

Q2 FY24 Quarterly Activities Report

Finexia Financial Group Limited (ASX:FNX) ('Finexia'), non-bank lender and specialist private credit provider, is pleased to provide a summary of its activities for the quarter ended 31 December 2023 (Q2 FY24).

Highlights

- Cash receipts from customers, including interest income received and prepaid interest for the quarter, were approximately \$2.7m compared to \$1.3m in the prior quarter.
- Distributions (Investment Income) from Asset Management amounted to approximately \$1.1m compared to \$1.2m in the previous quarter.
- Cash at bank of approximately \$8.3m at 31 December 2023 versus \$2.55m at 30 September 2023.

Operational update

The first quarter saw the Company achieve a significant milestone with the drawdown of funding through a note issuance made available in conjunction with Income Asset Management Group (IAM:ASX). This finance trust is exclusively for expansion of funds under management (FUM) in the Finexia Childcare Income Fund (FCIF), which is now approaching \$78m in approved and drawn loans. Consolidation of the finance trust into the Company has had a material impact on accounts and in particular the cash generated and the cash balance.

Cash receipts from customers and interest received during the quarter were both higher than the preceding quarter, the result of a combination of factors, mostly concerned with the additional funding provided for Childcare Fund(s) and our other Private Credit activities.

A significant uplift in cash at the bank (\$8.3m) is largely due to yet to be deployed capital raised for future private credit loans and the consolidation of the finance trust into Finexia's group cash flow.

The Company continued to refine its funding optimisation strategy and scale up its credit operations with the refinancing of some existing loan investments and the subsequent redeployment into other private credit opportunities. This is highlighted by \$10.5m received from investing activities and the subsequent net loan movement outflows of \$13.1m.

While broking revenues remained subdued during the quarter, the Company proceeded to acquire a team of broking advisers of Everblu Capital to strengthen its existing Sydney team across equities and private credit.

Finexia Financial Group Limited

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The logo for Finexia, consisting of the word "FINEXIA" in a bold, uppercase, sans-serif font. The letters are white and set against a dark blue background. The logo is positioned in the bottom right corner of the page, with a decorative blue and white diagonal graphic element behind it.

During October, the Company paid its maiden dividend (\$0.02/share) to investors. The dividend payment is consistent with the Company's dividend policy and its stated objectives to be positioned as an investment income driven business. The future timing and quantum of distributions to shareholders will be governed by the Company's financial performance and its projected funding requirements.

The Company intends to provide a broader more detailed update to the market at the release of the half year report.

Authorised for release by the Board of Finexia Financial Group Limited.

Finexia Financial Group Limited (ACN 106 760 418) is an independent specialist Private Credit provider with a strong Funds Management capability. Founded on disciplined, innovative, solutions-focused thinking, the experienced team at Finexia are committed to servicing the investment and funding needs of individuals and corporates through its key areas of expertise.

For more information

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