

Issue of Employee Performance Rights

Complii FinTech Solutions Limited "Complii" (CF1.ASX) advises that 1,346,411 performance rights have been issued under the Incentive Performance Rights Plan to eligible employees of the Company for the financial year ending 30 June 2022.

The terms and conditions of the performance rights follow this announcement. An Appendix 3G notice will be lodged separately.

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

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SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the Performance Rights is set out below:

- (a) **(Vesting Condition)** The Performance Rights will vest subject to one (1) year of continuous employment by the holder commencing upon the date of issue of the Performance Rights.
- (b) **(Vesting Date)** The Performance Rights will vest on the date that is one (1) year from the date of issue.

If the Vesting Condition has not been achieved by the Vesting Date, then the Performance Rights will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event the Vesting Condition is met before the Vesting Date and the Shares the subject of a conversion are deferred in accordance with paragraph (p) below.

- (c) **(Notification to holder)** The Company shall notify the holder in writing when the Vesting Condition has been satisfied.
- (d) **(Conversion)** Subject to paragraph (p), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.
- (e) **(Lapsing Otherwise)** If the holder (or the effective holder where a nominee has been appointed) of the Performance Right's engagement with the Company (or one of its subsidiaries) is terminated for whatever reason, any unvested Performance Rights held by that relevant holder will automatically lapse.
- (f) **(Expiry Date)** Each Performance Right shall otherwise expire two (2) years from the date of issue (**Expiry Date**). If the Vesting Condition attached to the Performance Right has been achieved by the Expiry Date, all unconverted Performance Rights of the relevant class will automatically lapse at that time.
- (g) **(Consideration)** The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.
- (h) **(Share ranking)** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (i) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- (j) **(Timing of issue of Shares on Conversion)** Within 5 Business Days after date that the Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (j)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (k) **(Transfer of Performance Rights)** Subject to the ASX Listing Rules, and except as otherwise provided for by an offer, Performance Rights are only transferrable in Special Circumstances (as defined in the Plan) with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the relevant holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.
- (l) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.
- (m) **(Reorganisation of capital)** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (n) **(Dividend and voting rights)** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (o) **(Change in control)** Subject to paragraph (p), upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

that number of Performance Rights that is equal to not more than 10% of the Shares on issue immediately following conversion under this paragraph will convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Performance Rights then on issue as well as on a pro rata basis for each holder. Performance Rights that are not converted into Shares under this paragraph will continue to be held by the holders on the same terms and conditions.

- (p) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Right under paragraph (d) or (o) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001*(Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (p)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- (q) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (r) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (s) **(No other rights)** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (t) **(Plan):** The terms of the Performance Rights are supplemented by the terms of the Company's Incentive Performance Rights Plan.