



Pallas Senior Income Fund

Monthly Performance Report — March 2025
For Period: 1 March – 31 March 2025

Manager Commentary

The Manager is satisfied with the Fund's first 11 months of performance having delivered alpha in excess of 1.1%, on average, since inception. Whilst the portfolio already provides depth and breadth in terms of geography, borrower, sector, investment form, loan type and tenor, the strategy to end of the calendar year is to increase the allocation to non-construction loans and institutional pool lender assets. This approach will augment the number of performing and seasoned assets, on a look-through basis, within institutional-grade securitised lending vehicles. The PSIF portfolio now has the benefit of three institutional pool lender vehicles, enhancing diversification and risk-return outcomes for the Fund.

Following the Reserve Bank of Australia's decision to lower the Cash Rate to 4.1% on February 18th — reducing the Benchmark used to calculate the Fund's net target return by 25 basis points — the Fund remains well-positioned. Supported by ongoing portfolio enhancements, monthly distributions are expected to continue outperforming the Benchmark.

Performance at a Glance

	Current Month	Last 3 Months	Since Inception
Net Distribution (p.a.)	9.77%	10.11%	10.42%
Net Distribution (cents per unit)	0.830	2.4	9.64
Performance above target ¹	0.67%	0.84%	1.11%

Key Service Providers

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

Key Information

Fund Type	Unlisted Managed Investment Trust
APIR Code	PCF6645AU
Net Target Return	5.0% p.a. margin above the RBA Cash Rate
Distributions	Monthly ²
Unit Price	\$1.00
Unit Pricing	Daily
Fund Inception	1 May 2024
Redemption/Withdrawal	Minimum 30 days' notice ³
Eligibility	Wholesale Investors Only ⁴
Research Ratings	4 Star Superior Rating from SQM Research (SQM)
Platform Availability	Hub24, Mason Stevens, Netwealth, Praemium, Powerwrap, Spectrum

Investment Features

- ☑ Registered First Mortgage investments only
- ☑ Specialised, experienced, active manager
- ☑ Institutional-grade investment platform
- ☑ Defensive asset class with low volatility
- ☑ Diversified, seasoned portfolio of assets

Investment Objective

The Fund continues to support capital preservation and periodic income objectives through continuing to deploy capital into mid-market senior debt opportunities with a focus on metropolitan locations. The investment strategy continues to focus on clear and achievable exit strategies and sound sponsor counterparties.

Key Metrics as at 31 March 2025

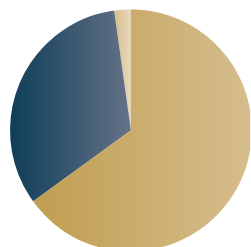
10.42% SINCE INCEPTION ANNUALISED NET RETURN	1.11% SINCE INCEPTION ANNUALISED PERFORMANCE ABOVE TARGET
173 TOTAL LOOK-THROUGH INVESTMENTS ⁵	0 ARREARS OR IMPAIRMENTS ⁶
62.20% WEIGHTED AVERAGE LVR ⁵	7.6 mths WEIGHTED AVERAGE TERM TO MATURITY ⁵



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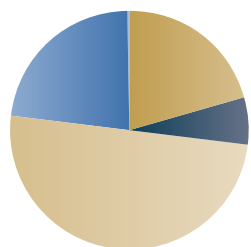
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Portfolio Composition⁵



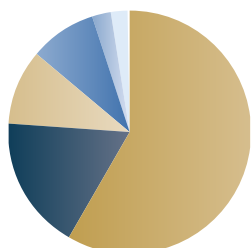
Portfolio Composition

SPV Lender	64.5%
Pool Lender	33.5%
Cash	2.1%



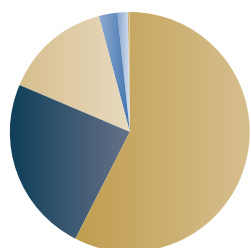
Term to Maturity*

<3 months	20.7%
3-6 months	6.3%
6-12 months	49.9%
12-24 months	22.9%
> 24 months	0.1%



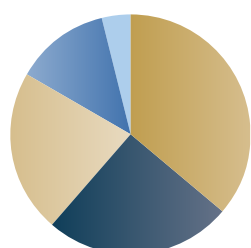
Portfolio Diversification

Construction	58.6%
Pre-Development	17.6%
Investment	10.0%
Vacant Land	8.9%
Residual Stock	2.6%
Cash	2.4%



Security Property Type*

Residential	57.6%
Industrial	23.9%
Retail	14.5%
Vacant Land	2.5%
Office	1.4%
Mixed Use	0.1%



Geographic Diversification*

VIC	36.3%
QLD	25.1%
NSW	22.1%
WA	12.8%
NZ	3.7%

*Based on deployed funds only. Excludes any cash position of Fund.

Portfolio Underlying Exposure

	Construction	Non-Construction	Institutional Pool Lenders	Total
Number of Loans	7	4	162	173
Weighted Avg. TTM (Months)	9.88	6.49	6.15	7.60
Weighted Avg. LVR	65.0%	61.3%	64.0%	62.2%

NOTES:

1. RBA Cash Rate is subject to a floor of 0%. As at the 1st of March 2025, RBA Cash Rate was 4.10%.
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 generally be processed, subject to other IM terms, 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. 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.
6. Represents % of Fund investment portfolio on look through basis in arrears by 90 days or more.



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About Pallas Capital

Pallas Capital is an institutional debt and equity investment manager specialising in the finance of Australian and New Zealand Commercial Real Estate. The business was established in direct response to the growing lack of credit in the mid-range property market; a situation exacerbated by the absence of reputable, risk-adverse, non-bank lenders.

This has meant that private capital can increasingly access outsized returns relative to risk in an asset class not previously accessible.

With offices in Sydney, Melbourne, Brisbane and Auckland we have originated and managed more than \$7.2 billion across 979 transactions in the past eight years, with current Funds Under Management in excess of \$2.8 billion. With a flawless track record of capital preservation, Pallas Capital has returned over \$4.4 billion to investors with no loss of principal capital or interest on Pallas investments.

Who can Invest?

Pallas Capital products are only available to wholesale clients (including sophisticated and professional investors) within the meaning of Section 761G of the Corporations Act 2001 (**Cth**).

Typically, this may be satisfied by an Accountant's Certificate that certifies that the investor has:

- Net Assets in excess of \$2.5 million, or
- Gross Income in excess of \$250,000 p.a. for each of the preceding two financial years.

Sydney Office (HQ)

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

Melbourne Office

Level 1, 67 Palmerston Crescent
South Melbourne VIC 3205

Brisbane Office

The Annex, Level 1, 12 Creek Street
Brisbane, QLD 4000

Auckland Office

Level 7, Suite 7.2, 1 Albert Street,
Auckland 1010

Christchurch Office

Public Trust Building, Level 1, 152 Oxford Terrace
Christchurch 8011

pallascapital.com.au
[linkedin.com/company/pallascapital](https://www.linkedin.com/company/pallascapital)
+61 2 8188 1108

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