Perpetual Pure Series Funds

PERPETUAL PURE CREDIT ALPHA FUND CLASS W

June 2026

FUND FACTS

Investment objective: The Fund aims to provide investors with a positive return above the cash rate over rolling three-year periods (before fees and taxes) by primarily investing in and actively trading fixed income securities and related derivatives.

Benchmark: RBA Cash Rate
Inception date: March 2012
Size of fund: $741.7 million as at 31 March 2026
Mgmt Fee: 0.85% pa*
Benchmark Yield: 0.000% as at 30 June 2026
Suggested minimum investment period: Three years or longer

FUND BENEFITS

Perpetual aims to meet its objective by utilising an active and risk aware investment process that leverages the full use of the Perpetual Credit team's experience. The strategy allows the team discretion to invest in areas of the market or a company's capital structure where they see relative value. The portfolio is diversified, takes into account changes in market-wide and security-specific credit margins while seeking to maximise returns from liquidity premiums.

FUND RISKS

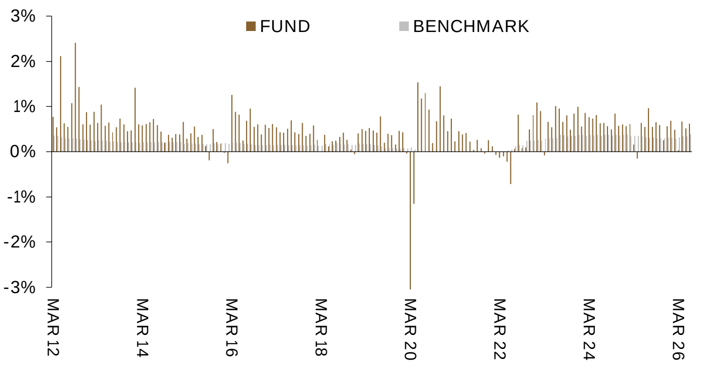
All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

TOTAL RETURNS % (AFTER FEES) AS AT 30 June 2026

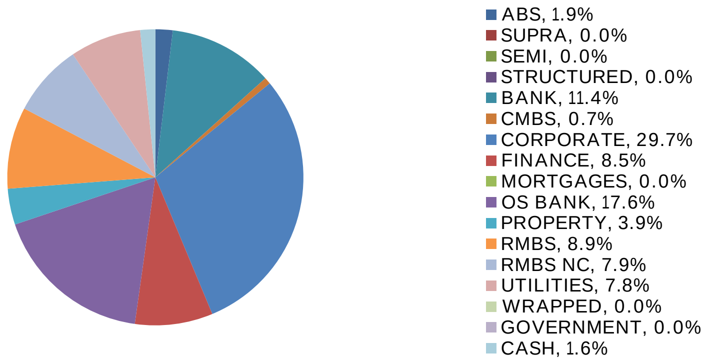
	1 MTH	3 MTHS	6 MTHS	1 YR	2 YRS PA	3 YRS PA	5 YRS PA	7 YRS PA	INCEPT PA
Perpetual Pure Credit Alpha Fund W Class	0.62	1.82	3.04	6.78	6.52	7.50	5.73	5.13	5.88
RBA Cash Rate	0.36	1.07	2.02	3.91	4.12	4.20	3.14	2.35	2.26

Please note: Performance for Perpetual's complete list of investment funds is available on www.perpetual.com.au. Past performance is not indicative of future performance.

MONTHLY PERFORMANCE SINCE INCEPTION



PORTFOLIO SECTORS



PORTFOLIO COMPOSITION

	BREAKDOWN
Senior Debt	40.13%
Subordinated Debt	41.26%
Hybrid Debt	18.61%
% Geared	0.00%
Running Yield#	7.00%
Average Credit Rating	BBB
Portfolio Weighted Average Life	3.52 yrs
No. Securities	208
Long	98.36%
Short	0.00%
Net	98.36%

GEOGRAPHIC LOCATION OF MATERIAL ASSETS

The Fund holds no single international asset representing more than 10% of the Fund's net asset value.

* Information on Management Costs (including estimated indirect costs) is set out in the Fund's PDS.

MARKET COMMENTARY

June saw credit markets strengthen marginally despite elevated volatility and persistent geopolitical uncertainty. Risk sentiment deteriorated in the first weeks of the month before a reversal as the US and Iran signed a memorandum of understanding. Oil prices fell sharply as traffic resumed in the strait Hormuz – however at a materially reduced rate. Despite the easing of inflation pressure as energy prices fell, a number of central banks including the ECB and BOJ increased their policy rates while markets increasingly anticipate a US Fed rate hike in October and possible further rises in 2027.

The RBA held the cash rate at 4.35% at its June meeting, a decision unanimously expected following three consecutive increases to begin 2026. The May monthly CPI indicator showed headline inflation falling 0.7%, while Q1 GDP grew 0.3% — slightly below expectations — and the unemployment rate fell from 4.5% to 4.4%, though downward revisions to prior months kept the overall picture on the softer side. Moderating inflation print combined with softer economic data saw expectations of further near-term rate hikes ease and bond yields rallied.

Domestic credit markets were mixed through June, moving marginally tighter while trading in a relatively tight range. Sector performance was mixed with higher beta sectors benefitting from supply dynamics as no AUD denominated Tier 2 or AT1 issuance saw spreads rally. Over recent months, domestic banks have preferred to issue tier 2 paper in foreign currencies, as tight non-AUD spreads present more attractive funding options. Securitised sectors performed well in secondary, rallying as investors moved to take advantage of the elevated disparity between RMBS and comparable senior unsecured spreads.

Primary issuance was elevated over the month led by kangaroo issuers and domestic corporates. French multinational energy utility company Engie entered the AUD market with its inaugural deal which priced $1.25B across senior and subordinated paper. Spanish multinational telco Telefonica Emisiones raised $700m of senior unsecured paper across 6 and 10-year tranches. Bank issuance was relatively subdued with only a small number of very short dated senior bonds pricing early in the month from the major banks. Securitisation activity was elevated, accelerating in the second half of the month.

PORTFOLIO COMMENTARY

Credit spread dynamics were constructive for performance over the month. While senior spreads traded in a relatively tight range, the Fund's allocation to subordinated domestic and offshore bank paper performed well, supported by supply dynamics.

Upwards revaluation of several private loans was a tailwind for spread performance over the month. Valuations of these assets were originally marked down slightly in March following the commencement of strikes in Iran and the ensuing credit spread volatility. All private loan assets are externally valued at least quarterly by IHS Markit a division of S&P Global. Private loan valuation considers market dynamics, credit conditions and changes to valuations are reflected in the unit price. The Fund's allocation to syndicated loans was 16.7% at month end.

Income return remains the most substantial contributing factor to outperformance. The Fund continues to collect a yield premium above the RBA cash rate, led by allocation to non-financial corporates alongside contributions from securitised assets and domestic banks. At month end, the Fund's running yield was 7.0% with the average spread measured at 2.4%.

Sector allocations were actively adjusted over the month. The Manager elected to trim domestic and offshore bank exposures to redeploy capital among several attractive primary market opportunities during June. The Fund took part in a new subordinated note from CDC Data Centres in early June. CDC is a preferred issuer in the datacentre space as development is associated with existing contracted revenues and the high security requirements for their government contracts provide an attractive moat. During a busy month for kangaroo issuance, the Fund took part in the hybrid tranche of the inaugural AUD deal from French Multinational utility company Engie SA which offered attractive yields. The Manager also took the opportunity to further diversify exposures in the telecommunications sector investing in 6 and 10-year tenors of the new senior deal from Spanish multinational telecommunications company Telefonica Emisiones.

The credit outlook improved marginally towards the end of June while remaining in negative territory reflecting soft valuation, growth and credit supply indicators. In these conditions active management remains paramount. The Trust remains well diversified by sector and across the credit rating spectrum and retains the capacity to add risk where it is best rewarded.

OUTLOOK

The credit outlook improved marginally towards the end of June while remaining in negative territory.

US high yield spreads continue to weigh on our valuation measure, reflecting spread levels that offer insufficient compensation against an uncertain macro backdrop impacted by geopolitical and oil price risks. Opportunistic issuers – including SSAs and kangaroo corporate issuers continue to tap the AUD market indicative of the prevailing richness of spreads in our local market. .

The macroeconomic outlook improved over the month. Softening global growth remains a headwind while easing oil prices was constructive. The ratio of upgrades to downgrades remains finely balanced.

Supply and demand indicators are very marginally negative after improving during the month. The pipeline of upcoming supply has moderated contributing to the improved outlook. Elevated recent issuance continues to detract however while the maturity schedule and market demand indicators are benign.

Technical indicators remain positive. While intermediary positioning and cash balances among real money accounts are neutral, US credit, equity and equity volatility indicators are all positively contributing to the outlook.

** UBS Australian Bond Index changed to Bloomberg AusBond Bank Bill Index effective 26 September 2014

MORE INFORMATION
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