

Fintech Chain Limited 2020 Annual General Meeting

18.09.2020 AGM

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1、Company

- FTC is a leading payment & settlement solutions (T-Linx™ middle software) provider for banks in China.
- FTC's wholly-owned subsidiary in China is Shenzhen TaoTaoGu Information Technology Co., Ltd (TTG)
- FTC empowers banks to serve full range of merchants in different payment scenarios:
 1. Establishing bank's independent payment and settlement capabilities while improving bank's comprehensive service levels for merchants.
 2. Increasing revenue in bank's main deposit and loan service business units, in conjunction with supporting banks in securing sustained and stable low-cost deposit facilities.
 3. Strengthening the ecological collection of merchants and partners, by providing value-added services for banks and merchants to create extended revenue values.
 4. Creating a more cooperative and multilateral winning environment for all parties, merchants, partners and banks.
- FTC's business in banking institution sector operate strictly in compliance with relevant Chinese laws and regulations.

2、 Company Status

- 9 years of professional focus on independent research and development of T-Linx™ middle software for banks, solving the problem of interconnection between integrated payment and merchants in various industries for banks.

FTC - Focus on Payment Service Industry



**Powerful Processing
Capabilities**

**20 million
Daily Transactions**

**CNY 1 trillion
Annual Transaction Amount**



**Experienced Team
Own Intellectual Properties**

**9 Years of Industry
Experience**

**170 Products
serving
merchants and banks**

**200+
Payment Industry Experts**



Broad Business Areas

**Serving
Over 6 million
bank-contracted merchants**

**T-Linx™ coverage up to
1,000 banks Note1
(independent legal person)**

**Over 40
Industry Scenario Solutions**

2、 Company Status

- At present, around 1,000 banks ^{Note1} in China are directly or indirectly using FTC's T-Linx™ system solutions, including China Merchants Bank, Ping An Bank, provincial Rural Credit Cooperative Unions, district banks, etc. In serving 6 million merchants, annual transaction volume has reached over CNY 1 trillion (2020 financial year), which represents an annual growth rate of 30%.

Note1:

Bank Category	Business Geographical Scope	Example	Population Ratio at Service
State-owned Commercial	National	China Construction Bank Bank of Communications etc	~ 30%
Joint-stock Commercial	National	China Merchants Bank Ping An Bank etc	
Rural credit cooperative union	Provincial (Province)	JiangXi Rural Commercial Bank ShaanXi Rural Credit Cooperatives Union etc	~70%
City Commercial	Regional (City)	Bank of Shangrao Bank of Urumqi etc	

FTC T-Linx™ solutions are widely cooperated with and recognised by banks

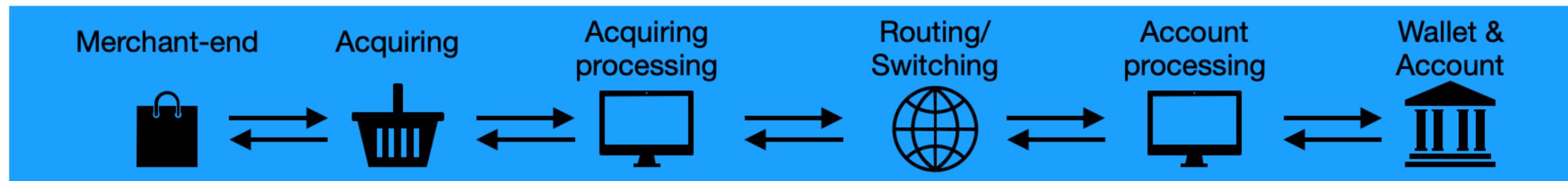
 招商银行 CHINA MERCHANTS BANK T-Linx cooperation since 2018 with Transaction Banking Department, China Merchants Bank Headquarter	 平安银行 PING AN BANK T-Linx cooperation since April 2017 with Network Finance Department, Ping An Bank Headquarter	 中国建设银行 China Construction Bank Cooperation since 2017 in Coupon marketing (integrated payment institution) & industry solutions	 江西省农商银行 JIANG XI RURAL COMMERCIAL BANK T-Linx cooperation since 2017 with 86 member institutions in integrated payment & marketing management
 乌鲁木齐银行 BANK OF URUMQI T-Linx cooperation since 2018 in integrated payment, marketing system & industry solutions	 陕西信合 SHAA NXI RURAL CREDIT COOPERATIVES UNION T-Linx cooperation since 2019 with 90 member institutions in integrated payment & industry solutions	 中国邮政储蓄银行 POSTAL SAVINGS BANK OF CHINA In 2015, implementation of credit card marketing management platform for Shenzhen branch	 宁波银行 BANK OF NINGBO T-Linx cooperation since 2019 with corporate, personal & retail department in integrated payment, industry solutions & marketing management
 中国光大银行 CHINA EVERBRIGHT BANK Strategic cooperation since 2017 with Hangzhou Center, China Everbright Bank	 上饶银行 Bank of Shangrao T-Linx cooperation since end of 2016 in smart POS acquiring & integrated payment system	 交通银行 BANK OF COMMUNICATIONS Full cooperation since 2019 with the headquarter in payment acquiring marketing + merchant deposits	 湖南省农村信用社 HUNAN RURAL CREDIT COOPERATIVE T-Linx cooperation since 2019 with 130 member institutions in integrated payment & industry solutions

2、 Company Status

- The Company receives a basis point share of the transaction amount (transaction fee sharing) or an annual fixed service fee income as the Company's service fee income. Gross profit margin exceeds 50%.
- The Company is continuously expanding the number of banking partners and increasing total transaction amounts.
- Company revenue models: transaction fee sharing; annual fixed service fee income; industry application service income; value-added services (for example: advertising); smart hardware sales; technical service income; blockchain technology services (excluding any cryptocurrency exchange and trading activities).
 - * New value-added service income: Advertising; banking institution payment marketing management platform (consumer coupons, discount coupons, cash coupons, full discount coupons, single product coupons, cross-industry marketing).
- FTC ranked 51st in the "2020 China Top 100 Fintech Patented Technology List".

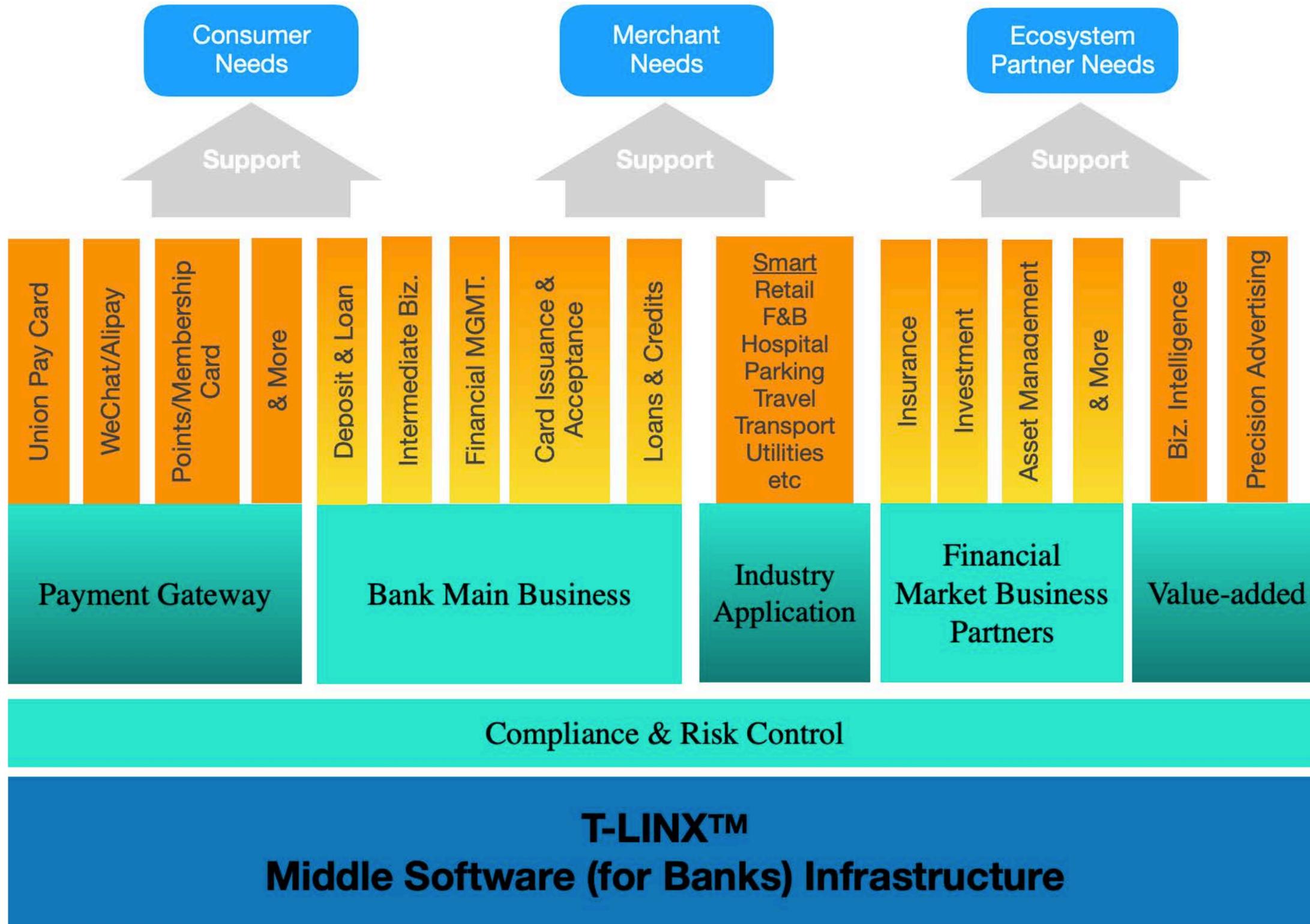
3、Core Competency

FTC's end-to-end industrial chain solutions in payment service industry



<ul style="list-style-type: none">Integrated Payment SolutionsIndustry Application Service PlatformMerchant Card & Coupon Marketing ManagementSmart POS Cash Register SolutionMerchant "One Pass" SolutionFinancial Report/Bill Pushing	<ul style="list-style-type: none">MIS Cash Register SolutionInstitution Card & Coupon Marketing SystemSmart Transaction Rate SolutionMulti-Terminal Submission Management SystemAcquiring Risk Control SystemReconciliation & Settlement Management	<ul style="list-style-type: none">Payment GatewayPayment RoutingChina UnionPay Payment Switching SolutionNet Union Payment Switching Solution	<ul style="list-style-type: none">UnionPay Wallet Access SolutionInstitution Pre-paid Card SolutionBank Account II/III Category SolutionMobile Banking APP Rights & Interests ServicesMobile Banking APP Account Acquiring
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3、Core Competency



3、Core Competency

CMMI® Maturity Level 3 (Defined)

The Capability Maturity Model Integration (CMMI)® is a proven set of global best practices that drives business performance through building and benchmarking key capabilities, especially in software development.



4、 Team Profile



CEO & Founder: Mr XIONG Qiang

Mr Xiong graduated from Jiangxi University of Finance and Economics in Currency Banking. Mr Xiong has been a leader in technology support and outsourcing services for a number of telecommunication companies since 2005. Mr Xiong is responsible for the group's strategic direction and expansion plan, and is fully responsible for the group's business development.

All FTC senior executives have worked with John on average for more than 13 years.

Vice-President & Deputy Chief Executive Officer: Mr CHOW Ki Shui Louie



Mr Chow graduated from Xiamen University. He co-founded a non-profit educational foundation in China.

Mr Chow has many years of experience in both domestic and international direct investment. He is responsible for FTC's strategic planning and corporate finance activities.

4、 Team Profile



Independent Chairman & Non-executive Director: Mr RYAN, Christopher John

Mr Ryan has industry diverse experience and expertise in mergers and acquisitions together with initial public offerings. He has advised on ASX listings since 1986.

Mr Ryan's qualifications include holding a Bachelor of Financial Administration, University of New England, fellowship of the Chartered Accountants Australia and New Zealand and membership of the Australian Institute of Company Directors.



Non-Executive Director: Ms ZHOU Chen Yao Zoe

Ms Zhou graduated in Saint Louis University in United States of America. She started her career in venture capital in 2014 and is now a partner of Longling Capital and oversees a portfolio of \$140 million in early stage technology funding.

Ms Zhou was included on Forbes's 2017 '30 under 30 years of age' Asia List as one of the young talents and change-makers in industries ranging from consumer technology to health care and science.

5、 Competition & Risk

- Competition analysis: In the payment acquiring business, since banks have ultimate advantage, more third-party payment companies and fourth-party payment service provider are entering into FTC's business area.

✱ FTC's advantages:

- 1) Professional focus on payment acquiring systems for banks for the past ten years.
- 2) Providing professional services to high marketshare corporate banks during that ten years period.
- 3) Quality marketing and reputational attributes.

- Risk analysis and resolution:

As a result of the COVID-19 pandemic leading to both large or small scale outbreaks in various cities in China, a number of existing bank customers have changed their work arrangements , such as operating offsite , reducing work hours including face to face support and longer off peak administration, all of which inevitably causes some inefficiencies leading to the lengthening of the process of collection of account receivables by up to 6 months period. This has affected FTC as well as other banking industry participants.

However with signs of recovery, evidenced by an improvement in gross transaction value and frequency, FTC is confident its businesses activity is picking up from last quarter.

On the other hand, uncertainty in global relations together with the economic impact of COVID-19 in China still pose a challenge to our business.

6、 Business Review & Outlook

- Business Review:

FTC's T-Linx™ empowers banks to transform all their banking services into an Open Banking marketplace, while strictly adhering to all requisite regulatory compliance, and ensuring reliability, accuracy and ease of use at all time. T-Linx™ effectively extends banking system attributes from banks to merchants/ SMEs/ core enterprises and customers, hence establishing a valuable Bank-Merchant-Consumer network.

FTC constant focus on the development of new value-added business for banks includes banking institution payment marketing and management platforms with consumer coupon issuance and verification functions. FTC aims at achieving economic mobility, which assists local government issuing consumer coupons to the public for the purpose of stimulating consumption.

- Business Outlook:

Continuing demand from bank customers for the Company's T-Linx™ deployment remains consistent. Benefiting existing bank customers, the Company is expanding T-Linx™ coverage in more China regions and merchants. During the June quarter, the Company identified both the overall transaction amount and transaction frequency as noticeably increasing and showing signs of recovery from the downturn caused by COVID-19. The Company is prepared to respond to the changes and impact brought about by the epidemic.

FTC's business as a whole is developing according to plan. T-Linx™ continues to support bank customers in expanding their businesses. In addition, the Company is currently conducting pilot testing with potential new bank customers in other provinces of China with the intention of entering into new T-Linx™ contracts following successful testing results and further negotiation.

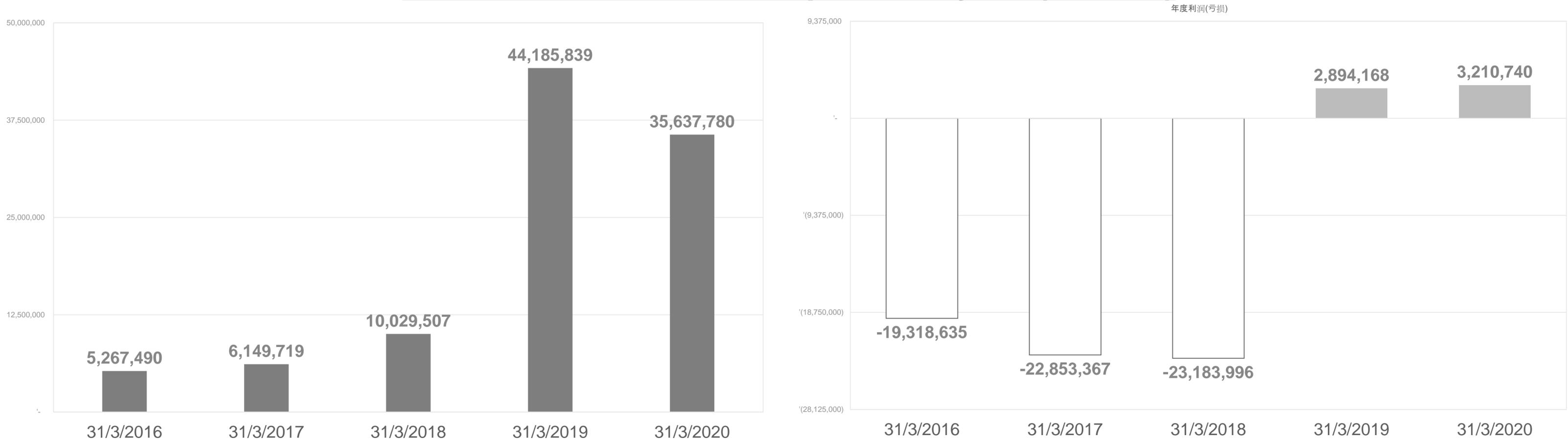
7、 Historical Data - Five-year Financial Summary

	31/3/2016	31/3/2017	31/3/2018	31/3/2019	31/3/2020
	RMB	RMB	RMB	RMB	RMB
Revenue	5,267,490	6,149,719	10,029,507	44,185,839	35,637,780
Gross profit / (loss)	901,600	1,320,774	(2,045,807)	28,640,520	19,447,880
Profit / (loss) before taxation	(19,318,635)	(22,853,367)	(23,183,996)	2,894,168	3,210,740
Profit / (loss) for the year	(19,318,635)	(22,853,367)	(23,183,996)	2,894,168	3,210,740
Total assets	18,021,631	13,488,679	16,059,423	18,971,049	27,695,784
Total liabilities	(11,349,680)	(27,952,313)	(46,318,735)	(37,470,550)	(42,367,442)
Non-controlling interests	341,735	616,126	968,564	1,094,830	1,168,226
Equity attributable to owners of the Company	7,013,686	(13,847,508)	(29,290,748)	(17,404,671)	(13,503,432)
Basic profit / (loss) per share	(0.0297)	(0.0354)	(0.0356)	0.0047	0.0054

The Company generated net profit and total comprehensive income of RMB3.21 million for FY2020, an increase of 11% over the previous year despite of Coronavirus (COVID-19) pandemic.

7、 Historical Data - Five-year Financial Summary

FTC annual revenue and profit for year (in RMB)



Due to the impact of the Coronavirus (COVID-19) epidemic, revenue growth from T-linx™ related products and services was slower than anticipated being RMB28.8 million to RMB35.6 million. Revenue for FY2020 related entirely to T-linx™ products and services.

Thank you very much.

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