

# RIXON INCOME FUND

## MONTHLY INVESTOR REPORT



June 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%	0.93%	-	-	-	-	-	-	5.69%

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	11.6%
Weighted Avg LVR	40.6%
No. of Loans	8
Underlying Loans	7,855
Average Loan Size	\$3.2m
W. Avg. Residual Term	1.8 years

### Fund Rating



Acceptable SQM RESEARCH

### Fund Performance

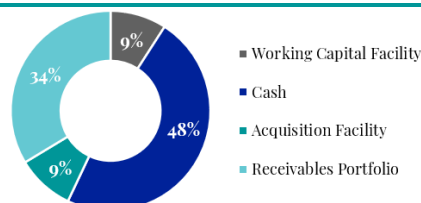
#### June 2024 Performance

The Fund will pay a June 2024 distribution of 0.93% (net).

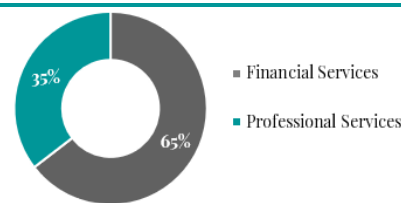
#### Forward Guidance

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

### Loan Types



### Industry Exposure



### Portfolio Commentary

June saw \$2.5m in gross drawdowns for existing loan facilities. The month saw the return of \$12.5m following the refinancing of Receivables Portfolio #1 and \$1.5m following the amendment of Acquisition Facility #2.

Two new facilities received Investment Committee approval in June for financial settlement in July.

- The first is a \$20.0m receivable-backed wholesale facility in the real estate commission advance space with a \$6.8m Day 1 draw
- The second is an amendment to Acquisition Facility #2. The amended Facility will be drawn to \$5.0m on Day 1 and will initially be 100% cash-backed. The mechanics of the amendment delivered investors a Make Whole Payment for June.

### Loan Pipeline

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

- \$10.0m receivable & property-backed wholesale facility in the legal sector | \$5.0m 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 services 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 #2	Receivables, cash, equity	59.7%	\$10.00m	\$3.40m	14.8%	892
Receivable Portfolio #3	Receivables, cash, equity	15.6%	\$3.00m	\$0.50m	15.8%	1,915
Receivable Portfolio #4	Receivables, cash, equity	20.8%	\$20.00m	\$4.50m	14.8%	5,005
Receivable Portfolio #5	Receivables, cash, equity	47.6%	\$20.00m	\$6.00m	14.5%	39
Working Capital Facility #2	Receivables, cash, equity	28.2%	\$5.00m	\$3.00m	15.3%	1
Working Capital Facility #3	Receivables, inventory, cash, equity	41.9%	\$2.00m	\$0.90m	15.8%	1
Acquisition Facility #1	Receivables, property, cash, equity	48.4%	\$4.50m	\$4.00m	15.8%	1
Acquisition Facility #2	Contracted revenue, cash, equity	-	\$20.00m	-	15.3%	1
<b>Total / Weighted Average</b>		<b>40.6%</b>	<b>\$84.50m</b>	<b>\$22.30m</b>	<b>15.1%<sup>3</sup></b>	<b>7,855</b>

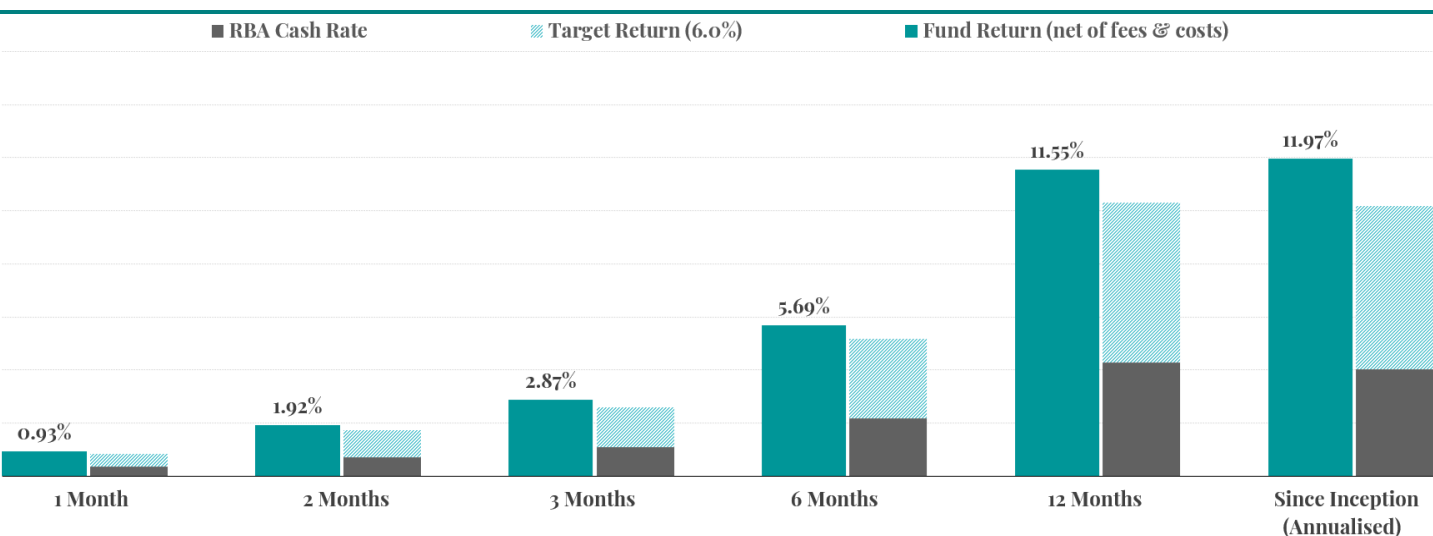
1. LVR only factors the value of tangible assets, noting the Fund also has first ranking security over borrower equity which is ascribed a NIL value for the LVR

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 Make Whole Payment of Acquisition Facility #2 as no capital was deployed to the loan at close of June

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 11.6%



**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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