

25 October 2019

Appendix 4C quarterly report

N1 Holdings Limited (ASX: **N1H** or the **Company**) is pleased to summarise the following highlights from the Appendix 4C for the quarter ended 30 September 2019 (Q1 FY20):

1. net operating cash flows for the quarter were \$1,477,000;
2. cash balance at the end of the quarter was approximately \$2,270,000;
3. cash receipts from customers during the quarter increased to \$1,005,000 (compared to \$893,000 for Q1 FY19), a growth of 12.5% compared to cash receipts in Q1 FY19;
4. the Company sold its book of Finsure-aggregated mortgage trailing commissions during the quarter. The net proceeds of this sale were \$1,620,183 and pursuant to the agreement relating to that sale, further proceeds will be received for this sale; and
5. the loan secured by the book was repaid in full (with a repayment amount of \$870,192 plus an interest repayment of \$136,756).

For more information, please contact:

Ren Hor Wong

Chairman & Chief Executive Officer

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About N1 Holdings Limited (ASX: N1H)

N1 Holdings Limited is a business, financial and property services firm that operates under the brand “N1 Loans”, “N1 Realty”, “N1 Migration” and “N1 Venture”. N1 as an ACL and AFSL holder aims to deliver the complete value chain of a business, individual and real estate financial transactions, and possesses the unique strength of having a strong position in the niche Australian Asian community market. N1’s current services span across commercial lending, residential property loans, business finance, equipment finance, property sales and rental management. N1 consistently delivers robust growth across multiple complementary business entities, aiming to establish itself as a market leader in customer satisfaction with its unique and diversified business model.

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

N1 Holdings Limited

ABN

44 609 268 279

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		1,005	1,005
Proceeds from sale of trailbook		1,620	1,620
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(332)	(332)
(c) advertising and marketing		(38)	(38)
(d) leased assets		(4)	(4)
(e) staff costs		(569)	(569)
(f) administration and corporate costs		(394)	(394)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	-
1.5 Interest and other costs of finance paid		(303)	(303)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	-
1.8 Net cash from commercial lending		534	534
1.9 Other (provide details if material)		(42)	(42)
1.10 Net cash from / (used in) operating activities		1,477	1,477

Notes to Item 1.1, 1.5 and 1.8 – Company sold its trailbook during the quarter and received partial net proceeds of \$1,620,183. Loan secured by the trailbook was repaid in full. Total loan repayment was \$870,192 plus interest payout of \$136,756.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(11)	(11)
	(b) businesses (see item 10)	-	-
	(c) investments	(101)	(101)
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) 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	(112)	(112)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(14)	(14)
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	(14)	(14)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	919	919
4.2	Net cash from / (used in) operating activities (item 1.11 above)	1,477	1,477
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(112)	(112)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(14)	(14)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	2,270	2,270

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	2,271	920
5.2	Call deposits		
5.3	Bank overdrafts	(1)	(1)
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,270	919

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000

181

-

Payments to director and director related parties above include:

- Salary and super to executive directors of \$147,081; and
- Services provided by director related entities of \$33,920. Costs are determined on an arm's length basis.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
N/A	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	3,346	3,346
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Facility 1 Limit: \$641,448 (Secured, Original loan amount is \$1,000,000)
Lender: National Australia Bank
Interest rate: 4.845% pa
Facility 2 Limit: \$180,000 (Unsecured)
Lender: Tin Family Super Fund
Interest rate: 10% pa
Facility 3 Limit: \$200,000 (Unsecured)
Lender: Li Meng
Interest rate: 10% pa
Facility 4 Limit: \$200,000 (Unsecured)
Lender: Yongyi Liang
Interest rate: 10% pa
Facility 5: Convertible Notes of \$200,000 with face value of \$0.20 per Convertible Note
Lender: Yoke Meng Chan
Interest rate: 10% pa
Facility 6: Convertible Notes of \$100,000 with face value of \$0.20 per Convertible Note
Lender: Ven Tan Pty Ltd Superannuation Fund
Interest rate: 10% pa
Facility 7: Convertible Notes of \$70,000 with face value of \$0.20 per Convertible Note
Lender: Peng Yeow Yong and Teng Heong Gan
Interest rate: 10% pa
Facility 8: Convertible Notes of \$1,000,000 with face value of \$0.20 per Convertible Note
Lender: Siew Bee Tong
Interest rate: 10% pa
Facility 9 Limit: \$225,000 (Secured. Original loan amount is \$225,000)
Lender: National Australia Bank
Interest rate: 4.829% pa
Facility 10 Limit: \$200,000 (Unsecured)
Lender: Rong Chen
Interest rate: 8% pa
Facility 11 Limit: \$130,000 (Unsecured)
Lender: HZHH Super Fund
Interest rate: 10% pa
Facility 12 Limit: \$100,000 (Unsecured)
Lender: Zhigang Chang
Interest rate: 8% pa
Facility 13 Limit: \$100,000 (Unsecured)
Lender: Zhigang Chang
Interest rate: 10% pa

No additional facility after quarter end.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(63)
9.3 Advertising and marketing	(38)
9.4 Leased assets	(4)
9.5 Staff costs	(620)
9.6 Administration and corporate costs	(235)
9.7 Other (provide details if material)	(135)
9.8 Total estimated cash outflows	(1,095)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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.



Sign here:
(CEO)

Date: 25/10/2019

Print name: Ren Hor Wong

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.