

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 March 2018

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 757 | 2,789 |
| 1.2 Payments for | | |
| (a) research and development | - | - |
| (b) product manufacturing and operating costs | (205) | (698) |
| (c) advertising and marketing | (47) | (150) |
| (d) leased assets | (1) | (3) |
| (e) staff costs | (645) | (1,888) |
| (f) administration and corporate costs | (311) | (974) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 31 | 42 |
| 1.5 Interest and other costs of finance paid | (52) | (96) |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | 6 | 16 |
| 1.8 Other (provide details if material) | (14) | (73) |
| 1.9 Net cash from / (used in) operating activities | (481) | (1,035) |

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|--------------------------------------|----------------------------|---------------------------------------|
|--------------------------------------|----------------------------|---------------------------------------|

Notes to Item 1.2 (e) – Additional March 2018 staff cost of \$113,968 was paid on 3 April 2018 due to 31 March 2018 being a non-business day. Staff cost of \$119,881 paid on 2 January 2018 was from 31 December 2017 quarter due to 31 December 2017 being a non-business day.

Notes to Item 1.5 – Additional March 2018 interest of \$38,271 was paid on 3 April 2018 due to 31 March 2018 being a non-business day. Interest of \$ 31,218 paid on 2 January 2018 was from 31 December 2017 quarter due to 31 December 2017 being a non-business day.

| | | |
|---|--------------|--------------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | (7) | (23) |
| (b) businesses (see item 10) | - | - |
| (c) investments | - | - |
| (d) intellectual property | - | - |
| (e) other non-current assets | (20) | (43) |
| 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) | (309) | (622) |
| 2.6 Net cash from / (used in) investing activities | (336) | (688) |

Notes to Item 2.5 – Commercial loans of \$309,000 for 6 months term were lent in March 2018 quarter.

| | | |
|---|------|-------|
| 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 | 200 | 625 |
| 3.6 Repayment of borrowings | (74) | (186) |
| 3.7 Transaction costs related to loans and borrowings | - | - |
| 3.8 Dividends paid | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|---|------------------------------------|--|
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 126 | 1,439 |

| | | | |
|------------|--|------------|------------|
| 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 | 1,314 | 907 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (509) | (1,063) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (308) | (660) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 126 | 1,439 |
| 4.5 | Effect of movement in exchange rates on cash held | (1) | (1) |
| 4.6 | Cash and cash equivalents at end of quarter | 622 | 622 |

| 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 | 623 | 1,318 |
| 5.2 | Call deposits | | |
| 5.3 | Bank overdrafts | (1) | (4) |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 622 | 1,314 |

| 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 | 175 |
| 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 \$144,930; and
- Services provided by director related entities of \$30,248. 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

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 | 3,092 | 3,092 |
| 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: \$716,661 (Secured, Original loan amount is \$1,000,000)
Lender: National Australia Bank
Interest rate: 5.495% 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: 5.495% pa

Facility 10 Limit: \$200,000 (Unsecured)
Lender: Shengsheng Chen
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 | (258) |
| 9.3 | Advertising and marketing | (62) |
| 9.4 | Leased assets | (1) |
| 9.5 | Staff costs | (633) |
| 9.6 | Administration and corporate costs | (251) |
| 9.7 | Other (provide details if material) | (56) |
| 9.8 | Total estimated cash outflows | (1,261) |

| 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: 30/04/2018

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.