

9 July 2024

ASX Limited
ASX Market Announcements Office
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Perpetual Credit Income Trust (ASX:PCI) Capital raising

- Placement to wholesale investors at an issue price of \$1.10 per unit
- Offer to Eligible Unitholders to participate in a Unit Purchase Plan without incurring brokerage or other transaction costs
- The proceeds of the Offers are intended to be used to pursue additional investments in line with the Trust's investment strategy and approach

Perpetual Trust Services Limited ACN 000 142 049 (**Responsible Entity**), the responsible entity of the Perpetual Credit Income Trust ARSN 626 053 496 (ASX:PCI) (**Trust** or **PCI**) today announces a placement to wholesale investors (**Placement**) and a unit purchase plan (**UPP**) to Eligible Unitholders (each an **Offer** and together the **Offers**) for the Trust.

The Offers provide investors with an opportunity to purchase additional units and participate in the potential growth of the Trust without incurring brokerage or transaction costs. New units issued under the Placement and UPP will rank equally with existing units, including with respect to entitlements to future distributions with effect from their issue date¹.

Additional capital raised will increase the Trust's size which is expected to increase the liquidity in the Trust's units traded on the ASX. This potential for greater liquidity is expected to benefit existing unitholders and may also generate further interest from new investors, brokers, analysts and financial advisers. Greater scale in the Trust should also benefit new and existing unitholders by reducing the Trust's fixed expense base on a per unit basis.

How the proceeds will be used

The proceeds from the Offers are intended to enable PCI's investment manager, Perpetual Investment Management Limited (ACN 000 866 535) (**Manager**) to actively pursue additional investments in accordance with the Trust's investment strategy and approach. Details of the Trust's investment strategy are provided in the "About the Perpetual Credit Income Trust" section of this announcement.

¹ Refer to the "Indicative timetable" section of this announcement for the expected timing of the allotment and quotation of units issued under the Placement and UPP. The record date for distributions is typically the last business day of the month.

Portfolio Manager, Michael Korber, said “PCI was developed five years ago as the only ASX-listed investment trust that invests across the spectrum of credit and fixed income assets. We designed it to be the bedrock of a unitholder’s defensive portfolio, as it offers a combination of monthly income, liquidity and low capital volatility.

Geopolitical headwinds, prevailing inflationary pressures, and a higher-for-longer view on rates continue to place pressure on markets – and we think that isn’t likely to immediately change. The Trust has a particular focus on well diversified floating rate Australian corporate credit which we think can provide protection against these conditions.

We are pleased that our active pursuit for quality issuers in the Trust’s portfolio has delivered a 10.2%² return over 1 year to 31 May 2024, which is above the Trust’s target return of RBA cash rate + 3.25% p.a. (net of fees) through the economic cycle³. We are seeing numerous opportunities where additional capital can be deployed, including an attractive pipeline of corporate loan and securitised asset deals, which will complement the relative value opportunities identified in investment grade and high yield credit and fixed income assets”.

Details of the Offers:

Placement

Subject to receiving fully executed application forms and cleared funds from participating wholesale investors in the Placement, the Responsible Entity is proposing to issue up to approximately 60.2 million fully paid ordinary units in PCI (**New Units**) at \$1.10 per unit, equivalent to the net tangible assets (NTA) per unit of the Trust on Friday, 5 July 2024 and which represents a 4.8% discount to the Trust’s closing share price on Monday, 8 July 2024⁴.

The Placement, which is not underwritten, seeks to raise up to \$66.2 million. New Units to be issued under the Placement will be within the Trust’s placement capacity under ASX Listing Rule 7.1 and does not require unitholder approval.

New Units under the Placement are expected to be issued and commence quotation on the ASX on Wednesday, 17 July 2024.

UPP

After the completion of the Placement, the Responsible Entity intends to conduct an offer of new units under the UPP (**UPP Units**), which will be non-underwritten. The UPP will be open to **Eligible Unitholders**, being existing unitholders of PCI with a registered address in Australia or New Zealand as at 7.00pm (Sydney, Australia time) on Monday, 8 July 2024, to apply for up to \$30,000 worth of fully paid ordinary units in the Trust, without incurring brokerage or other transaction costs.

UPP Units are being offered at the issue price of \$1.10 per unit, being the same as the issue price of the Placement.

Participation in the UPP is voluntary. Once issued, UPP Units will rank equally with existing units in the Trust. UPP Units will be eligible to receive the August distribution and future monthly distributions⁵.

² 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. Past performance is not indicative of future performance. Refer to the Trust’s website for further performance information at www.perpetualincome.com.au.

³ This is a target and may not be achieved.

⁴ Based on the NTA per unit of \$1.10 (rounded to 2 decimal places) on Friday 5 July 2024 and a closing share price of \$1.155 on Monday 8 July 2024

⁵ Where the distribution is declared and paid at the discretion of the Responsible Entity. Neither the Responsible Entity or the Manager provides any representation or warranty in relation to the payment of future distributions.

The UPP opens on Wednesday, 17 July 2024 and is expected to close at 5:00pm (Sydney time) on Tuesday, 6 August 2024. Eligible Unitholders who would like to participate in the UPP can apply online. Full details of the UPP will be available in the UPP Booklet to be lodged with the ASX on Wednesday, 17 July 2024.

The maximum number of UPP Units that can be issued under the UPP is 120,362,333 Units, being 30% of PCI's current total units on issue. Applications under the UPP may be subject to scale back (on a pro rata basis) at the discretion of the Responsible Entity in order to satisfy the requirements of the ASX Listing Rules and any applicable law. Accordingly, where a scale back occurs, Eligible Unitholders may receive UPP Units under the UPP for a lower aggregate value than initially applied for. In these circumstances, excess application monies will be refunded to relevant applicants. Unitholder approval is not required for the issue of units under the UPP. Following the issue of UPP Units, the Responsible Entity will seek their quotation on the ASX.

Indicative timetable

Event	Date
UPP Record Date	7:00pm (Sydney time) Monday, 8 July 2024
Trading Halt	Tuesday, 9 July 2024
Announcement of Offers	Tuesday, 9 July 2024
Placement bookbuild	Tuesday, 9 July 2024 – Wednesday, 10 July 2024
Announcement of Placement results	Thursday, 11 July 2024
Trading Halt lifted	Thursday, 11 July 2024
Settlement of New Units under the Placement	Tuesday, 16 July 2024
Allotment and normal trading of New Units under the Placement	Wednesday, 17 July 2024
UPP Offer opens	Wednesday, 17 July 2024
Record date for July 2024 distribution	Wednesday, 31 July 2024
UPP offer closes	5:00pm (Sydney time) Tuesday, 6 August 2024
Announce results of UPP	Friday, 9 August 2024
New Units issued under the UPP	Friday, 9 August 2024
New Units issued under the UPP expected to commence trading on the ASX	Monday, 12 August 2024
Record date for August 2024 distribution	Friday, 30 August 2024

This timetable is indicative only and subject to change. The Responsible Entity reserves the right, acting reasonably and in accordance with the duties of a responsible entity, to alter the dates and times set out above at its discretion, subject to the ASX Listing Rules and Corporations Act 2001. All references to times in this timetable are to Sydney time. In particular, the Responsible Entity reserves the right, acting reasonably and in accordance with the duties of a responsible entity, to exercise its discretion as to whether to declare and pay monthly distributions for July and August 2024.

Investor Teleconference

A Teleconference will be held on **Tuesday, 23 July 2024 at 12:00pm (Sydney time)** to outline the details of the UPP and answer any questions.

Michael Korber, Portfolio Manager of PCI and Michael Murphy, Portfolio Manager of Perpetual Loan Fund, will also provide an update on how the PCI portfolio is being managed and the opportunities they are seeing across credit markets.

To register for the Investor Teleconference please go to www.perpetualincome.com.au. You will also be able to pre-submit questions upon registration.

About the Perpetual Credit Income Trust

The investment objective of the Trust is to provide investors with monthly income by investing in a diversified pool of credit and fixed income assets. The Trust targets a total return of RBA cash rate + 3.25% p.a. (net of fees) through the economic cycle. This is a target only and may not be achieved.

Investment strategy

The Trust will typically hold 50 to 100 assets. Typical investments will include corporate bonds, floating rate notes, securitised assets and private debt (for example, corporate loans).

30% - 100%	Investment grade assets ⁶ Maximum issuer limit 15%
0% - 70%	Unrated or sub-investment grade assets ⁷ Maximum issuer limit 10%
70% - 100%	Assets denominated in AUD
0% - 30%	Assets denominated in foreign currencies ⁸
0% - 70%	Perpetual Loan Fund
<5%	Perpetual Securitised Credit Fund

Target Market Determination

The Responsible Entity has prepared a target market determination in respect of the Trust which is available at www.perpetualincome.com.au.

Further information

Neither the Placement nor the UPP is being underwritten. Commonwealth Securities Limited (ACN 067 254 399 AFSL 238814) is acting as Lead Arranger and Joint Lead Manager on the Placement. Morgans Financial Limited (ACN 010 669 726 AFSL 235410) and Ord Minnett Limited (ACN 002 733 048 AFSL 237121) are also acting as Joint Lead Managers on the Placement. The Lead Arranger and Joint Lead Managers have entered into a Placement Agreement with the Responsible Entity and Manager. Under the Placement Agreement, the Manager has agreed to pay certain fees to the Lead Arranger and Joint Lead Managers for acting as managers on the Placement. Such fees will be borne by the Manager and will not be an additional cost to unitholders of the Trust.

Queries:

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⁶ An investment grade asset has a higher probability of payment of interest and repayment of principal.

⁷ A sub-investment grade asset has a higher risk that the issuer may not be able to meet interest payments or the repayment of principal if difficult conditions arise.

⁸ Foreign currencies are typically hedged back to the Australian dollar.

-Ends-

This announcement is authorised for release by Perpetual Trust Services Limited as responsible entity for Perpetual Credit Income Trust.

This announcement has been prepared by Perpetual Investment Management Limited ABN 18 000 866 535 AFSL 234426 (**PIML**) and is issued and 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 Perpetual Credit Income Trust ARSN 626 053 496 (**Trust**). PTSL has appointed PIML to act as the manager of the Trust.

This announcement is not a product disclosure statement, prospectus, disclosure document or offering document under Australian law or under any other law for units in the Trust (Units). No action has been or will be taken to register, qualify or otherwise permit a public offering of the units in the Trust in any jurisdiction outside Australia and New Zealand. This announcement is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any units in the Trust. This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No units in the Trust have been or will be registered under the U.S. Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Units may not be offered or sold in the United States or to any person acting for the account or benefit of a person in the United States unless they are registered under the Securities Act or unless they are offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any applicable U.S. state securities laws. The Units to be offered under the Offer may only be offered and sold outside the United States in “offshore transactions” (as defined in Regulation S under the Securities Act) in reliance on Regulation S under the Securities Act.

The provision of this announcement is not, and should not be considered, as financial product advice. It is general information only and is not intended to provide you with financial advice or take into account your investment objectives, taxation situation, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances.

The information in this announcement may include information contributed by third parties. PIML and PTSL do not warrant the accuracy or completeness of any information contributed by a third party. No representation or warranty is made as to the accuracy, adequacy or reliability of any statements, estimates, opinions or other information contained in the announcement (any of which may change without notice). To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this announcement. 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 announcement may contain forward looking statements, including statements regarding the Trust, PTSL’s and PIML’s intent, objective, belief or current expectation relating to the Trust’s investments, market conditions, financial condition and risk management practices. Forward looking statements in this announcement include statements regarding the completion of the Offers. These are based on PTSL’s or PIML’s current expectations about future events and is subject to risks and uncertainties, which may be beyond the control of PTSL or PIML. Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual events may differ materially from those contemplated in such forward looking statements. Readers are cautioned to not place undue reliance on these forward looking statements, which speak only as of the date of this announcement. Neither PTSL or PIML, or their respective representatives or advisers undertakes any obligation to update any forward-looking statement to reflect events or circumstances after the date of this announcement, subject to any regulatory and disclosure requirements.

Before making any investment you should consider the Product Disclosure Statement (**PDS**) for the Trust issued by PTSL and lodged with the ASX on 13 March 2019 and the Trust’s other periodic and continuous disclosure announcements lodged with the 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). A Target Market Determination in relation to the units in the Trust is also available from www.perpetualincome.com.au/capital-raising.

No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the future performance of the Trust or the return of an investor’s capital.