

PENGANA GLOBAL PRIVATE CREDIT TRUST

DESCRIPTION

PCX offers access to typically institutional-only global private credit markets, diversified across strategies, sectors and geographies. It targets strong risk-adjusted returns with capital protection and consistent monthly income. Listed on the ASX, it provides the opportunity for daily liquidity and quarterly off-market redemptions at NAV. With exposure to over 2,000 loans through over 20 underlying funds, PCX is delivered in association with Mercer's institutional expertise in fund sourcing and manager due diligence. It aims to offer resilience through structured loans with strong protections, enhancing predictability and low volatility, and is fully hedged to the Australian dollar.

UNIT PRICE (ASX)

\$2.00

30/04/2025

NAV PER UNIT¹
\$2.00

30/04/2025

NAV¹
\$164.50M

30/04/2025

MINIMUM TARGET CASH²
DISTRIBUTION YIELD

7% p.a.

30/04/2025



FUND INFORMATION

Responsible Entity: Pengana Investment Management Limited

Investment Manager: Pengana Credit Pty Ltd

Investment Consultant: Mercer Consulting (Australia) Pty Ltd

Investment Objective: To generate strong risk adjusted returns with a high degree of capital protection and stable and consistent income over a rolling 3-year period.

Investment Strategy: globally diversified exposure to 20+ specialist private credit funds

RESEARCH HOUSE RATINGS

Lonsec

Investment Grade*

SQM Research

Favourable**

PLATFORM AVAILABILITY

- ✓ AMP North ✓ BT Panorama ✓ CFS Edge and Firstwrap
- ✓ Hub24 ✓ Macquarie ✓ Mason Stevens ✓ Netwealth
- ✓ Praemium

STRATEGY

Direct Lending	66%
Structured Credit	13%
Specialty Finance	3%
Credit Opportunities	15%
Other	1%
Cash	2%

GEOGRAPHY

US	59%
Europe	38%
Rest of the World	1%
Cash	2%

SENIORITY

1st Lien	74%
Subordinated	15%
Equity	9%
Cash	2%

FUND ALLOCATION³

Income Class	62%
Balanced Class	16%
Total Return Class	19%
Cash	2%

APRIL REPORT

COMMENTARY

- Global private credit has historically delivered strong performance through significant geopolitical events.
- Exposure is primarily to the senior secured debt of healthy companies with low leverage and good coverage ratios.
- Limited direct tariff risk as the majority of portfolio companies are focused on their domestic markets and have a services orientation.
- All PCX strategies are set to benefit from the opportunities created by market dislocation.

We continue to operate in a very uncertain and dynamic environment that changes almost daily. As always, in this update, we seek to cut through the noise to provide clarity around how to think about uncertainty in the context of global private credit and our portfolio.

Market Environment: A Geopolitical and Economic Reset

The global investment landscape continues to be shaped by escalating geopolitical tensions and near-daily policy shifts from the United States. These have included new tariff regimes, rhetoric around trade realignments, and a general hardening of US global positioning. These actions have sparked renewed concerns around:

- Supply chain resilience and trade friction – impacting manufacturing, logistics, and multinational exposures;
- Inflationary pressures, driven by higher input costs; and
- Policy-driven volatility, with investors reassessing growth, risk premia, and interest rate trajectories.

Global equity and fixed income markets have responded with heightened volatility; a cautious tone among companies regarding earnings outlooks, with many refusing to provide guidance; and a more watchful approach from lenders and borrowers alike. While these developments create uncertainty, they also open the door for more favourable risk-adjusted returns in private credit, particularly where capital scarcity (driven by less reliable markets and a retraction in bank risk appetite) and deal complexity can be priced in.

Global Private Credit as a Defensive Safe Haven

Within this market backdrop, global private credit continues to attract capital due to its structural resilience – floating-rate income, senior secured positions, and collateral protections. The characteristics that underpin this position remain the same:

- Differentiated and selective underwriting;
- Robust portfolio monitoring, where most of our managers have access to non-public, monthly performance information that allows them to identify and address issues as they emerge and apply the necessary restructuring/workout capabilities to minimise probability of default and loss; and
- Strong alignment between the manager and the borrower – given the underlying loans are predominantly held to maturity, the primary focus is on capital preservation and recovery, so our managers' interests are strongly aligned with our own.

As banks retract risk appetite and public markets become more volatile and dislocated, private lenders are commanding better terms: wider spreads, enhanced covenants, and upfront fees; and seeing an expansion in their opportunity set.

Portfolio Insights: How Pengana Credit is Positioned

Pengana Credit's master portfolio is built around three foundational principles: manager selection, deep and broad diversification, and flexible portfolio construction.

Our managers have recently completed "deep dives" on their portfolios to assess the bottom-up impact of the tariff announcements of early April. In summary,

1. The direct tariff exposure of portfolio companies and credit positions in the portfolio at an underlying level are minimal and manageable;
 - Borrower revenues in underlying portfolios are predominantly from domestic sources with limited cross-border exposure;
 - Where there is exposure, managers have proactively engaged in contingency planning, including mitigation tactics like supplier diversification, pricing power utilisation, and onshoring select components. In addition, they benefit from strong equity buffers; and
 - Our managers are actively monitoring retaliatory risk and second-order effects, but currently, no red flags exist that threaten material impairment or underperformance of underlying exposures
2. The opportunity set is very attractive for capital deployment across all strategies given volatility, bank withdrawal, and higher risk premia, so while closely managing and monitoring current portfolio risks, our managers are taking advantage of the opportunistic environment. More specifically, our Total Return managers are actively pursuing dislocation opportunities. Many view this as the early stage of a new distressed cycle and are deploying super senior capital and rescue financings with very favourable pricing and terms; and
3. In some Credit Opportunities strategies (e.g., Distressed Debt and Special Situations), particularly those run by our Total Return and some of our Balanced managers, the underlying fulcrum security (i.e. the security that allows the manager to control the refinancing/recapitalisation process) may be listed. In these instances, the portfolios will not be immune to MTM movements in the underlying securities until such time as the managers have worked through the investment strategy associated with those positions.

Outlook: Caution with Conviction

Volatility is expected to continue, but so is opportunity. Pengana's portfolios are positioned to benefit from wider spreads, increased alpha potential, and better structuring discipline across markets. Our manager selection, portfolio flexibility and diversification are critical foundations to more robust relative and absolute performance versus other asset classes.

In addition, opportunities in global private credit will continue to expand in this environment, particularly in special situations and rescue financing, secondary private credit available at discounts, and in structured and asset-based finance.

Private credit is no longer just an alternative – it is a core tool for building "diversified defensiveness" into portfolios, particularly when faced with the challenges of navigating through global uncertainty. While it is impossible to be immune to the overall macro environment, in the face of elevated geopolitical tension, trade realignment, and capital scarcity, our diversified, flexible portfolio and proven managers provide investors not only with resilience but with the potential to thrive.

Portfolio Update

The Trust's underlying funds continue to perform at or above their return targets.

During April, we received the remainder of the outstanding Q4 '24 fund valuations from our underlying managers. On a weighted average basis, returns for the December quarter were strong, particularly for some of the Total Return funds that pursue special situations or dislocation strategies.

Portfolio Composition

At 30 April, the Trust has maintained its target allocation mix, with the following allocations to fund types:

- **Income:** \$108.4m invested across 7 managers
- **Balanced:** \$28.6m invested across 4 managers
- **Total Return:** \$33.6m invested across 10 managers

The Trust is well diversified and within stated seniority, geography, and strategy guidelines.

✓ PCX Snapshot (as at 30/04/2025)

ASX CODE	PCX
IPO ISSUE DATE	21 June 2024
IPO ISSUE PRICE	A\$2.00
UNIT PRICE (ASX)	A\$2.00
NAV PER UNIT ¹	A\$2.00
NAV ¹	A\$164.50M
MARKET CAP	A\$164.46M
DISTRIBUTIONS	Monthly
NAV PRICING	Monthly

FUND MANAGERS



Nehemiah Richardson
Managing Director and CEO - Pengana Credit



Adam Rapeport
Portfolio Manager - Pengana Credit



Nick Griffiths
Chief Investment Officer - Pengana Capital Group



Scott Wilkinson
Head of Private Markets APAC - Mercer

1. The NAV is unaudited.

2. The target cash distribution yield is an objective target only and may not be achieved. Any shortfall in net income generated may result in a distribution payment made out of capital invested. Future returns are not guaranteed and a loss of principal may occur. Investors should review the Risks set out in Section 8 of the latest PDS.

3. The 'Cash' reference is to the Trust's direct and indirect investment exposure to cash and other liquid assets and the other labels are references are to the Trust's investment exposure to Master Classes as explained in the latest PDS available on this website (excluding the investment exposure of the Trust to 'Cash' that is held via these Master Classes). The outer circle sub-segments represent individual underlying fund exposures.

Mercer Consulting (Australia) Pty Limited ABN 55 153 168 140 AFSL 411770 ('MCAPL'). MCAPL is a wholly owned subsidiary of Mercer (Australia) Pty Ltd ABN 32 005 315 917 ('Mercer Australia'). MCAPL and Mercer Australia collectively referred to here as 'Mercer'. References to Mercer shall be construed to include Mercer LLC and/or its associated companies. 'MERCER' is a registered trademark of Mercer Australia.

***Lonsec** ratings issued 05/07/2024 are published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2020 Lonsec. All rights reserved.

****SQM Research** is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. Information contained in this document attributable to SQM Research must not be used to make an investment decision. The SQM Research rating is valid at the time the report was issued, however it may change at any time. While the information contained in the rating is believed to be reliable, its completeness and accuracy is not guaranteed. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

None of Pengana Global Private Credit Trust ("PCX"), Pengana Investment Management Limited (ABN 69 063 081 612, AFSL 219 462) ("Responsible Entity"), Pengana Credit Pty Ltd, nor any of their related entities guarantees the repayment of capital or any particular rate of return from PCX. Past performance is not a reliable indicator of future performance, the value of investments can go up and down. This document has been prepared by the Responsible Entity and does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered investment advice and should not be relied on as an investment recommendation.

Pengana Investment Management Limited (Pengana) (ABN 69 063 081 612, AFSL 219 462) is the issuer of units in the Pengana Global Private Credit Trust (ARSN 673 024 489) (the "Trust"). Before acting on any information contained within this report a person should consider the appropriateness of the information, having regard to their objectives, financial situation and needs. None of Pengana, Pengana Credit Pty Ltd, or their related entities, directors, partners or officers guarantees the performance of, or the repayment of capital, or income invested in the Trust. An investment in the Trust is subject to investment risk including a possible delay in repayment and loss of income and principal invested.

PENGANA GLOBAL PRIVATE CREDIT TRUST

PENGANA CAPITAL LIMITED

ABN 30 103 800 568

AFSL 226566

CLIENT SERVICE

T: +61 2 8524 9900

F: +61 2 8524 9901

E: clientservice@pengana.com

[PENGANA.COM](https://www.pengana.com)

