

GENERAL FINANCE LIMITED
Quarterly report as at 30 June 2022

KEY RATIOS

Capital Ratio	30 June 2022
Our capital ratio calculated in accordance with the 2010 Regulations*	17.98%
Minimum capital ratio required by our Trust Deed if the issuer has a credit rating	8%
Minimum capital ratio that must be included in the trust deed under reg 8(2) of the 2010 Regulations* if the issuer has a credit rating	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>	

Related Party Exposures	30 June 2022
Our aggregate exposures to related parties as calculated in accordance with the 2010 Regulations*	0.11% of capital
Maximum limit on aggregate exposures to related parties that we must not exceed that is included in our Trust Deed	10% of capital
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*	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>	

* Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010

Liquidity	30 June 2022
Our liquidity calculated in accordance with the quantitative liquidity requirements included in our Trust Deed	5.44 times
The minimum liquidity requirements required by our Trust Deed	A liquidity cover ratio of 1.25 times
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.	

SELECTED FINANCIAL INFORMATION

	Quarter to 30 June 2022
Total Assets	111,866,605
Total Liabilities	101,451,746
Net Profit / (Loss) After Tax	671,754
Net Cash Outflow from Operating Activities	6,248,818
Cash and Cash Equivalents	23,321,528
Term Deposits ¹	1,750,000
Capital (per 2010 Regulations)	10,318,184

¹New Zealand Registered Bank deposits with original term of greater than 183 days.

HOW THE RATIOS HAVE BEEN CALCULATED

CAPITAL RATIO

Position at 30 June 2022

Capital

Gross capital	10,414,859
Less deductions	<u>96,675</u>
Total capital	10,318,184

Exposures	Exposure	Risk	
		Risk Weight	Weighted Exposures
NZ Registered Bank Deposits	25,071,528	20%	5,014,306
Residential mortgages:			
LVR 70% and under	73,301,869	35%	25,655,654
LVR over 70% and under 80%	1,126,171	50%	563,086
Other loans with qualifying security over land and buildings:			
LVR 70% and under	12,167,737	100%	12,167,737
Other assets	102,625	350%	359,186
Deductions from capital	96,675		-
Total credit risk weighted exposures (A)			43,759,969
Total assets (B)	111,866,605		
Operational and Market Exposures (A+B)/2x0.175			13,617,325
Total Exposures			<u>57,377,294</u>
Capital Ratio			
(being Total Capital/Total Exposures)			17.98%

¹Refer to Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010.

AGGREGATE EXPOSURE TO RELATED PARTIES

Loans and other on balance sheet exposures to related parties (A)	11,596
Other related party exposures (B)	Nil
Capital	10,318,184
(A + B) / C	0.11%

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

LIQUIDITY

Liquidity (A)	25,071,528
3 month expected loan receivables (B)	11,086,514
3 month expected gross deposit redemptions (C)	6,651,947
(A + B) / C	5.44 times

*The Liquidity Cover Ratio is calculated by dividing Liquidity plus the 3 month expected loan receivables, by the 3-month expected gross deposit redemptions.