



Pallas Senior Income Fund

Monthly Performance Report — 31 May 2024

Manager Commentary

The Investment Manager is satisfied with the Fund's first month of performance. The portfolio already provides depth and breadth in terms of geography, borrower, sector, investment form, loan type and tenor. The Fund's net target investor return benchmark has been exceeded by 115 basis points.

Performance at a Glance

	Current	Since Inception
Net Distribution (p.a.)	10.50%	10.50%
Current month distribution cents per unit	0.8918	0.8918
Performance above target ¹	1.15%	1.15%

Key Information

Fund Type	Unlisted Managed Investment Trust
APIR Code	PCF6645AU
Net Target Return	5.0% p.a. margin above the RBA's Cash Rate ¹
Distributions	Monthly ²
Unit Price	\$1.00
Unit Pricing	Daily
Start Date	1 May 2024
Redemption/Withdrawal	30 days' notice ³
Eligibility	Wholesale Investors Only ⁴
Research Ratings	SQM Research, Bond Adviser ⁵

Investment Features

- ⊙ Registered First Mortgage investments only
- ⊙ Specialised, experienced, active manager
- ⊙ Institutional-grade investment platform
- ⊙ Defensive asset class with low volatility

Investment Objective

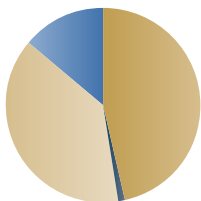
To achieve a net target return of 5.0% p.a. above the RBA cash rate and provide monthly liquidity, supported by investments holding exposure to single assets and/or diversified portfolio(s) of registered first mortgage senior debt investments (Qualifying Loans) to the private Australian and New Zealand CRE debt markets.

Key Metrics as at 31 May 2024

10.50% NET RETURN PER ANNUM	127 TOTAL LOOK-THROUGH INVESTMENTS ⁶
100% DEPLOYED CAPITAL	0 ARREARS OR IMPAIRMENTS ⁷
63.7% WEIGHTED AVERAGE LVR	6.3 months WEIGHTED AVERAGE TERM TO MATURITY

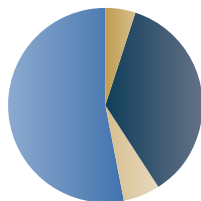
Portfolio Composition⁶

Term to Maturity



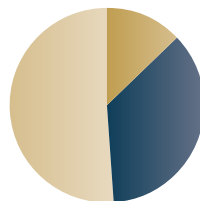
< 3 months	47%
3 - 6 months	1%
6 - 12 months	39%
12 - 24 months	14%

Portfolio Diversification



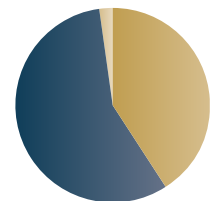
Pre-Development	5%
Investment	36%
Residual stock	6%
Construction	53%

Security Property Type



Residential	13%
Commercial	36%
Industrial	51%

Geographic Diversification



NSW	41%
VIC	57%
NZ	2%

Portfolio Underlying Exposure

	Construction	Non-Construction	Pooled Lenders	Total
Number of Fund Investments	3	5	2 (119 loans) ⁶	10 (127 loans) ⁶
Weighted Avg. TTM (Months)	1.51	12.62	9.48	6.68
Weighted Avg. LVR	65.0%	62.3%	61.1%	63.67%

About Investment Manager

A leading APAC institutional investment manager specialising in CRE debt, and with offices in Sydney, Melbourne, Brisbane and Auckland, Pallas Capital have originated and managed in excess of \$4.5 billion across more than 650 transactions since inception.

With a flawless track record of capital preservation, and current Funds Under Management c. \$2 billion. Pallas Capital has returned over \$2.6 billion to investors with no loss of principal capital or interest on Pallas investments.⁸

Key Service Providers

Trustee	Pallas Funds Pty Limited
Custodian	BNY Trust Company of Australia Limited
Investment Manager	Pallas Capital Pty Limited

NOTES:

1. RBA cash rate is subject to a floor of 0%. At as May 2024, RBA Cash Rate was 4.35%.
2. Subject to Fund cash and Trustee's sole discretion. No dollar value amount with respect to a distribution for a distributable period is guaranteed and no warranty (whether express or implied) in relation to the payment of any monthly cash income is provided.
3. Up to 5% Fund NAV. Redemption requests received within the calendar month will be processed within 10 business days after the end of the following month.
4. For persons located in Australia, a 'wholesale client' within the meaning of Section 761G of the Corporations Act 2001 (Cth.) (Act) or a 'sophisticated investor' or 'professional investor' as defined in Section 708 of that Act.5.
5. Inaugural independent research reports analysis underway
6. On a look through basis, that is, total of Fund's investment holdings in SPV Lender and Pool Lenders. Rounded to the nearest decimal place.
7. Represents % of Fund investment portfolio on look through basis in arrears by 90 days or more.
8. Please note, past performance is not a reliable indicator of future performance.

DISCLAIMER: Pallas Capital Pty. Limited (ACN 616 130 913) ("Pallas"), as Authorised Representative No. 001257625 of Pallas Funds Pty. Limited (ACN 604 352 347), the holder of AFS Licence No. 473475. The information contained in this Investor Update Document ("Document"), as prepared by Pallas, is for information purposes only and should be read in that context. The information contained in this Document is not investment or financial product advice and is not intended to be used as the basis for making an investment decision. This Document is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities and neither this Document nor anything contained in it forms the basis of any contract or commitment. This Document is strictly confidential and is intended for the exclusive benefit of the intended recipient. It may not be reproduced, disseminated, quoted or referred to, in whole or in part, without the express consent of Pallas. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Document. To the maximum extent permitted by law, none of Pallas, its related bodies corporate, shareholders or respective directors, officers, employees, agents or advisors, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence for any loss arising from the use of information contained in this Document. This Document may include "forward-looking statements". Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Pallas and its officers, employees, agents or associates that may cause actual results to differ materially from those expressed or implied in such statement. Actual results, performance or achievements may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. Pallas assumes no obligation to update such information. The opinions, advice, recommendations and other information contained in this Document, whether express or implied, are published or made by Pallas, and by its officers and employees in good faith in relation to the facts known to it at the time of preparation. To the maximum extent permitted by law, Pallas will not be liable in any way for any loss or damage suffered by you through use or reliance on this information. You may use this information in this Document for your own personal use, but you must not (without Pallas' consent) alter, reproduce or distribute any part of this publication, transmit it to any other person or incorporate the information into any other document. All amounts are in Australian Dollars unless otherwise specified.



Enquiries

Sydney Office (HQ)

Pallas House Sydney, Level 5, 30-36 Bay Street
Double Bay NSW 2028

Melbourne Office

Level 1, 67 Palmerston Crescent
South Melbourne VIC 3205

pallascapital.com.au

wealth@pallacapital.com.au

[linkedin.com/company/pallascapital](https://www.linkedin.com/company/pallascapital)

+61 2 8188 1108