



## GENERAL FINANCE LIMITED

### Key ratios and selected financial information as at 31 March 2024

#### KEY RATIOS

##### Capital Ratio

|   | 31 March 2024 | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|---------------|
| <b>Our capital ratio calculated in accordance with the 2010 Regulations<sup>1</sup></b>   | 22%           | 22%           | 18%           |
| <b>Minimum capital ratio required by our Trust Deed if the issuer has a credit rating</b>   | 8%            | 8%            | 8%            |
| <b>Minimum capital ratio that must be included in the trust deed under reg 8(2) of the 2010 Regulations<sup>1</sup> if the issuer has a credit rating</b>   | 8%            | 8%            | 8%            |
| <p>The capital ratio is a measure of the extent to which General Finance is able to absorb losses without becoming insolvent. The lower the capital ratio, the fewer financial assets General Finance has to absorb unexpected losses arising out of its business activities.</p> |               |               |               |

<sup>1</sup>Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010

## Related Party Exposures

|   | 31 March 2024  | 31 March 2023  | 31 March 2022  |
|---|----------------|----------------|----------------|
| <b>Our aggregate exposures to related parties as calculated in accordance with the 2010 Regulations<sup>1</sup></b>   | 2.0%           | 0.1%           | 0.1%           |
| <b>Maximum limit on aggregate exposures to related parties that we must not exceed that is included in our Trust Deed<sup>2</sup></b>   | 10% of capital | 10% of capital | 10% of capital |
| <b>Maximum limit on aggregate exposures to related parties that we must not exceed that must be included in our Trust Deed under reg 23(3)(b) of the 2010 Regulations<sup>1</sup></b>   | 15% of capital | 15% of capital | 15% of capital |
| <p>Related party exposures are financial exposures that General Finance has to related parties. A related party is an entity that is related to General Finance through common control or some other connection that may give the party influence over General Finance (or General Finance over the related party).</p> |                |                |                |

## Liquidity

|  | 31 March 2024                         | 31 March 2023                         | 31 March 2022                         |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| <b>Our liquidity calculated in accordance with the quantitative liquidity requirements included in our Trust Deed *</b>  | 4.98 times                            | 3.96 times                            | 4.54 times                            |
| <b>The minimum liquidity requirements required by our Trust Deed</b>   | A liquidity cover ratio of 1.25 times | A liquidity cover ratio of 1.25 times | A liquidity cover ratio of 1.25 times |
| <p>Liquidity requirements help to ensure that General Finance has sufficient realisable assets on hand to pay its debts as they become due in the ordinary course of business. Failure to comply with liquidity requirements may mean that General Finance is unable to repay investors on time and may indicate other financial problems in its business.</p> |                                       |                                       |                                       |

<sup>1</sup>Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010

## SELECTED FINANCIAL INFORMATION

|  | Year<br>Ended<br>31 Mar 24<br>(Audited)<br>\$ | Year<br>Ended<br>31 Mar 23<br>(Audited)<br>\$ | Year<br>Ended<br>31 Mar 22<br>(Audited)<br>\$ |
|--|---|---|---|
| <b>STATEMENT OF COMPREHENSIVE INCOME (EXTRACT)</b> |   |   |   |
| Total interest, fee and commission income          | 16,726,799                                    | 13,560,197                                    | 7,503,222                                     |
| Interest expense                                   | 8,096,442                                     | 5,224,192                                     | 2,970,937                                     |
| Profit before income tax                           | 3,821,451                                     | 4,352,080                                     | 2,062,466                                     |
| Net profit after tax                               | 2,883,091                                     | 3,245,320                                     | 1,536,878                                     |
| Total comprehensive income                         | 2,883,091                                     | 3,245,320                                     | 1,536,878                                     |
| <b>STATEMENT OF CHANGES IN EQUITY (EXTRACT)</b>    |   |   |   |
| Total equity at start of year                      | 15,988,322                                    | 9,743,002                                     | 6,056,124                                     |
| Shares issued                                      | -   | 3,000,000                                     | 2,150,000                                     |
| Profit for the period                              | 2,883,091                                     | 3,245,320                                     | 1,536,878                                     |
| Total equity at end of year                        | 18,871,413                                    | 15,988,322                                    | 9,743,002                                     |
| <b>STATEMENT OF FINANCIAL POSITION (EXTRACT)</b>   |   |   |   |
| Cash and cash equivalents                          | 9,857,545                                     | 9,443,743                                     | 16,394,852                                    |
| Bank deposits                                      | 12,714,591                                    | 8,924,560                                     | 2,450,000                                     |
| Loan receivables                                   | 132,220,775                                   | 108,834,304                                   | 80,027,661                                    |
| Other assets                                       | 604,052                                       | 483,197                                       | 278,706                                       |
| <b>Total assets</b>                                | <b>155,396,963</b>                            | <b>127,685,804</b>                            | <b>99,151,219</b>                             |
| Term deposits                                      | 135,118,547                                   | 109,886,032                                   | 88,047,219                                    |
| Other liabilities                                  | 1,407,003                                     | 1,811,450                                     | 1,360,998                                     |
| <b>Total liabilities</b>                           | <b>136,525,550</b>                            | <b>111,697,482</b>                            | <b>89,408,217</b>                             |
| Share capital                                      | 12,574,234                                    | 12,574,234                                    | 7,100,000                                     |
| Retained earnings                                  | 6,297,179                                     | 3,414,088                                     | 2,643,002                                     |
| <b>Total equity</b>                                | <b>18,871,413</b>                             | <b>15,988,322</b>                             | <b>9,743,002</b>                              |
| <b>CAPITAL</b>                                     |   |   |   |
| less deferred tax asset and intangible assets      | -358,212                                      | -245,922                                      | -89,068                                       |
| Capital (per 2010 Regulations)                     | 18,513,201                                    | 15,742,400                                    | 9,653,934                                     |
| <b>STATEMENT OF CASH FLOWS (EXTRACT)</b>           |   |   |   |
| Net Cash Flows from Operating Activities           | 4,423,052                                     | -3,360,464                                    | 6,346,765                                     |
| Net Cash Flows from Investing Activities           | -4,009,250                                    | -6,476,044                                    | 744,018                                       |
| Net Cash Flows from Financing Activities           | -   | 2,885,399                                     | 2,055,995                                     |
| Net Cash Movement for the Year                     | 413,802                                       | -6,951,109                                    | 9,146,778                                     |

## HOW THE RATIOS HAVE BEEN CALCULATED

### Capital ratio

Position at 31 March 2024

#### Capital

|                 |            |
|-----------------|------------|
| Gross capital   | 18,871,413 |
| Less deductions | 358,212    |
| Total capital   | 18,513,201 |

| <b>Exposures</b>  | <b>Exposure</b> | <b>Risk Weight</b> | <b>Weighted Exposures</b> |
|---|-----------------|--------------------|---------------------------|
| NZ Registered Bank Deposits                                   | 22,572,136      | 20%                | 4,514,427                 |
| Residential mortgages:  |                 |                    |                           |
| LVR 70% and under   | 108,114,042     | 35%                | 37,839,915                |
| LVR over 70% and under 80%                                    | 7,790,679       | 50%                | 3,895,339                 |
| Second or subsequent ranking                                  | 91,312          | 150%               | 136,968                   |
| Other loans with qualifying security over land and buildings: |                 |                    |                           |
| LVR 70% and under   | 16,224,742      | 100%               | 16,224,742                |
| Other assets  | 245,840         | 350%               | 860,441                   |
| Deductions from capital                                       | 358,212         |                    | -                         |
| Total credit risk weighted exposures (A)                      |                 |                    | 63,471,832                |
| Total assets (B)  | 155,396,962     |                    |                           |
| Operational and Market Exposures                              | (A+B)/2x0.175   |                    | 19,151,019                |
| Total Exposures   |                 |                    | 82,622,851                |
| <b>Capital Ratio at 31 March 2024</b>                         |                 |                    | <b>22%</b>                |
| (being Total Capital/Total Exposures)                         |                 |                    |                           |

**Capital ratio**

Position at 31 March 2023

**Capital**

|                 |                   |
|-----------------|-------------------|
| Gross capital   | 15,988,321        |
| Less deductions | 245,922           |
| Total capital   | <u>15,742,400</u> |

| <b>Exposures</b>  | Exposure      | Risk Weight | Weighted Exposures |
|---|---------------|-------------|--------------------|
| NZ Registered Bank Deposits                                   | 18,368,303    | 20%         | 3,673,661          |
| Residential mortgages:  |               |             |                    |
| LVR 70% and under   | 91,396,891    | 35%         | 31,988,912         |
| Property development loans:                                   |               |             |                    |
| LVR over 60% and under 100%                                   | 2,102,061     | 200%        | 4,204,121          |
| Other loans with qualifying security over land and buildings: |               |             |                    |
| LVR 70% and under   | 15,335,353    | 100%        | 15,335,353         |
| Other assets  | 237,274       | 350%        | 830,460            |
| Deductions from capital                                       | 245,922       |             | -                  |
| Total credit risk weighted exposures (A)                      |               |             | 56,032,507         |
| Total assets (B)  | 127,685,803   |             |                    |
| Operational and Market Exposures                              | (A+B)/2x0.175 |             | 16,075,352         |
| Total Exposures   |               |             | 72,107,859         |

**Capital Ratio at 31 March 2023**

(being Total Capital/Total Exposures)

**22%**

## Capital ratio

Position at 31 March 2022

### Capital

|                 |           |
|-----------------|-----------|
| Gross capital   | 9,743,002 |
| Less deductions | 89,068    |
| Total capital   | 9,653,934 |

| <b>Exposures</b>   | Exposure      | Risk Weight | Risk Weighted Exposures |
|--|---------------|-------------|-------------------------|
| NZ Registered Bank Deposits  | 18,844,852    | 20%         | 3,768,970               |
| Residential mortgages:   |               |             |                         |
| LVR 70% and under  | 65,045,254    | 35%         | 22,765,839              |
| LVR 70% - 80%  | 1,093,982     | 50%         | 546,991                 |
| Second mortgages   |               |             |                         |
| Other loans with qualifying security over land and buildings:                  |               |             |                         |
| LVR 70% and under  | 13,888,425    | 100%        | 13,888,425              |
| Other assets   | 189,638       | 350%        | 663,733                 |
| Deductions from capital  | 89,068        |             | -                       |
| Total credit risk weighted exposures (A)                                       |               |             | 41,633,958              |
| Total assets (B)   | 99,151,219    |             |                         |
| Operational and Market Exposures   | (A+B)/2x0.175 |             | 12,318,703              |
| Total Exposures  |               |             | 53,952,661              |
| <b>Capital Ratio at 31 March 2022</b><br>(being Total Capital/Total Exposures) |               |             | <b>18%</b>              |



## AGGREGATE EXPOSURE TO RELATED PARTIES

|                                   | <b>31 March<br/>2024</b> | <b>31 March<br/>2023</b> | <b>31 March<br/>2022</b> |
|-----------------------------------|--------------------------|--------------------------|--------------------------|
| Loans to related parties (A)      | 368,838                  | 12,608                   | 13,337                   |
| Other related party exposures (B) | -                        | -                        | -                        |
| Capital                           | 18,513,201               | 15,742,400               | 9,653,934                |
| <b>(A + B) / C</b>                | <b>2.0%</b>              | <b>0.1%</b>              | <b>0.1%</b>              |

\*Related party exposures are calculated by dividing total related party exposures by Capital (per 2010 Regulations).

## HOW LIQUIDITY MEASURES HAVE BEEN CALCULATED

|  | <b>31 March<br/>2024</b> | <b>31 March<br/>2023</b> | <b>31 March<br/>2022</b> |
|--|--------------------------|--------------------------|--------------------------|
| Liquidity  | 22,572,136               | 18,368,303               | 18,844,852               |
| 3 month expected loan receivables                | 18,751,675               | 15,817,551               | 10,732,433               |
| 3 month gross deposit redemptions                | 8,304,769                | 8,626,193                | 6,519,455                |
| <b>Liquidity Cover Ratio (times)<sup>1</sup></b> | <b>4.98</b>              | <b>3.96</b>              | <b>4.54</b>              |

<sup>1</sup>The Liquidity Cover Ratio is calculated by dividing Liquidity plus the 3 month expected loan receivables, by the 3 month expected gross deposit redemptions.