

14 July 2020

Company update in relation to COVID-19

N1 Holdings Limited (ASX: **N1H** or the **Company**) provides a further update to its announcements on 7 April 2020 and 9 April 2020 on the impact of the COVID-19 pandemic.

The health and well-being of employees and contractors is the paramount priority of the Company's board and management.

1. The Company's retail premises at Chatswood's N1 Centre has re-opened and resumed its operations.
2. The Company has reversed the 20% reduction in remuneration of non-executive directors as well as backdated payment of the remuneration foregone, due to better than expected trading conditions.
3. The Company's SME lending business continues to grow with increased capital and increased demand for SME financing. The SME lending business has recorded growth in fees and interest from the previous financial year of \$1.04m to \$2.24m, representing an increase of 115%.
4. The Company's realty business is weathering the disruption from the pandemic better than expected. The Company currently manages over 170 properties and has collected approximately \$5.6m in annual rent during FY20 (in total transaction value – N1H's management fees are approximately 5.67% of this amount).
5. The Company has undertaken and completed its expenses review and streamlined its outsourcing arrangements which have resulted in reduced costs and expenses.
6. The Company's commercial and residential loan broking business remains stable and continues to attract strong growth from borrowers for specialist non-bank loans and non-resident (foreign) lending.
7. The Company has continued to build income from N1 Asset Management by managing the One Lending Fund and expanded into the new sector by providing Trustee Services to other funds.
8. The Company is in discussions with multiple parties to source more capital to fund its SME lending business.
9. Further to the Company's prior disclosure on 9 April 2020, the Company has settled its dispute with the purchaser for the Company's book of trail commissions. As part of the settlement, the Company has foregone the remaining deferred payment comprising 15% of purchase price.

The Company's CEO and executive chairman Ren Hor Wong said: "N1 has successfully diversified its business model since its IPO in 2016. We have emerged as a business lender with a focus on property-backed loans, complemented by over \$2.3 billion (total transaction value) in broking and credit experience since 2011. N1 is constantly on the innovation path to grow and we aim to become a hub for our clients seeking financial and property services. We have sold our recurring revenue asset trail-book back in August 2019, and the Company's previous disclosures during the financial year ended 30 June 2020 indicated a strong lending revenue growth which compensated the foregone original trail commissions revenue."

Investors should note that the financial figures provided in this announcement are on an unaudited basis. The Company expects to release its preliminary financial results for FY20 by 30 August 2020.

Authorised for release by the Chairman.



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 Asset Management". 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 Holdings provides strategic financing advice to businesses, project developers and property investors seeking new capital/debt or refinancing of existing debt. With the growth in lending from non-traditional sources, such as alternative banks and non-bank funders and lenders, N1's domestic and overseas strategic alliances are perfectly placed to advise businesses through the changing lending environment and debt capital markets.

N1 Holdings Limited ABN 44 609 268 279
Address: Suite 502, 77 King Street, Sydney NSW 2000
Phone: 02 9262 6262 Fax: 02 9299 1286
Email: investor@n1holdings.com.au

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