
QUARTERLY ACTIVITIES REPORT & APPENDIX 4C

QUARTER ENDED 30 SEPTEMBER 2024

Fintech Chain Limited (ASX: FTC), or the “Company”, exclusive provider of the **T-Linx™ SaaS platform** (Software as a Service), hereby presents its Quarterly Activities Report and Appendix 4C for the quarter ended 30 September 2024 (Q2).

Financial Update

Q2 Cashflow

As at 30 September 2024, FTC held positive cash balances of RMB 2.8m compared to the beginning of Q1’s RMB 3.8m. FTC recorded RMB 13.0m in receipts from customers in this quarter.

FTC recorded net cash outflows from operating activities during the quarter of RMB 4.2m. Expenditure incurred during Q2 included:

Research and development	RMB	2.5m
Product manufacturing and operating costs	RMB	10.5m
Asset leasing assets	RMB	0.5m
Staff costs	RMB	2.4m
Administration and corporate costs	RMB	1.1m
Total operating payments	RMB	17.0m

Product manufacturing and operating costs increased compared to last quarter but will return to used operating levels in proceeding quarter.

There were no significant changes during the quarter with other operating costs. During Q2, there were no material developments or changes in FTC’s business activities.

Financial Update (Cont'd)

Proceeds from borrowings (Item 3.5)

During Q2, FTC drew down secured loans in total RMB 3.2m from China Guangfa Bank for working capital. Please refer to item 7.6 for further details.

Payments to related parties of the entity and their associates

During the quarter, President Mr. Xiong Qiang and director Ms. Gao Qiuju were paid RMB141,234 and RMB68,290 as ordinary remuneration for their role as CEO and General Manager of Science and Innovation Center of FTC's wholly owned subsidiary, Shenzhen Taotaogu information Technology Co., Ltd. ("TTG") respectively.

FTC repaid RMB 99,400 loan interest and guarantee fees to Ms. Ling during this quarter.

FTC has payment to Proserv Group, a company associated with independent Chairman, Mr. Chris Ryan, total RMB186,929 during the quarter.

No other payments were made to directors or their associates.

Business Environment

With the further development of digital transformation in China, T-Linx™ comprehensively serves more diversified payment scenarios. FTC considers its T-Linx™ system in providing seamless inter-connectivity and intelligent digital processing, will continue to attract industry demand in and meet the need of both the banking and enterprise sectors.

Contract wins

1. Electric vehicle charging piles in community held by Hunan Pingjiang Rural Commercial Bank.
2. Smart Canteen project by Bank of Ganzhou in Jiangxi province and China Construction Bank in Weihai province.
3. IoT hardware procurement for Yunnan Qujing Rural Commercial Bank and Shanxi Yaodu Rural Commercial Bank.

Business Outlook

In the tide of the digital age, the Company is becoming the industry leader with its forward-looking strategic vision and innovative spirit. With the continuous advancement of technology and the growing market, FTC is position in the market, augers well for the future.

FTC continues to focus on the needs of digitalization, onlineisation and scenario-based, and provide more professional services and more innovative products in the basic service fields of financial institutions, digital financial scenarios, and supply chain finance to assist customers in building an open digital financial service ecosystem and better create value for customers.

This announcement has been authorised for release to ASX by the Board of Directors of FTC.

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About FTC

FTC's IP **T-Linx™** is a **SaaS** platform (Software as a Service).

In serving various payment scenarios under the umbrella of digital transformation, **T-Linx™ SaaS** connects various software and hardware, and serves banks, merchants, and consumers, in the form of cloud services in a compliant, safe, credible and user-friendly manner.

The **T-Linx™ SaaS** platform connects and serves four main types of platform partners (**Refer Note 1**) to create upselling and cross-selling opportunities within various payment environments.

Three major interconnected services of **T-Linx™ SaaS** platform

1. **SaaS cloud service**

- (i) Payment SaaS infrastructure (IaaS, Infrastructure as a Service)
 - Services for Banks: including integrated payments with multiple payment channels; integrated merchant submission; reconciliation processing; risk control; branch management; unified settlement report;
 - Services for Merchants: including integrated payments; integrated payment QR codes; payment collection plugin; payment collection APP; payment APIs;
- (ii) Payment Digital Transformation SaaS service (merchant solutions/industry applications)
 - Provides leading operation systems/software to various merchants/ industries.
 - Smart merchant solutions/industry applications for over 40 different industries including: Food and Beverage; Retail; Carpark; Hospital; Scenic Spot; Property Management; Bill Payments; CRM;

2. **SaaS for rights/interests/points/marketing/promotion (Refer Note 2)**

- A one-stop SaaS for marketing management to increase upselling opportunities for banks, merchants and other partners.

3. **SaaS for hardware IoT**

- Based on T-Linx™ SaaS infrastructure, merchant solutions/industry applications SaaS service drives the connection and upgrade of hardware. (**Refer Note 3**)

Note 1

Platform partners	Benefits
Banks	Increase in bank deposits Integrated acquiring management Real-time settlement services Credit card services Loans Wealth management Risk control Bank account holder rights services Customer services Robotic Processing Automation (RPA)
Merchants	Integrated payment services Real-time bill management Wealth management Loans Membership marketing management Reconciliation processing Risk control & compliance
Consumers	Receipt of accurate information Selection of multiple payment methods Access to consumer financial services Accumulation of points by consumption Receiving new discounts Payment by points
Other partners	Various software, hardware, products and services required by banks, merchants, and consumers can be promoted, resulting in the benefits to platform participants. The various services of T-Linx™ SaaS platform can be promoted through the bank's private cloud, compliant and safe public cloud, and well-known cloud service companies. Moreover, by combining hardware upgrades and digital upgrades in various merchant solutions (industry applications), each hardware component can be integrated in seamless docking and communication, and hence forming an IoT payment environment.

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Note 2

A one-stop SaaS for marketing management providing various preferential marketing tools for banks and merchants. It comprehensively assists the development of merchants by improving customer acquisition capability, and therefore enhance merchants' transaction activity.

Note 3

Merchant/Industry	Hardware IoT
Food and Beverage	Touch screen ordering equipment Kitchen/Bar network printers Portable POS machines
Retail	Cash Registers Barcode/QR code scanners Electronic scales Payment scanner boxes
Carpark	Barrier gates Car plate recognition cameras Entry and exit payment scanners
Hospital	Self-service terminals Portable POS machines
Scenic Spots	Ticket vending machines Ticket checking gates Portable ticket checking machines

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For further information visit www.ttg.hk or contact Mr. Chris Ryan, Independent Australian Chairman of FinTech Chain Limited at +61 439 970305.

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

Name of entity

FINTECH CHAIN LIMITED

ARBN

158 702 400

Quarter ended ("current quarter")

30 September 2024

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	13,002,177	23,907,761
1.2	Payments for		-
	(a) research and development	(2,484,867)	(4,598,556)
	(b) product manufacturing and operating costs	(10,462,997)	(18,059,429)
	(c) advertising and marketing	-	-
	(d) leased assets	(498,173)	(893,225)
	(e) staff costs	(2,435,277)	(5,019,440)
	(f) administration and corporate costs	(1,142,619)	(2,911,647)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1,889	2,869
1.5	Interest and other costs of finance paid	(331,906)	(600,834)
1.6	Income taxes (paid) / refund	-	-
1.7	Government grants and tax incentives	160,796	160,796
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(4,190,977)	(8,011,705)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:	-	-
	(a) entities		
	(b) businesses	-	-
	(c) property, plant and equipment	(11,368)	(11,368)
	(d) investments	-	-

Consolidated statement of cash flows		Current quarter RMB	Year to date (6 months) RMB
	(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	(11,368)	(11,368)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue/(repayment) 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	3,198,476	7,998,476
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	3,198,476	7,998,476

Consolidated statement of cash flows		Current quarter RMB	Year to date (6 months) RMB
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,807,758	2,822,929
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,190,977)	(8,011,705)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(11,368)	(11,368)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,198,476	7,998,476
4.5	Effect of movement in exchange rates on cash held	(16,562)	(11,005)
4.6	Cash and cash equivalents at end of period	2,787,327	2,787,327

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	2,787,327	3,807,758
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)	2,787,327	3,807,758

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	495,853
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. 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	23,000,000	18,000,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	16,236,799	6,736,799
7.4	Total financing facilities	39,236,799	24,736,799
7.5	Unused financing facilities available at quarter end		14,500,000
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. - FTC has facility of RMB 5.0m from WeBank for working capital purposes. - FTC drew down a secured loan of RMB 10.0m from Bank of Beijing for working capital purposes in November 2023. Interest rate coupon and guarantee fee are 3.9%p.a. and 2.0%p.a. respectively. The maturity date is 15 November 2024. FTC can repay the loan anytime before the maturity date. - FTC borrowed RMB11.1m from Ms. Ling Fang, wife of President Xiong Qiang. The remaining RMB1.6m outstanding balance as at 30 June 2024. The interest rate and guarantee fee are 6.0%p.a. and 2.0%p.a. respectively. The maturity date is 8 April 2028. FTC can repay the loan anytime before the maturity date. - FTC entered a one-year loan agreement with the independent third party for USD716,000 on 10 January 2024. The interest rate is 6.0%p.a.. FTC can repay the loan anytime before the maturity date. - FTC has facility of RMB8.0m from Chian Guangfa Bank. FTC drew down one-year secured loans in total RMB 3.2m in this quarter for working capital purposes. Interest rate coupon and guarantee fee are 3.45 to 3.95%p.a. and 2.0%p.a. respectively. FTC can repay the loan anytime before the maturity date.		

8.	Estimated cash available for future operating activities	RMB
8.1	Net cash from / (used in) operating activities (item 1.9)	-4,190,977
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,787,327
8.3	Unused finance facilities available at quarter end (item 7.5)	14,500,000
8.4	Total available funding (item 8.2 + item 8.3)	17,287,327
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.1
	<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

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.

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: 28th October 2024

Authorised by:  RYAN, Christopher John
(Independent Chairman)

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.