

23 January 2020

## Appendix 4C quarterly report

N1 Holdings Limited (ASX: **N1H** or the **Company**) is pleased to report that it has positive operating cash flow of \$340,000 for the quarter ended 31 December 2019 (Q2 FY2020). The Company provides the following highlights from the Appendix 4C for Q2 FY2020:

1. the Company's cash balance has increased from \$2.27m in the previous quarter to \$2.609m;
2. quarterly cash receipts have improved from \$1.005m in the last quarter to \$1.112m, an increase of 11.64% from the previous quarter;
3. quarterly cash receipts have dropped from \$1.209m in the same period last year to \$1.112m, a decrease of 7.2% from the previous equivalent quarter last year; and
4. year to date cash receipts have improved from \$2.102m in the last first half of the financial year of FY2019 to \$2.127m this financial year, an increase of 1.2%.

The Company notes that it has sold its book of Finsure-aggregated mortgage trail commissions (**Trail Commissions**), which was announced on 9 August 2019. The sale of the Trail Commissions resulted in a loss of income of approximately \$300k per quarter. The Company is pleased to confirm cash receipts have since improved to more than offset the effect of the sale of the Trail Commissions.

The aim of the Company is to continue improving its operating cash flow and continuing to repay debt.

**Authorised for release by the board.**

**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")**

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,122	2,127
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(408)	(740)
(c) advertising and marketing	(67)	(105)
(d) leased assets	(4)	(8)
(e) staff costs	(699)	(1,268)
(f) administration and corporate costs	(323)	(717)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	12
1.5 Interest and other costs of finance paid	(212)	(515)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Net cash from commercial lending	762	1,296
1.9 Proceeds from sale of trailbook	171	1,791
1.10 Other (provide details if material)	(14)	(56)
<b>1.11 Net cash from / (used in) operating activities</b>	<b>340</b>	<b>1,817</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(9)	(20)
(b) businesses (see item 10)	-	-
(c) investments	-	(101)

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
	(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)	21	21
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>12</b>	<b>(100)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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)	(28)
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>(14)</b>	<b>(28)</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 quarter/year to date	2,270	919
4.2	Net cash from / (used in) operating activities (item 1.11 above)	340	1,817
4.3	Net cash from / (used in) investing activities (item 2.6 above)	12	(100)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(14)	(28)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	1	1
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>2,609</b>	<b>2,609</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 \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,609	2,271
5.2	Call deposits		
5.3	Bank overdrafts	-	(1)
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>2,609</b>	<b>2,270</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	201
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 \$162,109; and
- Services provided by director related entities of \$38,692. Costs are determined on an arm's length basis.

<b>7.</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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*

8.1 Loan facilities

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.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
3,332	3,332
-	-
-	-

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Facility 1 Limit: \$627,346 (Secured, Original loan amount is \$1,000,000)

Lender: National Australia Bank

Interest rate: 4.765% 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: 4.724% 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	(66)
9.3	Advertising and marketing	(39)
9.4	Leased assets	(4)
9.5	Staff costs	(624)
9.6	Administration and corporate costs	(250)
9.7	Other (provide details if material)	(135)
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>(1,118)</b>

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: 23/01/2020

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 disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- 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

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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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