

# RIXON INCOME FUND | APIR: RIX4439AU

## MONTHLY INVESTOR REPORT | NOVEMBER 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%	0.99%	0.96%	1.03%	-	10.26%

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

#### November 2023 Performance & Forward Guidance

The Fund will pay a November 2023 distribution of 1.03% (net). November saw a \$1.00m drawdown for existing Receivable Portfolio #1. The Manager guides a return of 0.93 – 0.95% (net) for December and confirms medium-term guidance of 0.92 – 1.00% (net).

#### Portfolio

The Manager is currently documenting two new loans for settlement in January & February, and a third for April 2024 reflecting \$40.0m in aggregate facilities. 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 <sup>1</sup>	Total Facility	Drawn Debt	Return <sup>2</sup>
Receivable Portfolio #1	Receivables, cash, equity	63.9%	\$15.00m	\$10.77m	12.6%
Receivable Portfolio #2	Receivables, cash, equity	49.4%	\$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	56.2%	\$5.00m	\$5.00m	15.8%
Total / weighted average on invested funds		59.3%	\$35.00m	\$18.82m	13.7%

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 30 November was \$19.8m with \$2.4m in applications for which units will be issued in December.

#### Fund Loan Pipeline

The Manager is progressing diligence & documentation on two new facilities, targeting Investment Committee approval and settlement in 1Q CY24. The first reflects a \$5.0m receivable-backed working capital facility. Drawn to \$2.0m in January, it will reflect an LVR of <60% and pricing at an 11.0% margin over the 30-day BBSW (15.3% all-in).

The second reflects a \$15.0m receivable-backed wholesale funding facility. Drawn to \$0.5m in February, it will reflect an LVR of <60% and pricing at an 11.5% margin over the 30-day BBSW (15.8% all-in).

The Manager has received an executed Indicative Term Sheet for a facility in April and has commenced diligence. A \$20.0m receivable-backed wholesale funding facility, it will be initially drawn to \$3.0m and will reflect an LVR of <50% and pricing at a 10.50% margin over the 30-day BBSW (14.8% 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 **Netwealth** (APIR: RIX4439AU).

Send queries to [enquiries@rixon.capital](mailto:enquiries@rixon.capital).



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[www.rixon.capital](http://www.rixon.capital)

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