

ASX Announcement

N1 Holdings acquires boutique Sydney real estate business and \$80m loan book

Real estate business acquisition:

- N1 Realty expands with first real estate business acquisition
- Boutique business located in blue chip McMahons Point
- Acquired business has highly profitable rent roll and sales pipeline
- Acquisition expected to be EBITDA positive from FY2017

Loan book acquisition:

- Acquisition of \$80m loan book
- Acquisition is expected to boost annual revenue by \$132k

N1 appoints COO

1 September 2016 – ASX listed mortgage broking business N1 Holdings (ASX: N1H, “N1” or the “Company”) is pleased to announce that it has entered in an agreement to acquire a blue chip real estate business located in McMahons Point, Sydney NSW. The acquisition of Sydney Boutique Property, which is expected to be completed within in the next fortnight, is expected to be EBITDA positive from FY2017 and is a progressive step in the strategy by N1 to expand into real estate sales and management. The business’s the accompanying rent roll will significantly add to recurring revenues for the Company. N1 Realty commenced trading from July 1 and plans to have its Chatswood head office open and operating by October this year. The centralisation of back office operations of N1 Realty offices will bring operating efficiencies and reduced costs.

The acquisition of Sydney Boutique Property, which was established in 2003, will bring a significant profitable revenue stream to N1 Realty in the first year of its operation, the business has generated management fee revenue of over \$430,000 and letting fee of \$164,000 in FY2016 (it is noted that these figures are based on management accounts and are unaudited). Sydney Boutique Property has more than 170 properties under management and a strong pipeline of sales in the area. The acquisition will be partly funded from cash reserves as well as by a loan. The acquisition is part of the Company’s strategy to grow recurring income while providing further revenue growth opportunities from cross sales of services and products from N1 such as insurance, mortgage offerings, financial planning and automotive loans.

N1 is also pleased to announce that it has completed the acquisition of an \$80m loan book, comprising some 240 established residential Sydney mortgages that will boost its annual recurring revenue by approximately \$132,000 per annum, bringing N1 total loan book to over \$680m, in relative to retained loan book of \$395m as of end of FY2015. The acquisition is part of a long-term goal to grow revenue via acquisitions that are accretive to the company’s growth. And to provide opportunities to cross sell other products and services within the N1 diversified businesses.

N1 is also pleased to announce the appointment of Jacqueline Wang as the new COO as the Company grows and we look forward to the experience and management skills that Jacqueline will bring to the N1 business. Jacqueline Wang is an award winning mortgage broker who joined N1 in February 2012 and most recently held the role of Head of Business Development of N1 Loans. It was in this role that she expanded N1’s business into Melbourne and Shanghai, and appointed chief representative of Shanghai office. Jacqueline gained her Bachelor of International Studies from University of Wollongong, and Master of Accounting from University of Curtin. Jacqueline will assist N1 Loans’ Chairman and CEO Ren Hor Wong in the day to day operations of N1 Holdings, while Ren will focus on strategic decisions, developing new business and active acquisitions.

N1 Loans Chairman and Chief Executive Ren Hor Wong said: “This expansion of N1 via our real estate business N1 Realty represents an excellent example of our strategy to grow the Company via both thoughtful acquisition and organic growth development under the N1 Realty brand. Acquisitions such as

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this boutique real estate business and loan book bring significant and positive cashflow to our growing business and we are working diligently to ensure every step we take will add value to our company and to our shareholders. We continue to actively seek acquisition opportunities as part of our growth strategy”

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About N1 Holdings Limited (ASX: N1H)

N1 Holdings Limited is a diversified financial services and real estate business that operates under the brand “N1 Loans”, “N1 Migration” and “N1 Realty”. N1 Loans 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. The Company’s client base is comprised of both Australian and Chinese speaking Australians, many of whom prefer to deal with a native-language mortgage broker. N1 Loans has launched one of the first Chinese-language loan comparison websites, www.chengdai.com.au, to provide access to mortgage and car loan products to its clients. N1 Migration specialize in Australian education and migration services, bringing complementary service to N1 holdings existing customers. N1 Realty is a natural expansion, providing a pipeline of qualified product and purchases to N1 customers.

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