

RIXON INCOME FUND

MONTHLY INVESTOR REPORT

March 2024



Net Fund Returns (%)¹

NAV: \$1.00^{1,2}

Net Distributions

	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%	0.94%	-	-	-	-	-	-	-	-	-	2.82%

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

Fund Objective

The Fund investment objective is to preserve investor capital while delivering monthly income.

Target Return

10.0 – 12.0% p.a. (net of fees & costs)

Fund Characteristics

APIR	RIX4439AU
Eligible Investors	Wholesale only
Inception	Nov 2022
Minimum Investment	\$50,000
Distribution	Monthly
Applications	Monthly
Redemptions	Quarterly
Reinvestment Plan	Available
Fund Leverage	Nil
Management Fee	1.50% p.a.
Benchmark	RBA Cash Rate + 6.0%
Performance Fee	20% of outperformance above Benchmark

Key Fund Metrics

Net LTM Distribution	11.5%
Weighted Avg LVR	52.2%
No. of Loans	7
Average Loan Size	\$3.6m
Weighted Avg Term	2.7 years
FUM (1 April)	\$32.7m

Fund Rating



Fund Performance

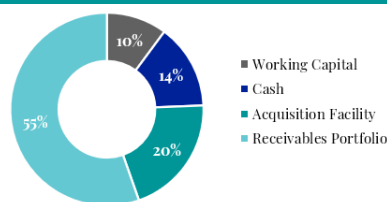
March 2024 Performance

The Fund will pay a March 2024 distribution of 0.94% (net). March saw \$2.23m in aggregate drawdowns for existing and new loan facilities.

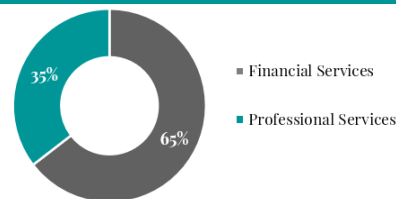
Forward Guidance

The Manager guides a return of 0.90 – 0.95% (net) for April and confirms medium-term guidance of 0.92 – 1.00% (net).

Loan Types



Industry Exposure



Portfolio Commentary

Receivables Portfolio #3 settled on 28 March. This new loan has a \$3.0m facility limit with a Day 1 drawdown of \$0.5m reflecting a 20% LVR and all-in pricing of 15.80%. The facility is secured over a portfolio of purchased debt ledgers.

The Manager expects Receivable Portfolio #1 to be refinanced in April / May and aims to recycle the returned capital in a timely manner into new qualifying loans.

Loan Pipeline

Following Investment Committee approval, two new facilities are targeted for April settlement.

- \$20.0m receivable backed wholesale facility with \$3.0m drawn at settlement, reflecting a <20% LVR and 10.50% margin over the 30-day BBSW (14.80% all-in)
- \$20.0m R&D refund backed wholesale facility with \$0.5m drawn at settlement, reflecting a <50% LVR and 9.15% margin over the 30-day BBSW plus a 0.25% drawdown fee (13.70% all-in)

The investment team are progressing due diligence on a third loan. Subject to satisfactory due diligence and Investment Committee review, settlement is targeted for late April.

- \$2.0m receivable & inventory backed working capital facility with \$0.5m drawn at settlement, reflecting a <30% LVR and 16.30% all-in pricing.

The Manager continues to see strong demand from potential borrowers. Given funding commitments for new & existing loans and a substantial pipeline, the Fund remains open for new investment.

Fund Status

The Fund is open for investment and issues Units on a rolling monthly basis.

Applications may be submitted via [OLIVIA123](#). The Fund is available on [Netwealth](#) and [HUB24](#). Send queries to enquiries@rixon.capital

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Loan Portfolio

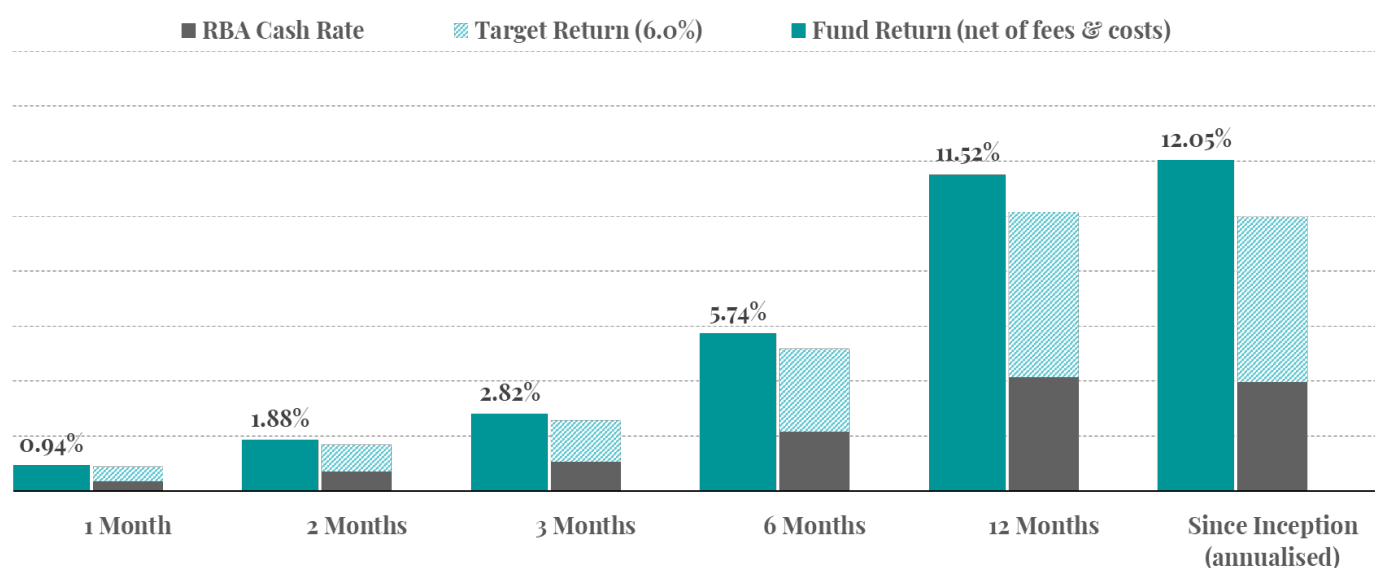
Description	Security Type	LVR ¹	Total Facility	Drawn Debt	Return ²
Receivable Portfolio #1	Receivables, cash, equity	63.5%	\$15.00m	\$12.50m	12.1%
Receivable Portfolio #2	Receivables, cash, equity	55.4%	\$10.00m	\$3.40m	14.8%
Receivable Portfolio #3	Receivables, cash, equity	20.0%	\$3.00m	\$0.50m	15.8%
Working Capital Facility #1	Equipment, inventory, cash, equity	n/a	\$5.00m	-	3.0%
Working Capital Facility #2	Receivables, cash, equity	24.4%	\$5.00m	\$3.00m	15.3%
Acquisition Facility #1	Receivables, property, cash, equity	49.1%	\$4.50m	\$4.50m	15.8%
Acquisition Facility #2	Contracted revenue, cash, equity	26.0%	\$20.00m	\$1.50m	15.8%
Total / Weighted Average		52.2%	\$62.50m	\$25.40m	13.8% ³

1. 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

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

Fund Return Vs Benchmark



Why Choose Rixon?



Target Return 10.0% – 12.0% p.a.
Net LTM Distributions of 11.5%



Monthly Cash Collection from Borrowers
No PIK or capitalised interest



Monthly Cash Distributions to Investors
Income-only strategy



First Ranking Senior Secured Loans
Fund mandate requires priority security



Secured Over Real Assets
Includes receivables, inventory, PP&E



No Property Development Exposure
Fund mandate prohibits sector exposure

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