

PENGANA CAPITAL GROUP

MONTHLY REPORT
OCTOBER 2026

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[1]. With exposure to over 4,500 loans through 33 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 AND NAV (AS AT 31/10/2026)

ASX CODE	PCX
NAV PER UNIT[2]	A$1.97
MARKET CAP	A$248.46M
UNIT PRICE (ASX)	A$1.94
DISTRIBUTIONS	Monthly

FUND PERFORMANCE

	1 MTH	3 MTH	1 YEAR	SINCE INCEPTION P.A.
Pengana Global Private Credit Trust (ASX:PCX)	0.2%	1.7%	6.3%	7.2%
Distribution	0.7%	2%	8%	8.1%

FUND RETURNS (NET)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026	0.15%	0.78%	0.34%	0.05%	0.27%	0.69%	0.48%	0.84%	0.64%	0.22%			4.53%
2025	0.44%	0.70%	0.51%	0.60%	0.74%	2.14%	0.78%	0.70%	0.71%	0.11%	0.92%	0.75%	9.42%
2024						0.05%	0.02%	0.52%	-0.07%	0.84%	1.19%	0.54%	3.12%

DISTRIBUTIONS (CPU)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3			13
2025	1.16	1.16	1.16	1.17	1.17	1.3	3.32	1.32	1.32	1.3	1.3	1.3	16.98
2024							1.16	1.16	1.16	1.16	1.16	1.16	6.96

PENGANA CREDIT
Investment Manager

Mercer
Investment Consultant

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 33+ specialist private credit funds

RESEARCH HOUSE RATINGS

Bond Adviser	Approved
Lonsec	Recommended*

PLATFORM AVAILABILITY

√ AMP North √ BT Panorama √ CFS Edge √ Dash
√ Hub24 √ Mason Stevens √ Macquarie Wrap - Super
√ Netwealth √ Praemium √ Powerwrap

OCTOBER REPORT

PORTFOLIO[3]

STRATEGY

Direct Lending	67%
Structured Credit	12%
Specialty Finance	2%
Credit Opportunities	15%
Other	1%
Cash	4%

FUND ALLOCATION

Income Class	58%
Balanced Class	18%
Total Return Class	20%
Cash	4%

SENIORITY

1st Lien	79%
Subordinated	10%
Equity	7%
Cash	4%

GEOGRAPHY

US	51%
Europe	43%
Rest of the World	2%
Cash	4%

SECTOR

Industrials	21%
Financials	17%
Information Technology	14%
Health Care	13%
Consumer Discretionary	8%
Materials	6%
Communication Services	4%
Consumer Staples	4%
Real Estate	2%
Fund Investment	2%
Unclassified	1%
Utilities	1%
Other	0%
Transportation	0%
Energy	0%
Social Infrastructure	0%
Renewable Energy	0%
Cash	4%

COMMENTARY

- Credit markets stayed broadly firm through October, but higher rates, heavy government and corporate borrowing and geopolitical tension kept volatility elevated, and dispersion between stronger and weaker credits continued to widen. Public credit and equity markets have been moving more closely together, and private credit is seeing the same dispersion, with more concentrated portfolios underperforming more diversified ones.
- The month reinforces the case for a diversified global approach to private credit. Public markets are more correlated and so offer less protection when one falls, while the US, Europe and Australia are each facing different pressures. Allocating capital to global private credit on a diversified basis mitigates reliance on any one risk driver. Owning multiple loans doesn't make a portfolio diversified if they share the same economy, sector or driver.
- PCX was designed to help investors reduce reliance on public market dynamics and geographic concentration risk. The Trust provides exposure to more than 4,500 loans managed by 29 specialist credit managers across the US and Europe, spanning direct lending, structured credit/specialty finance and credit opportunities strategies. The portfolio is predominantly invested in senior secured loans to established businesses with strong cash flow profiles, with no exposure to Australian real estate and minimal exposure to global real estate.
- We continue to believe global private credit, done well and focused on the right parts of the market, remains attractive, and the best way to participate is capital spread across managers, strategies, sectors and geographies, which mitigates the concentration and correlation risk a single-market exposure carries.

Market Context

October was again dominated by the interest rate outlook rather than by credit news. The Federal Reserve is expected to raise rates again before year-end after moving to 3.75–4.00% in September, and long-term US bond yields rose to around 5%, close to the highs last seen in 2008. Sticky inflation, heavy government borrowing and a surge in demand for capital from AI, defence, energy and industrial reshoring are all pushing rates up, so the cost of capital looks set to stay higher for longer.

Geopolitics adds volatility. Oil above US$100 is keeping inflation and rate risks elevated; equity markets have experienced sharp swings, and public credit has been trading more closely with equities than usual, particularly given the increasing concentration of companies reliant on AI-related spend. Beneath that, dispersion remains wide: higher-quality borrowers continue to finance at close to their tightest levels in years, while weaker, more exposed borrowers trade at stress-level spreads. The spread environment for private credit lending remains attractive, and rewards selectivity, so manager selection and oversight are critical.

Each region faces different pressures, which supports a diversified global approach

Private credit plays an important role in a diversified portfolio, particularly as a source of income, with return drivers that have a low correlation to traditional equity and fixed income markets. That thesis hasn't changed.

United States. Growth and earnings have held up, but inflation is sticky, the Fed is still tightening, and housing and lower-income consumers are under pressure. Loan defaults remain low, but stress is building in loans written in 2021 and 2022 and in the largest deals, where competition has thinned margins and lender protections have weakened.

Europe. Growth is weaker, the European Central Bank has resumed raising rates, and heavy government borrowing has pushed long-term yields to their highest in more than a decade. Banks are tightening lending standards, and loans written in 2021 and 2022 are approaching refinancing, which should keep private lenders in demand.

Australia. At home, the cash rate is now 4.85%, house prices have been falling, and there are pockets of stress in construction. That puts pressure on real estate lending, which ASIC estimates is roughly half of a $200 billion private credit market: one economy and one sector.

It's also why we invest the way we do. The US and European private credit markets are significantly larger, deeper and more mature, and private credit there is a core part of financing the real economy: manufacturers, healthcare providers, commercial services businesses, equipment, consumer staples, across industries with genuinely different drivers. That breadth is what allows a portfolio to be built with limited concentration and correlation, while keeping the flexibility to move capital towards attractive relative value opportunities.

For an inherently illiquid asset class, we continue to believe three things matter most:

- **Manager Selection**: experienced managers with strong underwriting, deal structuring, portfolio monitoring and workout capability;
- **Diversification**: across geographies and strategies first, so that no single economy and no single set of risk drivers determines the outcome, and then across managers, borrowers and sectors, to reduce concentration and correlation risk; and
- **Liquidity**: matching the investment structure to the liquidity investors need, so that the terms on which capital can be accessed don't have to be revisited when conditions turn.

Generating consistent returns in credit is less about perfection and more about resilience. That resilience is built through rigorous portfolio construction and broad diversification and is embedded before market conditions deteriorate

Higher rates, geopolitical shocks and rising correlation across public markets shouldn't be ignored. They test whether a portfolio is as diversified as it looks, across economies, sectors, managers and the seniority and security of each loan. The investment case for private credit remains intact; what matters increasingly in periods of uncertainty is the way investors gain exposure to the asset class.

The opportunity set

Conditions for new lending remain strong in the parts of the market we focus on. Higher base rates have lifted income, spreads on new deals are wider than a year ago, and terms continue to move in lenders' favour, with less leverage and larger equity cushions, particularly for established, cash-generative borrowers outside the most crowded large-cap deals.

While higher base rates lift income, they also raise borrowers' interest burden, which is a driver of default risk. While default rates have risen moderately in 2026 according to Fitch and KBRA, they remain low, and we have experienced minimal stress in our portfolio to date. Given the high level of diversification within the portfolio, our mid-market focus, and our concentration in more recent vintage years, we expect to remain insulated from credit-related losses that may impact the sector. We are also looking to take advantage of the restructuring potential that such events represent, and have a number of managers that have capital in reserve to do so.

A significant refinancing cycle is emerging across the US and Europe, with a substantial volume of debt maturing in 2028 and 2029 that was originated on 2021-era valuations. This backdrop is expected to create an attractive pipeline of opportunities for lenders with available capital. Some of the capital that crowded into the market is now managing redemption requests rather than competing for deals, further improving the opportunity set for our solution-driven managers.

Portfolio Update

The October cum-distribution NAV per unit was marginally lower at $1.97, reflecting the timing of manager reporting rather than any underlying portfolio event. Reporting is typically lighter in the first month of each quarter, as most managers provide quarterly statements with a one to two month lag following quarter-end. The Trust declared a 1.3c distribution for October, exceeding the target minimum and in line with the recent distribution trend.

The table below summarises the key factors that can influence movements in the Fund's NAV, outlines their potential impact on returns, and indicates whether any were material contributors to NAV performance during the month.

NAV Driver	Potential Impact on NAV / Returns	Impact This Month	Comments
Fair Value Adjustments	Changes in observable credit spreads affect discount rates applied to valuation calculations. Wider spreads generally reduce valuations and returns, while tighter spreads support valuations.	No material impact	Portfolio valuations were broadly stable during the month.
Mark-to-Market Movements	Changes in the market value of traded credit exposures can positively or negatively affect NAV.	No material impact	Traded positions experienced limited price movement.
Credit Impairment	Deterioration in borrower credit quality, including impairments, restructurings or defaults, can reduce NAV and returns.	No material impact	Credit performance across the portfolio remained stable.
Timing of Valuation Statements	Limited statements received during the month can temporarily reduce recognised NAV.	Minor negative impact	Limited number of statements received.
Underlying Leverage	Returns may be diluted when underlying managers operate below their target leverage levels.	Minor negative impact	Underlying leverage remains modestly below target levels, although deployment continues to improve.

Portfolio Composition

At 31 October, the Trust maintained its target allocation mix, with capital diversified across fund types and managers as follows:

- Income: $144.8m invested across 9 managers
- Balanced: $45.4m invested across 6 managers
- Total Return: $48.9m invested across 17 managers

The portfolio remains within stated limits across geography, seniority and investment strategy. Diversification by vintage, style and manager continues to underpin downside protection and liquidity planning.

The Trust's underlying sector exposure remains well diversified and focused on defensive, non-cyclical industries such as Financials, Industrials, Information Technology and Health Care. These 4 sectors account for 65% of the total Trust exposure.

PCX Snapshot (as at 31/10/2026)

ASX CODE	PCX
IPO ISSUE DATE	21 June 2024
IPO ISSUE PRICE	A$2.00
UNIT PRICE (ASX)	A$1.94
NAV PER UNIT2	A$1.97
NAV2	A$252.64M
MARKET CAP	A$248.46M
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 Responsible Entity will make an off-market buy-back offer each calendar quarter to buy-back up to 5% of the PCX issued capital each calendar quarter. The Responsible Entity will only be able to continue to buy-back 5% of the capital each calendar quarter where it would exceed the 10/12 Limit (10% of the smallest number of units that are on issue at any time during the previous 12 months) if the Responsible Entity has obtained approval by ordinary resolution of unitholders prior to effecting the buy-back. It is the Responsible Entity's intention to seek unitholder approval when required so that it can continue to buy-back 5% of the issued capital each quarter. If the Responsible Entity receives acceptances for more units than 5% of the issued capital of PCX for any quarterly buy-back offer, the number of each acceptor's units will be subject to a proportional scale-back.

2. The NAV is unaudited. The NAV is net of distributions paid since inception on 21 June 2024 to the date of this announcement.

3. Portfolio breakdowns show the Trust's percentage ownership in the investments based on the latest available data provided by the underlying funds. Allocations adjusted to reflect investments that have been called but not settled. 'Cash' refers to the Trust's direct and indirect investment exposure to cash and other liquid assets. The Master Classes' investment exposures under 'Fund Allocation' exclude the investment exposure of the Trust to any 'Cash' that is held via these Master Classes. The Master Classes are explained in the latest PDS for the Trust.

The Responsible Entity intends to continue to make an off-market equal access buy-back offer to all investors in the Trust on a calendar quarterly basis for 5% of the issued capital of the Trust at the Buy-Back Price. The Buy-Back Price is equal to the sum of: (i) the NAV per unit as at the Buy-Back Pricing Date; and (ii) the amounts of distributions that the unitholder would have been entitled to if the unit was not cancelled from the Buy-Back Cancellation of Units Date up to the Buy-Back Payment Date. The Responsible Entity intends that each round of quarterly buy-back will have at least one calendar quarter between the date required for a Unitholder to elect to participate in the buy-back and its Buy-Back Pricing Date and Buy-Back Payment Date, with specific dates to be made available in future Buy-Back Booklets (subject to the acceptance of the buy-back timetable by the ASX). Please refer to the latest PDS for an explanation of capitalised defined terms and a detailed description of the mechanism.

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Pengana Investment Management Limited (ACN 063 081 612, AFSL 219462) ("Pengana") is the issuer of this document and units in PCX (ARSN 673 024 489).

There are no guarantees that an active trading market with sufficient liquidity will develop or that such a secondary market will sustain a price representative of the NAV per unit. In circumstances where units are suspended from the ASX, unitholders may not be able to sell their units via the ASX until trading recommences.

The information provided in this document is of a general nature only and has been prepared without taking into account your objectives, financial situation or needs. Before making an investment decision in respect of PCX you should access whether PCX is appropriate give your objective, financial situation or needs. None of Pengana, Mercer Consulting (Australia) Pty Ltd, nor any of their related entities, directors, partners or officers guarantees the performance of, or the repayment of capital, or income invested in PCX. An investment in PCX is subject to investment risk including a possible loss of income and principal invested. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.

Authorised by: Paula Ferrao, Company Secretary

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