

Q1 FY24 Quarterly Activities Report

Finexia Financial Group Limited (ASX:FNX) ('Finexia'), a non-bank lender and specialist private credit provider, is pleased to provide a summary of its activities for the quarter ended 30 September 2023 (Q1 FY24).

Highlights

- Cash receipts from customers, including interest income received and prepaid interest for the quarter, were approximately \$1.3m compared to \$2.3m in the prior quarter and \$839k in the previous corresponding period.
- Distributions (Investment Income) from Asset Management amounted to approximately \$1.2m compared to \$970,000 in the previous quarter (up 24%).
- Cash at bank of approximately \$2.6m at 30 September 2023.

Operational update

Cash receipts from customers and interest received during the quarter were both lower than the previous period, the result of a combination of factors, central to which were the timing of interest payments, the timing of management fee receipts and the increasing headwinds prevailing in equities markets.

The Company is confident the aforementioned revenue timing issues will dissipate in future periods as the Company moves to receive its management fees and accrued interest at more regular intervals.

Broking revenues declined in the quarter, reflecting the challenges confronting equities investors due to reduced turnover and a genuine lack of liquidity in the market. Given higher household and corporate borrowing costs, the Company is of the view that equities activity and revenues will remain subdued for the remainder of the year.

Finexia's Private Credit division wrote an additional \$6.1m in new loans across various sectors and continues to pursue credit opportunities which will be brought to account in the coming quarters.

During the period a significant portion of management's time was directed towards finalising a \$50m securitised funding facility to accelerate the next phase of growth in the Finexia Childcare Income Fund (FCIF). This will enable the Company to scale up its credit activities in the childcare sector and alleviate some of the deal origination congestion in the loan pipeline.

An additional \$9.7m of interest-bearing funding was provided to the FCIF, which accounted for the bulk of the Company's reduction in cash at bank during the quarter.

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

Finexia Financial Group Limited

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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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