## RIXON INCOME FUND

# MONTHLY INVESTOR REPORT | APRIL 2023



## FUND PERFORMANCE | NET FUND RETURNS (%)1,2

NAV: \$1.001,2,3

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%	_	-	-	-	_	-	-	-	3.60%

- Fund returns are after fees and costs
- 2. Past performance is not a reliable indicator of future performance
- 3. Net of distribution

### PORTFOLIO COMMENTARY

April 2023 Performance

The Fund will pay a distribution of 1.10% (net) in May.

April saw a \$0.75m drawdown for an existing borrower. In addition to interest revenue, the facility delivered an incremental 1.0% fee for utilising a new \$3.0m tranche, generating an enhanced investor return for the month.

#### Portfolio

Fund exposure will continue to diversify as new loans are actively assessed and diligenced.

Description	Security Type	$LVR^{_1}$	Total Facility	Drawn Debt	Return <sup>2</sup>
Receivable portfolio	p #1 Receivables, equity, cash	61.1%	\$15.00m	\$5.75m	13.7%
Receivable portfolio	n #2 Receivables, equity, cash	54.2%	\$10.00m	\$2.75m	14.3%
Total / weighted av	erage	58.9%	\$25.00m	\$8.50m	13.9%

- LVR only factors the value of tangible assets, noting the Fund also has first ranking security over the borrower business which is not factored in the LVR
- 2. Includes the annualised value of any upfront, undrawn, and drawdown fees incurred during the month

Total Funds Under Management on 30 April was \$8.7m with a further \$2.3m in applications for which units will be issued in May.

## Fund Loan Pipeline

In May the Manager issued Term Sheets and commenced diligence on two new loans reflecting an aggregate deployment of \$10.0m.

The first is a \$5.0m equipment-backed working capital facility. Initially undrawn, it will pay a Commitment Fee of 3.0% p.a. until first utilisation, following which it will reflect an LVR of <60% and pricing at an 11.5% margin over the 30-day BBSW (3.8%), with a 0.5% drawdown fee payable upon each utilisation. Final documents are expected to be executed in late-May.

The second is a property and receivable-backed \$5.0m acquisition facility. Fully drawn at settlement, it will reflect an LVR of <85% (<35% including equity) and pricing at an 11.5% margin over the 30-day BBSW (3.8%). Financial settlement is expected in early-July.

The Manager continues to see strong demand from potential borrowers.

Given funding commitments for existing loans and a strong new loan 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. If you have any queries email us at <u>enquiries@rixon.capital</u>

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www.rixon.capital

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