

ASX ANNOUNCEMENT

30 October 2020

Funds under management as at 30 September 2020

Pacific Current Group Limited (**ASX:PAC**), a global multi-boutique asset management firm, is pleased to announce that total Funds under Management (FUM) controlled by boutique asset managers within Pacific Current Group increased 14.0% to AUD 106.4 billion (USD 78.3 billion) during the quarter ended 30 September 2020.

Highlights from the quarter include the following:

- Generally, a quiet quarter in terms of flows, with exception of notable inflows at GQG and Roc and outflows at Blackcrane and Carlisle;
- Market appreciation and increased valuations on private capital portfolios contributed to higher FUM;
- In native currencies, USD oriented fund managers saw FUM increase by 19.3%. When converting to AUD, the increase was partly offset by the significant appreciation of the AUD against the USD.

FUM flows and balances as at 30 June 2020 and 30 September 2020, by boutique tier and category, are shown in the Appendix attached.

Pacific Current CEO, Paul Greenwood, stated, "COVID-19 has certainly been disruptive to institutional fundraising and investor demand. Thankfully the environment appears to be steadily improving, though we are still a long way from pre-pandemic levels of activity." Greenwood further noted, "The vast majority of FUM growth during the period came from GQG, which continues to grow exceptionally rapidly."

Other Considerations

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 an average of A\$4m of annual 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.

AUTHORISED FOR LODGEMENT BY:

Paul Greenwood

Managing Director & Chief Executive Officer and Chief Investment Officer

-ENDS-

CONTACT

For Investor enquiries:

- Paul Greenwood - Managing Director & CEO and CIO
E: pgreenwood@paccurrent.com
T: (+1) 253 617 7815

For Media enquiries in the US:

- Jessica Rettig - Director Marketing
E: jrettig@paccurrent.com
T: (+1) 720 398 6711

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 30 September 2020, Pacific Current Group has investments in 15 boutique asset managers globally.

Appendix

Funds Under Management – 30 September 2020

A\$millions	Open End		Closed End		Total FUM as at 30 September 2020
	30 June 2020 Beg FUM	30 September 2020 Ending FUM	30 June 2020 Beg FUM	30 September 2020 Ending FUM ¹	
Tier 1 Boutiques					
Aether	-	-	2,230	2,142	2,142
Carlisle	3,085	2,712	503	511	3,223
GQG	64,695	77,666	-	-	77,666
Proterra ¹	-	-	4,198	4,476	4,476
Victory Park	-	-	4,747	4,737	4,737
Total Tier 1 Boutiques	67,779	80,378	11,679	11,865	92,243
Tier 2 Boutiques					
Blackcrane	724	509	-	-	509
CAMG	-	-	-	-	-
EAM	1,533	1,683	-	-	1,683
ROC	-	-	6,649	7,088	7,088
Pennybacker ¹	-	-	2,712	2,638	2,638
SCI	-	-	-	-	-
Seizert	2,245	2,204	-	-	2,204
Total Tier 2 Boutiques	4,502	4,395	9,361	9,726	14,121
Total FUM	72,281²	84,773	21,040²	21,591	106,364

	Total FUM as at 30 June 2020	Net Flows ³	Other ⁴	FX movement ⁵	Total FUM as at 30 September 2020
Tier-1	79,458	7,323	8,661	(3,198)	92,243
Tier-2	13,863	146	397	(286)	14,121
Total	93,321	7,469	9,059	(3,484)	106,364

1. FUM for Proterra Investment Partners and Pennybacker Capital Management represent regulatory FUM from one quarter in arrears.
2. Beginning FUM for 30 June 2020 has been adjusted to reclassify Pennybacker FUM as Closed End.
3. 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.
4. Other includes investment performance, market movement and distributions.
5. The Australian dollar strengthened against US dollar during the quarter. The AUD/USD exchange rate was 0.6890 as at 30 June 2020 compared to 0.7174 as at 30 September 2020. The Net Flows and Other items are calculated using average rates.