

INVESTMENT UPDATE APRIL 2023

INVESTMENT OBJECTIVE

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

PORTFOLIO SNAPSHOT

AS AT 30 APRIL 2023	AMOUNT
ASX unit price	\$0.980
NTA per unit ¹	\$1.085

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 TRUST INFORMATION ²

AS AT 30 APRIL 2023

ASX code:	PCI
Structure:	Listed Investment Trust
Listing date:	14 May 2019
Market capitalisation:	\$393 million
Units on issue:	400,967,882
Distributions:	Monthly
Management costs:	0.88% p.a. ³
Manager:	Perpetual Investment Management Limited
Responsible Entity:	Perpetual Trust Services Limited

² Perpetual Credit Income Trust ARSN 626 053 496.

³ Estimate inclusive of net effect of GST.

INVESTMENT PERFORMANCE ⁴

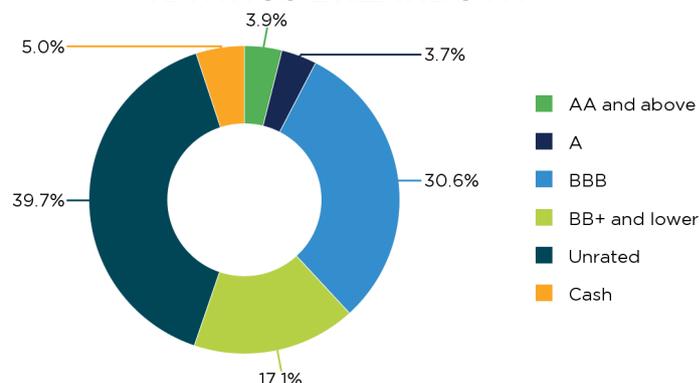
AS AT 30 APRIL 2023	1 MTH	3 MTHS	6 MTHS	1 YR	3 YRS P.A.	5 YRS P.A.	SINCE INCEP P.A.
PCI Investment portfolio	0.7%	1.7%	4.1%	4.8%	5.6%	-	3.8%
Returns net of operating expenses							
RBA Cash Rate	0.3%	0.8%	1.6%	2.3%	0.8%	-	0.9%
Distribution return	0.6%	1.6%	3.2%	5.8%	4.4%	-	4.1%

⁴ Investment returns, net of management costs 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 RBA Cash Rate is displayed as a reference to the target return for PCI. The PCI investment portfolio is of higher risk than an investment in cash.

PORTFOLIO SUMMARY

AS AT 30 APRIL 2023	AMOUNT
Number of holdings	127
Number of issuers	91
Running yield	7.5%
Portfolio weighted average life	3 years
Interest rate duration	30 days

RATINGS BREAKDOWN



Source: Standard & Poor's and Perpetual Asset Management Australia. Data is as at 30 April 2023. All figures are unaudited and approximate.

DISTRIBUTIONS CPU⁵

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

AS AT 30 APRIL 2023	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
FY2020	0.40	0.40	0.39	0.37	0.36	0.37	0.37	0.35	0.33	0.30	0.31	0.30	4.26
FY2021	0.32	0.32	0.30	0.31	0.28	0.30	0.30	0.27	0.30	0.29	0.33	0.32	3.63
FY2022	0.32	0.32	0.31	0.32	0.31	0.35	0.35	0.36	0.41	0.39	0.46	0.49	4.38
FY2023	0.42	0.47	0.47	0.51	0.52	0.56	0.56	0.53	0.60	0.61	-	-	5.24

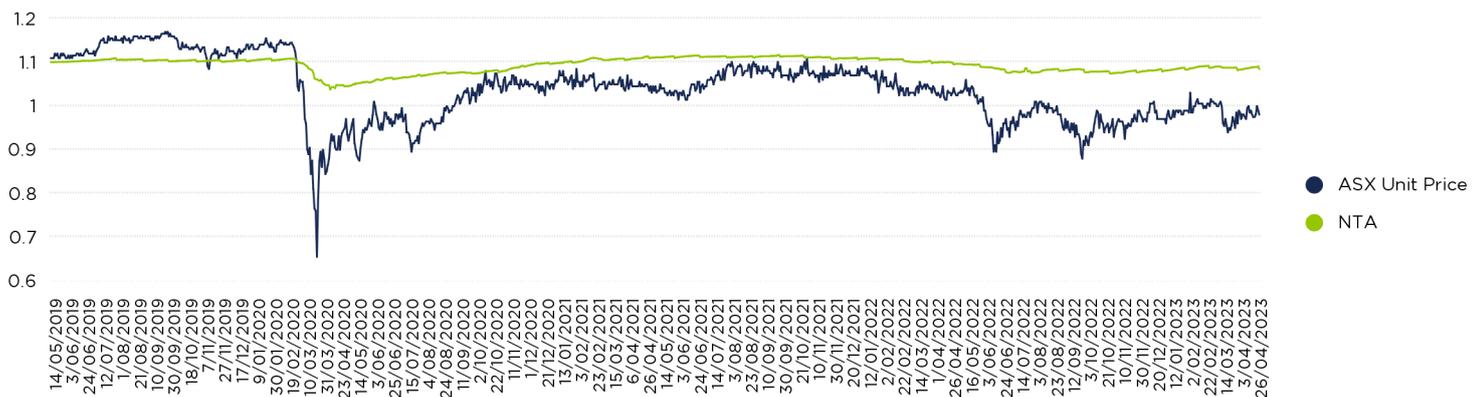
⁵ Distributions are stated as cents per unit and have been rounded to two decimal places. Detailed distribution announcements are available on the [PCI website](#) and are stated in Australian dollars rather than cents per unit. Distribution return has been calculated based on the PCI investment portfolio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

TOTAL UNITHOLDER RETURN⁶

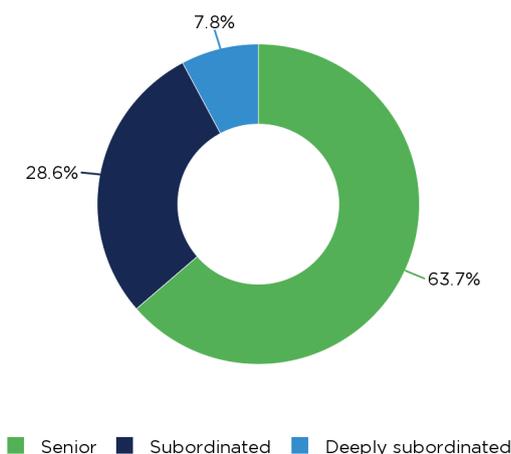
AS AT 30 APRIL 2023	1 MTH	3 MTHS	6 MTHS	1 YR	3 YRS P.A.	5 YRS P.A.	SINCE INCEP P.A.
Total unitholder return	-0.4%	0.8%	6.2%	1.4%	5.0%	-	1.4%

⁶ Total unitholder return - ASX unit price performance with reinvestment of distributions has been calculated on the growth of the ASX unit price and assumes reinvestment of distributions on the ex-date. Past performance is not indicative of future performance. Since inception return is from listing on 14 May 2019, initial price used is the subscription price of \$1.10.

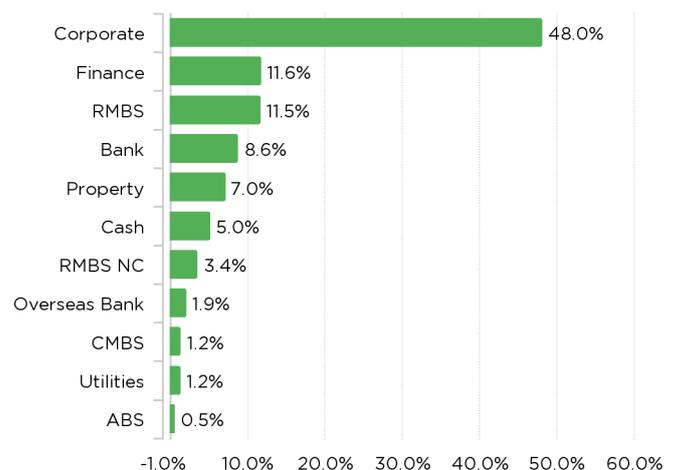
NTA PER UNIT VS ASX UNIT PRICE PERFORMANCE



SENIORITY BREAKDOWN



SECTOR ALLOCATION



Source: Bloomberg and Perpetual Asset Management Australia. Data is as at 30 April 2023. All figures are unaudited and approximate.

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PORTFOLIO UPDATE

The Trust's running income was the most significant contributor to return during April. The Trust's healthy running yield, which increased to 7.5% in March, has over recent periods demonstrated the capacity to mitigate returns impacted by credit volatility. During the month, the Trust's income was predominantly generated by coupon payments and interest income from the Trust's exposure to non-financial corporate bonds and Residential Mortgage-Backed Securities (RMBS) alongside banks and diversified financials. The Trust continues to benefit from rising interest rates – which increase the value of coupons paid by the Trust's floating rate investments.

Credit spreads were marginally positive for performance during April. Financial markets were supported by moderating inflation and central banks pausing their monetary policy tightening cycles. Domestic credit spreads narrowed, trading a relatively tight range as recent volatility eased. The Trust's allocation to domestic banks contributed as bank spreads normalised following disruptive conditions in March. Spread dynamics were muted across other sectors with corporate spreads marginally contributing to performance, supported by light issuance volumes.

Sector and risk allocations were broadly maintained during April. The Trust portfolio is a mature, well diversified, near fully invested, close ended portfolio, affording the Manager the ability to be selective in adding new issues. The outlook for credit remains challenging making risk management and prudent issuer selection as crucial as ever. Slowing economic and earnings growth and tightening financial conditions – as documented in the US Federal Reserve's Senior Loan Officer Survey – represent significant headwinds for the credit outlook. The Trust is positioned to navigate these conditions via careful issuer selection with a focus on market leading positions and strong balance sheets. In a recent investor presentation, Portfolio Manager Michael Korber stated that "The PCI portfolio is designed to be the bedrock of people's portfolios. To do this we don't chase the highest possible return, we chase the highest quality return. And we think current events globally reinforce the virtue to this approach". Furthermore, the sector and credit risk diversification within the Trust's portfolio offer a measure of risk management. As of April month end, the Trust held 127 assets across 91 issuers. These exposures include allocations to public and private corporate debt, diversified financials, banks, residential mortgage and asset backed securities and real estate investment trusts.

The Trust maintains its defensive positioning, investing in a diverse set of quality issuers while retaining the capacity to take advantage of relative value opportunities where prudent.

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TARGET RETURN

The Trust has a target 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 (PCI) (the "Trust") will hold 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). Exposure to corporate loans may be gained indirectly through the Perpetual Loan Fund.

ABOUT THE MANAGER

The Trust is managed by Perpetual Investment Management Limited. The Manager has one of the most experienced, proven and stable credit and fixed income teams in the Australian fixed income market. The Manager and the Responsible Entity are wholly owned subsidiaries of Perpetual Limited.

PORTFOLIO MANAGER

Michael Korber



Managing Director, Credit & Fixed Income

Portfolio Manager:
Perpetual Credit Income Trust
Perpetual Pure Credit Alpha

Michael has over 37 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.

PERPETUAL KEY CONTACTS

INVESTOR RELATIONS

Karen Trau
P: 02 9229 3138
E: karen.trau@perpetual.com.au

QLD

Tony Harte
Regional Manager
P: 0407 708 109
E: tony.harte@perpetual.com.au

NSW

Mark Williams
Key Account Manager
P: 0405 385 960
E: mark.williams@perpetual.com.au

WA

Tim McCallum
Regional Manager
P: 0411 209 403
E: tim.mccallum@perpetual.com.au

VIC/SA/NT/TAS

Daniel Moore
Regional Manager
P: 0400 032 819
E: daniel.moore@perpetual.com.au

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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).

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CONTACT DETAILS

Phone: 1300 778 468 within Australia,
or +61(2) 9299 9621 outside Australia
Email: perpetual@automicgroup.com.au
www.perpetualincome.com.au

