

31 January 2018

Appendix 4C quarterly report

31 January 2018 – N1 Holdings Limited (ASX: N1H or the “Company”) is pleased to present this Appendix 4C quarterly report for the period 1 October 2017 to 31 December 2017.

N1H’s CEO, Ren Hor Wong said, *“Although the company had a minor reduction in cash receipts from customers of \$79,000 to \$2,032,000 for the first half of FY18 when compared to the first half of FY17, our operating cash outflows in the first half of FY18 were \$2,607,000 - a cash flow improvement of \$265,000 when compared to the first half of FY17.”*

N1H also commenced its commercial lending business in December 2017 and as at 31 December 2017 had lent \$313,000 over a six-month term. The commercial lending business is expected to generate further revenue in the coming quarters. N1H will continue to pursue growth through the diversification of its products and services.”

For more information, please contact:

Ren Hor Wong

Chairman & Chief Executive Officer

renwong@n1holdings.com.au

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 Loans provides residential mortgages, business and commercial loans and car finance services, and uses disruptive online comparison technology to provide access to mortgage and car loan products to its clients via www.LoanRobot.com.au and www.Chengdai.com.au. N1 Realty and N1 Migration are natural expansions, providing a pipeline of qualified product and purchases to N1 customers. N1 aims to deliver the complete value chain of a business, individual and real estate financial transactions. N1’s current services span across residential property loans, business financing, equipment finance, business services, accounting & taxation, property sales and rental management.

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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")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	964	2,032
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(234)	(493)
(c) advertising and marketing	(40)	(103)
(d) leased assets	(1)	(2)
(e) staff costs	(615)	(1,243)
(f) administration and corporate costs	(307)	(663)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	11
1.5 Interest and other costs of finance paid	(28)	(44)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	5	10
1.8 Other (provide details if material)	(49)	(59)
1.9 Net cash from / (used in) operating activities	(296)	(554)

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
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Notes to Item 1.2 (e) – Additional December 2017 staff cost of \$119,881 was paid on 2 January 2018 due to 31 December 2017 being a non-business day. Staff cost of \$115,301 paid on 2 October 2017 was from 30 September 2017 quarter due to 30 September 2017 being a non-business day.

Notes to Item 1.5 – Additional December 2017 interest of \$ 31,218 was paid on 2 January 2018 due to 31 December 2017 being a non-business day. Interest of \$ 13,947 paid on 2 October 2017 was from 30 September 2017 quarter due to 30 September 2017 being a non-business day.

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(16)	(16)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	(17)	(23)
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)	(313)	(313)
2.6 Net cash from / (used in) investing activities	(346)	(352)

Notes to Item 2.5 – A commercial loan of \$313,000 for 6 months term was lent in December 2017.

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	1,000
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	225	425
3.6 Repayment of borrowings	(56)	(112)
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	169	1,313

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
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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	1,787	907
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(296)	(554)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(346)	(352)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	169	1,313
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of quarter	1,314	1,314

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	1,318	1,790
5.2 Call deposits		
5.3 Bank overdrafts	(4)	(3)
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,314	1,787

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	149
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	

Payments to director and director related parties above include:

- Salary and super to executive directors of \$117,214; and
- Services provided by director related entities of \$32,240. Costs are determined on an arm's length basis.

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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	

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8. Financing facilities available

Add notes as necessary for an understanding of the position

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	2,942	2,942
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: \$766,662 (Secured, Original loan amount is \$1,000,000)

Lender: National Australia Bank

Interest rate: 5.41% 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: 7% 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: 7% 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: 7% 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: 7% pa

Facility 8: Convertible Notes of \$1,000,000 with face value of \$0.20 per Convertible Note

Lender: Siew Bee Tong

Interest rate: 7% pa

Facility 9 Limit: \$225,000 (Secured. Original loan amount is \$225,000)

Lender: National Australia Bank

Interest rate: 5.44% 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	(258)
9.3 Advertising and marketing	(64)
9.4 Leased assets	(1)
9.5 Staff costs	(782)
9.6 Administration and corporate costs	(278)
9.7 Other (provide details if material)	(83)
9.8 Total estimated cash outflows	(1,465)

Notes to item 9.5: \$119,881 staff cost belongs to December 2017 quarter paid on 2 January 2018 due to 31 December 2017 being a non-business day is included in the estimation.

Notes to item 9.7: \$31,218 interest cost belongs to December 2017 quarter paid on 2 January 2018 due to 31 December 2017 being a non-business day is included in the estimation.

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

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.



Sign here:
(CEO)

Date: 31/01/2018

Print name: Ren Hor Wong

Notes

- 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

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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.

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