

# RIXON INCOME FUND

## MONTHLY INVESTOR REPORT

May 2024



### Net Fund Returns (%)<sup>1</sup>

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

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%	0.95%	0.98%	-	-	-	-	-	-	-	4.75%

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%
Buy/Sell Spread	Nil
Performance Fee	20% of outperformance above Benchmark

### Key Fund Metrics

Net LTM Distribution	11.5%
Weighted Avg LVR	46.8%
No. of Loans	10
Underlying Loans	85,177
Average Loan Size	\$3.8m
W. Avg. Residual Term	2.5 years

### Fund Rating



### Fund Performance

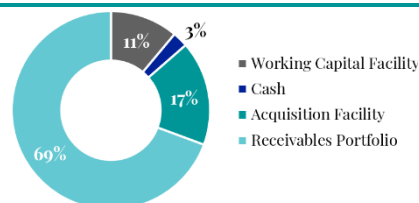
#### May 2024 Performance

The Fund will pay a May 2024 distribution of 0.98% (net).

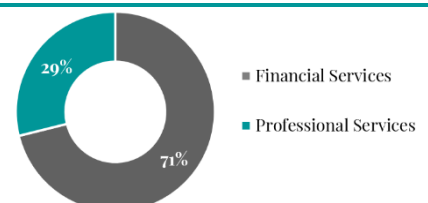
#### Forward Guidance

The Manager guides a return of +0.90% (net) for June and confirms medium-term guidance of 0.92 – 1.00% (net). The final June return is subject to the timing of new and existing facility drawdowns, and the refinance of Receivable Portfolio #1.

### Loan Types



### Industry Exposure



### Portfolio Commentary

May saw \$3.40m in aggregate drawdowns for existing loan facilities.

Undrawn Working Capital Facility #1 was cancelled in late May as strong growth negated the need for a working capital facility which incurred a Commitment Fee.

Receivable Portfolio #1 will be refinanced in June, with the returned capital to be redeployed into drawdown from existing borrowers and qualifying new facilities.

### Loan Pipeline

Diligence is progressing on 5 new asset-backed opportunities for 3Q, reflecting pricing of +13.5% p.a.

- \$20.0m receivable-backed wholesale facility in the commission advance space | \$7.0m Day 1 draw
- \$10.0m equipment-backed wholesale facility in the transport sector | \$2.0m Day 1 draw
- \$10.0m receivable & property-backed wholesale facility in the legal sector | \$3.0m Day 1 draw
- \$7.0m equipment-backed acquisition facility in the logistics sector | \$3.0m Day 1 draw
- \$5.0m receivable-backed wholesale facility in the financial service sector | \$2.5m Day 1 draw

### 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](mailto:enquiries@rixon.capital)

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### Loan Portfolio

Description	Security Type	LVR <sup>1</sup>	Total Facility	Drawn Debt	Return <sup>2</sup>	Underlying Loans <sup>4</sup>
Receivable Portfolio #1	Receivables, cash, equity	64.9%	\$15.00m	\$12.50m	12.0%	76,891
Receivable Portfolio #2	Receivables, cash, equity	57.8%	\$10.00m	\$3.40m	14.8%	1,025
Receivable Portfolio #3	Receivables, cash, equity	15.6%	\$3.00m	\$0.50m	15.8%	1,927
Receivable Portfolio #4	Receivables, cash, equity	19.0%	\$20.00m	\$4.00m	14.8%	5,304
Receivable Portfolio #5	Receivables, cash, equity	34.4%	\$20.00m	\$4.00m	15.3%	25
Working Capital Facility #1	Equipment, inventory, cash, equity	n/a	\$5.00m	-	3.0%	1
Working Capital Facility #2	Receivables, cash, equity	31.4%	\$5.00m	\$3.00m	15.3%	1
Working Capital Facility #3	Receivables, inventory, cash, equity	23.9%	\$2.00m	\$0.90m	19.3%	1
Acquisition Facility #1	Receivables, property, cash, equity	48.6%	\$4.50m	\$4.50m	15.8%	1
Acquisition Facility #2	Contracted revenue, cash, equity	27.6%	\$20.00m	\$1.50m	15.8%	1
Total / Weighted Average		46.8%	\$104.50m	\$34.30m	14.5% <sup>3</sup>	85,177

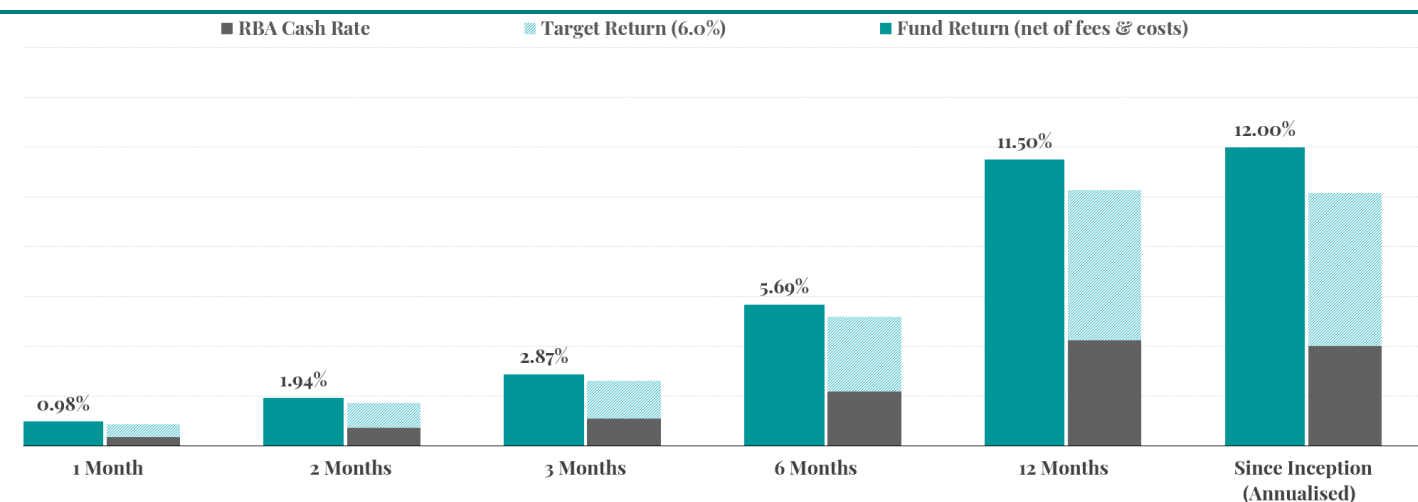
1. LVR only factors the value of tangible assets, noting the Fund also has first ranking security over borrower equity which is ascribed a NIL value for the LVR

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

4. Reflects the actual number of loans underlying the receivable funding facilities

### 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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