KAPSTREAM INVESTMENT TRUST (ASX: KIT)
ASX Announcement
1 July 2026

Quarterly off-market buyback outcome; FY 2027 distribution guidance

Equity Trustees Limited (AFSL 240975), as responsible entity for the Kapstream Investment Trust (ARSN 691 029 124) (ASX: KIT, Trust), provides the following update on capital management initiatives for the Trust.[1]

1. Quarterly off-market buyback

The tender period has closed for the quarterly off-market buyback at NAV (including accrued distributions), as disclosed in the ASX announcement dated 20 May 2026.[2]

Key outcomes:

- Units bought back: 5,125,000 units, representing 5% of issued capital
- Settlement: payment to participating unitholders is scheduled for 29 July 2026 via the Trust's registry, Boardroom Pty Limited.[3]

The buyback is expected to be funded through redemptions in the Trust's underlying funds, with the majority coming from the daily liquid funds rather than the private asset portfolio.[4]

2. FY 2027 Distribution guidance

For FY 2027, we expect the total monthly distributions for the year to be approximately RBA Cash + 3.50%. In addition, unitholders should expect relatively stable monthly distributions.

The portfolio's running yield has continued to build, with the Trust's yield to maturity rising from 6.79% at 31 March 2026 to 7.98% at 31 May 2026, providing improved support for distributions in coming periods.

With Australian inflation remaining elevated, the Trust remains positioned for a 'higher for longer' RBA cash rate. Against this backdrop, floating rate private securitisation investments are an increasingly attractive part of the Trust.

Over FY 2027, we expect to increase the allocation to the Kapstream Private Investment Fund to gain further exposure to the illiquidity premium, which is becoming an increasingly important source of income.

Important information

This announcement has been authorised for release by Equity Trustees Limited (AFSL 240975) as responsible entity of the Kapstream Investment Trust (ARSN 691 029 124).

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[1] Equity Trustees Limited is a wholly owned subsidiary of EQT Holdings Limited, which is a public company listed on the Australian Securities Exchange (ASX: EQT).

[2] The Kapstream Investment Trust (ASX: KIT) is a Listed Investment Trust managed by Kapstream Capital, a subsidiary of Janus Henderson Investors. KIT invests in a blend of investment grade Australian and global fixed income securities and Australian private asset-backed securities (warehouse financing), held through Kapstream's existing funds. The Trust targets a return of the RBA Cash Rate plus 3.50% per annum (pre-tax, net of management fees and costs) and pays monthly distributions.

[3]The securities that were tendered into the off-market buyback was 58,489,637 treated pro-rata

[4] The underlying funds are managed by the Investment Manager: Kapstream Absolute Return Income Fund (KARIF), an Australian open-ended registered unit trust (ARSN 124 152 790); Kapstream Absolute Return Income Plus Fund (KARIPF), an Australian open-ended registered unit trust (ARSN 627 095 676); and Kapstream Private Investment Fund (KPIF), an Australian open-ended unregistered unit trust.