

**GENERAL FINANCE LIMITED**  
Quarterly report as at 31 March 2021

**KEY RATIOS**

**Capital**

	<b>31 March 2021</b>
<b>Our capital ratio calculated in accordance with the 2010 Regulations*</b>	16.34%
<b>Minimum capital ratio required by our Trust Deed</b>	8% if we have a credit rating**, or 15% if we do not have a credit rating
<b>Minimum capital ratio that must be included in the trust deed under reg 8(2) of the 2010 Regulations*</b>	8% if we have a credit rating**, or 10% if we do not have a credit rating
<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>	

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

\*\* General Finance has been rated by Equifax Australasia Credit Ratings Pty Ltd ("Equifax"). Equifax gives ratings from AAA through to C (excluding ratings attaching to entities in default).

Equifax has issued General Finance a credit rating of BB- with a Stable Outlook. According to Equifax's criteria, this rating is classified as "Near Prime" and has "Low to Moderate" risk level. Equifax's credit rating report for General Finance can be accessed at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

**Related Party Exposures**

	<b>31 March 2021</b>
<b>Our aggregate exposures to related parties as calculated in accordance with the 2010 Regulations*</b>	0.18%
<b>Maximum limit on aggregate exposures to related parties that we must not exceed that is included in our Trust Deed</b>	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*</b>	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**

	<b>31 March 2021</b>
<b>Our liquidity calculated in accordance with the quantitative liquidity requirements included in our Trust Deed</b>	3.55 times
<b>The minimum liquidity requirements required by our Trust Deed</b>	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>	

**SELECTED FINANCIAL INFORMATION**

	<b>Quarter to 31 March 2021</b>
Total Assets	64,527,110
Total Liabilities	58,472,531
Net Profit / (Loss) After Tax	232,501
Net Cash Inflow / (Outflow) from Operating Activities	(3,306,997)
Cash and Cash Equivalents	7,248,075
Term Deposits <sup>1</sup>	3,000,000
Capital (per 2010 Regulations)	5,976,166

<sup>1</sup>New Zealand Registered Bank deposits with original term of greater than 180 days.

## HOW THE RATIOS HAVE BEEN CALCULATED

### CAPITAL RATIO

#### Capital

Gross capital	6,054,579
Less deductions	78,413
Total capital	5,976,166

<b>Exposures</b>	Exposure	Risk Weight	Risk Weighted Exposures
NZ Registered Bank Deposits	10,248,075	20%	2,049,615
Residential mortgages:			
LVR 70% and under	39,366,442	35%	13,778,255
LVR 70% - 80%	6,687,119	50%	3,343,560
Second mortgages	107,018	150%	160,527
Other loans with qualifying security over land and buildings:			
LVR 70% and under	7,614,612	100%	7,614,612
Other assets	425,431	350%	1,489,009
Deductions from capital	78,413		-
Total credit risk weighted exposures (A)			28,435,578
Total assets (B)	64,527,110		
Operational and Market Exposures	(A+B)/2x0.175		8,134,235
Total Exposures			36,569,813
<b>Capital Ratio</b>			<b>16.34%</b>
(being Total Capital/Total Exposures)			

<sup>1</sup>Refer 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)	10,635
Other related party exposures (B)	Nil
Capital	5,976,166
<b>(A + B) / C</b>	<b>0.18%</b>

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

### LIQUIDITY

Liquidity (A)	10,248,075
3 month expected loan receivables (B)	8,632,475
3 month expected gross deposit redemptions (C)	5,317,605
<b>(A + B) / C</b>	<b>3.55 times</b>

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