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## QUARTERLY ACTIVITIES REPORT & APPENDIX 4C

### QUARTER ENDED 30 SEPTEMBER 2021

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Fintech Chain Limited (ASX: FTC), or the “Company”, exclusive provider **T-Linx™ SaaS platform** (Software as a Service), is pleased to publish its Quarterly Activities Report and Appendix 4C for the quarter ended 30 September 2021 (Q2).

#### Financial Update

##### Q1 Cashflow

As at 30 September 2021, FTC held positive cash balances of approximately RMB 5.0m compared with the previous quarter of approximately RMB 6.4m. FTC received RMB 13.4m cash inflows during the quarter excluding approximately RMB 17.7m in trade receivables as at 30 September 2021, of which FTC received RMB 610,000 so far in October 2021.

##### Government grants and tax incentives (Item 1.7)

Shenzhen Nanshan District Science and Technology Innovation Bureau granted RMB 334,200 to FTC supporting high-tech information technology companies on innovation development.

##### Convertible Bonds (CB's)

3,268,925 CBs with a principal value of US\$500,000 mature on 31 December 2021. FTC elected to repay US\$360,000 in the current quarter. Please refer to Item 3.2

#### Payments to related parties of the entity and their associates

President Mr. Xiong Qiang was paid RMB 206,362 in the quarter as ordinary remuneration for his role as CEO of FTC's wholly owned subsidiary, Shenzhen Taotaogu information Technology Co., Ltd. Vice president Mr. CHOW Ki Shui Loui was paid RMB 71,110 in this role as CFO of FTC.

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

## Business Outlook

### Commencement of Cooperation with Tencent Cloud

Following on our ongoing discussions with Tencent Cloud, Taotaogu (referred to Shenzhen Taotaogu Information Technology Co., Ltd. which is a 100% own subsidiary of FTC) has executed a Joint Solution Cooperation Framework Agreement with Tencent Cloud.

The effect of the contract, is to combine the systems and products of Taotaogu (primarily T-Linx™ SaaS) with Tencent Cloud. Both parties will supply Joint Solutions to Tencent Cloud's banking and corporate customers. At the same time, both parties will also jointly develop new products and services, aiming to equip customers with intelligent digital products.

At present, there are several projects that have been activated, under the scope of this Joint Solution Cooperation. We believe our cooperation with Tencent Cloud will enhance the actual revenue and broaden the business prospects of both parties, as well as corresponding social and economic benefits to the broader public.

The initial term of the contract is 3 years. Since the contract is based on a revenue-sharing model between the parties, the business income of such brand-new cooperation model will bring substantial growth to FTC in the future. As the supply of Joint Solutions gains momentum, FTC will be better positioned to quantify the financial outcome in future market announcements.

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

## 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 has connected and served four main types of platform partners (**Refer Note 1**) to create upsell and cross-sell value for the entire payment environment.

### Four major interconnected services of T-Linx™ SaaS platform

#### 1. SaaS cloud service

- (i) Payment SaaS infrastructure (IaaS, Infrastructure as a Service)
  - Services for Banks: integrated payment with multiple payment channels; integrated merchant submission; reconciliation processing; risk control; branch management; unified settlement report; etc.
  - Services for Merchants: integrated payment; integrated payment QR code; payment collection plugin; payment collection APP; payment APIs; etc.
- (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: Food and Beverage; Retail; Carpark; Hospital; Scenic Spot; Property Management; Bill Payments; CRM; etc.

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

- A one-stop SaaS of marketing management to increase upsell for both 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**)

#### 4. SaaS financial service

- Increase upsell and cross-sell opportunities for various partners.
- Buy-Now-Pay-Later (BNPL) service, etc.

**Note 1**

Platform partners	Benefits
Banks	Increase in bank deposits Integrated acquiring management Timely settlement services Credit card services Loans Wealth management Risk control Bank account holder rights services Customer services
Merchants	Integrated payment services Real-time bill management Wealth management Loans Membership marketing management Reconciliation processing Risk control & compliance
Consumers	Receiving 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	<p>Various software, hardware, products and services required by banks, merchants, and consumers can be promoted, resulting in the benefits of platform participants. The various services of <b>T-Linx™ SaaS</b> platform can be promoted through the bank's private cloud, compliant and safe public cloud, and well-known cloud service companies. Moreover, by combining with hardware upgrades and digital upgrades in various merchant solutions (industry applications), each hardware can participate in seamless docking and communication, and hence forming IoT payment scenarios and services.</p>

**Note 2**

The one-stop SaaS of marketing management provides 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**

<b>Merchant/Industry</b>	<b>Hardware IoT</b>
Food and Beverage	Touch screen ordering equipment Kitchen/Bar network printer Portable POS machine
Retail	Cash Register Barcode/QR code scanner Electronic scale Payment scanner box
Carpark	Barrier gate Car plate recognition camera Entry and exit payment scanner
Hospital	Self-service terminal Portable POS machine
Scenic Spots	Ticket vending machine Ticket checking gate Portable ticket checking machine

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For further information visit [www.ttg.hk](http://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

**ARBN**

158 702 400

**Quarter ended ("current quarter")**

30 September 2021

Consolidated statement of cash flows	Current quarter RMB	Year to date (6 months) RMB
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	13,404,164	27,217,634
1.2 Payments for		-
(a) research and development	(1,698,492)	(3,332,360)
(b) product manufacturing and operating costs	(7,279,423)	(14,680,209)
(c) advertising and marketing	-	-
(d) leased assets	(401,972)	(777,713)
(e) staff costs	(2,732,184)	(5,417,672)
(f) administration and corporate costs	(1,622,598)	(3,744,325)
1.3 Dividends received (see note 3)		-
1.4 Interest received	1,240	13,771
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid) / refund	37,561	37,561
1.7 Government grants and tax incentives	334,200	344,700
1.8 Other (provide details if material)	882,707	1,357,762
<b>1.9 Net cash from / (used in) operating activities</b>	<b>925,203</b>	<b>1,019,149</b>
<b>2. Cash flows from investing activities</b>	<b>-</b>	<b>-</b>
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses	-	-
(c) property, plant and equipment	(5,950)	(32,789)
(d) investments	-	-
(e) intellectual property	-	-

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

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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(5,950)</b>	<b>(32,789)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue/(repayment) of convertible debt securities	(2,337,873)	(2,337,873)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(2,337,873)</b>	<b>(2,337,873)</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter RMB</b>	<b>Year to date (6 months) RMB</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 period	6,391,739	3,796,649
4.2	Net cash from / (used in) operating activities (item 1.9 above)	925,203	1,019,149
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,950)	(32,789)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2,337,873)	(2,337,873)
4.5	Effect of movement in exchange rates on cash held	4,524	194,634
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,977,643</b>	<b>4,977,643</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 RMB</b>	<b>Previous quarter RMB</b>
5.1	Bank balances	4,977,643	4,977,643
5.2	Call deposits		
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>4,977,643</b>	<b>4,977,643</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter RMB</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	277,472
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*



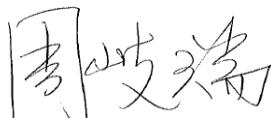
<b>7. Financing facilities</b>	<b>Total facility amount at quarter end RMB</b>	<b>Amount drawn at quarter end RMB</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>RMB</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	925,203
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,977,643
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	4,977,643
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>5.38</b>
<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: ..... 28<sup>th</sup> October 2021 .....



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.