

PIMCO Flexible Municipal Income Fund

One of the first municipal interval funds in the industry, PIMCO Flexible Municipal Income Fund (“MuniFlex”) aims to exploit inherent illiquidity in the muni market for enhanced tax-efficient income.

Key Terms

Distribution Rate¹: 3.50%

Taxable Equivalent Distribution Rate²: 5.91%

12M Average Distribution Rate¹: 2.45%

Taxable Equivalent 12M Average Distribution Rate²: 4.13%

Dividend Frequency: Monthly with Daily Accrual

Ticker: PMFLX

Fund AUM: \$1,286bn

Inception Date: 15 March 2019

Tax Treatment: 1099 Treatment

Liquidity: Quarterly share repurchases expected to equal 10% of outstanding shares

Subscriptions: Daily at NAV

Registered: 1940-Act / 1933-Act

Duration: 6.85 years

Effective Leverage Ratio: 24.0%

Why invest in MuniFlex?

- **Play offense in dislocated markets:** MuniFlex’s interval fund structure and freedom from daily redemptions helps the Fund stay invested during outflow periods, enabling opportunistic purchasing of bonds at discounted prices and potentially higher yields.
- **Tap into a broader opportunity set:** The Fund’s structure and flexible mandate enables access to less liquid, more complex and privately-issued muni bonds, which may have higher return potential

Figure 1: The Fund aims to capitalize on persistent outflow periods during muni market stress

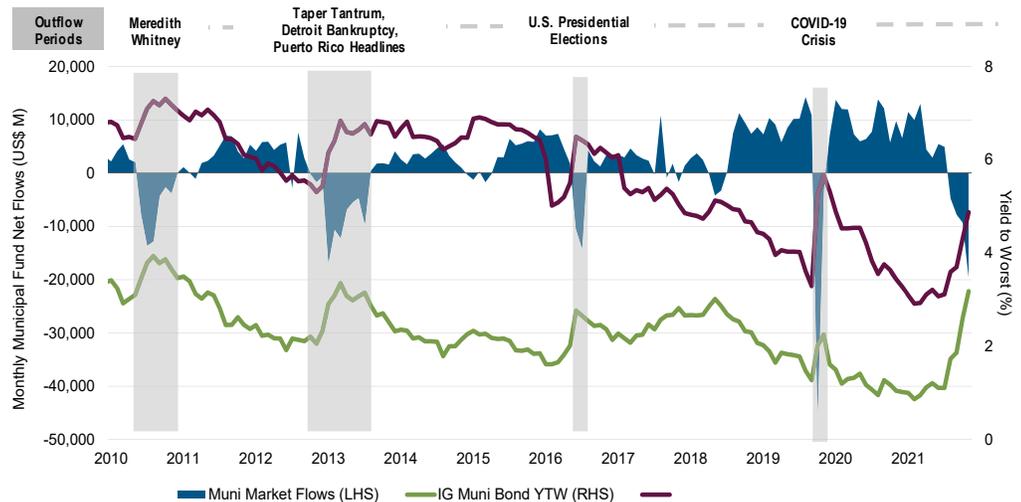


Figure 2: Total Return (%) for the Flexible Municipal Income Fund (Net of Fees)

	1 Month	3 Mo.	1 Yr	3 Yr	S.I.*
PMFLX	-4.34	-9.68	-9.74	3.26	4.14
70 IG/30 HY Muni Blended Benchmark	-3.00	-6.55	-7.39	1.13	1.63
Alpha (bps)	-134	-313	-235	213	251

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit PIMCO.com or by calling 888.87.PIMCO.

Source: Bloomberg, JP Morgan, Lipper, PIMCO Muni fund flow information from JPMorgan and Lipper. As of 30 April 2022. *Fund inception on 15 March 2019. Since inception returns annualized. Data shown for Institutional class shares. **Historical performance for the Fund has been positively impacted by fee waivers or expense limitations in place during some or all of the periods shown, if applicable. Future performance (including total return or yield) and distributions may be negatively impacted by the expiration or reduction of any such fee waivers or expense limitations.** IG Muni is represented by the Bloomberg Municipal Bond Index. HY Muni is represented by the Bloomberg High Yield Municipal Bond Index. Index returns are shown for comparison purposes to reflect a representative allocation matching the asset classes in which the fund seeks to invest. PMFLX is not managed to a benchmark. If the investment parameters of the fund changes, the comparison may be less meaningful. It is not possible to invest directly in an unmanaged index.

¹ PMFLX distributions are declared daily and paid monthly and the distribution rate is calculated by annualizing the most recent distribution per share and dividing by the NAV as of the reported date. Distribution rate information is current as of the latest month end. The distribution rate is not estimated to include, and is not estimated to result in, a return of capital (“ROC”). Because a distribution may at times include a ROC, the distribution rate should not be confused with yield or performance. Please see the disclosures for additional information regarding distributions and the distribution rate. The 12-month average distribution rate is a simple average of the monthly distribution rates for the prior 12-months.

² Taxable equivalent distribution rate is calculated assuming the top federal tax rate (37.0%) and Medicare investment tax (3.8%).

Flexibility across different market environments

The past two calendar years demonstrate the strategy’s ability to produce historically strong performance across market environments.

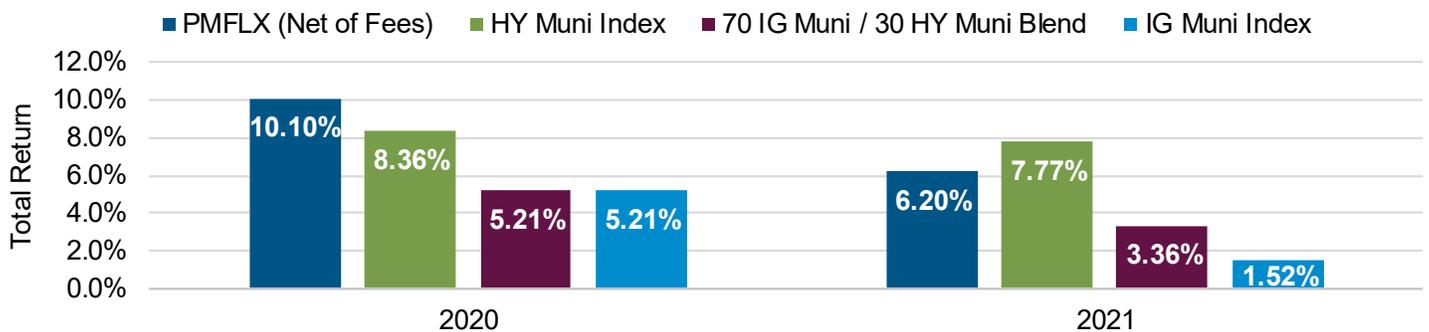
2020 had the three largest weekly outflows on record, with \$47.5bn of total outflows¹ over five weeks due to the COVID selloff.

- **Result:** Acting as a liquidity provider during outflow cycles, MuniFlex deployed a net 24% of 2/28/20 net assets in March and April and generated **489bps of outperformance over the blended index market benchmark**.

2021 was the largest year of muni market fund flows on record, with \$101.7B of inflows¹ surpassing the previous record by about \$8B

- **Result:** MuniFlex generated **284bps of outperformance over the blended index market benchmark**.

Figure 3: MuniFlex has outperformed in different market environments**



PIMCO’s municipal bond capabilities

PIMCO’s municipal team, backed by the full resources of a global leader in fixed income, uses active management in seeking to provide municipal bond investors with three distinct benefits.

1. Uncover risks often overlooked in the marketplace, with a team dedicated to forward-looking and ongoing municipal credit selection
2. Identify economic trends through our time-tested macro process that informs our municipal bond investment decisions.
3. Reduce transaction costs for clients by leveraging economies of scale.



\$71 billion

in firm-wide municipal AUM



30+

Dedicated muni team members



20+

years managing municipal assets



80+

firm-wide credit research analysts



\$2.0 trillion*

in firm-wide AUM

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit www.pimco.com or call (888) 87-PIMCO. Performance figures presented reflect the total return performance after management fees and other expenses, and reflect changes in share price and reinvestment of dividends and capital gains distributions on the payable date. The Institutional class common shares have no sales charge

Historical performance for the Fund has been positively impacted by fee waivers or expense limitations in place during some or all of the periods shown, if applicable. Future performance (including total return or yield) and distributions may be negatively impacted by the expiration or reduction of any such fee waivers or expense limitations.

¹Muni fund flow information from JPMorgan and Lipper

As of 31 March 2022. SOURCE: Bloomberg, PIMCO, JPMorgan, Lipper. *PIMCO manages \$2.0 trillion in assets, including \$1.61 trillion in third-party client assets as of 31 March, 2022. Assets include \$ billion in assets of clients contracted with Allianz Real Estate, affiliates and wholly-owned subsidiaries of PIMCO and PIMCO Europe GmbH.

**Source: PIMCO, Bloomberg. Calendar year returns for the Fund are net of fees for the Institutional class shares. Institutional class shares have no sales charge.

IG Muni is represented by the Bloomberg Municipal Bond Index. HY Muni is represented by the Bloomberg High Yield Municipal Bond Index. Index returns are shown for comparison purposes to reflect a representative allocation matching the asset classes in which the fund seeks to invest. PMFLX is not managed to a benchmark. If the investment parameters of the fund changes, the comparison may be less meaningful. It is not possible to invest directly in an unmanaged index.

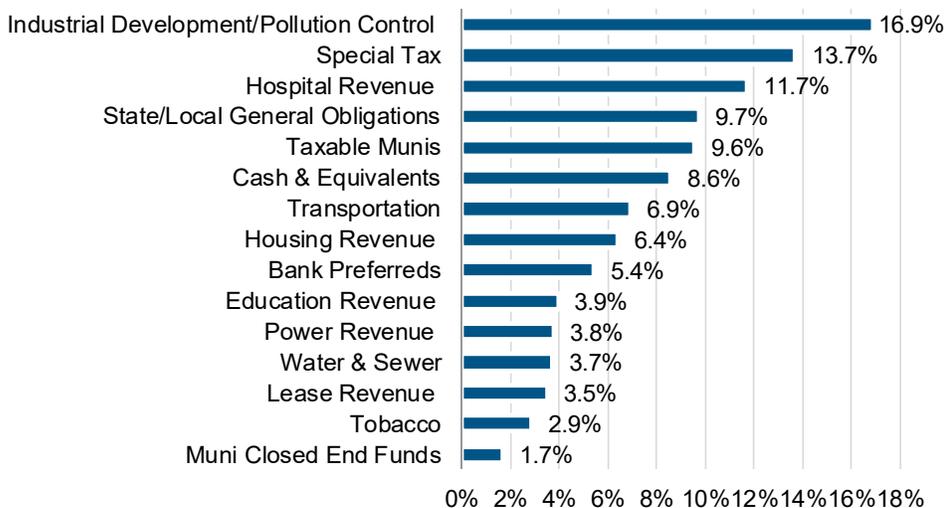
Seek to improve risk-adjusted returns with a flexible investment mandate

The Fund aims to maximize flexibility with its approach – not only investing across the broad muni market, but also outside of direct muni bonds. This includes opportunistic allocations to tax-advantaged bank preferred securities, other taxable fixed income, and third-party municipal closed-end funds.

- We continue to favor revenue-backed muni bonds, where we see better value and opportunity to rely on our credit research capabilities to ascertain the underlying health of individual issuers
- Seek to take advantage of the interval fund structure to more effectively invest in less-liquid private placement muni bonds, which may earn additional compensation for complexity or liquidity risk
- The Fund can tactically adjust leverage using a combination of longer-term preferred share leverage and shorter-term tender-option bond leverage. The Fund can opportunistically increase leverage to help the Fund go on the offense during dislocations and utilize longer term leverage to mitigate rollover risk
- MuniFlex can allocate up to 20% in taxable fixed income including taxable munis and QDI-eligible bank preferreds when attractive on an after-tax yield and risk-adjusted return basis
- Allocate up to 5% in third party municipal closed-end funds when they exhibit price weakness much greater than that of the broader muni market

Figure 4: MuniFlex portfolio positioning

Sector Allocations (Market Value %)



Top 5 State Allocations (Market Value %)

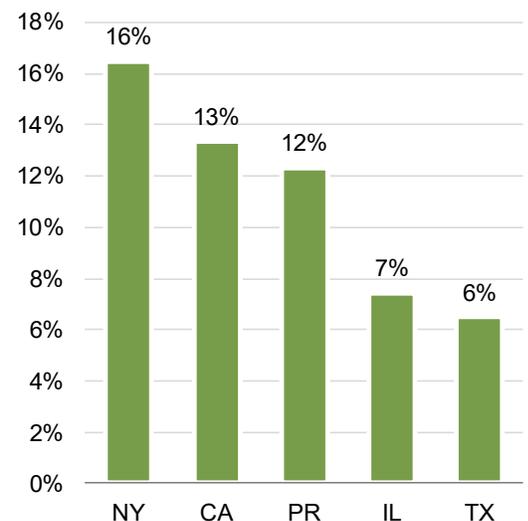


Figure 5: MuniFlex key statistics

Effective Duration	6.85
Average Maturity	10.61
Alternative Minimum Tax (AMT) Eligible	9%
Quality Allocation: Investment Grade vs. High Yield Rated	61% IG / 39% HY
Quality Allocation: Not Rated	36%
Private Placement Allocation	20%
Total Effective Leverage Ratio	24.0%
<i>Tender Option Bonds</i>	1.84%
<i>Preferred Shares</i>	22.16%

As of 30 April 2022. SOURCE: PIMCO

There is no guarantee that these investment strategies will work under all market conditions or are appropriate for all investors and each investor should evaluate their ability to invest for a long-term especially during periods of downturn in the market. No representation is being made that any account, product, or strategy will or is likely to achieve profits, losses, or results similar to those shown.

Portfolio structure is subject to change without notice and may not be representative of current or future allocations.

Expenses

- Gross Expense Ratio 1.57%
- Adjusted Expense Ratio 1.08%

The Adjusted Expense Ratio excludes certain investment expenses, such as expense from borrowings and repurchase agreements, any dividend and other costs paid on preferred shares issued by the Fund, and dividend expense from investments on short sales, incurred directly by the Fund or indirectly through the Fund's investments in underlying PIMCO Funds (if applicable), none of which are paid to PIMCO.

Investors should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. This and other information are contained in the fund's prospectus, which may be obtained by contacting your investment professional or PIMCO representative or by visiting www.pimco.com. Please read the prospectus carefully before you invest or send money.

The fund is an unlisted closed-end "interval fund." Limited liquidity is provided to shareholders only through the fund's quarterly offers to repurchase between 5% to 25% of its outstanding shares at net asset value (subject to applicable law and approval of the Board of Trustees, the Fund currently expects to offer to repurchase 10% of outstanding shares per quarter). Although interval funds provide limited liquidity to investors by offering to repurchase a limited amount of shares on a periodic basis, investors should consider shares of the Fund to be an illiquid investment.

Past performance is not a guarantee or a reliable indicator of future results. No assurance can be given that the Fund's investment objectives will be achieved, and you could lose all of your investment in the Fund. Performance reflects changes in share price, reinvestment of dividends and capital gains distributions. All periods longer than one year are annualized.

Investments made by the Fund and the results achieved by the Fund are not expected to be the same as those made by any other PIMCO-advised Fund, including those with a similar name, investment objective or policies. A new or smaller Fund's performance may not represent how the Fund is expected to or may perform in the long-term. New Funds have limited operating histories for investors to evaluate and new and smaller Funds may not attract sufficient assets to achieve investment and trading efficiencies. The Fund may be forced to sell a comparatively large portion of its portfolio to meet significant shareholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant share purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

The Fund's distribution rate may be affected by numerous factors, including, but not limited to, changes in realized and projected market returns, Fund performance, and other factors. There can be no assurance that a change in market conditions or other factors will not result in a change in the Fund distribution rate at a future time. Distribution rates are not performance. The distribution rate is calculated by annualizing the most recent distribution per share and dividing by the NAV as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the fund. Because a distribution may include a ROC, the distribution rate should not be confused with yield. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.

It is important to note that differences exist between the fund's daily internal accounting records, the fund's financial statements prepared in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. It is possible that the fund may not issue a Section 19 Notice in situations where the fund's financial statements prepared later and in accordance with U.S. GAAP or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please see the fund's most recent shareholder report for more details.

A word about risk: Investing in **municipal bonds** involves the risks of investing in debt

securities generally and certain other risks. Income from municipal bonds is exempt from federal income tax and may be subject to state and local taxes and at times the alternative minimum tax. Investing in the **bond market** is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk. The value of most bonds and bond strategies are impacted by changes in interest rates. Bonds and bond strategies with longer durations tend to be more sensitive and volatile than those with shorter durations; bond prices generally fall as interest rates rise, and low interest rate environments increase this risk. Reductions in bond counterparty capacity may contribute to decreased market liquidity and increased price volatility. Bond investments may be worth more or less than the original cost when redeemed. **Equities** may decline in value due to both real and perceived general market, economic, and industry conditions. **High yield, lower-rated securities** involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. **Concentration** of assets in one or a few states, territories (or a particular area) and projects will subject a portfolio to greater risk than if the assets were not concentrated. **Derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. The use of **leverage** may cause a portfolio to liquidate positions when it may not be advantageous to do so to satisfy its obligations or to meet segregation requirements. Leverage, including borrowing, may cause a portfolio to be more volatile than if the portfolio had not been leveraged.

An investment in an **interval fund** is not appropriate for all investors. Unlike typical closed-end funds an interval fund's shares are not typically listed on a stock exchange. Although interval funds provide limited liquidity to investors by offering to repurchase a limited amount of shares on a periodic basis, investors should consider shares of the Fund to be an illiquid investment. Investments in interval funds are therefore subject to **liquidity risk** as an investor may not be able to sell the shares at an advantageous time or price. The Fund anticipates that **no secondary market** will develop for its shares. There is no guarantee that an investor will be able to tender all of their requested Fund shares in a periodic repurchase offer.

PIMCO does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax or legal questions and concerns. There is no guarantee that these investment strategies will work under all market conditions or are appropriate for all investors and each investor should evaluate their ability to invest for a long-term especially during periods of downturn in the market. An investment in the Fund is speculative involving a high degree of risk, including the risk of a substantial loss of investment. Investors should consult their investment professional prior to making an investment decision.

PIMCO as a general matter provides services to qualified institutions, financial intermediaries and institutional investors. Individual investors should contact their own financial professional to determine the most appropriate investment options for their financial situation. This material contains the current opinions of the manager and such opinions are subject to change without notice. This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America L.P. in the United States and throughout the world. ©2022, PIMCO.

The **Bloomberg High Yield Municipal Bond Index** measures the non-investment grade and non-rated U.S. tax-exempt bond market. It is an unmanaged index made up of dollar-denominated, fixed-rate municipal securities that are rated Ba1/BB+/BB+ or below or non-rated and that meet specified maturity, liquidity, and quality requirements.

The **Bloomberg Municipal Bond Index** is a rules-based, market-value-weighted index engineered for the long term tax-exempt bond market. To be included in the Index, bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P and Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment-grade. They must have an outstanding par value of at least \$7 million and must be issued as part of a transaction of at least \$75 million. The bonds must be fixed rate, have a dated-date after December 31, 1990, and must be at least one year from their maturity date. Remarketed issues, taxable municipal bonds, bonds with floating rates, and derivatives, are excluded from the benchmark.

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