



30 July 2019

ASX ANNOUNCEMENT

Funds under Management as at 30 June 2019

Pacific Current Group Limited (**ASX:PAC**) (**PAC, Pacific Current Group**) is pleased to announce that like for like total Funds under Management (**FUM**) controlled by boutique asset managers within Pacific Current Group increased 9.7% during the quarter ended 30 June 2019.

The increase in FUM over the quarter was impacted by:

- the strong rebound in global equity markets;
- favorable movement in the AUD - USD currency exchange rate;
- another quarter of large inflows at GQG; and
- strong growth in Carlisle partially offsetting outflows at Seizert and Alphashares.

FUM flows and balances as at 31 March 2019 and 30 June 2019, by boutique tier and category, are shown in the Appendix attached.

Other Considerations

As announced to the market on 9 May 2019, following regulatory approval, PAC completed its investment in Carlisle Management Company with PAC's economic participation beginning from the "signing date" of 29 January 2019.

As announced to the market on 3 July 2019, post 30 June 2019, PAC increased its stake in ROC Partners from 18% to 30%.

Also post 30 June 2019, Aether formally closed ARA Fund V, with total commitments reaching US\$268m, of which US\$201.8m from previous closings have been included in the above FUM figures.

Alphashares, a provider of indexes to an ETF sponsor, lost the contract to provide the index for the Guggenheim China Technology Index (**CQQQ**). The result was a large drop in FUM. Fees received for this index averaged approximately 15 basis points.

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

- the fee structures of each boutique;
- PAC's ownership interest in the boutique; and
- the specific economic features of each relationship between PAC and the boutique.

Accordingly, PAC cautions against simple extrapolation based on FUM trends.



Tier 1 Boutique is a term used to describe an asset manager that PAC expects to produce at least A\$4m of annual earnings for PAC, 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.

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 of 1 July 2019, Pacific Current Group has investments in 15 boutique asset managers globally.

Funds Under Management - 30 June 2019

A\$millions	Open End		Closed End		Total FUM as at 30 June 2019
	31 March 2019	30 June 2019	31 March 2019	30 June 2019	
	Beg FUM ¹	Ending FUM	Beg FUM	Ending FUM	
Tier 1 Boutiques					
Aether	-	-	2,079	2,100	2,100
Carlisle	2,216	2,406	148	281	2,687
GQG	30,157	35,708	-	-	35,708
Seizert	3,495	3,216	-	-	3,216
Victory Park	-	-	3,820	3,908	3,908
Total Tier 1 Boutiques	35,868	41,331	6,047	6,289	47,620
Tier 2 Boutiques					
Alphashares	933	176	-	-	176
Blackcrane	1,026	980	-	-	980
CAMG	-	-	-	-	-
EAM	1,306	1,339	-	-	1,339
FIM	546	574	-	-	574
ROC	-	-	6,528	6,647	6,647
SCI	132	131	-	-	131
Total Tier 2 Boutiques	3,941	3,199	6,528	6,647	9,846
Total FUM	39,809	44,530	12,574	12,936	57,466

	Total FUM as at 31 March 2019	Net Flows	Other ²	FX movement ³	Total FUM as at 30 June 2019
Open End	39,809	2,024	2,303	394	44,530
Closed End	12,574	293	8	62	12,936
Total	52,383	2,317	2,310	456	57,466

1. The opening FUM balances in the table above includes those boutiques acquired or sold during the quarter.
2. Other includes investment performance, market movement and distributions.
3. The Australian dollar weakened against US dollar during the quarter. The AUD/USD exchange rate was 0.7023 as at 30 June 2019 compared to 0.7096 as at 31 March 2019. The Net Flows and Other items are calculated using average rates.