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## June 2019 Appendix 4C Commentary

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### Business Update

The June 2019 quarter has seen the federal election result and the loosening of APRA rules, GGH has seen a significant increase in activity for its short term money lending business.

The demand in the short term money lending has been from a mixture of SME businesses for general business cash flow and from Real Estate Property developers to cover short term cash flow as the leading banks have been restrictive in this particular area of lending.

During the June quarter, GGH Financial has also completed its new office refurbishment in South Melbourne which has led to an increased capacity for financial consultants and telemarketing team to scale up the short term money business.

Revenue for the quarter was \$259k from loan referrals whilst establishing its client database for its SME short term lending business with the budget target being \$5,000,000 in revenue for the financial year 19/20 subject to successful capital raising and/or a financing facility by the Company.

During the quarter, GGH Financial has provided 2 direct loans totalling \$200,000 to local SME businesses. These short term loans have been repaid in full with interest and costs within the quarter. There are several applications pending sourcing of capital to be processed which will add to the revenue of GGH Financial.

The Company is currently canvassing interest to raise capital for general business cash flow and expansion of the short term money lending business.

### Financing Facility

GGH, via PLC, intends on seeking a financing facility in the order of AUD\$3m to \$5m so that it can directly fund the demand for the short term loans that it currently has in its application process rather than to seek the funds via a 3rd party funder.

### Acquisitions

PLC continues to pursue acquisitions of loan books and other related businesses in the short term money lending space. To date, the Company has been reviewing various acquisition targets however the Company has not been successful in entering any material agreements for any acquisitions. The board continues to canvass and review potential opportunities and will announce to the market upon entering any agreements with potential suitors.

### Suspension of the Company's Securities Update

The Company's shares continue to remain in suspension. The Directors are continuing to work closely with the ASX with the objective of ending the trading suspension of the Company's shares. The Board and the Company will provide further updates on the suspension in due course.

### Attached is the Appendix 4C for the June 2019 Quarter.

For further information please contact:

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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 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter (June 2019) \$AUD</b>	<b>Year to date (12 months) \$AUD</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	259	259
1.2 Payments for		
(a) research and development	(1)	(111)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(6)	(45)
(d) leased assets	-	-
(e) staff costs	(250)	(250)
(f) administration and corporate costs	(37)	(401)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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>(35)</b>	<b>(548)</b>

Consolidated statement of cash flows		Current quarter (June 2019) \$AUD	Year to date (12 months) \$AUD
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(20)	(356)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(20)</b>	<b>(356)</b>

  

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	0	175
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>0</b>	<b>175</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	336	1,010
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(35)	(548)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(20)	(356)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	0	175
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>281</b>	<b>281</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$AUD</b>	<b>Previous quarter \$AUD</b>
5.1	Bank balances	81	36
5.2	Call deposits	200	300
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>281</b>	<b>336</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$AUD</b>
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	
	Directors Fees	\$60,000

7. <b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$AUD</b>
7.1      Aggregate amount of payments to these parties included in item 1.2	nil
7.2      Aggregate amount of cash flow from loans to these parties included in item 2.3	nil
7.3      Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
n/a	

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$AUD</b>	<b>Amount drawn at quarter end \$AUD</b>
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>	<b>\$AUD</b>
9.1      Research and development	50
9.2      Product manufacturing and operating costs	-
9.3      Advertising and marketing	25
9.4      Leased assets	-
9.5      Staff costs	-
9.6      Administration and corporate costs	55
9.7      Other (provide details if material)	
<b>9.8      Total estimated cash outflows</b>	<b>130</b>

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	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: 30 July 2019

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.