

PACIFIC CURRENT GROUP

Tacoma // Melbourne



ASX ANNOUNCEMENT

25 February 2025

1H FY25 Results Presentation

Pacific Current Group Limited (ASX:PAC) encloses for immediate release its 1H FY25 Results Presentation.

-ENDS-

Authorised for lodgement by the Board of Pacific Current Group Limited.

CONTACT

For Investor & Media enquiries:

Michael Clarke - Executive Director & Acting CEO

E: info@paccurrent.com

T: (+61) 3 8375 9611

ABOUT PACIFIC CURRENT GROUP // www.paccurrent.com

Pacific Current Group is a multi-boutique asset management firm dedicated to providing exceptional value to shareholders, investors and partners. We apply our strategic resources, including permanent capital and operational expertise to help our partners excel. Excluding the public securities in Abacus, Pacific Current Group has investments in 8 boutique asset managers globally. For more information, please visit: www.paccurrent.com



PACIFIC CURRENT GROUP

FIRST HALF FY25

RESULTS PRESENTATION

Presenters

Michael Clarke

Acting CEO and Executive Director

Ashley Killick

CFO

25 February 2025

Disclaimer

The information in this presentation is general information about Pacific Current Group ('Pacific Current' or 'PAC') and is current only at the date of this presentation. In particular, this presentation

- § is not an offer or recommendation to purchase or subscribe for securities in Pacific Current, nor is it an invitation to any person to acquire securities in Pacific Current;
- § is not personal advice and does not take into account the potential and current individual investment objectives or the financial situation of investors; and
- § contains information in summary form and does not purport to be complete.

Note that the relationship between FUM and the economic benefits received by Pacific Current can vary dramatically based on each boutique's fee levels, PAC's ownership stakes, and the specific economic features of each relationship. Accordingly, management cautions against simple extrapolation based on FUM updates/trends.

Certain statements in this presentation may constitute 'forward-looking statements.' Forward-looking statements are neither promises nor guarantees and involve known and unknown risks, uncertainties and other factors which may cause actual results to vary materially from any projection, future results or performance expressed or implied by such forward-looking statements.

1H25 Overview

Pacific Current Group (PAC) is a global investor in investment management firms, with stakes in 8 investment firms across the US, Europe and Australia.

PAC's boutiques offer a diverse range of investment products across multiple asset classes, delivering **sustainable** and **growing** management fees and significant potential for performance fee income. This diversification reduces PAC's reliance on equity market returns to drive revenues and profits.

- § **Return Capital:** Implementing a substantial off-market, equal access share buy-back of up to A\$300m with price set at A\$12 per share is currently underway and expected to complete in March 2025
- § **Profit:** Underlying NPAT of A\$15.3m (1H24: A\$16.7m), Statutory NPAT of A\$100.3m (1H24: A\$11.7m)
- § **Dividend:** Dividend of A\$0.15 per share (unfranked), shareholders participating in the buy-back will be entitled to this dividend
- § **Enhanced Capital Flexibility:** Achieved a strong start in FY25 with successful transactions involving Banner Oak, Carlisle, Victory Park Capital, and Nereus all settled in 1H25
- § **Deliver Growth Initiatives:** Targeting opportunities to accelerate growth among existing boutique partners and exploring new investment prospects
- § **Lower Corporate Costs:** including the first period of externalisation and associated benefits realized in 1H25 with 37% cost reduction
- § **Fair value NAV:** PAC's estimated fair value NAV of A\$14.32 (A\$13.96, adjusted for price volatility of Abacus Bonds using a 3-month VWAP) exceeds statutory NAV by A\$0.48 per share

1H25 Underlying Results

Underlying NPAT: Down 8% (7% USD) due to asset realizations, with 47% of net assets now held in cash

Corporate Costs: Reduced by 37% as a result of corporate restructure in late FY24

NAV: Fair value NAV is A\$14.32 per share, this includes fair value movement for Abacus Life Shares and Bonds received for the sale of Carlisle. The Abacus Life Bonds experienced higher volatility around the balance sheet date of 31 December and have since come down in value.

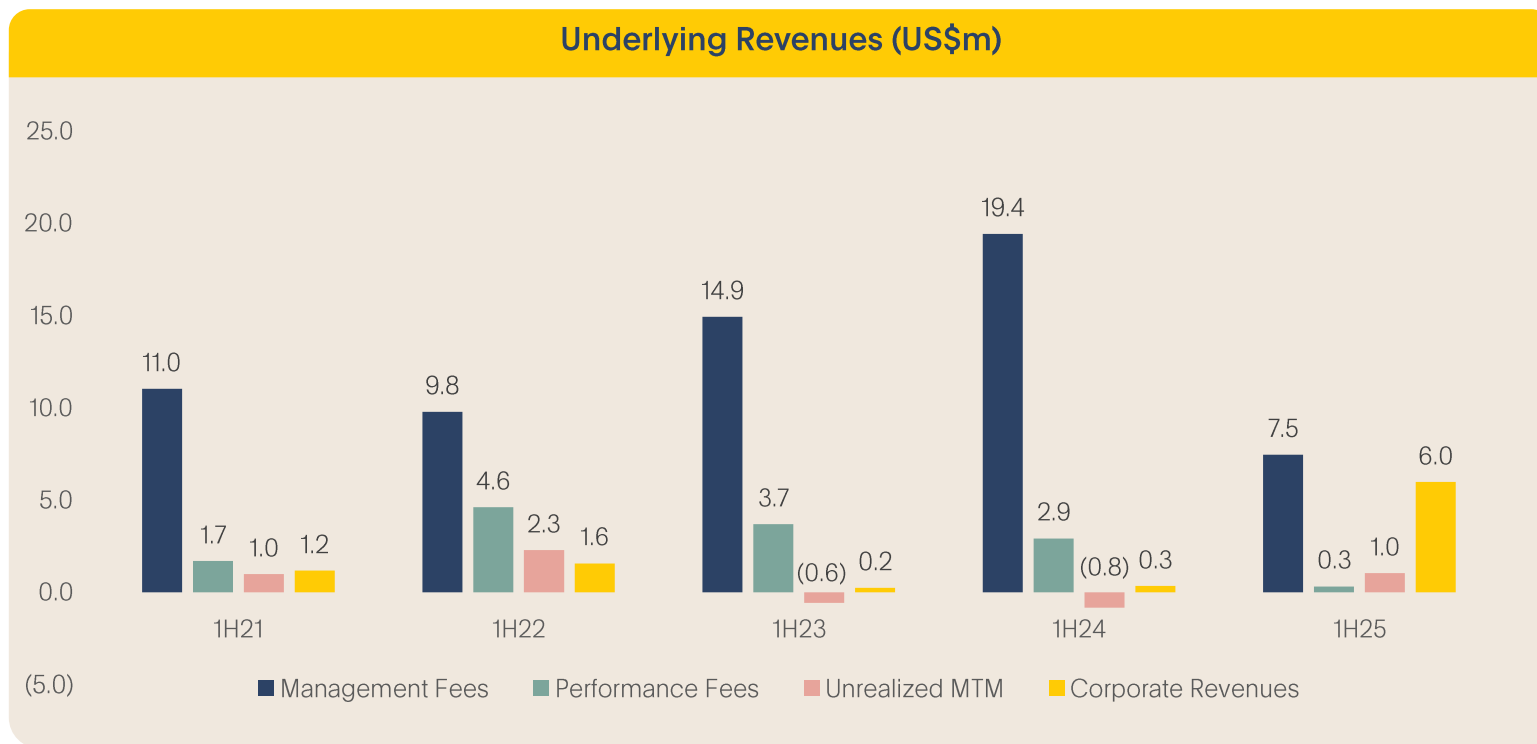
	1H25 (A\$m)	1H24 (A\$m)	1H25 (US\$m)	1H24 (US\$m)	Comments
Boutique management fees	11.3	29.8	7.5	19.4	Asset realisations with Avante, Cordillera, Proterra, Banner Oak, Carlisle, Pennybacker (partial) and Victory Park (partial) exits impacting boutique results
Boutique performance fees	0.5	4.5	0.3	2.9	1H24 was led by Roc
Boutique unrealised MTM	1.5	(1.3)	1.0	(0.8)	Non-cash item, primarily related to VPC balance sheet items
Boutique contributions	11.8	32.9	7.8	21.5	Lower as large portion of portfolio in cash
Corporate revenue	-	0.5	-	0.3	Interest income is excluded
Investment management fees	(1.5)	-	(1.0)	-	GQG investment management agreement coming into effect in May 2024
Corporate costs	(3.6)	(8.1)	(2.4)	(5.3)	Lower costs as full impact of restructure took place
Corporate contribution	(5.1)	(7.6)	(3.4)	(5.0)	
Underlying EBITDA	8.2	25.3	5.4	16.5	
Interest Income	9.0	-	6.0	-	Interest income on higher cash balance post asset sales/exits
Interest expense	(3.4)	(3.2)	(2.2)	(2.1)	Interest expense on debt
Depreciation expense	-	(0.4)	-	(0.3)	
Income tax benefit/(expense)	1.4	(5.0)	1.0	(3.3)	
Underlying NPAT	15.3	16.7	10.1	10.9	Lower by 8% (7% USD) YoY
Underlying earnings per share	29.3 cents	32.3 cents	19.4 cents	21.1 cents	
Dividends per share	15 cents	15 cents	—	—	Unfranked dividends
Statutory Net Asset Value per share	\$13.84	\$9.67	\$8.56	\$6.58	Post tax value per share
Fair Value Net Asset Value per share*	\$14.32	\$11.69	\$8.85	\$7.96	

Note: Underlying results illustrated in table above are unaudited and non-IFRS financial measures used by PAC to manage its business.

*Refer to the Understanding Fair Value NAV slide in the Appendices

Revenue Composition

Boutique contributions were lower and PAC's corporate cash and interest income were higher as a result of asset realisations over the past 12 months



§ **1H25 Management Fee Revenues:** Decline was largely due to asset sales/realizations such as Avante, Cordillera, GQG, Proterra, Banner Oak, Carlisle, Pennybacker (partial), and Victory Park (partial)

§ **Performance Fees:** Strong result by Roc in 1H24

§ **Corporate Revenues:** Primarily from interest income on higher cash balances from asset realizations

Notes: Some boutiques hold marketable securities on their balance sheets, which generate unrealised non-cash income (loss) items.

Alternate Balance Sheet

Reflects deconsolidation of operating subsidiaries (Aether and SCI) to present PAC on a “look through” basis. Strong growth in Net Assets of over 20%

A\$000s	31 Dec 24	30 Jun 24
Cash	379,947	317,727
Other Current Assets	22,468	19,993
Current Liabilities	(10,484)	(4,821)
Deferred Consideration – Petershill (for the sale of Pennybacker)	44,484	39,656
Deferred Tax Liability	(73,992)	(59,125)
Other Non-Current Assets	69,402	63,017
Other Non-Current Liabilities	(64,019)	(63,373)
PAC’s Corporate Net Assets	367,806	313,074
Investment in Boutiques		
Subsidiaries	4,924	26,272
Associates & Joint Ventures	29,720	127,325
FVTPL	307,958	121,684
FVTOCI	11,987	10,704
Net Assets	722,395	599,059

Notable Items

- § PAC’s corporate net assets assumes that all current assets and liabilities have been realised at balance date, ignoring underlying cash that will be earned over the next 12 months as these current assets and liabilities are realized
- § Other non-current assets include A\$68.4m (US\$42.3m) held as a restricted deposit in relation to WHSP debt (other non-current liabilities) as a security interest
- § Deferred consideration receivable from Petershill includes current and non-current receivables arising from the sale of interest in Pennybacker
- § The decrease in subsidiaries is related to impairment of Aether
- § The increase in FVTPL (decrease in Associates and JVs) relates to sale of partial stake in both Victory Park and Pennybacker, PAC now holds a minority stake in both and remaining stake is reclassified as FVTPL (from Associates in prior period)

Notes: Presentation of Alternate Balance Sheet is an unaudited and a non-IFRS financial measure used by PAC to manage its business.

Prior year classification is changed to enhance comparability.



FAIR VALUE VS BOOK VALUE

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NAV Breakdown

	Book Value (A\$m)* 30-Jun-24	Book Value (A\$m)* 31-Dec-24	Fair Value (A\$m) 30-Jun-24	Fair Value (A\$m) 31-Dec-24	Adjusted Fair Value (A\$m) 31-Dec-24	Comments
Investment in Boutiques						
Aether	27.5	6.3	30.3	6.3	6.3	Impairment recognised in 1H25
Banner Oak	23.0	-	23.9	-	-	PAC redeemed all of the interest in Banner Oak
Carlisle	77.6	-	77.6	-	-	Sale announced post 30 June 24, PAC received Abacus Life shares and bonds in exchange
Pennybacker	44.1	44.5	44.1	44.5	44.5	Remaining interest after the sale of partial stake in FY24
Roc Group	11.1	9.8	34.3	37.1	37.1	
Victory Park	76.0	124.8	172.7	124.8	124.8	Sale of partial equity stake announced post 30 June 24, uplift of remaining stake as it is now FVTPL and not an associate
Other	26.9	30.5	39.4	38.2	38.2	
Financial Assets						
Janus Henderson – Shares	-	14.1	-	14.1	14.1	Received as part of the consideration for sale of interest in Victory Park
Abacus Life - Bonds	-	107.1	-	107.1	88.4	Received from the sale of interest in Carlisle (31 Dec 24 quoted closing price of ABLL Bonds on NASDAQ was abnormally high, adjusted fair value column uses VWAP over a 3 month period excluding abnormal last week of Dec-24)
Abacus Life - Shares	-	17.2	-	17.2	17.2	Received from the sale of interest in Carlisle
Others	-	0.3	-	0.3	0.3	
PAC's Corporate Net Assets	313.1	367.8	281.0	357.7	357.7	
Net Assets	599.1	722.4	702.9	747.3	728.6	Increase due to Fair value uplift post sale of Victory Park and Pennybacker as well as Abacus Bonds
NAV Per Share	A\$11.48	A\$13.84	A\$13.47	A\$14.32	A\$13.96	

§ IFRS requires PAC to use a variety of accounting treatments, resulting in some assets reported at fair value in PAC's statutory accounts, while others are initially reported at investment cost and can only be written down but not up

§ Accordingly, PAC's reported statutory NAV is lower than its NAV using PAC's fair value estimates

*Refer to the Understanding Fair Value NAV slide in the Appendices

Includes boutiques that are already reported at fair value as FVTPL or FVTOCI. These boutiques were not included in similar numbers for 30 June 24 presentation

Comparisons of fair value estimates over time can be significantly impacted by currency fluctuations

§ As at 31 Dec 2024, PAC's fair value NAV of A\$14.32 per share exceeds its statutory NAV by A\$0.48 per share

§ **Adjusted Fair Value** column is shown to highlight the impact of volatility in price of Abacus Life Bonds listed on NASDAQ (valued using a VWAP over three months)



FIRST HALF FY25 KEY HIGHLIGHTS

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1H25 Portfolio Movements

1H25 was a period of considerable change for PAC's Portfolio Composition which added significant capital flexibility

In July 2024, PAC announced a sale of 100% of its interest in Carlisle to Abacus Life (NASDAQ: ABL). PAC received 1.97m newly issued Abacus bonds with a coupon of 9.875% and an aggregate par value of US\$49.2m. In addition, PAC received 1.36m shares of Abacus common stock. As at 3 Dec 24 (announcement of completion of sale), the aggregate net proceeds to PAC were estimated to be US\$60.3m.

In August 2024, PAC announced a sale of 55% of its equity stake in VPC's management company and 22% of PAC's 24.9% future carried interest entitlements in VPC's funds yet to be launched. PAC received upfront consideration of US\$33.9m (before transaction costs), 75% in cash and 25% in Janus Henderson stock (NYSE: JHG). PAC could also receive up to an additional US\$27.7m earnout payment based on certain VPC gross revenue milestones measured in calendar years 2025 and 2026. Finally, the agreement also includes provisions for the potential sale of the remaining equity stake in VPC's management company and an incremental portion of carried interest in the future.

In December 2024, PAC fully redeemed its investment in Banner Oak Capital Partners. PAC originally invested US\$35m in Banner Oak in January 2022. The redemption of US\$19.1m, coupled with US\$15.9m of historical distributions from Banner Oak, represents a full return of PAC's invested capital, on a pre-tax basis.

In December 2024, PAC disposed all of its equity interest in Nereus Capital Investments.

In January 2025, PAC announced equal access off-market buy-back of up to A\$300m with buy-back price set at A\$12.

In February 2025, PAC agreed in principle to restructure its investment in Aether from an equity share to a revenue share agreement.



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OUTLOOK

PACIFIC CURRENT GROUP

Near-Term Focus

PAC will focus on completing transaction, executing the share buy-back and supporting Boutiques

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Return Capital

§ A substantial off-market, equal access share buy-back is currently in progress with a target of A\$300m to be returned at a set price of \$12 per share, to be finalized in March 2025

Deliver Growth Initiatives

§ Target opportunities among current boutique partners where the potential exists to accelerate growth and evaluate new investment opportunities

Optimize Organizational Effectiveness

§ Bed down significant changes to organization structure and decision-making processes implemented in FY24

Lower Corporate Costs

§ 1H25 was the first period of externalization with benefits realized in 1H25 of 37% cost reduction. Continue to explore opportunities to further reduce costs

Reduce Debt

§ Pay down outstanding debt

Note: Outlook assumes flat equity markets and no change in currency. Growth expectations are based primarily but not exclusively on PAC or boutique knowledge of specific prospects that appear likely to allocate to boutiques through FY25. New allocations to boutiques cannot be known with certainty, nor can the timing of any allocations be precisely forecasted. Additionally, PAC revenues and earnings can be influenced by some marketable securities held on boutique balance sheets, which can impact results in ways that cannot be readily predicted.

How to think about the PAC portfolio

PAC's portfolio can be broken down into four distinct asset types, with varying growth and yield expectations

PAC Asset Breakdown

Cash (47% of Portfolio)

§ A\$380m of surplus cash, with A\$300m allocated for share buy-back

Financial Assets (22% of Portfolio)

§ Pennybacker receivables (Petershill deferred consideration), Abacus Life Shares and Bonds, Janus Henderson shares

§ To be crystallised to cash as and when possible

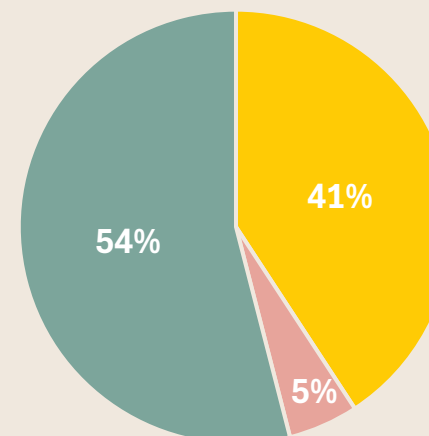
Investment in Boutiques (31% of Portfolio)

§ Residual stakes in Pennybacker and VPC management company, VPC Carry Holdco as well as existing stakes in Roc, Aether, Astarte, Global IMC (formerly, EAM Global), IFP, and NLAA

§ Some of these are carry related (such as VPC Carry Holdco and Roc), which may produce significant cashflow but timing will be lumpy in nature and interests less likely to be sold

Portfolio Fair Value by Asset Type

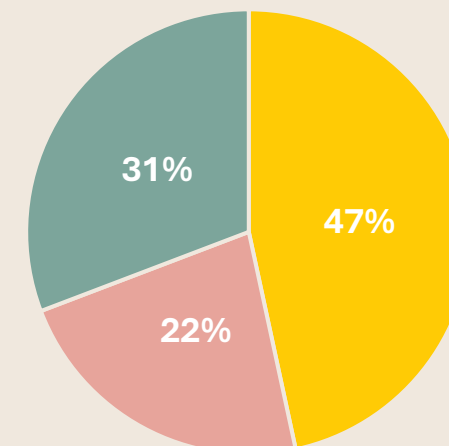
30 June 2024



Gross Assets of A\$779m

■ Cash
■ Financial Assets
■ Investments in Boutiques

31 December 2024



Gross Assets of A\$815m

■ Cash
■ Financial Assets
■ Investments in Boutiques

Victory Park and Carlisle transactions resulted in fair value uplift of investments in boutiques and increased Financial Assets (Abacus Life and Janus Henderson shares, and Abacus Life bonds).

PAC Go-Forward Strategy

PAC will allocate capital to its most accretive uses, including re-investment and distribution to shareholders

Assets for Harvesting and Mature Boutiques

In addition to its large cash balance (A\$380m) and ongoing distributions from Boutiques, PAC has a number of assets that are in 'Harvest', these are financial assets or receivables that PAC is waiting to realise in cash. Some of these transactions are subject to various approvals and not yet finalised.

Pennybacker
Receivables

US\$27.5m

Abacus
Stock

US\$10.7m

Abacus
Bonds

US\$66.2m

Janus
Henderson
Shares

US\$8.7m

VPC
Earn-Outs*

US\$12.6m

Abacus Life Bonds (Nasdaq: ABLLL) experienced increased volatility around 31 December 2024 and were materially higher compared to a VWAP over 3-month period.

* VPC Earn-outs are present value of estimated earn-out and included in the total fair value estimate of Victory Park. This number could materially change higher or lower in future depending on revenue thresholds being achieved in year 2025 and 2026.

Capital Allocation

The sale of GQG shares, sale of assets to GQG, and other transactions (Pennybacker, Carlisle, Banner Oak and VPC) leaves significant capital to be allocated.

PAC will allocate capital through:

Re-invest in new
Growth Opportunities

Share Buyback
(currently underway)

Re-invest in existing
Boutique Opportunities

Dividends

Any growth opportunities will need to be accretive compared to buybacks or distributions to shareholders



APPENDICES

PACIFIC CURRENT GROUP

Statutory Profit or Loss

Results include the revenues and expenses of operating subsidiaries (Aether and SCI)

A\$000s	1H25	1H24
Revenue from operations	4,459	6,135
Distributions and dividend income	5,603	15,805
Other income	11,275	148
Changes in fair value	36,893	41,890
Gain on sale of investments	95,362	—
Total statutory income	153,592	63,978
Employment expenses	(4,405)	(8,416)
Impairment expenses	(21,657)	(41,007)
Administration and general expenses	(11,020)	(3,649)
Depreciation and amortisation expenses	(609)	(1,716)
Interest expenses	(3,375)	(3,264)
Total statutory expenses	(41,066)	(58,052)
Share of net profits of associates and joint venture	2,558	11,618
Profit/(Loss) before tax	115,085	17,544
Income tax (expense)/benefit	(14,728)	(5,794)
Profit/(Loss) after tax	100,357	11,750
Non-controlling interests	-	(95)
Profit/(Loss) after tax attributable to the PAC members	100,357	11,655

Notable Items

- § Reduced revenues from operations as no performance fee from SCI crystallised in 1H25. In addition, reduction in management fees YoY from Aether
- § Gain on sale of investments primarily from VPC, Carlisle and Banner Oak
- § Impairment expenses related to Aether in 1H25 (Aether and Banner Oak in 1H24)
- § Higher other income as a result of higher interest income through higher cash balance held in the portfolio

Statutory to Underlying Reconciliation

Reported results impacted by extraordinary and non-cash items

A\$000s	1H25	1H24
Reported Net Profit/(Loss) Before Tax	115,085	17,544
Non-cash items		
Amortisation expenses	2,351	4,328
Fair value adjustment of financial assets	(36,628)	(40,651)
Fair value adjustment of financial liabilities	(265)	(1,239)
Impairment of investments and financial assets	21,657	41,007
Loss on leases	(135)	—
Share-based payment expenses	—	1,027
Other normalising adjustments/items		
Deal, establishment and litigation costs	1,898	1,660
Gain on disposal of investments	(95,362)	—
Net foreign exchange loss/(gain)	4,714	(1,920)
Severance payments and other one-off employment expenses	534	—
Underlying NPBT	13,849	21,756
Income tax expense	1,443	(4,988)
Share of non-controlling interests	—	(95)
Underlying NPAT attributable to members of the parent	15,292	16,673

Notable Items

- § Impairment of investments and financial assets relates to the impairments of Aether
- § Fair value adjustment of financial assets primarily relates to Pennybacker, Victory Park, Abacus Shares and Bonds, and Janus Henderson shares.

Note: Underlying NPBT and NPAT are unaudited and non-IFRS financial measures used by PAC to manage its business.

Underlying Profit Drivers

Underlying NPBT and NPAT are unaudited and non-IFRS financial measures used by PAC to manage its business

	\$000s	1H25 (A\$)	1H24 (A\$)	1H25 (US\$)	1H24 (US\$)
	Boutique contributions	13,313	32,946	8,798	21,500
	Revenues	20	519	13	339
Expenses	Employment	1,622	4,821	1,072	3,146
	Investment Management fee (GQG)	1,487	-	983	-
	Marketing/commissions	4	204	3	133
	Travel/entertainment	91	308	60	201
	Advisory, tax and accounting	549	629	363	410
	Legal and consulting	285	385	188	251
	Insurance	280	332	185	217
	Other	823	1,462	544	954
	Total expenses	5,141	8,141	3,398	5,313
	Underlying EBITDA	8,192	25,324	5,414	16,526
	Interest income	9,022	-	5,963	-
	Interest expense	(3,366)	(3,199)	(2,231)	(2,084)
	Depreciation and amortisation	-	(369)	-	(241)
	Underlying NPBT	13,849	21,756	9,154	14,198
	Underlying NPAT	15,292	16,673	10,106	10,881

Notable Items

- § Boutique contributions lower as a result of asset realizations
- § Corporate revenues higher as asset realizations resulted in higher cash balance held earning interest income
- § Management fee agreement with GQG signed in FY24, related fee expense for 1H25 shown above

Notes: US\$ amounts are calculated using the average FX rates for the respective financial year (1H25: 1 A\$ = 0.6609 US\$, 1H24: 1 A\$ = 0.6526 US\$)

The prior period comparatives are adjusted to ensure consistency.

Underlying Functional P&L Summary

A\$000s	1H25				1H24
	Investment	Sales	Group	Total	
Revenues					
Boutique contributions					
Management fees	11,276	—	—	11,276	29,779
Performance fees	463	—	—	463	4,448
Unrealised MTM	1,574	—	—	1,574	(1,281)
Boutique contributions	13,313	—	—	13,313	32,946
Commissions and retainers	—	—	—	—	361
Interest income	—	—	—	—	87
Other revenue	—	—	20	20	71
Underlying revenue	13,313	—	20	13,333	33,465
Expenses					
Employment	—	167	1,455	1,622	4,821
Investment management fees	—	—	1,487	1,487	—
Marketing/commission	—	—	4	4	204
Legal and consulting	55	30	200	285	385
Advisory, tax and accounting	—	—	549	549	629
Other	4	22	1,168	1,194	2,102
Underlying expenses	59	219	4,863	5,141	8,141
Underlying EBITDA	13,254	(219)	(4,843)	8,192	25,324

Notable Items

- § Revenues and Expenses broken out by functional area to shed light on profitability of different business segments
- § Investment, Sales, and Group expenses reflect costs for those functional areas, including compensation expenses

Note: The prior period comparatives are adjusted to ensure consistency.

Statutory Balance Sheet

Reflects the consolidation of corporate admin and operating subsidiaries (Aether and SCI)

A\$000s	31 Dec 24	30 Jun 24
Cash	81,382	95,537
Short-term deposits	301,000	225,000
Other current assets	47,190	42,912
Non-current assets		
Investments in associates and joint ventures	29,720	127,325
Intangible assets	2,284	24,068
Other financial assets	340,848	150,180
Other assets	69,146	62,859
Total assets	871,570	727,881
Current liabilities	10,726	5,838
Non-current liabilities		
Deferred tax liability	73,992	59,126
Provisions	74	64
Lease liabilities	437	636
Financial liabilities	63,946	63,158
Total liabilities	149,175	128,822
Net assets attributable to PAC shareholders	722,395	599,059
Net assets per share (A\$)	13.84	11.48

Notable Items

- § Cash and interest-bearing short-term deposits increased due to sale of PAC's stake in boutiques during the year
- § Decrease in associates and joint ventures from partial sale of Pennybacker and Victory Park, as well as reclassification of remaining stake in Pennybacker to financials assets
- § The increase in financial assets is due to sale of Carlisle, Pennybacker and Victory Park resulted in PAC receiving shares, bonds and receivables from counterparties

Statutory Cash Flow

A\$000s	1H25	1H24
Operating cash flow		
Net receipts from customers/suppliers/financiers	862	(12,480)
Dividends received	12,492	26,184
Income tax paid	(4,751)	(1,346)
Investing cash flow		
Repayment of Hareon liability	—	—
Investment in short-term deposits	(76,000)	—
Net proceeds from disposal of associate/subsidiary	61,074	—
Increased new investments	(4)	(24,004)
Other	(1,441)	754
Financing cash flow		
Dividends paid to PAC shareholders	(12,005)	(11,862)
Proceeds from debt facility	—	16,856
Transaction costs from debt facility	—	(424)
Other	(94)	(728)
Net (decrease) in cash	(19,867)	(7,050)

Notable Items

- § Higher net receipts from customers/suppliers/financiers driven by interest income on higher cash balance held post asset realizations
- § Dividends received were lower as PAC exited/sold investments over the CY2024

Note: Presentation of statutory cash flow is a summarised version of the statement included in the statutory report.

Alternate Cash Flow

Reconciles the underlying NPBT to cash generated from operating activities

A\$000s	1H25	1H24
Underlying NPBT	13,849	21,756
Accounting earnings from boutiques	(9,998)	(30,489)
Dividends from boutiques	12,492	26,184
Net interest expense	(2,140)	368
Depreciation and amortisation	96	454
Changes in operating assets and liabilities	285	(1,796)
Other	443	417
Underlying pre-tax cash earnings	15,027	16,894
Legal, consulting, deal and break fee expenses	(1,898)	(1,660)
Net foreign exchange loss	759	1,530
Redundancies	(534)	-
Pre-tax cash earnings	13,354	13,704
Income tax paid	(4,751)	(1,346)
Cash provided by operating activities	8,603	12,358
Underlying Pre-Tax Cash Conversion	108.5%	77.7%

Notable Items

- § Dividends reported in the P&L reflect income from the fair value boutiques while dividends from boutiques herein reflects those dividends and the dividends received from the associates
- § Cash receipts from boutiques increased relative to accounting earnings mainly as a result of cash being received in July 2024 for the FY2024 period
- § Net interest expense is the difference between interest recorded in the Statement of Profit or Loss and interest received/paid

Note: Presentation of Alternative Cash Flow is an unaudited and a non-IFRS financial measure used by PAC to manage its business.

PAC Boutique Investments



Revenue Share

Private equity, real assets
2008 investment
USA

Aether Investment Partners is an alternative investment manager sponsoring closed-end limited partnerships focused private investments in real assets

- § Primary sectors include natural resources and infrastructure
- § PAC owns a bottom-line profit share of Aether's business

Note: PAC agreed in principle to restructure its investment in Aether in February 2025, which will convert equity to revenue share structure. In a sale/liquidation event, PAC will be entitled to 24.9% of the proceeds.



39% / 44.5%

Private equity, real assets
2021 investment
UK

Astarte Capital Partners is an alternative investment manager focused on private markets real assets strategies

- § Astarte sponsors closed-end limited partnerships that provide seed and operating capital to private equity firms that offer real assets strategies. It typically partners with operating experts or emerging investment managers that utilise a value-add approach.
- § PAC owns a bottom-line profit share of Astarte's business

Note: PAC is entitled to 39% of Astarte's net income and 44.5% of value of business in the event of sale/liquidation



Pref. Equity / 18.8%

Global, international, & EM small cap equity
2014 investment
USA

Global IMC (formerly, EAM Global Investors) manages emerging markets small cap, international small cap and international micro-cap public equity strategies

- § Distinctive, momentum-oriented approach effective in less efficient equity markets
- § PAC owns a top-line revenue share in Global IMC, LLC

INDEPENDENT [FINANCIAL] PARTNERS

24.9%

Hybrid RIA platform
2019 investment
USA

Independent Financials Partners ("IFP") is a hybrid Registered Investment Advisor (RIA) platform that secures and manages middle office servicing relationships with RIAs

- § IFP utilises a proprietary platform to use multiple back-office providers, including custodial services, to enhance the economics to its advisors
- § PAC owns a bottom-line profit share of IFP's business

Note: In a sale/liquidation PAC is entitled to 100% of the first US\$8.0m and 44.9% of all subsequent proceeds

PAC Boutique Investments



Pref. Equity / 23%

Placement agent
2014 investment
UK

Northern Lights Alternative Advisors (“NLAA”) is a London-based placement agent focused on private equity and hedge funds

- § The firm is one of London’s premier equity placement agents focused on unique investment strategies
- § PAC owns a top-line revenue share in NLAA’s business



7.5%

Private real estate
2019 investment
USA

Pennybacker Capital Management (“Pennybacker”) is a middle-market real estate private equity and private credit manager focusing on value-add real estate private equity

- § More recently, Pennybacker launched Income & Growth and Credit strategies, which are a “core plus” private equity real estate strategy that is less operationally intensive than the flagship strategy
- § PAC owns a bottom-line profit share of Pennybacker’s business



Roc Partners

30.01%

Private equity, Asia-Pacific
2014 investment
Australia

Roc Partners is a specialised investment firm offering both pooled and customised Asia Pacific private equity solutions

- § PAC owns a bottom-line profit share of Roc’s business

VICTORY PARK
CAPITAL

11.2%

Private credit
2018 investment
USA

Victory Park Capital Advisors (“VPC”) is a Chicago-based firm primarily focused on private debt strategies—direct lending to financial service companies

- § VPC seeks to invest in multiple subsectors such as subprime and near-prime unsecured consumer lending, merchant cash advance, legal settlement finance, etc.
- § PAC owns a bottom-line profit share of VPC’s business

Note: PAC is entitled to a revenue share with NLAA and 23% of proceeds in the event of a sale/liquidation

Note: PAC is entitled to 7.5% of Pennybacker’s net income.

Note: In August 2024, PAC announced agreement to sell of 55% of its stake in Victory Park and 22% of future carried interest entitlements in VPC’s funds yet to be launched.

Key Definitions

Revenue Share

Boutique investments where PAC is entitled to a percentage of boutique's top-line revenues (largely made up of management fees and performance fees). This equity structure removes fluctuations related to the boutique's cost base over time. For these boutiques, in the instance where there is a liquidity event, PAC is entitled to a certain percentage of proceeds from such events

Closed-end funds

Funds under management where the investor has committed capital for a fixed period. The fixed period is notable as the manager collects management fees throughout the duration of the fixed period

Open-end funds

Funds under management that are not committed for an agreed period. These funds can be redeemed by an investor on relatively short notice, which subsequently impacts the management fees paid to the portfolio manager

Management Fees

PAC's allocable share of boutique profits (excluding performance fee revenue and after deducting operating expenses of the boutique) or revenues (where PAC has revenue share arrangement)

Profit Share

Boutique investments where PAC is entitled to percentage of boutique's bottom-line profit. Note: for the underlying earnings presentation, PAC reclassifies all subsidiary accounting into boutique Profit Share

Net Asset Value (NAV)

Pacific Current Group's total equity (attributable to owners of the company and excluding non controlling interests) calculated as total assets less total liabilities

Underlying Results/Earnings

Unaudited and non-IFRS financial measures used by PAC management to reflect the recurring elements of PAC's business

Boutique Contributions

PAC's economic entitlement from portfolio company/boutique investments including Management Fees and performance fees

A\$ & US\$

A\$ refers to Australian Dollar (reporting currency of PAC), US\$ refers to United States Dollar

Local currency

Functional currency of the boutique

Understanding Fair Value NAV

The statutory consolidated financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at fair value at the end of each reporting period.

As such, the Group's investments in operating subsidiaries and Associates and Joint ventures (such as Roc) at their historical cost while investments in boutiques, are carried at their fair value.

Fair value is the price that would be expected to be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In determining this estimate, assets whose shares trade in active markets, can be based on unadjusted quoted prices. In other cases, the Group needs to use valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

For the investments that are carried at historical cost, the Group is required by the accounting standards to determine whether it is necessary to recognise any impairment loss with respect to these investments. This assessment compares the investment's recoverable amount (i.e. the higher of its "value in use" or its "fair value less costs to sell") with its carrying amount. If its recoverable amount is less than its carrying value, an impairment loss is recognised. Should the investment's recoverable amount be greater than its carrying value then the value of the investment is not increased.

The Group undertakes this impairment assessment at the end of each reporting period, using valuation techniques like those utilised in determining the value of investments carried at fair value. As such, at the end of each reporting period, the Group has an assessment of the book value and the fair value of each of its investments.

These estimates of fair value have been developed for the purposes of complying with the appropriate accounting standards and as such may not be the precise value at which the investment may or will be sold.

The valuation techniques used in determining these fair values are based on forecast information that has been prepared using a set of assumptions about future events and management actions that are not certain to occur. Furthermore, other events and management actions which have not been forecast to occur may nevertheless occur. If events do not occur as assumed, the actual results achieved may vary significantly from the forecast outcome, significantly impacting the resulting value.

In addition, given the nature of these investments it may be difficult to deal with a specific investment in a specific market at a specific time. Alternatively, the most appropriate acquirer of an investment, may be a special purchaser that can enjoy benefits of owning that asset that are not available to other potential owners.

As such the Group does not warrant or guarantee that these fair values are the amounts that any specific investment would be realised at.

Tips for Analysing PAC

Revenue recognition

- § Private equity, private infrastructure, and private real estate managers normally charge fees on committed capital. Thus, new FUM becomes revenue immediately after the legal commitment is received, even though it may take several years to invest the committed capital
- § Private credit strategies generally generate management fees on the capital that is invested (i.e. not on committed capital). It will typically take 2 to 3 years for the fund to be fully invested and earn the full fee on the total committed capital

Placement fees

- § Private capital managers typically pay commissions to placement agents (firms that raise capital for investment managers) that represent the annual management fee multiplied by the committed capital (i.e. \$100m committed capital @ 1.5% management fee = \$1.5m commission). This commission is generally paid in equal installments over 2 to 3 years
- § Long only / Traditional investment managers generally pay commissions that are a declining percentage of annual revenues (for example, 20% of year 1 revenue, 10% of year 2 revenue, and 5% for year 3) get paid commissions over several years. These commissions are not recognised at the time of commitment but rather after they are paid