



ARBN: 158 702 400

30 October 2020

QUARTERLY ACTIVITIES REPORT & APPENDIX 4C

QUARTER ENDED 30 SEPTEMBER 2020

Fintech Chain Limited (ASX: FTC), or the “Company”, is the innovation IP owner and supplier of the Integrated Payment and Merchant Industry Application Solutions platform, T-Linx™ PaaS (Platform as a Service) Middleware, provider to banks in China. FTC is pleased to publish its Quarterly Activities Report and Appendix 4C for the quarter ended 30 September 2020 (Q2).

Operations & Business Update

In terms of T-Linx™ PaaS Middleware business expansion in the rural credit union and banking sector, the Company has continued to win contract bids for T-Linx™ PaaS Middleware solutions implementation. Pilot tests/ trials are currently in progress. The Company is optimistic in securing more binding contracts.

The development of DC/EP (Digital Currency/Electronic Platform, a digital form of CNY cash) in China is actively underway. Several cities have become the first pilot areas including Shenzhen. FTC continues to discuss with banks technological development and application implementation programs for DC/EP. In this regard, FTC has been closely following the development of DC/EP, aiming to enable banks using T-Linx™ PaaS Middleware to seamlessly connect to DC/EP.

Financial Update

Quarter Cashflow

FTC recorded an overall positive cash flow in the September quarter attributable to the collection of delayed trade receivables caused by the COVID-19 pandemic in the previous two quarters

Product manufacturing and operating costs

Product manufacturing and operating costs increased by RMB2,925,826, up 82%, compared to the previous quarter due to firstly the continuing expansion of T-Linx™ PaaS Middleware business, and secondly expenditure on the acquisition of point-of-sales machines for approximately RMB 2 million.



Staff costs

FTC recruited additional personnel to support its T-Linx™ PaaS Middleware business expansion, hence the corresponding increase in staff costs recorded as compared to last quarter.

Financial support

FTC continues to enjoy the financial support of its major shareholders, Mr. Xiong Qiang and Mr. Chow Ki Shui Louie, who will provide additional funding to FTC if required.

Payments to related parties of the entity and their associates

President Mr. Xiong Qiang was paid RMB132,300 in the September quarter as ordinary remuneration for his role as CEO of FTC's wholly owned subsidiary, Shenzhen Taotaogu information Technology Co., Ltd.




No payments to other directors or associates were made in accordance with Item 6 of the accompanying Appendix 4C.

The above announcement has been authorised by the Board of Director of FTC.

About FTC

FTC is **T-Linx™** PaaS (Platform as a Service) Middleware, the innovation IP owner and supplier of the Integrated Payment and Merchant Industry Application Solutions platform, provider to banks in China.

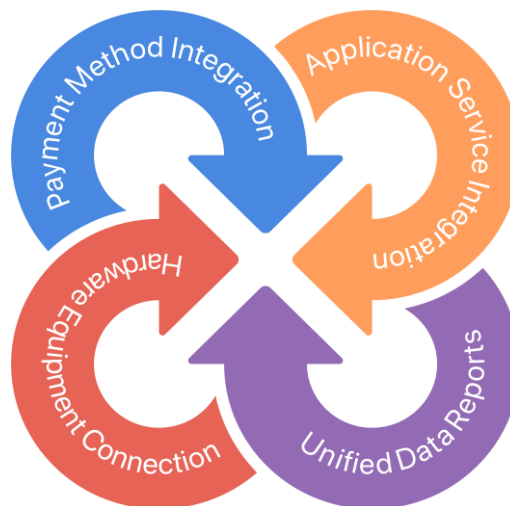
Focus on PaaS Payment Services Industry

 <p>Experienced Team in charge of patented IP</p>	 <p>Business Services Sectors</p>	 <p>Powerful Processing Capabilities</p>
<p>9 Years Payment Industry Experience</p> <p>❖</p> <p>170 Products serving merchants and banks</p> <p>❖</p> <p>200+ Payment Industry Experts</p> <p>❖</p> <p>ranked 51st in “2020 China Top 100 Fintech Patent Technology List”</p>	<p>Serving over 6 million bank-contracted merchants</p> <p>❖</p> <p>T-Linx™ coverage up to 1,000 banks</p> <p>❖</p> <p>Over 40 Merchant Industry Application Solutions</p>	<p>Up to 20 million Daily Transactions</p> <p>❖</p> <p>Up to CNY 1 trillion in Annual Gross Transaction Value</p>

FTC's **T-Linx™** PaaS middleware empowers banks including:

1. Establishing bank's independent + integrated payment and settlement capabilities while improving bank's comprehensive service levels for merchants;
2. Securing sustained and stable low-cost deposit features;
3. Strengthening the PaaS ecological collection of merchants and partners to create extended revenue value;
4. Creating multilateral winning environment for all parties (merchants, partners and banks) by means of PaaS.

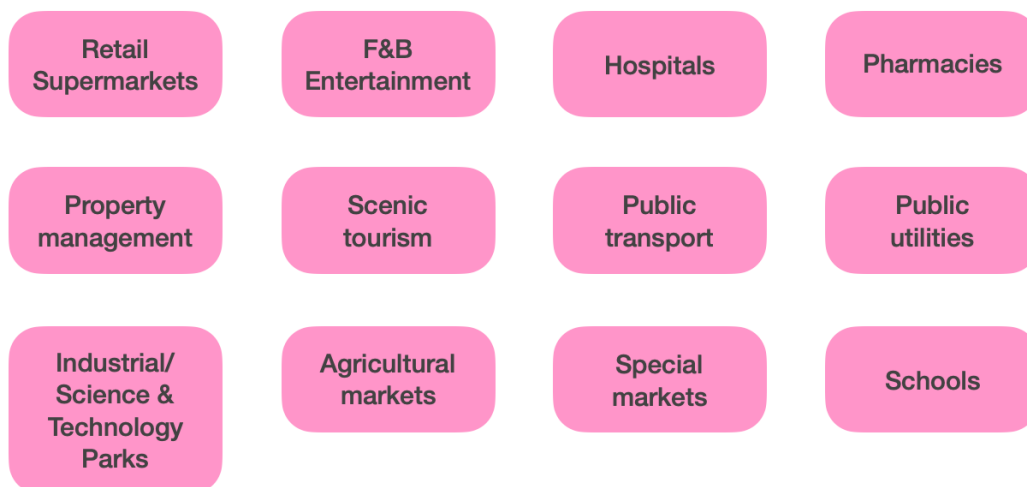
T-Linx™ Merchant Industry Application - The redefinition of “integration”



T-Linx™ has not only integrated all available payment methods, but also integrated and deployed a platform with complete software application services and hardware products for a wide-spectrum of merchants across a broad range of industries.

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**40+
Merchant Industry Applications
including**



ends-

For further information visit www.ttg.hk or contact Mr Chris Ryan or Mr Quinent Leung, FinTech Chain Limited at +61 2 9276 2000.

Appendix 4C Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

FINTECH CHAIN LIMITED

ABN

158 702 400

Quarter ended ("current quarter")

30 September 2020

Consolidated statement of cash flows		Current quarter RMB	Year to date (6 months) RMB
1.	Cash flows from operating activities		
1.1	Receipts from customers	12,667,210	21,779,307
1.2	Payments for		
	(a) research and development	(5,000)	(5,000)
	(b) product manufacturing and operating costs	(6,495,375)	(10,064,924)
	(c) advertising and marketing		-
	(d) leased assets	(285,987)	(534,173)
	(e) staff costs	(3,940,064)	(7,005,727)
	(f) administration and corporate costs	(1,341,834)	(2,566,818)
1.3	Dividends received (see note 3)		-
1.4	Interest received	611	1,359
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	(37,561)
1.7	Government grants and tax incentives	8,701	17,961
1.8	Other (provide details if material)	(464,205)	(3,560,050)
1.9	Net cash from / (used in) operating activities	144,057	(1,975,626)
2.	Cash flows from investing activities	-	-
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses	-	-
	(c) property, plant and equipment	(19,443)	(19,443)
	(d) investments	-	-
	(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter RMB	Year to date (6 months) RMB
	(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	(19,443)	(19,443)

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	1,670,069	3,796,649
4.2	Net cash from / (used in) operating activities (item 1.9 above)	144,057	(1,975,626)

Consolidated statement of cash flows		Current quarter RMB	Year to date (6 months) RMB
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(19,443)	(19,443)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(1,626)	(27,966)
4.6	Cash and cash equivalents at end of period	1,793,057	1,670,069

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 RMB	Previous quarter RMB
5.1	Bank balances	1,793,057	1,670,069
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)	1,793,057	1,670,069

6.	Payments to related parties of the entity and their associates	Current quarter RMB
6.1	Aggregate amount of payments to related parties and their associates included in item 1	132,300
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end RMB	Amount drawn at quarter end RMB
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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	RMB
8.1	Net cash from / (used in) operating activities (item 1.9)	144,057
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,793,057
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,793,057
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	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: N/A		
8.6.2	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: N/A		
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A		
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		

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 October 2020



Authorised by: CHOW KI SHUI LOUIE
(Executive Director)

Notes

1. This quarterly cash flow report and the accompanying activities 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. The figures disclosed in this report are in Chinese Renminbi (RMB), the official currency of The People's Republic of China, which is the home currency of FTC.
3. FTC has adopted accounting policies that comply with International Financial Reporting Standards (IFRS) and the figures in the report are prepared in accordance with applicable IFRS.