

RIXON INCOME FUND | APIR: RIX4439AU

MONTHLY INVESTOR REPORT | DECEMBER 2023



FUND PERFORMANCE | NET FUND RETURNS (%)^{1,2}

NAV: \$1.00^{1,2,3}

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%	0.85%	0.88%	0.93%	1.02%	0.99%	0.96%	1.03%	0.94%	11.20%

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

December 2023 Performance & Forward Guidance

The Fund will pay a December 2023 distribution of 0.94% (net). December saw a \$1.00m drawdown for existing Receivable Portfolio #1, and a \$0.50m loan principal prepayment of the Acquisition Facility.

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

Portfolio

A new loan facility was documented in December and settled on 2 January. The \$5.0m receivable-backed working capital facility was drawn to \$2.0m at settlement and reflects a <60% LVR and all-in pricing of 15.3%. The Manager expects Receivable Portfolio #1 to be refinanced in 1Q CY24 as the facility is nearing its limit. The Manager 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	65.3%	\$15.00m	\$11.77m	12.2%
Receivable Portfolio #2	Receivables, cash, equity	53.3%	\$10.00m	\$3.05m	14.8%
Working Capital Facility	Equipment, inventory, cash, equity	n/a	\$5.00m	-	3.0%
Acquisition Facility	Receivables, property, cash, equity	55.8%	\$4.50m	\$4.50m	15.8%
Total / weighted average on invested funds		60.8%	\$34.50m	\$19.32m	13.4%

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 December was \$22.3m with a further \$2.3m in applications for which units will be issued in January.

Fund Loan Pipeline

The Manager is progressing diligence on 3 potential facilities, targeting Investment Committee approval and settlement in 1Q CY24.

The first is a \$15.0m receivable backed B2C healthcare wholesale facility. Initially drawn to \$0.5m it will reflect a <60% LVR and a 11.5% margin over the 30-day BBSW (15.8% all-in).

The second is a \$20.0m receivable backed B2B fintech wholesale facility. Initially drawn to \$3.0m, it will reflect a <50% LVR and a 10.5% margin over the 30-day BBSW (14.8% all-in).

The third is a \$20.0m receivable-backed tech-enabled financial services acquisition facility. Initially drawn to \$1.5m, it will reflect a <60% LVR and a 11.5% margin over the 30-day BBSW (15.8% all-in).

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 [here](#) to access the **OLIVIA123** portal.

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



MONTHLY INVESTOR REPORT | DECEMBER 2023

www.rixon.capital

This report is prepared by Rixon Capital Pty Ltd ABN 65 655 776 533 (Rixon) as Investment Manager of the Rixon Income Fund (Fund) for information purposes to wholesale clients (as defined in the Corporations Act 2001). It contains general information and does not constitute personal financial or investment advice or recommendation or an offer to buy or sell any financial product. It does not take into consideration any person's objectives, financial situation or needs and should not be used as the basis for any investment or financial decision. Past performance is not a reliable indicator of future performance. Rixon does not guarantee repayment of capital or any rate of return from the Fund. Recipients should refer to the Fund's Information Memorandum and seek independent financial advice and input from accounting, tax, legal and other professional advisors. Any opinions and estimates included in this report constitute judgments of Rixon as at the date of the report. While Rixon believes the content of this report is based on reliable information, no warranty is given to its accuracy and persons relying on this information do so at their own risk. To the extent permitted by law, no liability is accepted by any of Rixon or its directors, officers, employees, contractors, agents, or associates (Rixon Parties) for any loss, damage, or liability (including for negligence) suffered or incurred in connection with this report or its contents. Rixon Parties and their clients may trade in or hold some of the financial products mentioned in this report. The contents of this report are confidential and subject to copyright. Rixon is a corporate authorised representative (AFS Authorised Representative No. 001298795) of Rixon Asset Management Pty Ltd (ACN 664 901 866, AFSL No. 546029)