

GENERAL FINANCE LIMITED
Quarterly report as at 31 December 2021

KEY RATIOS

Capital Ratio	31 December 2021
Our capital ratio calculated in accordance with the 2010 Regulations*	15.68%
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	31 December 2021
Our aggregate exposures to related parties as calculated in accordance with the 2010 Regulations*	1.33% 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	31 December 2021
Our liquidity calculated in accordance with the quantitative liquidity requirements included in our Trust Deed	7.88 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 31 December 2021
Total Assets	90,657,290
Total Liabilities	83,066,001
Net Profit / (Loss) After Tax	443,578
Net Cash Inflow from Operating Activities	3,537,443
Cash and Cash Equivalents	17,320,690
Term Deposits ¹	2,350,000
Capital (per 2010 Regulations)	7,506,639

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

HOW THE RATIOS HAVE BEEN CALCULATED

CAPITAL RATIO

Position at 31 December 2021

Capital

Gross capital	7,591,289
Less deductions	84,650
Total capital	7,506,639

Exposures	Exposure	Risk Weight	Risk Weighted Exposures
NZ Registered Bank Deposits	19,670,690	20%	3,934,138
Residential mortgages:			
LVR 70% and under	59,713,018	35%	20,899,556
Other loans with qualifying security over land and buildings:			
LVR 70% and under	10,905,190	100%	10,905,190
Other assets	283,742	350%	993,097
Deductions from capital	84,650		-
Total credit risk weighted exposures (A)			36,731,981
Total assets (B)	90,657,290		
Operational and Market Exposures	(A+B)/2x0.175		11,146,561
Total Exposures			47,878,542
Capital Ratio			15.68%
(being Total Capital/Total Exposures)			

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)	100,000
Other related party exposures (B)	Nil
Capital	7,506,739
(A + B) / C	1.33%

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

LIQUIDITY

Liquidity (A)	19,670,690
3 month expected loan receivables (B)	20,150,273
3 month expected gross deposit redemptions (C)	5,050,921
(A + B) / C	7.88 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.