

31 July 2018

## Market Update June 2018 Quarter

### Corporate

During the quarter, Ms Chun Fong Leung was appointed as a non-executive director.

Ms Leung, a sophisticated businesswoman with investments in Hong Kong, People Republic of China (PRC), and Australia is well respected within the international business community and has extensive network of business contacts.

Ms Leung has the skills and expertise to help the Company's business grow and develop and the Company is very fortunate to have her join the Board.

### Capital Raising

On the 7 May 2018, the Company held a General Meeting in order to pass a number of Resolutions. Resolution 3 in the Notice of General Meeting sought shareholder approval for the Company to issue up to that number of Shares which, when multiplied by the issue price, will raise up to \$2,000,000

The Company, accessing the network of contacts established by the Board have raised \$750,000 (less expenses) under Resolution 3, however, these funds are not sufficient to meet the demands for loans in the current market place and the Directors are currently accessing alternative sources to conduct further capital raising on behalf of the Company, including the potential appointment of an underwriter that is Australian based with overseas offices.

The Company has to 7 August 2018 to raise the remainder of the capital raising funds.

### Malaysian Business

The board is still exploring opportunities in Malaysia, specially Ipoh, where the Malaysian subsidiary of the Company - G-Vest, is currently applying to renew its lending licensing.

Once the license is renewed coupled with a successful capital raising program, the Company can contemplate the expansion of the loan book in G-Vest.

### GGH Financial Group Pty Ltd

GGH Financial Group Pty Ltd (GGH), is a wholly owned subsidiary of the Company, that was established in September 2017 and the Board contemplated this subsidiary filing for an Australian Financial Services License (AFSL).

However, after due consideration, the decision has been made not to pursue the application for an AFSL as an AFSL is not required for the expansion of the target market for GGH which is specifically the loans market.

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Financial Solutions Limited

The board has identified that the target market for GGH is short term loans to businesses, specifically equipment finance and property development, which is same as G-Vest.

The subsidiary is currently refurbishing its offices, updating the website in preparation to launching an industry wide marketing program to capture business in the wake of a gap in the marketplace post the Royal Commission into the Banking sector.

In the June 2018 quarter, GGH received revenue during its due diligence processes into researching the short term loans market in Australia, specifically in property development.

GGH is also actively exploring the market place for potential acquisitions of loan books that comply with the current classification of the Company.

#### **Appendix 4C**

**Attached** is the June 2018 quarter Appendix 4C.

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**Campbell McLeod**  
**Director**

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## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

PLC Financial Solutions Ltd

**ABN**

53 123 879 416

**Quarter ended ("current quarter")**

30 June 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$AUD</b>	<b>Year to date (12 months) \$AUD</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	22000	22000
1.2 Payments for		
(a) research and development	(11,330)	(11,330)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(34,557)	(34,557)
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(238,197)	(1,023,446)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	3,929
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(262,084)</b>	<b>(1,043,404)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$AUD	Year to date (12 months) \$AUD
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	750,000	870,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>750,000</b>	<b>870,000</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	521,724	1,183,044
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(262,084)	(1,043,404)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	750,000	870,000

Consolidated statement of cash flows		Current quarter \$AUD	Year to date (12 months) \$AUD
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>1,009,640</b>	<b>1,009,640</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$AUD	Previous quarter \$AUD
5.1	Bank balances	759,640	271,725
5.2	Call deposits	250,000	250,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,009,640</b>	<b>521,725</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$AUD**

55,000

-

Directors Fees \$55,000

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$AUD**

nil

nil

n/a

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$AUD	Amount drawn at quarter end \$AUD
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. <b>Estimated cash outflows for next quarter</b>	\$AUD
9.1 Research and development	100,000
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	25,000
9.4 Leased assets	-
9.5 Staff costs	-
9.6 Administration and corporate costs	175,000
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>300,000</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	n/a	n/a
10.2 Place of incorporation or registration	n/a	n/a
10.3 Consideration for acquisition or disposal	n/a	n/a
10.4 Total net assets	n/a	n/a
10.5 Nature of business	n/a	n/a

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Director

Date: 31 July 2018

Print name: Harry Fung

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.