

ASX ANNOUNCEMENT

31 July 2024

Funds under management as at 30 June 2024

Pacific Current Group Limited (**ASX:PAC**), a global multi-boutique asset management firm, is reporting total Funds under Management (**FUM**) managed by boutique asset managers within Pacific Current Group's portfolio increased to A\$42.5b from A\$42.1b (excluding three boutiques sold during the quarter) for the quarter ended 30 June 2024.

During the June quarter, Pacific Current completed the sale of three boutiques (Avante, Cordillera and Proterra) to GQG Partners Inc. All the comparatives in this announcement are adjusted for this change and exclude/separate FUM for these three boutiques from various comparisons.

Highlights from the quarter include the following:

- Aggregate FUM increased 0.8% in AUD. In native currency, USD-denominated fund managers saw FUM increase by 2.3%, driven by net inflows at Victory Park, Pennybacker, Astarte and EAM;
- FUM increased 4% for the one AUD-denominated fund manager;
- In May 2024, PAC sold 55% of its 16.5% equity stake in Pennybacker and all of its 2.5% carried interest entitlement for Pennybacker funds launched after PAC's initial investment, for a total of US\$35.2m in cash consideration;
- PAC's Ownership Adjusted FUM* increased from US\$8.6b to US\$8.8b after adjusting for the sale of Avante, Cordillera, and Proterra, and the partial sale of its Pennybacker equity interest; and
- PAC's boutiques made a strong finish to the FY24 with A\$4.3b of gross new commitments secured, this was at the upper end of PAC's projection of A\$2b – A\$5b (excluding GQG) in new commitments expected at the start of the year.

Pacific Current Group's executive director and acting CEO, Michael Clarke, noted, "PAC's partner boutiques delivered a solid fund-raising result in the June quarter, which contributed positively to a strong FY24 result of \$4.3 billion gross new commitments secured."

FUM flows and balances as at 31 March 2024 and 30 June 2024, by boutique tier and category, are shown in the Appendix attached.

* see appendix for definition of Ownership Adjusted FUM

Other Considerations

The relationship between the boutiques' FUM and the economic benefits received by PAC can vary dramatically based on factors such as:

- the fees charged by each boutique on the assets it manages, including one-time, up-front fees;
- the varying size of PAC's ownership interest in each boutique; and
- the unique economic terms negotiated between PAC and each boutique including the manner in which PAC expects to realize value from its investment.

Accordingly, PAC cautions against simple extrapolation of PAC's projected results based on FUM trends.

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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 of 31 July 2024, Pacific Current Group has investments in 12 boutique firms globally.

Funds Under Management – 30 June 2024

FUM by Pacific Current Group boutique manager in reporting currency

\$m	Open End			Closed End			Total FUM as at 31 March 2024	Total FUM as at 30 June 2024
	31 March 2024	New Investment / (Divestment)	30 June 2024	31 March 2024	New Investment / (Divestment)	30 June 2024		
Tier 1 - Boutiques reporting in USD								
Banner Oak ¹	-	-	-	6,873	-	6,944	6,873	6,944
Carlisle	937	-	928	998	-	995	1,935	1,923
Pennybacker	246	-	265	3,684	-	3,792	3,930	4,057
Victory Park ²	-	-	-	5,646	-	5,789	5,646	5,789
Total Tier 1	1,183	-	1,193	17,202	-	17,521	18,385	18,714
Tier 2 - Boutiques reporting in USD								
Aether	-	-	-	1,545	-	1,545	1,545	1,545
Astarte ³	-	-	-	533	-	700	533	700
EAM	1,665	-	1,667	-	-	-	1,665	1,667
Total Tier 2	1,665	-	1,667	2,078	-	2,245	3,743	3,913
FUM (USD) - Boutiques reporting in USD								
Excluding Boutiques sold during the quarter	2,848	-	2,861	19,280	-	19,766	22,128	22,627
Three Boutiques sold during the Quarter								
Avante	-	-	-	555	(555)	-	555	-
Cordillera	160	(160)	-	1,349	(1,349)	-	1,509	-
Proterra ¹	-	-	-	3,466	(3,466)	-	3,466	-
FUM (USD) - Boutiques reporting in USD - Including Boutiques sold During the Period								
	3,008	(160)	2,861	24,650	(5,370)	19,766	27,658	22,627
FUM (AUD) - Boutiques reporting in USD								
	4,611	(245)	4,291	37,790	(8,233)	29,651	42,401	33,943
Tier 2 - Boutique reporting in AUD								
ROC Partners	-	-	-	8,216	-	8,543	8,216	8,543
Total FUM (AUD) - PAC Boutiques	4,611	(245)	4,291	46,006	(8,233)	38,195	50,617	42,486

1. FUM for Banner Oak Capital Partners and Proterra Investment Partners represent regulatory FUM from one quarter in arrears.
2. Victory Park FUM includes the firm's regulatory capital for 30 June, as well as other client FUM where VPC is paid a one-time, upfront fee.
3. Astarte FUM represents aggregate FUM of funds managed by investment managers in which Astarte has an interest as well as the unallocated committed capital from funds managed by Astarte.

FUM by Pacific Current Group Tier 1/Tier 2 Classification in AUD

A\$m	FUM as at 31 March 2024	New investment / (Divestment)	Net Flows ⁴	Other ⁵	FX movement ⁶	FUM as at 30 June 2024
Tier-1 (Excluding boutiques sold)	28,184	-	511	(11)	(611)	28,073
Tier-2	13,954	-	174	410	(126)	14,413
Sub-Total	42,139	-	685	399	(737)	42,486
Tier-1 - (Boutiques sold) ⁷	8,478	(8,478)	-	-	-	-
Total	50,617	(8,478)	685	399	(737)	42,486

4. For Closed End funds, Net Flows only includes additional capital commitments. Distributions to limited partners of Closed End funds will be reflected as reduction in Net Asset Value, which is included in the 'Other' category for PAC reporting.
5. The 'Other' category includes investment performance, market movement and distributions.
6. The Australian dollar strengthened against US dollar during the quarter. The AUD/USD exchange rate was 0.6523 as at 31 March 2024 compared to 0.6666 as at 30 June 2024. The Net Flows and Other items are calculated using average rates.
7. Boutiques sold during the quarter were Avante, Cordillera and Proterra.

Tier 1 Boutique is a term used to describe an asset manager that PAC expects to produce at least an average of AUD 4m of annual pre-tax earnings for PAC over the next three years, while a **Tier 2 Boutique** is one that PAC expects will contribute less than this amount. Although there is no guarantee any Tier 1 boutique will meet this threshold, this categorisation is intended to provide insight into which boutiques are expected to be the most economically impactful to Pacific Current Group

Open-end is a term used to indicate funds under management that are not committed for an agreed period and therefore can be redeemed by an investor on relatively short notice. **Closed-end** is a term used to denote funds under management where the investor has committed capital for a fixed period and redemption of these funds can only eventuate after an agreed time and in some cases at the end of the life of the fund.

Ownership Adjusted FUM by Pacific Current Group boutique manager in USD

US\$m	Private Market / Public Market Strategy	Total FUM as at 31 March 2024	Total FUM as at 30 June 2024	PAC Interest	Ownership Adjusted FUM (OAF) as at 31 March 2024	Ownership Adjusted FUM (OAF) as at 30 June 2024
Tier 1						
Banner Oak	Private	6,873	6,944	35.0 %	2,406	2,431
Carlisle	Private	1,935	1,923	40.0 %	774	769
Pennybacker^	Private	3,930	4,057	7.5 %	295	304
Victory Park	Private	5,646	5,789	24.9 %	1,406	1,441
Tier 2						
Aether	Private	1,545	1,545	100.0 %	1,545	1,545
Astarte	Private	533	700	44.5 %	237	312
EAM	Public	1,665	1,667	18.8 %	312	313
ROC Partners	Private	5,360	5,695	29.7 %	1,592	1,692
Total (USD) - Excluding Boutiques Sold		27,488	28,322		8,567	8,807
Boutiques sold during the quarter						
Avante	Private	555	-	24.9 %	138	-
Cordillera	Private	1,509	-	24.9 %	376	-
Proterra	Private	3,466	-	16.0 %	555	-
Pennybacker (partial sale)^	Private	-	-	9.0 %	354	-
Total (USD)		33,018	28,322		9,989	8,807

Ownership Adjusted FUM (OAF) - The ownership percentage used in the calculation of OAF reflects the proportion of proceeds that PAC, absent any distribution preferences, would receive in the event of the sale or liquidation of the business. The portfolio above does not include boutiques that do not manage FUM.

^ Pennybacker: In May 2024, Pacific Current sold a partial interest (55% of a 16.5% stake) in Pennybacker Capital Management to Goldman Sachs Asset Management's Petershill program. As of March 31, 2024, the ownership allocation has been split to separately reflect the remaining equity interest and the sold portion.