APIR: RIX4439AU

MONTHLY INVESTOR REPORT | JANUARY 2024

Rixon Capital

FUND PERFORMANCE | NET FUND RETURNS (%)¹

NAV: \$1.00^{1,2}

Net distribution	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2022	-	-	-	-	-	-	-	-	-	-	1.79%	0.80%	2.59%
2023	0.80%	0.80%	0.90%	1.10%	0.85%	0.88%	0.93%	1.02%	0.99%	0.96%	1.03%	0.94%	11.20%
2024	0.94%	-	-	-	-	-	-	-	-	-	-	-	0.94%

1. Fund returns are after fees and costs, and past performance is not a reliable indicator of future performance

2. Net of distribution

PORTFOLIO COMMENTARY

January 2024 Performance & Forward Guidance

The Fund will pay a January 2024 distribution of 0.94% (net). January saw a drawdown of \$0.35m for Receivable Portfolio #2 and a \$2.0m drawdown for new Working Capital Facility #2.

The Manager guides a return of 0.93 - 0.95% (net) for February and confirms medium-term guidance of 0.92 - 1.00% (net).

Portfolio

Acquisition Facility #2 was settled in February. This new loan has a \$20.0m facility limit with a Day 1 drawdown of \$1.5m reflecting a <30% LVR and all-in pricing of 16.3%. Acquisition Facility #2 is secured over a portfolio of recurring revenue contracts.

The Manager expects Receivable Portfolio #1 to be refinanced in 1Q CY24 and will recycle the returned capital into qualifying new loans.

Description	Security Type	LVR^{1}	Total Facility	Drawn Debt	Return ²
Receivable Portfolio #1	Receivables, cash, equity	65.8%	\$15.00m	\$11.77m	12.2%
Receivable Portfolio #2	Receivables, cash, equity	52.9%	\$10.00m	\$3.40m	15.4%
Working Capital Facility #1	Equipment, inventory, cash, equity	n/a	\$5.00m	-	3.0%
Working Capital Facility #2	Receivables, cash, equity	25.6%	\$5.00m	\$2.00m	15.3%
Acquisition Facility #1	Receivables, property, cash, equity	51.4%	\$4.50m	\$4.50m	15.8%
Total / weighted average on i	57.1%	\$39.50m	\$21.67m	13.7%3	

LVR only factors the value of tangible assets, noting the Fund also has first ranking security over borrower equity which is ascribed a NIL value for the LVR
Reflects the annualised value of any upfront, commitment, undrawn, and drawdown fees incurred during the month

3. Weighted average return on invested funds excludes earnings from the Commitment Fee of Working Capital Facility #1 as no capital is deployed to the loan

Total Funds Under Management on 31 January was \$24.6m with a further \$2.9m in applications for which units will be issued in February.

Fund Loan Pipeline

In February the Manager received Investment Committee approval to commence documentation on a \$20.0m receivable backed B2B fintech wholesale facility. It is expected to reach settlement on 1 April. Initially drawn to \$3.0m, it will reflect a <25% LVR and a 10.5% margin over the 30-day BBSW (14.8% all-in).

The Manager continues to see strong demand from potential borrowers and is in active review of a number of potential opportunities. Given funding commitments for new & existing loans and a substantial deployment pipeline, the Fund remains open for new investment.

FUND STATUS

The Fund is open for investment and issues Units on a rolling monthly basis. If you are interested in investing in the Fund, click <u>here</u> to access the **OLIVIA123** portal.

The Fund is available on the Netwealth and HUB24 (APIR: RIX4439AU) platforms. Send queries to enquiries@rixon.capital.



www.rixon.capital

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