



ASX ANNOUNCEMENT

29 July 2022

Funds under management as at 30 June 2022

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 from A\$164.0b to A\$169.3b for the quarter ended 30 June 2022.

Highlights from the quarter include the following:

- Aggregate FUM grew 3.2% in AUD. In native currency, USD-denominated fund managers saw FUM decrease by 4.9% and the AUD-denominated fund manager had a 2.7% increase in FUM;
- The decrease in FUM (in local currency) stems from the steep drop in global equity markets, though partially offset by strong net inflows;
- PAC's private capital boutiques, led by Victory Park, continued to show strength, with 8 out of the 9 boutiques receiving new commitments of approximately A\$1.5b;
- With Banner Oak, Proterra, and Pennybacker reporting FUM one quarter in arrears, the A\$1.5b above excludes an additional A\$1.3b of new commitments received in the quarter ending 30 June. These commitments will be reflected in PAC's next quarterly FUM update; and,
- Ex-GQG, new commitments to PAC's boutiques in FY22 (including the A\$1.5b and the A\$1.3b noted above) total A\$6.2b. This is consistent with PAC's previous guidance that new ex-GQG FUM commitments would be in the A\$5b-A\$8b range for the two-year period ending 30 June 2023.

Pacific Current CEO, Paul Greenwood, noted, "Overall, we are pleased by the performance of our portfolio. The fact that we have not been severely impacted by declining equity markets is a function of the breadth of new commitments to our boutiques and our broad portfolio diversification." Mr. Greenwood added, "It is our expectation that the growth our private capital boutiques have been experiencing will become increasingly apparent in PAC's financial results in FY23, particularly in the second half."

FUM flows and balances as at 31 March 2022 and 30 June 2022, by boutique tier and category, are shown in the Appendix attached.

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 29 July 2022, Pacific Current Group has investments in 16 boutique asset managers globally.



Appendix

Funds Under Management – 30 June 2022

FUM by Pacific Current Group boutique manager in reporting currency

\$m	Open End		Closed End		Total FUM as at 31 March 2022	Total FUM as at 30 June 2022
	31 March 2022 Beg FUM	30 June 2022 Ending FUM	31 March 2022 Beg FUM	30 June 2022 Ending FUM ¹		
Tier 1 - Boutiques reporting in USD						
Aether	-	-	1,526	1,589	1,526	1,589
Banner Oak ¹	-	-	5,975	6,237	5,975	6,237
Carlisle	1,213	1,125	1,039	1,032	2,252	2,157
GQG	92,900	86,700	-	-	92,900	86,700
Proterra ¹	-	-	3,949	4,021	3,949	4,021
Victory Park ²	-	-	4,998	5,436	4,998	5,436
Total Tier 1	94,113	87,825	17,487	18,315	111,600	106,140
Tier 2 - Boutiques reporting in USD						
Astarte ³	-	-	489	529	489	529
Blackcrane	85	15	-	-	85	15
CAMG	-	-	-	-	-	-
EAM	1,738	1,415	-	-	1,738	1,415
Pennybacker ¹	-	-	2,284	2,371	2,284	2,371
SCI	-	-	-	-	-	-
Total Tier 2	1,823	1,430	2,773	2,900	4,596	4,329
FUM (USD) - Boutiques reporting in USD	95,936	89,254	20,260	21,215	116,196	110,469
FUM (AUD) - Boutiques reporting in USD	127,958	129,275	27,022	30,727	154,980	160,003
Tier 2 - Boutique reporting in AUD						
Roc	-	-	9,045	9,286	9,045	9,286
Total FUM (AUD) - PAC Boutiques	127,958	129,275	36,067	40,013	164,024	169,288

1. FUM for Banner Oak Capital Partners, Proterra Investment Partners and Pennybacker Capital Management represent regulatory FUM from one quarter in arrears.
2. Victory Park Capital has sponsored multiple Special Purpose Acquisition Companies (SPACs). SPACs do not represent funds under management, but rather may economically benefit Victory Park through enhanced performance fees generated from the vehicles/funds managed by Victory Park that provide risk capital to the SPACs. 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	Total FUM as at 31 March 2022	Net Flows ⁴	Other ⁵	FX movement ⁶	Total FUM as at 30 June 2022
Tier-1 (Ex-GQG)	24,942	836	199	2,180	28,156
Tier-2	15,175	119	(251)	514	15,556
Sub-Total	40,117	955	(52)	2,694	43,713
GQG ⁷	123,908				125,576
Total	164,024				169,288

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. Other includes investment performance, market movement and distributions.
6. The Australian dollar weakened against US dollar during the quarter. The AUD/USD exchange rate was 0.7498 as at 31 March 2022 compared to 0.6904 as at 30 June 2022. The Net Flows and Other items are calculated using average rates.
7. Beginning with quarter ending 31 December 2021, GQG is separated in the table above as GQG is now a listed entity, therefore PAC will only include GQG's beginning and ending FUM in its quarterly FUM announcement. GQG continues to be a Tier-1 boutique in the PAC portfolio.

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 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.