



23 December 2021

FINEXIA DIRECT ACCOMODATION INCOME FUND PAYS DISTRIBUTION TO INVESTORS

Finexia Financial Group Limited (FNX) is pleased to announce that its flagship wholesale managed fund, the "Finexia Direct Accommodation Income Fund" (FDAIF), which was launched in September 2021, has recently achieved a key milestone, making its first income distribution to unit holders.

The open-ended Fund was established to take advantage of an opportunity to invest in a high-quality portfolio of holiday and long-term accommodation businesses, known as 'management letting rights'. The properties currently within the portfolio are primarily located in the hugely popular coastal Southeast Queensland region. The strategic blend of accommodations (holiday letting and long-term tenancies) has afforded the fund the ability to diversify the income sufficiently to ensure the overall performance is not entirely hinged on one segment of the accommodation market.

The "Finexia Direct Accommodation Income Fund" is exclusively aimed at wholesale and qualified sophisticated investors, seeking enhanced returns through regular (monthly) income distributions. The targeted return, as stated in the disclosure document, is 12.00%pa net after costs and is paid monthly in arrears. This forecast return has been based on analysis conducted on the independent income verification reports commissioned prior to the acquisition of each of the underlying businesses. Earlier this week, the fund paid to the FDAIF unit holders \$0.00987 per unit, the equivalent of 12.02%pa as its maiden distribution. This entitlement is only available to unit holders in the Fund.

As the investment manager, Finexia will apply a disciplined and measured approach to growing the total assets under management within the Fund. Finexia's Mr Patrick Bell declared, "We believe we've got the right mix of businesses in the portfolio to grow earnings and importantly maintain the investor distribution. The businesses each have a solid pipeline of bookings going into the traditional Christmas holiday period, and with border restrictions easing, we only see bookings growing strongly in the first half of 2022. Furthermore, we are conducting due diligence on several complementary target properties that fit within our earnings and risk parameters."

The next distribution for the Finexia Direct Accommodation Income Fund is scheduled for 21 January 2022. Going forward all distributions will be paid monthly on or about the 21st of each month. The key terms of the Fund are contained within the Executive Summary attached to this release in the form of an Annexure. More information is also available at <https://www.finexia.com.au/fdaif/>

T: 1300 88 61 03

E: info@finexia.com.au

Web: www.finexia.com.au

A: Level 18, Australia Square, 264 George Street, Sydney NSW 2000

ACN: 106 760 418



ANNEXURE:

FDAIF Executive Summary

Forecast Distribution Year One	An average of 12.00% net p.a. paid monthly in arrears from month four, based on the Forecast Net Trust Distributions. Distributions are all in the form of cash and after costs.
Investor Type	Wholesale and Sophisticated investors ONLY
Offer Open	1 September 2021
Minimum Investment	\$10,000
Maximum Investment	\$6,500,000
First Distribution	December 2021 – for the period from Offer Open date
Distribution Timetable	On or about the 21 st each month
Property Descriptions	<ol style="list-style-type: none">Bel Air on Broadbeach - The property is located on the Eastern side of the Gold Coast Highway in Broadbeach and the Business comprises 79 units x short term/holiday let and 32 units x long term let in the letting pool. Apartments are 1, 2 and 3 bedrooms. The fund has a 22-year Management Agreement.Fleet Drive Apartment Complex - is located in the residential suburb of Kippa-Ring in Moreton Bay Region, Queensland and comprises of 3-bedroom townhouses. It's made up of 117 x long term let units in the letting pool. The has a 22-year Management Agreement.Ivory Palms Resort – is located in Noosaville on the Sunshine Coast and the Business comprises of 90 x 1, 2 and 3 bed short term/holiday apartments. The Fund has a 23-year Management Agreement.The Avenues Apartment Complex - It is located in the residential suburb of Morayfield in Moreton Bay Region, Queensland and provides 2 and 3 bedroom townhouses. It's made up of 44 x long term let units in the letting pool. The Fund has a 21-year Management Agreement.

This announcement has been authorised for release by the Board of Directors.

END

For further information please contact:

Neil Sheather
Executive Chairman
Ph. 1300 886 103
info@finexia.com.au

T: 1300 88 61 03

E: info@finexia.com.au

Web: www.finexia.com.au

A: Level 18, Australia Square, 264 George Street, Sydney NSW 2000

ACN: 106 760 418