

PIMCO

# PIMCO Flexible Municipal Income Fund ("MuniFlex")

PIMCO's opportunistic municipal interval fund seeking to deliver higher after-tax yield and total return than traditional municipal bond strategies

Q1 2026

A company of Allianz 



PIMCO

# Over Two Decades of Municipals Experience

## 1997

Launch of Municipal  
Bond Fund Business

## \$89bn+

Firmwide Muni AUM

## 30+

dedicated Muni  
team members

## 80+

Credit research analysts



**Dedicated Muni AUM**

**\$76 Billion**



**Alternative Muni Vehicles**

Interval Funds • LPs

**\$3 Billion AUM**



**Traditional Municipal Funds**

Mutual Funds • Closed End Funds • ETFs

**\$22 Billion AUM**



**Separately Managed  
Accounts**

Institutional • Retail

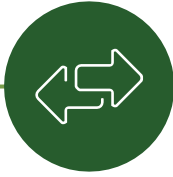
**\$51 Billion AUM**

# Capitalizing on PIMCO's "Best Ideas" Across the Municipal Credit Spectrum

## MuniFlex's Key Differentiators



**Seeks to take advantage of volatile muni flow dynamics** through an interval fund structure to increase fund yield and total return potential



**Substantial Private Muni Access** that leverages PIMCO's breadth and depth of resources to help navigate the increasingly complex muni market



**Dynamic and flexible approach to relative value** by adjusting leverage, opportunistically allocating to muni CEFs, and finding other opportunities for attractive after-tax yields

### INVESTMENT GRADE MUNICIPALS



### HIGH YIELD MUNICIPALS



### NON-TRADITIONAL, LESS LIQUID TAX-EXEMPTS



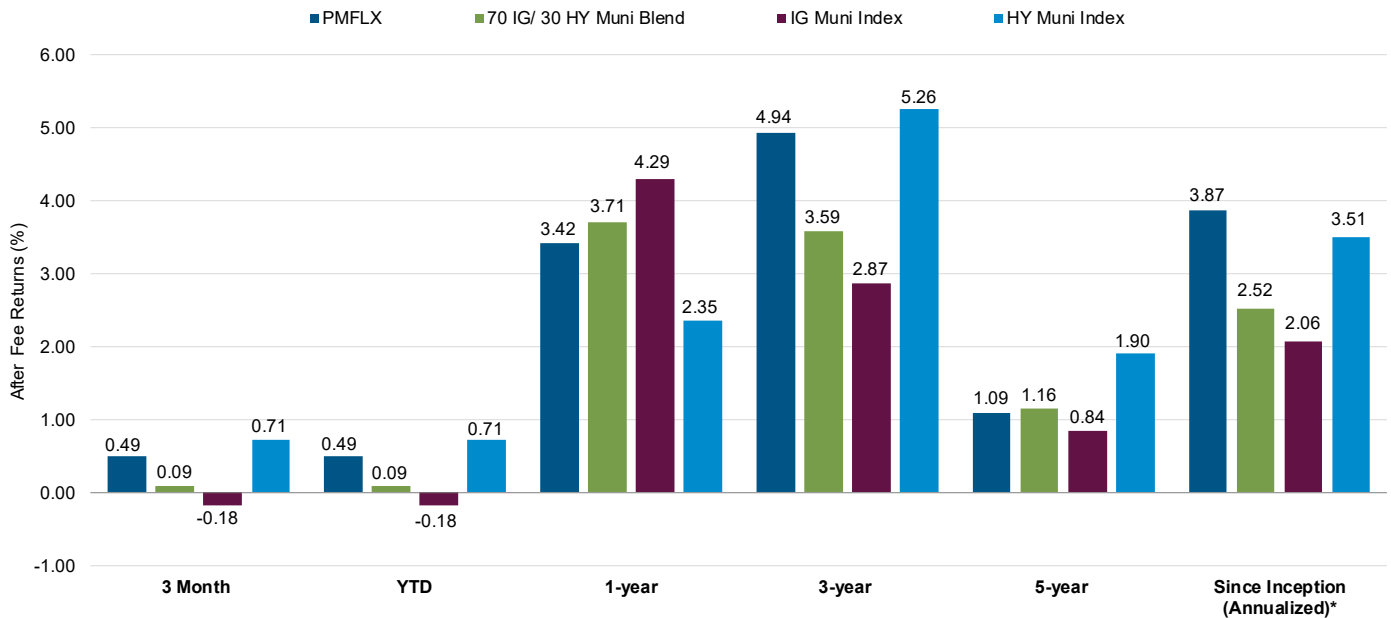
#### For illustrative purposes only.

Key differentiators is intended to highlight that the Fund utilizes a flexible, multi-sector approach that enables PIMCO to evaluate a broad set of potential return opportunities across global public and private muni markets, while aiming to build a diversified portfolio capable of withstanding shocks to individual sectors or industries. Diversification does not ensure against loss.

The views and expectations expressed are those of PIMCO. No representation is made or assurance given that such views are correct. Statements concerning financial market trends are based on current market conditions, which will fluctuate.

# Performance of PIMCO Flexible Municipal Income Fund (after fees)

The strategy benefits from PIMCO's advantages in the municipal market, including a holistic investment process, firm-wide integration and technology which has helped drive outperformance since inception.



*Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and principal value will fluctuate, so that fund shares may be worth more or less than their original cost when redeemed. Performance data current to the most recent month-end is available at [www.pimco.com](http://www.pimco.com) or by calling 888.87.PIMCO.*

Gross Expense Ratio 2.87%

Adjusted Expense Ratio 1.14%

The Adjusted Expense Ratio excludes certain investment expenses, such as interest expense from borrowings and repurchase agreements 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.

Returns as of 31 March 2026. Source: PIMCO

\* The PIMCO Flexible Municipal Income Fund was inceptioned on 15 March 2019. Performance displayed is for the Institutional share class. Institutional class shares have no sales charge.

Performance figures presented reflect the total return performance after management fees and other expenses.

IG Muni is represented by the Bloomberg Municipal Bond Index. HY Muni is represented by the Bloomberg Municipal High Yield Index.

**Past performance is not a guarantee or a reliable indicator of future results.** 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.

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.

# High Conviction, Flexible Portfolio

A dynamic investment approach that focuses on relative value across the municipal market

**\$1.61bn**

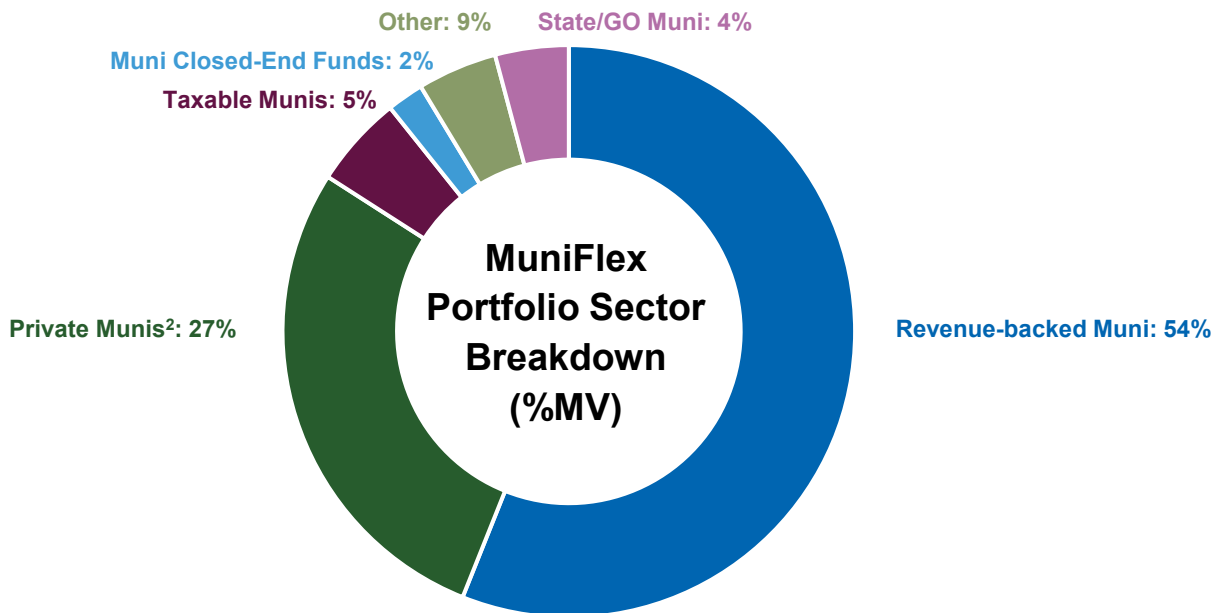
Total Net Assets

**5.05%**

Yield to Worst<sup>1</sup>

**7.19**

Yrs Duration



*Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and principal value will fluctuate, so that fund shares may be worth more or less than their original cost when redeemed. Performance data current to the most recent month-end is available at [www.pimco.com](http://www.pimco.com) or by calling 888.87.PIMCO.*

As of 31 March 2026. SOURCE: PIMCO.

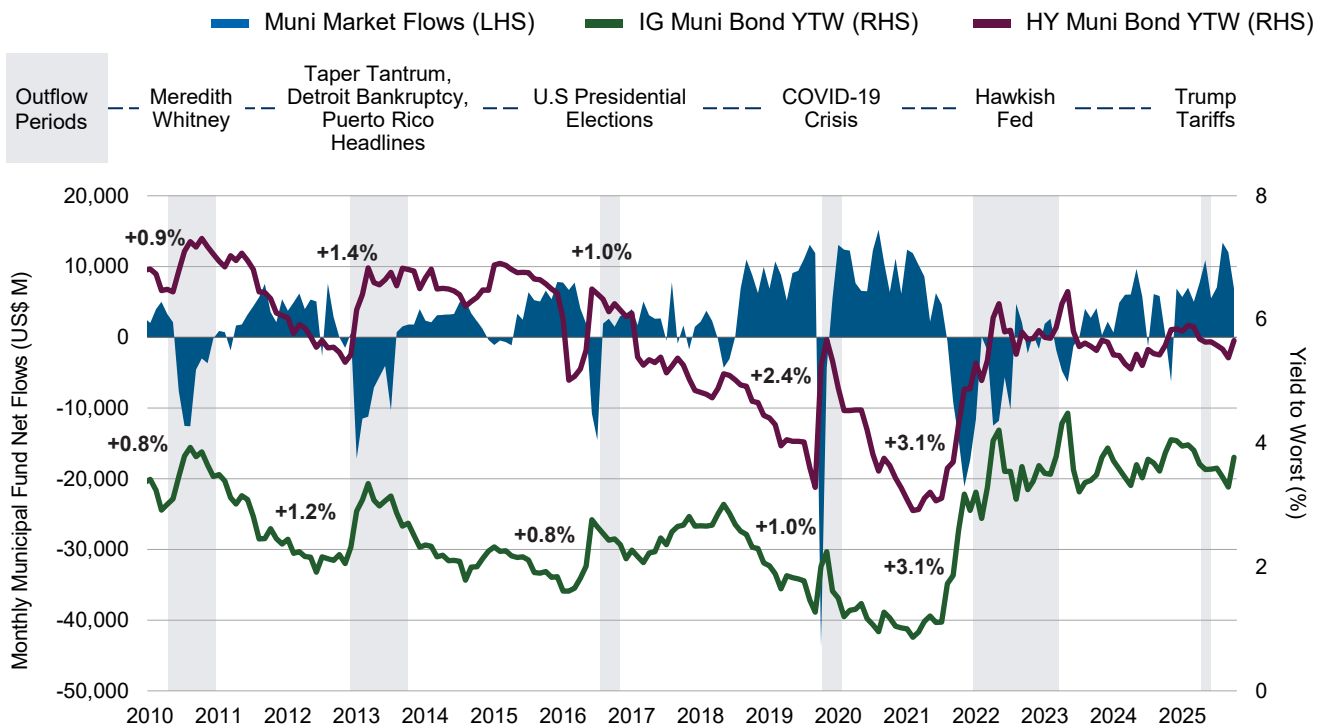
1. Yield to Worst (YTW) is the estimated lowest potential yield that can be received on a bond without the issuer actually defaulting. The YTW is calculated by making worst-case scenario assumptions by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the bond's issuer. The measure does not reflect the deduction of fees and expenses and is not necessarily indicative of the portfolio's worst possible performance.
2. Private Munis include whole loans and 144a securities

# How MuniFlex Seeks to Take Advantage of Inefficiencies in the Market

Municipal bond market liquidity has declined as broker-dealers hold smaller inventories, while assets in daily-liquid vehicles have nearly doubled over the past decade --creating a mismatch. This has caused periodic dislocations when retail investors exit the asset class in size due to credit or volatility concerns.

The interval fund structure allows MuniFlex to potentially avoid being overly impacted by these outflows and instead aim to take advantage, staying on offense during dislocations and acting as a buyer, providing much needed liquidity to funds forced to sell to meet outflow requests.

## A retail heavy market has led to large outflows during periods of market stress



As of 31 March 2026. Source: PIMCO, Bloomberg, ICI

Flow data prior to 12/31/2012 do not include ETFs, all data thereafter include both mutual fund and ETF flow data.

**Past performance is not a guarantee or reliable indicator of future results.**

This chart is presented for illustrative purposes only and is not intended to represent the fund's performance or how the fund's portfolio will be invested or allocated at any particular time. Investment Grade (IG) Municipal Bond is represented by the Bloomberg Municipal Bond Index; HY Muni Bond is represented by the Bloomberg Muni High Yield Bond Index.

Meredith Whitney (11/30/2010-5/31/2011); Taper Tantrum, Detroit Bankruptcy, Puerto Rico Headlines (3/29/2013-12/31/2013); U.S. Presidential Elections (11/30/2016-12/31/2016); COVID-19 Crisis (03/31/2020-04/30/2020). Hawkish Fed (11/30/2021-7/31/2022).

**Yield to Worst (YTW)** is the estimated lowest potential yield that can be received on a bond without the issuer actually defaulting. The YTW is calculated by making worst-case scenario assumptions by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the bond's issuer. The measure does not reflect the deduction of fees and expenses and is not necessarily indicative of the worst possible performance

# Why MuniFlex Today?

Today's backdrop creates an array of potential return drivers for MuniFlex, highlighting the potential benefits of a flexible mandate focused on tax-exempt yield and maximizing long-term total returns

## A LOOMING INFLOW CYCLE

**-\$139bn net muni outflows** in 2022-2023, the largest on record, potentially prefaces a large pending inflow cycle given a large amount of assets remain on the sidelines

## ROBUST AND GROWING PRIVATE OPPORTUNITY

Bank retrenchment has led to an expanding private muni market, with supply **increasing from \$2bn in 2010 to \$12bn in 2024**, creating more opportunities along a steeper municipal curve

## FLEXIBLE MANDATE

**Prudent allocation of 30%<sup>1</sup> to HY munis today**, amid an uncertain macro environment and lower-quality munis at multi-year tight spreads – an example of an opportunistic adjustment aimed at supporting the fund's total return, not just yield

# How Investors are Utilizing MuniFlex Today

MuniFlex can potentially fill a variety of needs within investor portfolios



**Enhancement**  
to traditional  
municipal exposures



**Alternative**  
to high yield  
municipal strategies



**Complement**  
to a high-quality core  
individual municipal  
bond portfolio

# Housing Opportunity Set: Bank Retrenchment Creates Significant Opportunities

PIMCO takes a multifaceted approach

MuniFlex taps PIMCO's sourcing and cross-desk expertise to uncover unique housing opportunities.

...sourcing non-traditional risk

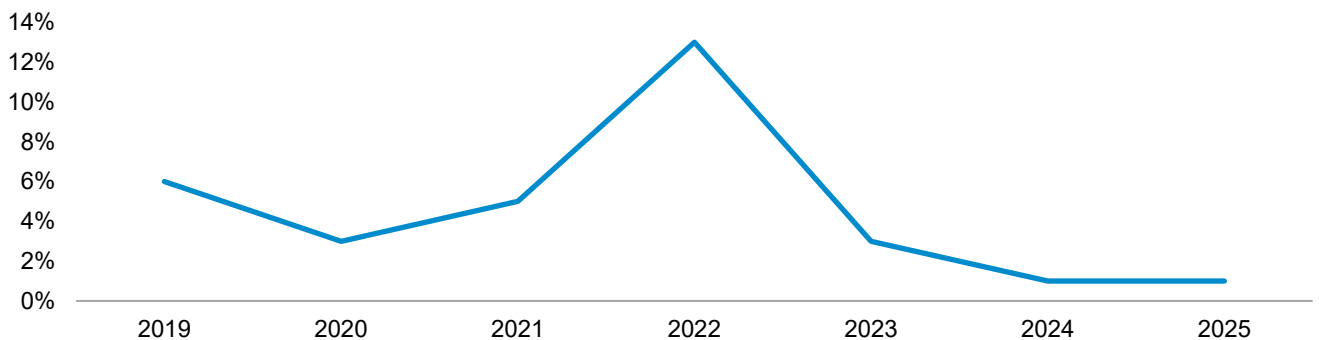
Lower corporate tax rates and liquidity needs have opened the door for PIMCO to enter a municipal housing market long dominated by banks.

...offering attractive high quality yields.

These deals offer attractive risk-adjusted return potential, and may offer higher quality, resilience in downturns, low foreclosure rates, and solid occupancy.

## CRE Lending Activity is Slowing

Annual Percent Change of CRE Loans at Commercial Banks



## ACCESSING HOUSING RISK THROUGH DIFFERENT AVENUES

- **Directly Originated Private Loans:** By partnering with private investment professionals at the firm, the municipal team has completed multiple direct originations with yields in the 6.0-6.5% range over the last quarter.
- **Investment Grade Stabilized Private Loans:** High quality stabilized loans that offered yields in the 5.5-6.0% range from capital constrained owners, over the last quarter.

As of 31 December 2025. Source: PIMCO,

**For illustrative purposes only**

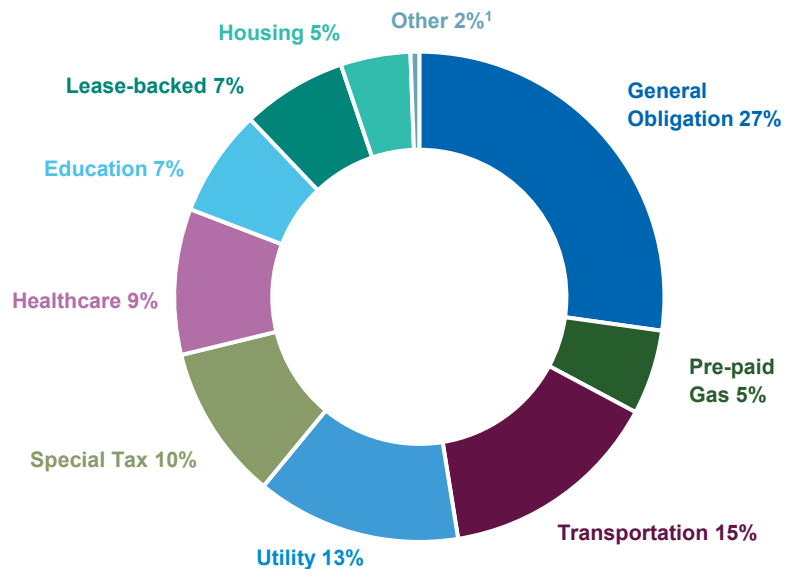
PIMCO does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax or legal questions and concerns. There is no guarantee that the trends mentioned will continue.

# Unique Sectors Can Help Drive Yield

Firmwide integration allows the municipal team to identify opportunities in complex securities

- PIMCO's integrated portfolio and credit research - supported by proprietary analytics - helps evaluate the value of these complex deals.
- The in-depth analysis also helps give the portfolio managers conviction in taking overweight positions to these types of attractive opportunities.
- Pre-paid gas bonds let municipal utilities lock in 20–30 years of discounted gas supply via tax-exempt debt backed by a bank's commodity arm. If the supplier defaults, the bonds are redeemed at the original yield.

MuniFlex offers investors a diversified portfolio investing across a broad range of tax-exempt sectors



## TRANSACTION SPOTLIGHT: PRE-PAID GAS PURCHASES

- PIMCO has acquired intermediate-duration pre-paid gas bonds with tax-free yields of 3.5-4.0% over the last quarter, offering attractive absolute and relative value versus generic muni risk.
- Heavy issuance has widened spreads, but supply may fall in a Fed cutting cycle.
- These bonds offer yield advantage relative to generic tax-exempt beta, with potential price upside from future spread tightening.

As of 31 March 2026. Source: PIMCO. For illustrative purposes only.

<sup>1</sup> "Other" includes: Economic and Industrial Development, Tobacco, Resource Recovery, and Miscellaneous

The above is presented for illustrative purposes only, as a general example of a type of investment for the Fund and is not intended to represent the Fund's performance or how the Fund's portfolio will be invested or allocated at any particular time.

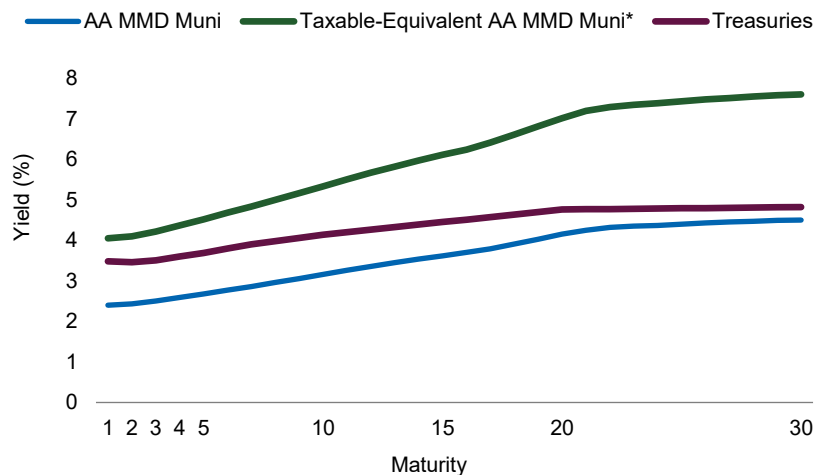
**Past performance is not indicative of future results.**

# Longer Dated Municipals Can Provide High Quality Duration

MuniFlex benefits from the ability to dynamically position across the curve, allowing portfolio managers to actively manage yield curve exposure, to help capitalize on inefficiencies, and position the strategy through a relative value lens.

- The municipal yield curve is structurally steep due to persistent short-end demand from SMAs and a weakened buyer base for longer-dated tax-exempts.
- These inefficiencies can present opportunities for dynamic strategies like MuniFlex to add value.

## Maturity-matched yield curves



## TRANSACTION SPOTLIGHTS: THIRTY YEAR MUNICIPALS

- 20-year AA munis can offer yields comparable to Treasuries and attractive taxable-equivalent spreads over corporates—appealing to high-tax individuals and crossover buyers.
- With 20-year AA muni yields 168 bps above 10-year maturities (vs. 58 bps for Treasuries), they provide attractive carry and roll-down potential.

As of 31 March 2026. Source: PIMCO. For illustrative purposes only.

\*Taxable equivalent yield calculated using a federal tax rate of 37% with a Medicare tax rate of 3.8% to apply an aggregate tax rate of 40.8%.

AA MMD Muni and Taxable-Equivalent AA MMD Muni are a proxy for the Thompson Reuters AA Muni curve. Treasury is a proxy for the Bloomberg US Treasury Index

**PIMCO does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax or legal questions and concerns.**

The above is presented for illustrative purposes only, as a general example of a type of investment for the Fund and is not intended to represent the Fund's performance or how the Fund's portfolio will be invested or allocated at any particular time.

**Past performance is not indicative of future results.**

# Disclosures

*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 PIMCO Flexible Municipal Income Fund ("PMFLX" or 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% (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) 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.

**Past performance is not a guarantee or a reliable indicator of future results.** The performance figures presented reflect changes in share price and reinvestment of dividend and capital gain 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.

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 reporting 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.

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 (with such annualizing based on dividing the number of calendar days during the year by the number of calendar days over which the most recent distribution accumulated) and dividing it 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 sent to shareholders when such information is available.

There is no assurance that any fund, including any fund that has experienced high or unusual performance for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) a fund's total return in excess of that of the fund's benchmark between reporting periods or 2) a fund's total return in excess of the fund's historical returns between reporting periods. Unusual performance is defined as a significant change in a fund's performance as compared to one or more previous reporting periods.

## CASE STUDY

This presentation contains examples of the firm's internal investment research capability. The data contained within the reports may not be related to the product discussed herein, may be stale and should not be relied upon 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.

## CHART

Performance results for certain charts and graphs may be limited by date ranges specified on those charts and graphs; different time periods may produce different results.

## CORRELATION

The correlation of various indices or securities against one another or against inflation is based upon data over a certain time period. These correlations may vary substantially in the future or over different time periods that can result in greater volatility.

## CREDIT QUALITY

The credit quality of a particular security or group of securities does not ensure the stability or safety of an overall portfolio. The Quality ratings of individual issues/issuers are provided to indicate the credit worthiness of such issues/issuer and generally range from AAA, Aaa, or AAA (highest) to D, C, or D (lowest) for S&P, Moody's, and Fitch respectively.

## HYPOTHETICAL ILLUSTRATIONS

Hypothetical illustrations have many inherent limitations, some of which are described below. No representation is being made that any account will or is likely to achieve results similar to those shown. In fact there are frequently sharp differences between hypothetical results and actual results subsequently achieved by any particular trading program.

One of the limitations of hypothetical results is that they are generally prepared with the benefit of hindsight. In addition, hypothetical scenarios do not involve financial risk, and no hypothetical illustration can completely account for the impact of financial risk in actual trading. For example, the ability to withstand losses or to adhere to a particular trading program in spite of trading losses are material points which can also adversely affect actual trading results. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of a hypothetical illustration and all of which can adversely affect actual results.

## INDEX

It is not possible to invest directly in an unmanaged index.

## INVESTMENT STRATEGY

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.

## OUTLOOK

Statements concerning financial market trends or portfolio strategies are based on current market conditions, which will fluctuate. There is no guarantee that these investment strategies will work under all market conditions, and each investor should evaluate their ability to invest for the long-term, especially during periods of downturn in the market. Outlook and strategies are subject to change without notice.

## PORTFOLIO STRUCTURE

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

## 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. **Private placements** involve an investment in non-publicly traded securities which are subject to illiquidity risk. Portfolios that invest in private credit may be leveraged and may engage in speculative investment practices that increase the risk of investment loss. **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. Leveraging transactions, including borrowing, typically will cause a portfolio to be more volatile than if the portfolio had not been leveraged. Leveraging transactions typically involve expenses, which could exceed the rate of return on investments purchased by a fund with such leverage and reduce fund returns. The use of **leverage** may cause a portfolio to liquidate positions when it may not be advantageous to do so. Leveraging transactions may increase a fund's duration and sensitivity to interest rate movements.

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.

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.

## STRATEGY AVAILABILITY

Strategy availability may be limited to certain investment vehicles; not all investment vehicles may be available to all investors.

Please contact your PIMCO representative for more information.

## TAX

PIMCO does not provide legal or tax advice. Please consult your tax and/ or legal counsel for specific tax or legal questions and concerns.

## YIELD TO WORST

Yield to Worst (YTW) is the estimated lowest potential yield that can be received on a bond without the issuer actually defaulting. The YTW is calculated by making worst-case scenario assumptions by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the bond's issuer. PIMCO calculates a portfolio's Estimated YTW by averaging the YTW of each security held in the portfolio on a market-weighted basis. PIMCO pulls each security's YTW from PIMCO's Portfolio Analytics database. In general, the calculation will incorporate the yield based on the notional value of all derivative instruments held by a Fund. The measure does not reflect the deduction of fees and expenses and is not necessarily indicative of the portfolio's worst possible performance. A portfolio's actual yield or distribution rate may be significantly lower than its estimated YTW in practice. Estimated YTW is not a projection or prediction of the actual yield or return that a portfolio may achieve or any other future performance results. There can be no assurance that a portfolio will achieve any particular level of yield or return and actual results may vary significantly from estimated YTW.

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 LLC in the United States and throughout the world. ©2026, PIMCO.

**PIMCO Investments LLC**, distributor, 1633 Broadway, New York, NY 10019, is a company of PIMCO.