
Quarterly Activity Report and Appendix 4C

PLC Financial Solutions Limited (ASX: PLC) (**PLC or the Company**) provides the following quarterly activity report and Appendix 4C.

Quarterly Activity Report – 1 January to 31 March 2020

At the beginning of the quarter the Company was in advanced discussions with a business to complete a backdoor listing. Unfortunately, the target company could not satisfy the compliance and due diligence process established by the Board to achieve the regulatory approvals to proceed, therefore the Company did not move forward with this transaction. Details of the business are not allowed to be released due to executed confidentially deeds.

The PLC Board are currently working through various strategies and avenues for capital raising but the impact of the COVID-19 pandemic has resulted in a slow-down in economic activity across most industries, which has been material, and we are yet to be successful to complete any capital raising as at the date of reporting.

The Company looks to further reduce costs and assess the impact over the next quarter and continues to seek opportunities to complete a backdoor listing. The Board are currently reviewing a number of projects that have been presented but at this stage the review process is in the early stages and the Board will advise if and when we are ready to proceed to the next stage.

Cash on hand at the end of the quarter was \$10k compared to \$81 at the end of the prior quarter.

Listing Rule 4.7C.3

In item 6 of the attached Appendix 4C of the cash flow report for the quarter, payments to Related Parties of approximately \$80,000 comprised of the salaries paid to the Non-Executive Directors.

Authorised for Lodgement: The Quarterly Activity Report has been authorised for release by the Board of Directors.

For further information, contact:

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Non-Executive Chairman
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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

PLC Financial Solutions Ltd

ABN

53 123 879 416

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	486
1.2 Payments for		
(a) research and development	-	49
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(71)	(757)
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)	-	-
1.9 Net cash from / (used in) operating activities	(71)	(222)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	81	281
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(71)	(222)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(49)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	10	10

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	10	81
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10	81

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
80
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Item 6.1 includes aggregate amounts paid to Directors being fees totalling \$80,000

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

7.5 **Unused financing facilities available at quarter end**

Not Applicable

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities

\$A'000

8.1 Net cash from / (used in) operating activities (Item 1.9)

(71)

8.2 Cash and cash equivalents at quarter end (Item 4.6)

10

8.3 Unused finance facilities available at quarter end (Item 7.5)

-

8.4 Total available funding (Item 8.2 + Item 8.3)

10

8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

<2

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Even though the Company is suspended, cash will continue to diminish as expenses in the ordinary course of business continue to be incurred. Cash will increase through a placement run in parallel with ASX re-listing.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Despite the current prevailing market conditions, the Board of Directors continue to pursue opportunities for an ASX re-listing of the Company which will enable a material capital raising to be run in parallel

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Even though the Company is suspended, it's underlying operations continue all be it modestly but the Board are of the opinion that relisting on the ASX together with a cash injection will enable the Company's growth.

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.

Date: .30 April 2020.....

Authorised by: By the Board of PLC Financial Solutions Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.