective technology, Complii creates efficient workflows for clients.** The Complii platform reduces regulatory compliance cost for financial advisers. Further, as need for human intervention is minimised, the workflows are more efficient with low error rates.
- 3) **Flexible and scalable solutions a value add for customers.** Given that Complii offers its solutions in the form of modules, customers can select which services they need and pay accordingly.
- 4) **Automated solutions allow financial advisers to focus on their clients.** With Complii solutions automating workflows, such as automatically sending successful bid letter to clients during the capital raising process, financial advisers get more time to focus on the needs of their clients.
- 5) **Strong business model with recurring subscription revenue.** Complii charges its customers a monthly or annual subscription fee for using its services. Recurring revenue provides greater visibility into the future earning potential of the company.
- 6) **Well-defined expansion plans that include both organic and inorganic strategies.** Complii plans to introduce new service modules to its platform, which, if successful, should add to the recurring revenues. The company also plans to expand into the UK, Canada and Singapore markets. It also intends to acquire technology and operations of complementary businesses as it did with ThinkCaddie and Adviser Solutions Group, in order to expand its portfolio of services.
- 7) **Changes in the regulatory environment in Australia to support growth.** The Australian financial services industry has been under the lens of the government following the 2008 Global Financial Crisis, as evidenced by the introduction of the Future of Financial Advice reforms in 2013, and the Royal Commission into Financial Services, which was completed in 2019. As compliance requirements and rules for financial advisers become more stringent, the need for electronic compliance and related services is bound to increase.



- 8) **Digitalisation of the workplace is significant growth driver.** As financial advisory firms begin to leverage the advantages of technology in their operations, the demand for sophisticated software that automates workflows is bound to rise in tandem.
- 9) **Strong leadership.** The company's board comprises seasoned professionals, with deep knowledge in the fields of financial advisory, compliance and capital raising. We believe that Complii can capitalise on its networking capacity to expand its presence in the Australian financial industry.
- 10) **We believe that Complii is undervalued at its current market price.** Our intrinsic value for Complii stands at A\$0.13 per share in the base case and A\$0.22 per share in the optimistic case. We believe re-rating will be driven by cross-selling of the company's services to customers of recently acquired entities, introduction of new modules and successful expansion in the international markets of the UK, Canada and Singapore.

Complii platform – digital solution for compliance

The Complii group, which includes Adviser Solutions Group and ThinkCaddie, currently operates in Australia within the financial technology sector. The group offers solutions to the financial services industry, such as compliance, capital raising, e-learning, account opening and online portfolio management tools.

Complii is a comprehensive platform. The solutions targeted to meet the regulatory obligations are mainly provided through the Complii platform. It is a digital customisable platform, which offers business, compliance and operational solutions to stockbroking, corporate advisory and other AFSL holding firms. The Complii platform is a secure service that allows clients to subscribe service modules ranging from compliance and capital raising to online portfolio management services (Figure 1).

Notably, Complii has an edge over other market offerings as it has the unique ability to serve its clients through its comprehensive solutions. For instance, the 'Corporate Highway' feature of the Complii system facilitates sharing of corporate deals within its existing broker network.

Further, the Complii group has been expanding and diversifying its product offerings and services through several acquisitions. In December 2019, it acquired ThinkCaddie, which developed a compliance e-learning module. This has since been integrated into the core Complii platform. The group is continuously striving to expand its technology suite through inorganic means to support its client base.

Additionally, Complii's client base includes roughly 95 investment and advisory firms and about 3,500 underlying users. The service modules have been designed and developed by industry professionals, with collaborative input from stakeholders, and are continually updated to offer new functions and comply with new regulatory obligations. The company continues to expand its customer base, as evidenced by the addition of seven new AFSL customers in the March 2021 quarter. Notably, Complii recently signed on Australian Investment Exchange (AUSIEX), a leading trade execution provider in Australia, as its customer. AUSIEX is a wholly owned subsidiary of Japanese investment house Nomura, and was previously owned by the Commonwealth Bank of Australia. Under the agreement, Complii will be providing AUSIEX risk and compliance module services.

Complii offers a wide range of services over a secure platform

Complii continues to show a steady growth in its customer base



Figure 1: The Complii platform – a compliance system at its core

Modules	Target Customers	Description
Electronic Compliance	Registered AFSL holders (particularly wealth management and stockbroker firms)	<ul style="list-style-type: none"> A secure digital platform, which eliminates the need for paper-based compliance functions. The customisable software has been designed to automate, record and report on targeted AFSL holder compliance obligations.
Capital Raisings	Registered AFSL holders (particularly wealth management and stockbroker firms)	<ul style="list-style-type: none"> It manages the core capital raising functions, allowing financial advisers to manage the bidding, scale back and allocation process. Successful bid letters can be automatically sent to the clients, who have the option to electronically accept. The latest addition to this module is the 'Corporate Highway' feature, which facilitates sharing of corporate deals within Complii's existing broker network.
Client Portfolios	End customers of registered AFSL holders (particularly wealth management and stockbroker firms)	<ul style="list-style-type: none"> It enables the customer's clients to log on securely to view their investment portfolio. Investors can also upload and manage assets held outside their trading accounts, update their profiles, add stock to watch lists and contact their adviser through a secure channel. It helps both investors and advisers view and print trading statements, ledger activity, contract notes and end-of-financial-year reports.
Account Fast	Registered AFSL holders (particularly wealth management and stockbroker firms)	<ul style="list-style-type: none"> An account opening application that allows advisers to establish a fully compliant investor account digitally. A snapshot of the investor's identification details is uploaded on to the application for external anti-money laundering (AML) verification and an account can be created within minutes on an external broker's back-office system.
ThinkCaddie	Financial advisers	<ul style="list-style-type: none"> A new platform that helps financial advisers and AFS licensees meet their legislated continuing professional development (CPD) obligations by aggregating CPD content relevant to the industry from over 200 leading financial service content providers. Users can consume the content, demonstrate applied learning outcomes and track them against their Financial Adviser Standards and Ethics Authority (FASEA) CPD requirements. ThinkCaddie alleviates the burden of chasing representatives through the use of automated reminder emails, progress overview snapshots and real-time CPD reporting.
Financial Crimes Monitoring	Registered AFSL holders	<ul style="list-style-type: none"> The platform allows monitoring and identification of suspicious trading activity according to ASX trading rules. It maintains account details and historical activity to build a risk assessment scorecard for each customer. Financial crime module is a new addition to Complii's array of services and was officially launched in May 2021.



Risk Management	Registered AFSL holders	<ul style="list-style-type: none"> • This module was launched in May 2021 and is built to identify potential risks using a dynamic risk management approach. • It allows regulatory case reporting and management, with provisions for escalation, audit and reporting. • Useful tools such as dashboard heat maps and KPI reporting make this a user-friendly platform.
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Source: Company

Adviser Solutions Group (ASG)

ASG provides corporate-authorized representative services and applicable AFSL supervisory functions to financial services firms and their advisers. ASG has also established trading connectivity to offer domestic ASX trading capability and settlement services to strengthen customers' back-office functions. Clients are given access to the Complii platform, enabling ASG to actively manage compliance supervisory functions.

Under this service, revenue is earned from the customer on either a fixed fee basis per capital raise deal, or on the basis of a recurring monthly fee for corporate-authorized representative services. Further, in case of the ASG trading and settlement services, the customer and ASG share the broker commission revenue after deducting direct brokerage costs.

Huge target customer base

The Complii group's product suite solves the compliance and administrative challenges for AFSL holders. The company focusses its efforts towards continuous product enhancements, increasing platform scalability and improving customer efficiencies. Complii currently generates revenue mainly from monthly and annual subscription fees paid by customers for use of its platform. The group's growth strategy (Figure 2) is to enhance recurring subscription revenue through addition of products, clients and acquired technologies.

Figure 2: Group growth strategy



Source: Company



Complii's solutions target various market participants in the financial services industry

Electronic Compliance: The target customers for this module consist of registered AFSL holders, particularly wealth management and stockbroking firms. The module automates the daily regulatory functions for financial advisers providing wholesale and retail advice. These firms deploy Complii to create risk profiles of customers, maintain a history of their trading activities and perform related compliance obligations.

Capital Raising: The target customers for this module consist of registered AFSL holders. Through its AdviserBid toolkit, Complii streamlines the capital raising process from beginning to end. In 2020, financial advisory firms raised a massive A\$6.2bn in capital using this tool.

Client Portfolios: The target customers for this module consist of end customers of registered AFSL holders. It is a secure portal with in-built adviser messaging that provides access to portfolios, ledgers and account balance.

Account Fast: The target customers for Account Fast, a new account opening app that allows clients to create accounts on the go, consist of registered AFSL holders, particularly wealth management and stockbroker firms.

ThinkCaddie: The target customers for ThinkCaddie, the compliance e-learning module, generally consist of financial advisers.

ASG: The target market is financial advisers seeking to establish or already operating their own businesses, who do not have the capacity to establish compliance and other business functions to support their AFSL requirements and daily operations.



Key structural trends favour growth for Complii

The financial services industry, and particularly stockbroking, has changed markedly over the years, as the Australian Securities and Investments Commission (ASIC) and the ASX have continued to step up regulatory requirements (Figure 3). The growing regulatory burden is an opportunity for Complii to add new customers who will gain operational benefits from its technology.

Figure 3: Regulatory landscape



Source: Company

Besides regulations, the other supporting structural trends are at work.

- **Digitalisation of workplaces:** In order to cater to the demand for digital solutions, which can reduce cost and improve operational efficiency in the stockbroking space, Complii was designed to provide support for an organised, paperless and cost-effective compliance process. There are four key drivers of this digital evolution:
 - Reduced expenditure associated with physical documents, such as printing costs.
 - Dramatic improvement in the way data is produced and processed. It has also led to better organisation of documents.
 - Greater ability to close transactions, contracts and agreements, regardless of distance.
 - Lower carbon footprints.



Financial services firms are opening up to fintech solutions

- **Software moving to the core of business:** For the financial services industry, particularly brokerage firms, the need to be compliant and to protect all participants has become critical. Hence, the use of software platforms such as Complii not only makes the process more efficient, but also protects all participants in the industry. The company offers a cloud-based compliance management solution to investment institutions. It digitalises functions such as compliance, capital raising and account management, to help brokers and advisers achieve significant staff cost and time savings. The company continues to expand the capabilities of the Complii system to further evolve the core standard technology of compliance and corporate efficiency tools. Likewise, Intiger had developed a software platform, 'BOOM', to digitalise and automate core components of the financial planning process.

Competitive landscape

There are several global IT firms that provide compliance solutions as one of the offerings of their broad product suite. However, these players are not the relevant or direct competitors to Complii. We have used three criteria to identify the close competitors to Complii — (a) companies that provide compliance software solutions with financial services industry as one of the target markets; (b) public companies with market capitalisation below US\$500m; (c) firms with key operations in developed economies. Following is the list of competitors of Complii based on these criteria (Figure 4).

Figure 4: Comparable companies

Company	Country	Exchange:Ticker	Market Cap (US\$m)	Website
Fintel Plc	UK	AIM: FNTL	292	www.wearefintel.com
House of Control Group AS	Norway	OB: HOC	146	www.houseofcontrol.com
Ansarada Group Ltd	Australia	ASX: AND	71	www.ansarada.com
Nukkleus Inc	US	OTCPK: NUKK	53	www.nukk.com
Grow Capital Inc	US	OTCPK: GRWC	25	www.grow-capital.com.au
KRM22 Plc	UK	AIM: KRM	17	www.krm22.com
Kyckr Ltd	Australia	ASX: KYK	15	www.kyckr.com
Complii Fintech Solutions Ltd	Australia	ASX: CF1	15	www.complii.com.au

Source: Pitt Street Research, S&P Capital IQ

Fintel Plc is a fintech company that provides research and support services such as data and tools to financial product providers, intermediaries and end consumers to help them make better financial decisions. The company was formed in 2002 and, through its Intermediary Services segment, it provides compliance and regulation services to intermediaries.

House of Control develops a digital tool that facilitates the functioning of an organisation's enterprise resource planning system. It contributes to cost and



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time savings, as well as better compliance and risk management by a firm's finance division. The company was founded in 2013 and is based in Norway.

Ansarada Group is an application software provider catering to M&A, fundraising and tender offering clients. It offers services such as virtual data rooms, tender lifecycle management and compliance management.

Nukkleus Inc is a fintech firm that offers software solutions for sales, marketing and risk management for brokers and other financial market participants. It was founded in 2013 and is a subsidiary of Currency Mountain Holding Bermuda Ltd.

Grow Capital is a family business, founded in 1999, that facilitates funding opportunities for other businesses. The firm offers software solutions for back office compliance, multi-pay commission processing and new client submissions, specifically to financial services clients.

KRM22 Plc offers risk management solutions to the financial services industry. Its Risk Cockpit application suite provides a holistic view of the company's compliance risks. Its Risk Monitor application helps clearing houses, traders, brokers and other financial institutions to manage their risks. KRM22 was incorporated in 2018.

Kyckr Ltd offers solutions for the Know Your Client (KYC) process to accurately verify and monitor customers. Its Kyckr Perpetual KYC platform supports the early detection of compliance issues, giving organisations time to effectively manage risk. The firm serves wealth managers, accountants and legal clients. It was incorporated in 2015.

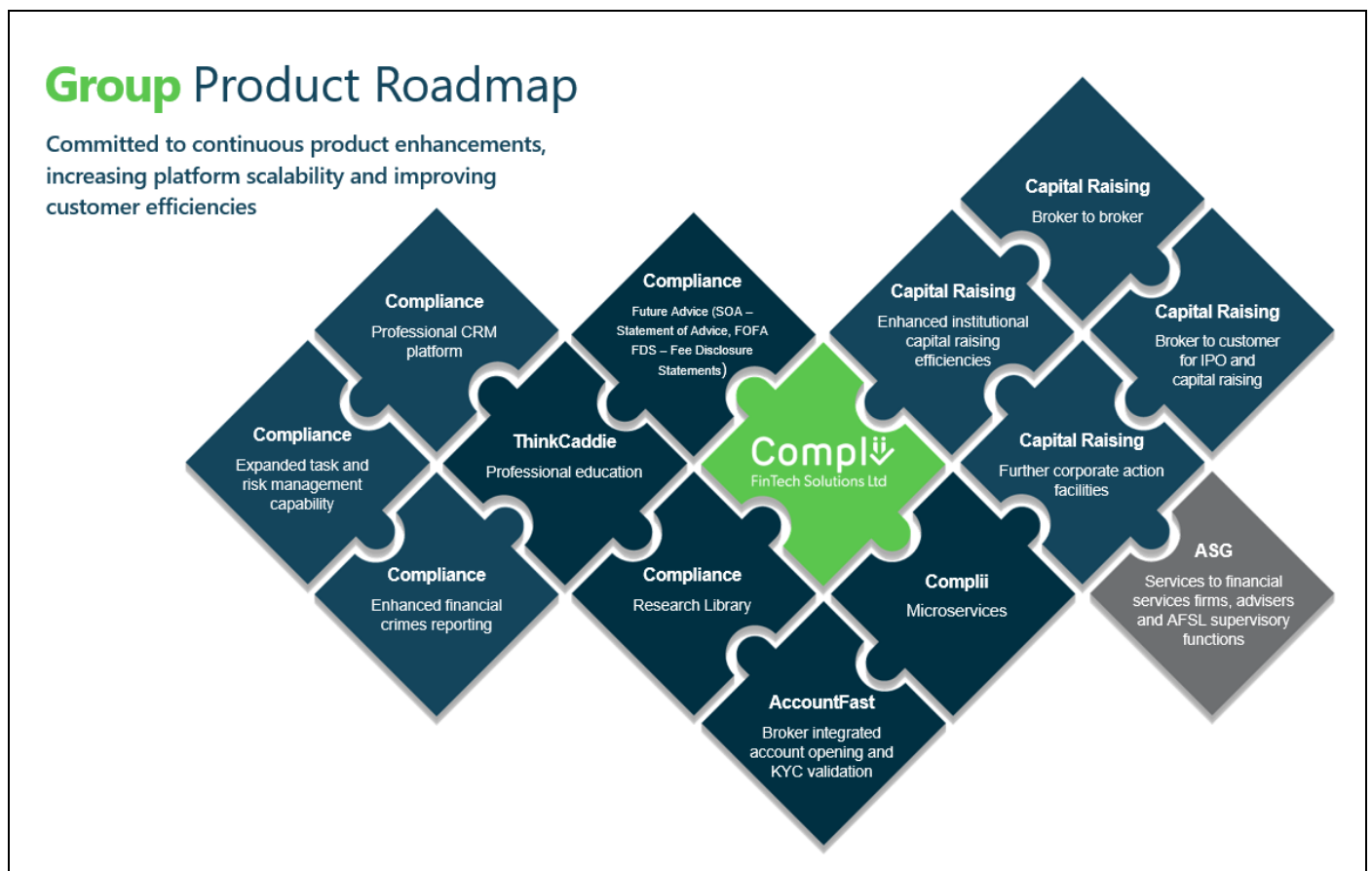


Complii's competitive advantages

In our view, Complii is uniquely positioned in Australia as a full-service provider to trading and stock advisors. Here are the key parameters that set it apart from its peers.

- 1) **Comprehensive products to meet varied client needs:** Complii scores an edge over other market offerings as it has ability to serve multiple client needs through its comprehensive solutions (Figure 5). The company has been expanding its product offerings by adding new modules to the core Complii platform, and acquiring and integrating complementary technologies. One of the latest additions to the Complii platform, the 'Corporate Highway', facilitates sharing of corporate deals within Complii's existing broker network and is gaining strong traction.

Figure 5: Group product roadmap



Source: Company

- 2) **Efficient workflows created with cost-effective technology:** Complii, being a web-based compliance solution, not only reduces the cost of compliance but also helps brokers and financial advisers achieve significant time savings. Each service module of the Complii platform requires minimal manual intervention, thus reducing errors and time delays. The company has extensive experience of working with financial advisers and this knowhow is reflected in the quality of its solutions.



Flexibility and cost-effectiveness of the Complii platform offers it an edge over competition

- 3) **Compliant and flexible framework:** Complii makes the compliance process simple and affordable with its various service modules. Importantly, all its modules can be individually subscribed to, which provides flexibility to clients as they can choose and pay for only what they use. The company also offers the option of customising its modules or solutions and clients do not have to stick to off-the-shelf products.
- 4) **Economies of Scale:** Complii has witnessed significant growth since the launch of its core Complii platform. It is expected to unlock growth opportunities by expanding to new products and territories. It plans to undertake the gap analysis to adapt the Complii platform to the requirements of international markets such as the UK, Canada and Singapore. Further, with the combining of the operations of Complii and Intiger, the merged entity will benefit from an expanded product portfolio with complementary products and services. It is expected to cross-sell the broad product portfolio to an expanded target customer base. While Intiger's software platform (BOOM2) caters to financial planners, Complii's platform targets wealth advisers. Notably, the company remains committed to continuous product enhancements

Valuation

Using a DCF tool for valuation our numbers today for Complii are A\$52M and A\$92M bull case (Figure 6). We used the following main criteria:

- A three-stage FCF model comprising a high-growth stage (FY21-26), a transition stage (FY27-31) and a maturity stage, which we believe is suitable for a firm that is early in its corporate lifecycle and experiencing high revenue growth.
- Licence fees are driven by the number of users and ARPU. Our model forecasts a 29-34% CAGR in net customers growth between FY21 and FY31, predominantly driven by the industry tailwinds and the company's competitive advantages outlined earlier in the report. This also involves a relatively low churn rate of 3-5% which we think is achievable given that the software is entrenched into customers' systems.
- Due to the fixed cost nature of a fintech business, we allocate most of the merged group's operating cost to a fixed cost base. Given that the platform has been built, we expect most of the revenues from each additional client to flow through to operating profit. Overall, we expect the merged group will achieve NPAT break-even by FY23, with its long-run net profit margins set to reach c20-23%.
- Our FCF are discounted at a 11.5% cost of equity which is comprised of a 1.2 beta, a 2.0% Rf and an elevated 7.7% Rp reflecting risks specific to the business such as: 1) slower than expected product uptake by customers; 2) higher than expected customer churn; and 3) the amount of synergies being realised do not meet management expectations.
- A corporate tax rate of 30%. Due to the large amount of tax losses to carry forward, our base case modelling expects the business to pay its first cash tax in FY25.



Figure 6: DCF summary




Base Case		Bull Case	
Valuation (AUD)		Valuation (AUD)	
Present value of FCF	16.8	Present value of FCF	30.3
Present value of Terminal FCF	30.7	Present value of Terminal FCF	57.2
Enterprise Value (m)	47.5	Enterprise Value (m)	87.5
Net debt (cash)	(4.0)	Net debt (cash)	(4.0)
Minority interest	-	Minority interest	-
Other Investments	-	Other Investments	-
Equity value (m)	51.5	Equity value (m)	91.5
Diluted shares	410.7	Diluted shares	410.7
Implied price (A\$)	0.13	Implied price (A\$)	0.22
Current price (A\$)	0.05	Current price (A\$)	0.05
Upside (%)	150.9%	Upside (%)	345.6%

Source: Company

Board members with rich experience


The current board members of Complii are listed below (Figure 7).

Figure 7: Complii's board members

	Name and Designation	Profile
	Craig Mason Executive Chairman	<ul style="list-style-type: none"> Has extensive experience of over 30 years in the finance industry and has worked closely with the ASX and the ASIC. Has established three third-party clearing and trade execution businesses in Australia and held senior roles with Bank of America Merrill Lynch, UBS and BNY Mellon/Pershing. Continues to work with the industry to further enhance the important mid-tier and boutique broking segment, with key focus on the retail/wealth management segment.
	Alison Sarich Managing Director	<ul style="list-style-type: none"> Has rich expertise in relationship management and operations. Played an instrumental role in the commercialisation of Complii in Sydney and Melbourne. Has previously been a part of the relationship management team of Pershing Securities Australia.
	Greg Gaunt Non-Executive Director	<ul style="list-style-type: none"> Has extensive experience in the management of law firms, where he gained broad business insights across numerous sectors. Has served as the Executive Chairman of the law firms Lavan and HHG Legal Group.



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	<p>Karen Logan Company Secretary</p>	<ul style="list-style-type: none">• Chartered Secretary with extensive compliance, capital raising, merger and acquisition, IPO and backdoor listing experience in a diverse range of industries including technology, media, resources, health care and life science.• Assisted a substantial number of private start-up and established businesses transition to being publicly-listed companies for over 15 years.• Presently the principal of a consulting firm and secretary of a number of ASX-listed companies, providing corporate services to those clients.
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Source: Company

Appendix I – Glossary

Account Fast – An account opening application that allows advisers to establish a fully compliant investor account digitally.

Adviser Solution Group (ASG) – Provides corporate-authorized representative services and applicable AFSL supervisory functions to financial services firms and their advisers.

Australian Credit Licence – An authorisation permit from the Australian Securities and Investment Commission (ASIC) to carry out credit activities in Australia.

Australian Financial Services Licence (AFSL) – An authorisation for conducting a financial services business. The application for the license is evaluated by the Australian Securities and Investment Commission (ASIC).

Australian Securities and Investment Commission (ASIC) – An independent Australian government body, that aims to promote confidence in the financial system.

Corporate Highway – A feature of the Complii system that facilitates sharing of corporate deals within Complii's existing broker network.

Financial Adviser Standards and Ethics Authority (FASEA) – The organisation was formed to establish standards and improve education and training of financial advisers to strengthen confidence in the financial planning industry.

Superannuation – An organisational pension programme that deposits a fund that will grow without any tax implications until the employee's retirement or withdrawal.

ThinkCaddie – A new platform that aids financial advisers and AFS licensees to meet their legislated CPD obligations by aggregating CPD content relevant to the industry from over 200 leading financial services content providers.

Appendix II – Capital Structure

Class	In millions	% of fully diluted	Note
Ordinary fully paid shares	299.2	72.8%	
Options	82.3	20.0%	Wtd. avg. exercise price of ~A\$0.08
Performance rights	29.3	7.1%	
Fully diluted shares	410.7		

Source: Company



Appendix III – Analyst Qualifications

Stuart Roberts, lead analyst on this report, has been an equities analyst since 2002.

- Stuart obtained a Master of Applied Finance and Investment from the Securities Institute of Australia in 2002. Previously, from the Securities Institute of Australia, he obtained a Certificate of Financial Markets (1994) and a Graduate Diploma in Finance and Investment (1999).
- Stuart joined Southern Cross Equities as an equities analyst in April 2001. From February 2002 to July 2013, his research speciality at Southern Cross Equities and its acquirer, Bell Potter Securities, was Healthcare and Biotechnology. During this time, he covered a variety of established healthcare companies, such as CSL, Cochlear and Resmed, as well as numerous emerging companies. Stuart was a Healthcare and Biotechnology analyst at Baillieu Holst from October 2013 to January 2015.
- After 15 months over 2015–2016 doing Investor Relations for two ASX-listed cancer drug developers, Stuart founded NDF Research in May 2016 to provide issuer-sponsored equity research on ASX-listed Life Sciences companies.
- In July 2016, with Marc Kennis, Stuart co-founded Pitt Street Research Pty Ltd, which provides issuer-sponsored research on ASX-listed companies across the entire market, including Life Sciences companies.
- Since 2018, Stuart has led Pitt Street Research’s Resources Sector franchise, spearheading research on both mining and energy companies.

Cheng Ge is an equities research analyst at Pitt Street Research.

- Cheng obtained a B.Com in Finance and an LLB from the University of New South Wales in 2013, and has passed all three levels of the CFA Program.
- Before joining Pitt Street Research, he worked for several financial services firms in Sydney, where his focus was on financial advice.
- He joined Pitt Street Research in January 2020.



Complii FinTech

Profit & Loss (A\$m)	2019a	2020a	2021e	2022e	2023e	2024e	2025e
Sales Revenue	1.0	1.1	2.9	3.7	5.5	8.3	12.4
Other income	0.4	0.5	0.6	0.6	0.6	0.6	0.6
Operating expenses	(2.0)	(3.0)	(4.3)	(4.6)	(5.4)	(7.0)	(9.5)
EBITDA	(0.6)	(1.4)	(0.8)	(0.3)	0.8	1.9	3.5
Depn & Amort	(0.2)	(0.5)	(0.1)	(0.1)	(0.2)	(0.2)	(0.4)
EBIT	(0.8)	(1.9)	(0.9)	(0.4)	0.6	1.6	3.1
Net Interest	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Profit before tax (before exceptionals)	(0.8)	(1.9)	(0.9)	(0.5)	0.6	1.6	3.1
Tax expense	-	-	-	-	-	-	(0.6)
Abnormals + Minorities	-	(2.1)	-	-	-	-	-
NPAT	(0.8)	(4.0)	(0.9)	(0.5)	0.6	1.6	2.6
Cash Flow (A\$m)	2019a	2020a	2021e	2022e	2023e	2024e	2025e
Profit after tax	(0.8)	(4.0)	(0.9)	(0.5)	0.6	1.6	2.6
Depreciation	0.2	0.5	0.1	0.1	0.2	0.2	0.4
Change in working capital	0.3	0.4	0.1	(0.2)	(0.2)	(0.3)	(0.4)
Other operating activities	-	2.1	-	-	-	-	-
Operating cashflow	(0.4)	(1.0)	(0.7)	(0.5)	0.6	1.6	2.5
Capex (- asset sales)	(0.0)	(0.0)	(0.1)	(0.1)	(0.2)	(0.2)	(0.4)
Other investing activities	(0.2)	0.1	-	-	-	-	-
Investing cashflow	(0.2)	0.1)	(0.1)	(0.1)	(0.2)	(0.2)	(0.4)
Dividends	-	-	-	-	-	-	-
Equity raised (repurchased)	0.6	-	6.1	-	-	-	-
Debt drawdown (repaid)	0.0	1.1	(0.2)	(1.1)	-	-	-
Other financing activities	-	(0.1)	-	-	-	-	-
Financing cashflow	0.6)	0.9)	5.9)	(1.1)	-	-	-
Net change in cash	0.0)	(0.0)	5.1)	(1.7)	0.4)	1.3)	2.1)
Cash at End Period	0.2	0.1	5.3	3.6	4.0	5.3	7.4
Net Debt (Cash)	0.0	1.3	(4.0)	(3.4)	(3.8)	(5.1)	(7.2)
Balance Sheet (A\$m)	2019a	2020a	2021e	2022e	2023e	2024e	2025e
Cash	0.2	0.2	5.3	3.6	4.0	5.3	7.4
Total Assets	1.0	0.4	5.7	4.2	4.9	6.7	9.5
Total Debt	0.2	1.4	1.2	0.2	0.2	0.2	0.2
Total Liabilities	0.5	1.9	2.0	1.0	1.1	1.2	1.4
Shareholders' Funds	0.5	(1.5)	3.7	3.3	3.9	5.5	8.0

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