

**ASX Release (ASX Code: LHM)****31 January 2020**

---

**APPENDIX 4C – QUARTERLY CASH FLOW REPORT**

---

Attached is our Appendix 4C – Quarterly report for entities subject to Listing Rule 4.7B.

Authorised by the Audit Committee.

For further information please contact:

Andrew J. Cooke,

Company Secretary

[andrewcooke@landnhomesgroup.com](mailto:andrewcooke@landnhomesgroup.com)

**About Land & Homes Group Limited**

Land & Homes Group Limited (LHM) is a property development company focused on the acquisition of prime sites for project development into quality residential, commercial and mixed-use apartments. The Company is listed on the Australian Securities Exchange. Its strategy is to hold a diverse portfolio of high-yield properties and projects at various stages of development and construction.

The Company's operations have been established in Brisbane to develop quality, medium to high-density residential apartments for an expanding market in the strong sustainable growth region of South East Queensland. Initially concentrating the business activity on Brisbane city, the residential products are to be developed in attractive convenient locations of inner Brisbane area suitable for a balance of both investors and owner occupiers.

The Company is well placed to leverage the credentials and track record of its major shareholder, the Lian Huat Group, in property development in Australia with strong networks and insight into the needs of investors from Asia. With this experience, LHM will realise its *Asia Vision* through the establishment of an experienced management team that has expertise in Australia's property market, urban planning, project management and finance, along with an intimate knowledge of the appetite and demands of the significant Asian market.

Please visit the Company web site for additional details: [www.landnhomesgroup.com](http://www.landnhomesgroup.com)

## 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**

Land & Homes Group Limited

**ABN**

33 090 865 357

**Quarter ended ("current quarter")**

31 December 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	56	112
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(107)	(183)
(f) administration and corporate costs	(83)	(204)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(473)	(824)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other –Inventory - (property held for resale and related capitalisation of development expenses)	(281)	(618)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(888)</b>	<b>(1,717)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-

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

<b>3. 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	1,008	1,833
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Proceeds from Off-set account	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,008</b>	<b>1,833</b>

<b>4. 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	539	543
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(888)	(1,717)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,008	1,833

<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	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>659</b>	<b>659</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	659	539
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Trust account)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>659</b>	<b>539</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

<b>Current quarter \$A'000</b>
57
-

Item 6.1 includes Director fees paid for the quarter ended 31 December 2019.

**7. Payments to related entities of the entity and their associates**

- 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

<b>Current quarter \$A'000</b>
-
-

NA

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	29,960	29,960
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	8,735	8,735
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.		

**Loan Facilities:**

United Overseas Bank continues to provide two loans for an aggregate amount of \$29,960,000 for the Barry Parade and the Wharf Street properties. The loans are subject to an interest margin of 1.5% per annum over and above the relevant period Bank Bill Swap Reference Rate. The loans are secured by way of first legal mortgages over these two properties.

**Other Facilities:**

Working Capital Unsecured Loan, from Khosland Management Pte Ltd. (a related party)

Amount \$1,202,740 (\$1m Singapore dollars). Repayment of this loan was previously extended to 31 December 2019 with an interest rate of 7%, or upon LHM securing appropriate funding from other sources. It is contemplated that the Company will seek a further extension of the repayment date.

Convertible Notes

The Convertible Notes are unsecured and repayable in 60 months from the date of issue or 9 months from the date of issue if shareholder approval is not obtained to the convertibility of the Notes within three months of the date of issue. To date the Company has not obtained shareholder approval as contemplated by the terms of the Notes and accordingly some of the Notes have become repayable however the relevant Noteholders have not sought repayment to date.

The \$7,012,594 worth of Class A Notes bear interest of 9.0%, with the interest repayable Quarterly.

The \$519,268 worth of Class B Notes bear interest of 13.8%, with the interest repayable with the capital at the end of the Note term.

9. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	96
9.6 Administration and corporate costs	90
9.7 Other – property development costs and Land Tax	320
9.8 Interest Expense	480
<b>9.9 Total estimated cash outflows</b>	<b>986</b>
<b>Refer Note below</b>	


**Note** Since 31 December 2019 the Company received a further \$50,000 as subscription monies for Convertible Notes from an entity associated with the Chairman of the Company. The Company anticipates that it may receive additional subscription monies for Convertible Notes during the course of the March and June 2020 quarters to assist with the funding of ongoing operations. The Company is also reviewing other capital raising/revenue generating alternatives including:

- a. equity and debt participation in the development of the Company's Barry Parade project in Fortitude Valley; and/or
- b. the possible sale or refurbishment and releasing of the Company's Wharf Street property in Spring Hill.

<b>10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	NA	NA
10.2 Place of incorporation or registration	NA	NA
10.3 Consideration for acquisition or disposal	NA	NA
10.4 Total net assets	NA	NA
10.5 Nature of business	NA	NA

### 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:  .....  
(Director/Company secretary)

Date: 31 January 2020

Print name: Andrew J. Cooke .....

### 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.