

ASX ANNOUNCEMENT

24 February 2023

PACIFIC CURRENT GROUP HALF YEAR RESULTS

Six months ended 31 December 2022

SYDNEY (24 February 2023) - Pacific Current Group (ASX: PAC, "Pacific Current" or "Company") is pleased to report the Company's interim results for the six months ended 31 December 2022.

HIGHLIGHTS

- FUM grew 3.5% to A\$175b. PAC boutiques have now had 24 consecutive quarters of positive net flows
- Management fee-related revenues increased 52% (67% AUD) and, ex mark-to-market (MTM) adjustments, boutique contributions grew 29% (41% AUD)
- Underlying EBITDA (ex MTM) grew 24% (35% AUD)
- Underlying NPAT declined 12% (3% AUD), due to increased interest expense
- Secured new US\$50m credit facility
- Fully franked interim dividend of A\$0.15 per share

FINANCIAL RESULTS

PAC's 52% (67% AUD) increase in management fee-related revenues led to boutique contributions (ex unrealised MTM adjustments) growing 29% in USD (41% AUD). The period-over-period growth primarily came from the investment of Banner Oak in January 2022 and the recognition of 6 months of GQG contributions versus 4 months in 1H22. Underlying EBITDA (ex MTM) grew 24% (35% AUD). Underlying NPAT declined 12% (3% AUD), largely as a result of increased interest expense associated with PAC's new debt facility.

Performance fees from Victory Park, SCI and Roc were significant during the current half year though lower than 1H22, which were driven primarily by the crystallisation of Victory Park incentive fees. Commission-related revenues were down due to a reduction in private capital strategies in market fundraising during the period.

Aggregate FUM grew 3.5% and FUM (ex GQG) increased 5%. PAC's aggregate portfolio has now experienced 24 consecutive quarters of new inflows. Over the last 18 months PAC's boutiques (ex GQG) have secured approximately A\$8b in gross new commitments.

During the period, PAC secured a US\$50m credit facility from Washington H. Soul Pattinson. It drew US\$30m on the facility but did not deploy it as a result of terminating a prospective investment in its late stages.

DIVIDEND

PAC declared a fully franked interim dividend of A\$0.15 per share, which was the same as 1H22.

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PORTFOLIO COMPANY HIGHLIGHTS

Within the broader world of long-only equity managers, GQG had a remarkable year, differentiating itself through exceptional investment performance and continued strong net inflows. In addition to GQG, Pennybacker, Proterra, and Roc secured significant new commitments during the period, despite a general slowing in activity among institutional allocators.

Also, during the period PAC sold its interest in Blackcrane back to management and retired its Nereus-related liability.

OUTLOOK

PAC management expects strong continued growth in the combination of both management fee-related revenue and performance fee-related revenue for the following reasons:

- Increased management fees from firms that are actively raising capital or deploying recently raised capital
- An increasing number of funds/strategies will be nearing the point at which the expected performance fees PAC receives should accelerate notably
- New commitments / inflows expected to continue at a pace similar to the last six quarters
- Additional investments likely in 2H23
- Elevated chance of some liquidity in PAC's portfolio

According to PAC CEO Paul Greenwood, "Our portfolio performed well during 1H23. While the market environment was less than ideal, we saw strong inflows across the portfolio that appear likely to continue through the rest of 2023." Mr. Greenwood added, "In a year of negative equity markets, our private capital-centric business model allowed PAC to grow and avoid the FUM and revenue contraction that many traditional investment firms experienced."

CONFERENCE CALL

Pacific Current Group (ASX: PAC) would like to invite you to join our conference call to be held at **9:00am (AEDT) on Friday, 24 February 2023.**

The presenters will be Paul Greenwood, MD & CEO and CIO and Ashley Killick, CFO.

INVESTOR CONFERENCE CALL DETAILS

The call will be held via webcast or conference call dial-in. Please use the links below to register ahead of the event.

Pre-registration link (required to join teleconference for Q&A participation):

<https://registrations.events/direct/OCP60539>

Webcast (listen mode only):

<https://webcast.openbriefing.com/pac-hyr-2023/>

(An online archive of the webcast event will be available approximately four hours after the webcast)

AUTHORISED FOR LODGEMENT BY:

The Board of Pacific Current Group Limited

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CONTACT

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ABOUT PACIFIC CURRENT GROUP

Pacific Current Group Limited is a multi-boutique asset management firm dedicated to providing exceptional value to shareholders, investors, and partners. We apply our strategic resources, including capital, institutional distribution capabilities and operational expertise to help our partners excel. As at 24 February 2023, Pacific Current Group has investments in 15 boutique asset managers globally.