

August 2022

# PIMCO Flexible Credit Income Fund – Distribution Update

Effective August 26, 2022, the PIMCO Flexible Credit Income Fund (the “Fund”) changed its daily accrued distribution amount per share as shown in the chart below.<sup>1</sup> The Fund intends to declare income dividends daily and distribute them quarterly to shareholders of record. The distributions expected to be paid for the current quarter will include daily distributions accrued at the prior lower amount per share, and distributions accrued at the new higher amount per share as of August 26, 2022.

## Distribution Amounts Accrued Daily and Corresponding Annualized Distribution Rates Using 8/25/2022 and 8/26/2022 NAVs:<sup>2</sup>

Share Class	Prior Daily Accrued Distribution Amount on 8/25/22	Prior Daily Accrued Distribution Amount Shown as an Annualized Rate Based on the Fund's NAVs on 8/25/22	New Daily Accrued Distribution Amount on 8/26/22	New Daily Accrued Distribution Amount Shown as an Annualized Rate Based on the Fund's NAVs on 8/26/22
Institutional	\$0.00174	7.84%	\$0.00210	9.49%
A-1	\$0.00163	7.35%	\$0.00199	8.99%
A-2	\$0.00163	7.35%	\$0.00199	8.99%
A-3	\$0.00158	7.12%	\$0.00194	8.76%
A-4	\$0.00158	7.12%	\$0.00194	8.76%

<sup>1</sup> The Fund's daily accrued distribution is subject to change and may be higher or lower. See additional disclosures below.

<sup>2</sup> All amounts and rates shown in the table are shown per share with respect to the applicable share class. Distribution rates are not performance and are calculated by annualizing the distribution amounts accrued on the day(s) identified above per share and dividing by the applicable net asset value (“NAV”) per share as of such date.

The Fund's accrued distributions and/or distribution rate may be affected by numerous factors, including 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's distributions and/or distribution rate at a future time. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (“ROC”) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or performance.

The distributions expected to be paid for the current quarter will include the prior daily accrued distribution amounts per share, which are lower, and the new daily accrued distribution amounts per share, which as of August 26, 2022, were higher. Therefore, the annualized distribution rate of the distributions to be paid for the complete current quarter will be different from the new annualized distribution rate shown in the table above.

Performance ending 31 July 2022

	S.I. 22 Feb '17*	5 Yr.	3 Yr.	1 Yr.	6 Mos.	3 Mos.	1 Mo.	YTD 31 Jul'22
<b>PIMCO Flexible Credit Income Fund (Institutional Share)</b>								
After fees at NAV (%)	4.71	3.99	1.94	-9.32	-9.52	-5.17	2.46	-10.75
<b>PIMCO Flexible Credit Income Fund (A-4 Share)<sup>1</sup></b>								
After fees at NAV (%)	3.92	3.20	1.15	-10.01	-9.87	-5.35	2.40	-11.15
After fees MOP (%)	3.33	2.58	0.13	-11.83	-11.68	-7.28	0.36	-12.90
<b>PIMCO Flexible Credit Income Fund (A-3 Share)<sup>2</sup></b>								
After fees at NAV (%)	3.76	3.06	1.12	-10.01	-9.87	-5.35	2.40	-11.15
<b>PIMCO Flexible Credit Income Fund (A-2 Share)<sup>3</sup></b>								
After fees at NAV (%)	3.97	3.25	1.20	-9.79	-9.76	-5.29	2.41	-11.02
After fees MOP (%)	3.59	2.84	0.53	-11.62	-11.57	-7.22	0.38	-12.77
<b>PIMCO Flexible Credit Income Fund (A-1 Share)<sup>4</sup></b>								
After fees at NAV (%)	4.13	3.44	1.56	-9.79	-9.76	-5.29	2.41	-11.02

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](http://www.pimco.com) or call (888) 87-PIMCO.

Historical performance may have 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.

\* Fund Inception: 22 February 2017. 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. Performance for periods less than one year is cumulative. All periods longer than one year are annualized.

<sup>1</sup> Class A-4 common shares launched on 30 November 2018, which is later than the inception date of the Fund. For all periods prior to the launch of the Class A-4 shares, performance information shown is that of the Fund's Institutional Class shares, adjusted to reflect the distribution and/or servicing fees and other expenses paid by the Class A-4 shares. The maximum offering price (MOP) returns take into account a 2.00% maximum initial sales charge. Class A-4 was formerly called Class A. MOP returns for the periods prior to the conversion of Class A to Class A-4 on October 28, 2019 are based on a maximum initial sales charge of 3.00%.

<sup>2</sup> Class A-3 common shares launched on November 9, 2020 which is later than the inception date of the Fund. For all periods prior to the launch of the Class A-3 shares, performance information shown is that of the Fund's Institutional Class shares, adjusted to reflect the distribution and/or servicing fees and other expenses paid by the Class A-3 shares.

<sup>3</sup> Class A-2 common shares launched on 28 October 2019, which is later than the inception date of the Fund. For all periods prior to the launch of the Class A-2 shares, performance information shown is that of the Fund's Institutional Class shares, adjusted to reflect the distribution and/or servicing fees and other expenses paid by the Class A-2 shares. The maximum offering price (MOP) returns take into account a 2.00% maximum initial sales charge for Class A-2 Shares. All periods longer than one year are annualized. Institutional class shares do not have a sales charge. 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.

<sup>4</sup> Class A-1 common shares launched on January 29, 2021 which is later than the inception date of the Fund. For all periods prior to the launch of the Class A-1 shares, performance information shown is that of the Fund's Institutional Class shares, adjusted to reflect the distribution and/or servicing fees and other expenses paid by the Class A-1 shares.

*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](http://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% (expected to be 5%) of its outstanding shares at net asset value. There is no secondary market for the fund's shares and none is expected to develop. Investors should consider shares of the fund to be an illiquid investment.

The past performance in the table above does not reflect the Fund's new higher annualized distribution rate. 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 and are 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 or performance. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the estimated composition of distributions. Final determination of a distribution's tax character will be provided to shareholders when such information is available.

**A word about risk:** 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. Investing in **foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. **Mortgage-related assets** and other **asset-backed instruments** may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee, there is no assurance that private guarantors will meet their obligations. **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. **Equities** may decline in value due to both real and perceived general market, economic, and industry conditions. **Bank loans** are often less liquid than other types of debt instruments and general market and financial conditions may affect the prepayment of bank loans, as such the prepayments cannot be predicted with accuracy. There is no assurance that the liquidation of any collateral from a secured bank loan would satisfy the borrower's obligation, or that such collateral could be liquidated.

Investments in **distressed loans and bankrupt companies** are speculative and the repayment of default obligations contains significant uncertainties. The value of real estate and portfolios that invest in real estate may fluctuate due to: losses from casualty or condemnation, changes in local and general economic conditions, supply and demand, interest rates, property tax rates, regulatory limitations on rents, zoning laws, and operating expenses. **Structured products** such as collateralized debt obligations are also highly complex instruments, typically involving a high degree of risk; use of these instruments may involve derivative instruments that could lose more than the principal amount invested. **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. There is also **no secondary market** for the Fund's shares and none is expected to develop. There is no guarantee that an investor will be able to tender all or any of their requested Fund shares in a periodic repurchase offer.

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. Investors should consult their investment professional prior to making an investment decision. An investment in the Fund is speculative involving a high degree of risk, including the risk of a substantial loss of investment.

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