

## LODGED WITH ASX ONLINE

24 February 2023

The Manager  
Company Announcements Office  
ASX Limited  
Level 4, 20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

**RWF WAREHOUSE TRUST NO. 1:**

- **Senior Debt Facility Increase & Extension**
- **New Mezzanine Finance Facility**

Yellow Brick Road Holdings Limited (ASX:YBR) (**YBR**) announces that Resi Wholesale Funding Pty Limited (**RWF**), its 50%-owned securitisation joint venture entity with Magnetar Capital, has secured another facility limit increase and availability period extension for its senior debt facility (**Senior Facility**) provided to the trustee of the RWF Warehouse Trust No. 1 (**Resi Warehouse**).

The availability period of the Senior Facility has been extended by another 12 months to 21 February 2024 and the Senior Facility limit has been increased by another \$100m to a total Senior Facility size of \$550m.

In addition, RWF has now secured a new mezzanine finance partner for its Resi Warehouse. Sandhurst Trustees Limited (**Sandhurst**), as responsible entity for each of the Sandhurst Select 90 Fund and the Sandhurst Investment Term Fund, has agreed to provide another \$49m in senior mezzanine funding for the Resi Warehouse.

Sandhurst was established in 1888, and has evolved from a traditional trustee company into a modern wealth manager offering managed funds, commercial loans and corporate and custodial services. It is a 100% owned subsidiary of Bendigo and Adelaide Bank Limited (ASX:BEN), an Australian bank with a market cap of approximately A\$5.7b.

The combined effect of these matters will:

- increase the funding capacity of the Resi Warehouse to \$611m, noting that the current size of the residential mortgage portfolio within the Resi Warehouse is approximately \$380m;
- provide sufficient origination runway for RWF to consider the most appropriate timing, sizing and composition for its first RMBS securitisation “term-out” transaction;
- reduce the cost of funds of the Resi Warehouse; and
- allow for \$30m of the first-loss capital in the Resi Warehouse to be returned on settlement (due on 2 March 2023) to YBR and Magnetar (\$4.5m and \$25.5m respectively).

Furthermore, a number of amendments to the Resi Warehouse’s credit policy and pool parameters relating to origination of mortgage loans have also now received credit approval,

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which will enable RWF to further broaden its product offerings and improve business flows in the Alt Doc (largely directed at self-employed borrowers) and Near Prime segments of the mortgage market. These segments deliver greater margin to RWF and have been increasing in size and importance.

Adrian Bouris, chairman of RWF and a director of YBR, said "We gladly welcome Sandhurst into our warehouse/securitisation programme. We have conducted an extensive search in the Australian mezzanine market to find the right partner for us and believe Sandhurst's credentials and outlook match our aspirations to become a major non-bank funder of Australian mortgages."

Mark Bouris, executive chairman of YBR and a director of RWF, said "The introduction of Sandhurst into our RWF business is a major milestone in its evolution. The next major milestone will be our first "term-out", and thereafter RWF will have "graduated with honours" from being a start-up a few years ago to being able to sit proudly alongside many of Australia's most established long-term non-banks. As I said at the last YBR AGM, over time RWF will become a major powerhouse within the YBR group."

For and on behalf of  
**YELLOW BRICK ROAD HOLDINGS LIMITED**

A handwritten signature in dark ink, appearing to read "Mark Bouris". The signature is fluid and cursive, with the first name "Mark" and last name "Bouris" clearly distinguishable.

Mark Bouris  
Executive Chairman

ENDS