

RIXON INCOME FUND | APIR: RIX4439AU

MONTHLY INVESTOR REPORT | OCTOBER 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%	-	-	9.23%

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

October 2023 Performance & Forward Guidance

The Fund will pay an October 2023 distribution of 0.96% (net). October saw a \$1.00m drawdown for existing Receivable Portfolio #1. The Manager guides a return of 1.00 – 1.02% (net) for November and confirms medium-term guidance of 0.92 – 1.00% (net). The Fund has delivered a twelve-month net cash return of 11.8% (12.5% assuming reinvestment).

Portfolio

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

Description	Security Type	LVR ¹	Total Facility	Drawn Debt	Return ²
Receivable Portfolio #1	Receivables, cash, equity	63.0%	\$15.00m	\$9.75m	11.8%
Receivable Portfolio #2	Receivables, cash, equity	51.9%	\$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	57.8%	\$5.00m	\$5.00m	15.6%
Total / weighted average on invested funds		59.7%	\$35.00m	\$17.82m	13.3%

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 October was \$19.0m.

Fund Loan Pipeline

In the September Unitholder Update, the Manager disclosed one Indicative Term Sheet with diligence underway. This loan has not progressed as the borrower receiving alternate funding from a related party at concessional pricing.

The Manager confirms it is reviewing three potential new loans, two secured over receivables and one over a pool of long-term service contracts. All three opportunities reflect initial LVRs of <65% and all-in floating rate pricing in excess of 14.0% p.a. and offer attractive risk-adjusted returns (subject to diligence).

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.



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