

# RIXON INCOME FUND | APIR: RIX4439AU

## MONTHLY INVESTOR REPORT | AUGUST 2023



### FUND PERFORMANCE | NET FUND RETURNS (%)<sup>1,2</sup>

NAV: \$1.00<sup>1,2,3</sup>

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%	-	-	-	-	7.28%

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

### PORTFOLIO COMMENTARY

#### August 2023 Performance & Forward Guidance

The Fund will pay an August 2023 distribution of 1.02% (net). August saw a \$0.95m drawdown for existing Receivable Portfolio #1. The Manager guides a return of 0.95 – 0.97% (net) for September and confirms medium-term guidance of 0.92 – 1.00% (net).

#### Portfolio

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

Description	Security Type	LVR <sup>1</sup>	Total Facility	Drawn Debt	Return <sup>2</sup>
Receivable Portfolio #1	Receivables, cash, equity	60.8%	\$15.00m	\$8.00m	12.0%
Receivable Portfolio #2	Receivables, cash, equity	53.2%	\$10.00m	\$3.05m	14.6%
Working Capital Facility	Equipment, inventory, cash, equity	n/a	\$5.00m	-	3.0%
Acquisition Facility	Receivables, property, cash, equity	71.9%	\$5.00m	\$5.00m	15.6%
Total / weighted average on invested funds		62.8%	\$35.00m	\$16.05m	13.6% <sup>3</sup>

1. 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. 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 the Working Capital Facility as no capital is deployed to the loan

Total Funds Under Management on 31 August was \$16.2m with \$1.5m in applications for which units will be issued in September.

#### Fund Loan Pipeline

The Manager has issued two Indicative Term Sheets, with one accepted and diligence underway.

The opportunity reflects a \$2.5m receivable & property backed term loan facility to an APRA-regulated financial services business. Fully drawn at settlement, it will reflect an LVR of <75% and pricing at an 11.0% margin over the 30-day BBSW (4.0%). Financial settlement is targeted for December.

The second Indicative Term Sheet is expected to be accepted in September and reflects a \$2.8m receivable & property backed term loan facility to a travel technology platform player. Fully drawn at settlement, it will reflect an LVR of <75% and pricing at a 10.5% margin over the 30-day BBSW (4.0%). Financial settlement is targeted for November.

Given funding commitments for existing loans, 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 [here](#) to access the OLIVIA123 portal. Send queries to [enquiries@rixon.capital](mailto:enquiries@rixon.capital).