

PERPETUAL CREDIT INCOME TRUST

ASX: PCI

Investment update

July 2025

Investment objective

To provide investors with monthly income by investing in a diversified pool of credit and fixed income assets.

Portfolio snapshot

As at 31 July 2025	Amount
ASX unit price	\$1.180
NTA per unit ¹	\$1.096

¹ Daily Net Tangible Asset (NTA) is available at

www.perpetualincome.com.au

All figures are in Australian dollars (AUD), unless otherwise stated. All figures are unaudited and approximate. Past performance is not indicative of future performance. NTA figures are calculated as at the end of day on the last business day of the month.

Key information

As at 31 July 2025

ASX code:	PCI
Structure:	Listed Investment Trust
Listing date:	14 May 2019
Market capitalisation:	\$574 million
Units on issue:	486,718,763
Distributions:	Monthly
Management costs:	0.88% p.a. ²
Manager	Perpetual Investment Management Limited
Responsible Entity:	Perpetual Trust Services Limited

Investment performance ³

² Estimate inclusive of net effect of GST.

As at 31 July 2025	1 mth	3 mths	6 mths	1 yr	3 yrs p.a.	5 yrs p.a.	Since incep. p.a.
PCI Investment Portfolio (net)	0.8%	2.4%	3.6%	7.5%	8.3%	6.6%	5.5%
Target Return ⁴	0.6%	1.8%	3.7%	7.7%	7.4%	5.8%	5.5%
Distribution Return	0.7%	2.0%	3.8%	8.4%	7.7%	6.1%	5.6%
RBA Cash Rate	0.3%	1.0%	2.0%	4.3%	4.0%	2.4%	2.1%

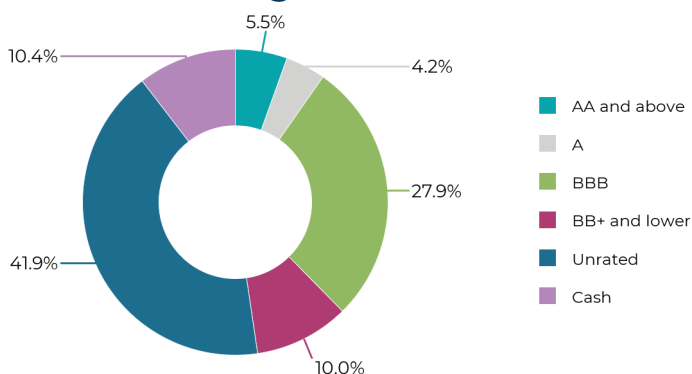
³ Investment returns have been calculated on the growth of Net Tangible Assets (NTA) after taking into account all operating expenses (including management costs) and assuming reinvestment of distributions on the ex-date. Distribution return has been calculated based on the PCI investment portfolio return less the growth of NTA. Past performance is not indicative of future performance. Since inception return is from allotment on 8 May 2019. The comparison to the RBA Cash Rate is not intended to compare an investment in PCI to a cash holding. The PCI investment portfolio is of higher risk than an investment in cash.

⁴ Target Return is RBA Cash Rate + 3.25% p.a. (net of fees) through the economic cycle. This is a target only and may not be achieved.

Portfolio summary

As at 31 July 2025	Amount
Number of holdings	154
Number of issuers	91
Running yield	6.7%
Portfolio weighted average life	2.9 years
Interest rate duration	53 days

Ratings breakdown



Source: Standard & Poor's and Perpetual Asset Management Australia. Data is as at 31 July 2025. All figures are unaudited and approximate.

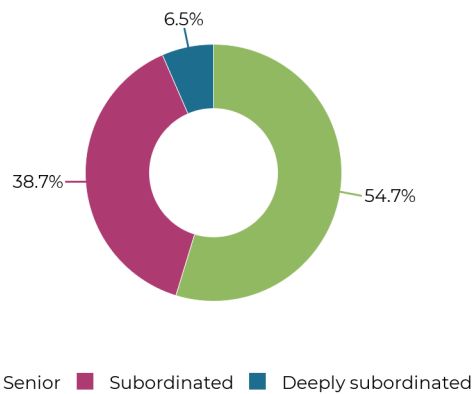
Distributions CPU ⁵

The table below shows the distribution in cents per unit for each distribution period in the respective financial year.

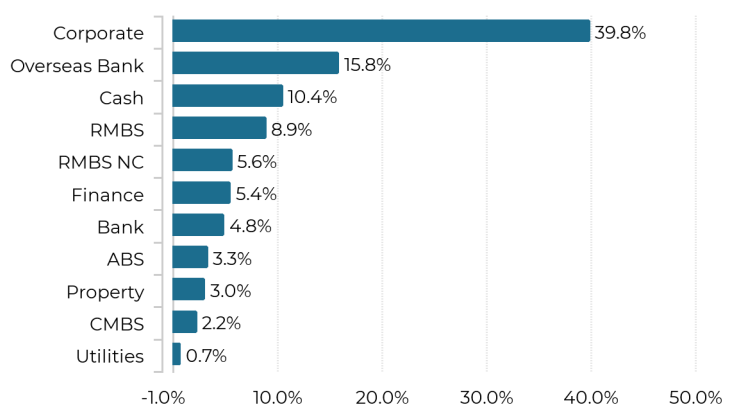
As at 31 July 2025	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
FY2025	0.68	0.69	0.69	0.68	0.69	0.69	0.69	0.66	0.69	0.68	0.68	0.76	8.28
FY2026	0.68	-	-	-	-	-	-	-	-	-	-	-	0.68

⁵ Distributions are stated as cents per unit and have been rounded to two decimal places. Detailed distribution announcements are available on the [PCI website](#) and are stated in Australian dollars rather than cents per unit. Past performance is not indicative of future performance.

Seniority breakdown [^]



Sector allocation [^]



[^] Source: Bloomberg and Perpetual Asset Management Australia. Data is as at 31 July 2025. All figures are unaudited and approximate. Allocations may not sum to 100% due to rounding.

Portfolio Update

July saw risk assets including credit and equities rally despite US trade concerns and uncertainty around the path of monetary policy easing. Domestic and US equities reached all-time highs, supported by robust corporate earnings results while domestic credit spreads rallied.

Credit spreads narrowed over July while trading in a relatively tight range. The contraction in spreads reflected primary market supply and demand dynamics alongside a broader risk-on sentiment with domestic and global equities also rallying. The Trust's allocation to subordinated offshore bank paper performed well with issues from HSBC, Credit Agricole, Barclays and BNP Paribas all contributing. Subordinated bank spreads rallied over the month, supported by subdued primary supply with the spread between tier 2 and senior bank paper compressing. Elsewhere, securitised sectors and domestic financials also contributed.

The Trust continues to collect a healthy premium above the RBA cash rate, predominantly attributable to non-financial corporates – including private loans – and securitised sectors. At month end, the Trust's running yield was 6.7%. The domestic yield curve flattened marginally over the month as long term yields fell despite elevated volatility early in July. The Reserve Bank of Australia defied market expectations, remaining on hold in July when a rate cut was more than 90% priced in, precipitating a sharp move higher in yields before normalising. The RBA cited upcoming Q2 inflation data as a key consideration for their next meeting, noting that inflation risks were balanced while the labour market "remains strong". At month end, futures markets had fully priced in an August rate cut.

The Manager was active in primary and secondary markets during July, adding exposure to domestic and offshore banks. The Trust increased allocation to domestic regional banks, adding a number of Bank of Queensland and Bendigo and Adelaide Bank lines in secondary. While the Manager remains selective in adding new issues to the portfolio, the Trust was able to take advantage of new issue concessions to quickly turnaround new issues from Port of Newcastle and explosives manufacturer Dyno Nobel for profit during July.

Our proprietary credit outlook score improved to positive in mid-July before declining to end the month with a neutral reading. While technical indicators are providing a near term tailwind, growth indicators continue to weigh on the outlook, reflecting uncertainty around US trade policy. Negative swap to bond spreads and soft primary market supply dynamics are also detracting from the outlook. The Trust remains defensively positioned while retaining the capacity to add risk where it is best rewarded and take advantage of relative opportunities in primary and secondary markets.

Investment objective

To provide investors with monthly income by investing in a diversified pool of credit and fixed income assets.

Target return

To target a total return of RBA Cash Rate plus 3.25% p.a. (net of fees) through the economic cycle. This is a target only and may not be achieved.

Investment strategy

The Perpetual Credit Income Trust invests in a diversified and actively managed portfolio of credit and fixed income assets.

The Trust will typically hold 50 to 100 assets.

30% - 100%	Investment grade assets
0% - 70%	Unrated or sub-investment grade assets
70% - 100%	Assets denominated in AUD
0% - 30%	Assets denominated in foreign currencies (which are typically hedged back to AUD)
0% - 70%	Perpetual Loan Fund
< 5%	Perpetual Securitised Credit Fund

The Trust will diversify exposure and will have maximum exposure limits to issuers.

Typical investments will include corporate bonds, floating rate notes, securitised assets and private debt (for example, corporate loans).

About the manager

The Trust's investment portfolio is managed by Perpetual Investment Management Limited, part of the Perpetual Group, who believes the key to investing in credit and fixed income assets is constructing a well diversified portfolio of quality assets. Its experienced and highly regarded investment team actively manages investments based on fundamental research and analysis of quality, value and risk.

Portfolio managers



Michael Korber
Managing Director, Credit & Fixed Income

Portfolio Manager:
Perpetual Credit Income Trust
Perpetual Pure Credit Alpha

Michael has over 41 years' experience, having been involved in credit markets since their development in Australia during the 1990's. Unlike many other fixed income portfolio managers in this market, Michael has a background in lending and banking, understanding credit risk in a fundamental way.



Greg Stock
Head of Credit Research, Senior Portfolio Manager

Deputy Portfolio Manager:
Perpetual Credit Income Trust
Perpetual Pure Credit Alpha Fund

Greg has over 30 years' experience in investment management, accounting and risk management. He has researched and analysed credit markets on both the buy side and sell side for over a decade and through multiple cycles. His research role is broad, he covers the bank and financial sector and is a credit signatory.



Michael Murphy
Senior High Yield Analyst

Portfolio Manager:
Perpetual Loan Fund

Michael is an experienced credit markets specialist, having previously worked in high yield, private debt and leverage finance roles. As portfolio manager of the Perpetual Loan Fund, Michael has a focus on sourcing and assessing higher yielding income opportunities.

This monthly report has been prepared by Perpetual Investment Management Limited ABN 18 000 866 535, AFSL 234426 (PIML). It is authorised for release by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648 (PTSL). PTSL is the responsible entity and issuer of the units in Perpetual Credit Income Trust ARSN 626 053 496 (Trust). PTSL has appointed PIML to act as the manager of the Trust. This monthly report is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Past performance is not indicative of future performance. This information is believed to be accurate at the time of compilation and is provided in good faith. This report may contain information contributed by third parties. PIML and PTSL do not warrant the accuracy or completeness of any information contributed by a third party. Any views expressed in this monthly report are opinions of the author at the time of writing and do not constitute a recommendation to act.

Before making any investment decisions you should consider the Product Disclosure Statement (PDS) for the Trust issued by PTSL and the Trust's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at www.perpetualincome.com.au or can be obtained by calling 1300 778 468 (within Australia) or +61(2) 9299 9621 (from overseas).

No company in the Perpetual Group (Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of the Trust or the return of an investor's capital. This information does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of the Trust's units.

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