

# ASX Announcement

20 November 2023

## MA Money completes \$500m inaugural RMBS issuance and Redcape Hotel Group sells two additional hotels, boosting its capital base

### MA Money RMBS issuance

MA Financial Group Limited ("MA Financial"; ASX:MAF) is pleased to announce its residential mortgage lending business, MA Money, has successfully completed its first Residential Mortgage-Backed Securities public term issuance (RMBS), amounting to \$500 million. The transaction had an initial launch size of \$400 million, however was upsized due to strong domestic and offshore investor demand. The proceeds will bolster MA Money's capacity for future growth and further its ongoing efforts to provide reliable mortgage solutions to its clients.

The transaction represents the largest inaugural non-bank RMBS issuance by a lender in Australian history. It underscores MA Money's commitment to continued growth and reflects its ambition to grow its loan book size as an innovative leader in the Australian home loan market.

Chris Wyke, Joint CEO, MA Financial said, "We are pleased to have completed our first RMBS term issuance, a meaningful milestone that underscores our prudent lending practices and ability to grow MA Money."

"The transaction diversifies MA Money's funding sources and investor base. Our plan is to be a regular RMBS issuer in the term market, and we will continue to take a proactive approach and engage with investors to share our growth strategy and expand our investor base."

### Redcape Hotel Group successful asset sales

MA Financial also advises that Redcape Hotel Group<sup>1</sup> ("the Fund"), managed and operated by MA Hotel Management, has continued to successfully execute on its strategic asset sale programme ("the Programme"), with contracts exchanged for the sale of the Eastern Creek Tavern and Mount Annan Hotel in Western Sydney for more than \$70 million. This brings the total number of hotels transacted as part of the Programme to seven for a combined total of more than \$150 million, a value in excess of the Directors valuations. The strong prices demonstrate the resilience in investor demand for quality hospitality venues.

Part of the net sale proceeds will be applied to reduce Fund debt, with the balance available to the Fund for its working capital requirements.

In the September quarter, Redcape Hotel Group's venue revenue grew strongly, up 6.8% on the June quarter, as venue performance returned to more consistent trading patterns in line with Management's seasonal expectations. This strong growth reflects the quality of MA Hotel Management's team, and their focus on driving venue performance. The Fund has delivered investors a return of 15.5% per annum since inception.

<sup>1</sup> Redape Hotel Group comprises Redcape Hotel Trust I (ARSN 629 354 614) and Redcape Hotel Trust II (ARSN 629 354 696).

Chris Unger, Managing Director, MA Hotel Management said, "We informed investors in July of our strategy to leverage the depth and quality of our portfolio to strengthen the balance sheet through selective divestment. We are pleased with the progress we have made to fulfil this strategy quickly and our ability to exchange contracts ahead of book value."

**Authorised for release by Joint CEOs MA Financial Group, Christopher Wyke and Julian Biggins.**

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