PACIFIC CURRENT GROUP

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ASX ANNOUNCEMENT

26 August 2022

FY2022 Results Announcement and Investor Presentation

Pacific Current Group Limited (ASX:**PAC**) attaches the following documents relating to PAC's Full year 2022 results announcement:

- FY2022 Results Announcement; and
- FY2022 Investor Presentation.

AUTHORISED FOR LODGEMENT BY:
The Board of Pacific Current Group Limited

-ENDS-

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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 26 August 2022, Pacific Current Group has investments in 16 boutique asset managers globally.

ASX ANNOUNCEMENT

26 August 2022

PACIFIC CURRENT GROUP FY22 YEAR RESULTS

Year ended 30 June 2022

SYDNEY (26 August 2022) - Pacific Current Group (ASX:PAC, "Pacific Current") is pleased to report the Company's full year results for the period ending 20 June 2022:

- Funds under management (FUM) grew 19% to $169b from A$142b
- Revenues grew 7% to A$49.8m, driven by substantial growth in performance fees
- Underlying NPBT grew 9% and underlying NPAT grew 3%
- Underlying earnings per share (EPS) of $0.53 vs. A$0.52 in FY21:
- Fully franked final dividend of A$0.23per share (total dividends of A$0.38 for FY22, a 6% increase over FY21)
- GQG listed on ASX in largest IPO of calendar 2021
- Invested US$35m in private real estate manager, Banner Oak Capital Partners

OPERATIONAL PERFORMANCE

PAC's underlying revenues grew 7% to A$49.8m. NPAT grew 3% to A$27.1m. This growth occurred despite negative equity markets and PAC only being able to recognize 9 months of GQG earnings given a change in accounting method resulting from GQG's listing. PAC estimates that, if a full 12-months of GQG earnings could have been recognized, revenues would have grown 14% and NPAT would have grown 13%. Underlying earnings per share grew 2% to A$0.53 EPS. Changes in currency exchange rates provided a modest benefit to reported results.

PAC also declared a final dividend of A$0.23/share, bringing the full year dividend to A$0.38/share, a 6% increase over FY21. The dividend will be fully franked.

Revenues were driven by a 113% increase in performance fees to A$14.5m, and a 73% increase in sales commissions and retainers. Victory Park provided most of the performance fee revenues, though Roc Partners and SCI also made notable contributions. Management fee revenues were down 2% due to the inability to recognize a full 12 months of GQG earnings. Mark-to-market losses, reflecting PAC's share of unrecognized losses on boutique balance sheets, detracted A$1.2m from results.

PAC recognized a statutory loss for the year of roughly A$35m. This primarily reflects the unrealized loss in PAC's GQG position after it went public. This loss runs through PAC's income statement, while the gain in the value of the position at the time of listing ran through PAC's balance sheet.

Aggregate funds under management (FUM) grew 19%, from A$142b to A$169b. FUM increased 18%, ex GQG, due to strong capital commitments for many of PAC's private capital boutiques. In August 2021, PAC forecast that its portfolio companies, ex GQG, would receive A$3b to A$8b of gross new commitments by the end of FY23. This target was subsequently revised upward to A$5b to A$8b. During FY22, PAC's non-GQG boutiques received A$6.2b of gross new commitments.

PORTFOLIO MANAGEMENT

On the portfolio management front, there were two major developments. The largest event was the listing of GQG Partners on the ASX, in what was the largest IPO in Australia in calendar 2021. This event marked a major milestone for both GQG and PAC, with PAC selling 20% of its stake at the time of listing while retaining nearly 120 million shares. PAC was able to quickly redeploy some of the IPO proceeds into a US$35m investment in Banner Oak Capital, a leading Texas-based private real estate investment firm.

NEW OPPORTUNITIES

Since the Banner Oak investment consumed much of PAC's available investment capital, PAC has been seeking additional capital to invest. It believes it is close to finalizing a new debt facility that will be used to fund its strong and growing pipeline. PAC is optimistic that it will deploy this capital in a manner that enhances FY23 revenues and earnings.

OUTLOOK

PAC management expects strong growth in FY23 for the following reasons:

- In FY22, PAC recognized 9 months of earnings from GQG, while in FY23 it will recognize 12 months of earnings
- PAC will recognize 12 months of earnings from Banner Oak vs. 6 months in FY22
- Revenue growth from Victory Park and Pennybacker
- Improved results from earlier stage investments as they move to profitability
- An additional A$3b - A$5b of gross new commitments to ex GQG boutiques
- Contributions from new investments

Pacific Current's Chairman, Tony Robinson noted, "We have sought to build a business focused on growing segments of the asset management world, and not one that is excessively exposed to equity markets. This resiliency was quite apparent over the last year, as PAC's share price performed notably better than almost all peers, particularly as markets declined."

Pacific Current's Managing Director & CEO and CIO, Paul Greenwood, "Growth at our private capital managers has exceeded our forecasts; however, because much of the growth occurred late in the fiscal year, we received only a modest benefit during FY22. The economic impact to PAC of this growth should become much more evident in FY23 and beyond."

CONFERENCE CALL

Pacific Current Group would like to invite you to join our conference call to be held at **9:00am (AEST) on Monday, 29 August 2022**.

The presenters will be Paul Greenwood, MD & CEO and CIO and Ashley Killick, CFO.

INVESTOR CONFERENCE CALL DETAILS

The call will be held via webcast or conference call dial-in. Please use the links below to register ahead of the event.

Webcast (listen mode only):
https://webcast.openbriefing.com/8919/
(An online archive of the webcast event will be available approximately four hours after the webcast)

Teleconference (Pre-Registration required for Q&A Participation):
https://s1.c-conf.com/diamondpass/10023430-gs7dcc.html

AUTHORISED FOR LODGEMENT BY:
The Board of Pacific Current Group Limited

-ENDS-

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PACIFIC CURRENT GROUP

FULL YEAR 2022

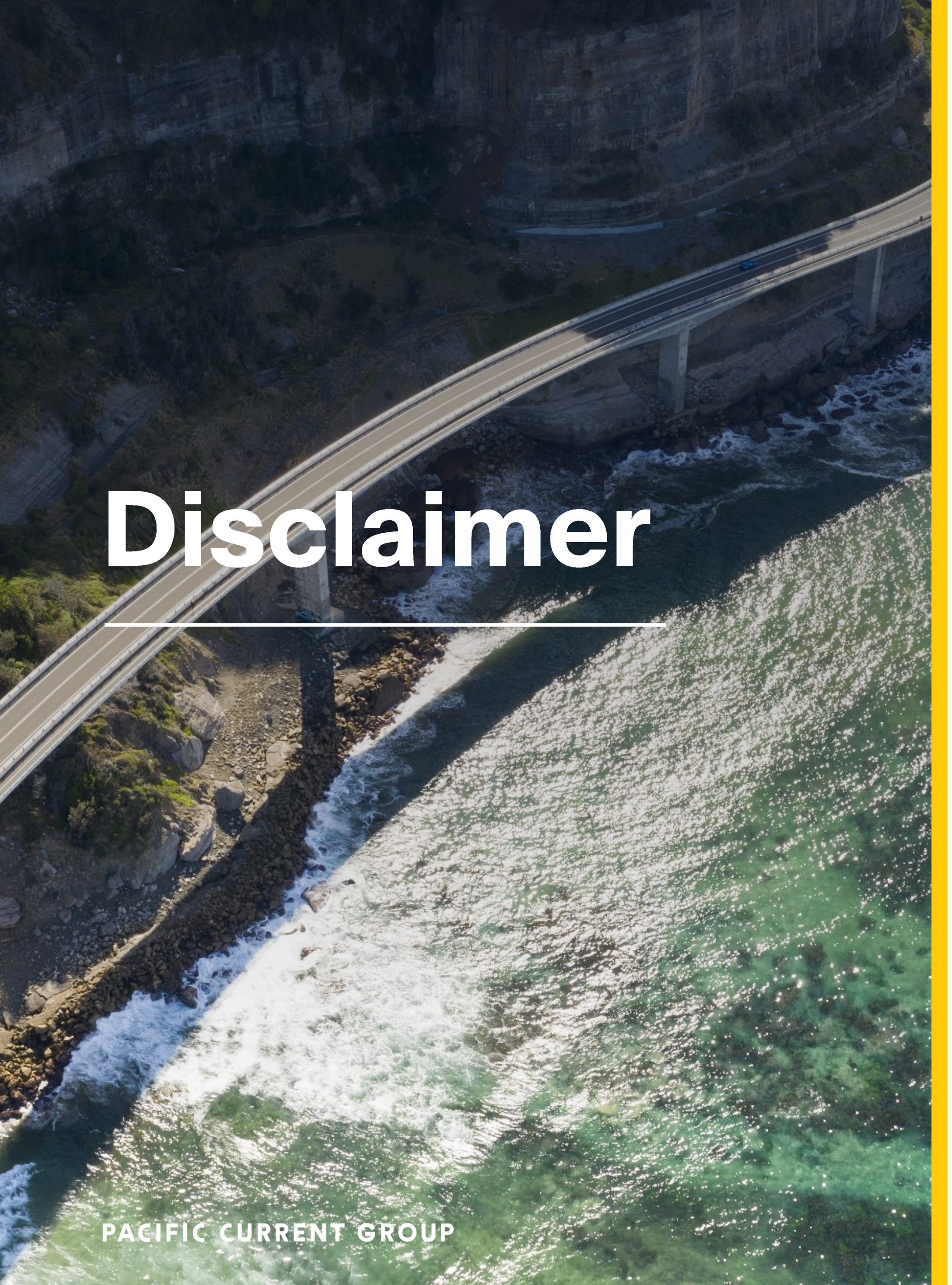
RESULTS PRESENTATION

PRESENTERS

Paul Greenwood
Managing Director, CEO and CIO

Ashley Killick
CFO

26 August 2022



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.

FY22 Overview

Pacific Current Group (PAC) is a global investor in investment management firms, with stakes in 16 investment firms across the US, Europe, Asia 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.

Performance and Growth

- FUM growth of 19% to A$169b driven by increased sales activity after COVID-induced slowdown. Ex GQG, FUM grew by 18%.*
- New FUM commitments of A$6.2b (ex GQG), consistent with the guidance of $A5b to A$8b through FY23.
- Private capital strategies generally performed well and posted solid growth.
- Long only managers had mixed performance, with GQG outperforming indices and EAM and Blackcrane underperforming.
- Equity market decline hurt FUM and revenues, though muted by PAC's diversification, growth in private capital boutiques, and strength of GQG's performance.

Financial Highlights

- Underlying Revenue increased 7% to A$49.8m and underlying NPAT grew 3% to A$27.1m. Dividend of A$0.38, up from A$0.36.
- Change in accounting method resulted in recognition of only nine months of GQG earnings. Forgone revenues of approx. A$3.3m would have resulted in revenue growth of 14% and underlying NPAT growth of 13%.
- Performance fees grew 113% on strength of Victory Park Capital (VPC) performance.
- GQG listed on ASX in largest listing of 2021.
- Statutory loss reflects mark to market adjustment for GQG, post-IPO.
- US$35m investment in Banner Oak Capital Partners (Banner Oak).

Looking Ahead

- PAC expects double digit revenue growth in FY23, biased toward 2H23.
- Anticipate a new credit line to provide significant dry powder to pursue investment pipeline.
- PAC projects A$3b-A$5b of new commitments (ex GQG) in FY23.
- PAC expects VPC to become largest contributor to earnings beginning in FY24 due to greater management fee profits and higher performance fees.

* FUM growth includes Banner Oak acquisition date FUM in the 30 June 21 total FUM.

FY22 Underlying Results

Strong growth in performance fees

Four core drivers: management fees, performance fees, commissions, & corporate overheads

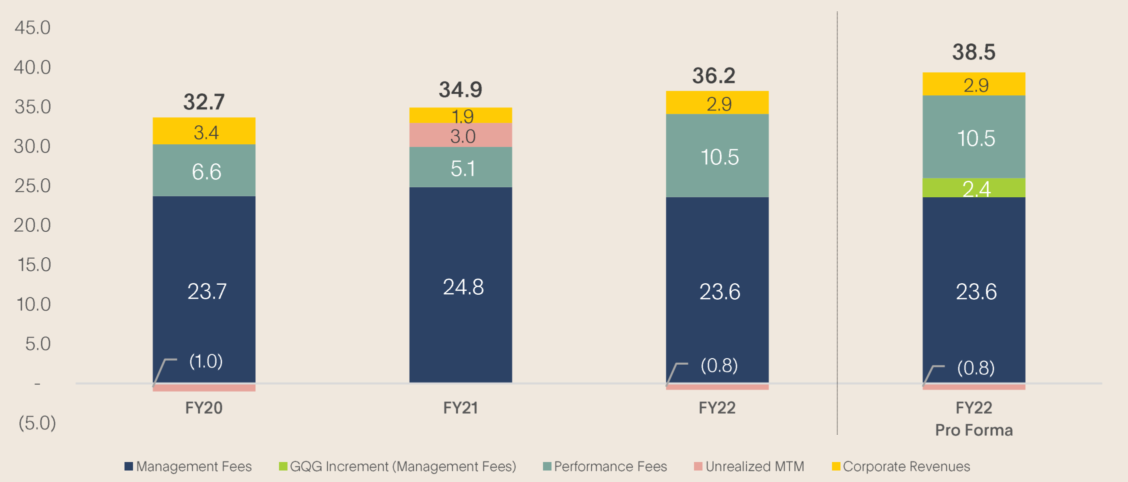
	FY21 (A$m)	FY22 (A$m)	FY21 (US$m)	FY22 (US$m)	Comments
Revenues					
Boutique management fees	33.3	32.5	24.8	23.6	Management fee revenues remain stable, though only reflect 9 months of contributions from GQG. PAC estimates management fee revenues would have been approximately A$3.3m higher if 12 months of contributions could be recognized.
Boutique performance fees	6.8	14.5	5.1	10.5	Significant increase in Victory Park performance fees, in part due to crystallized incentive fees in 1H22 from SPACs
Boutique unrealised MTM	4.1	(1.2)	3.0	(0.8)	Decline in marketable securities in 2H22 resulted in unrealized losses
Boutique contributions	**44.2**	**45.8**	**33.0**	**33.3**	
Corporate commissions & retainers	2.2	3.8	1.6	2.7	Solid increase in commissions primarily due to PAC's success in raising FUM on behalf of VPC
Other income	0.4	0.2	0.3	0.2	
Total revenues	**46.8**	**49.8**	**34.9**	**36.2**	7% increase in revenues, would have been approx. 13% with full 12 months of GQG earnings
Corporate overheads	(14.2)	(14.5)	(10.6)	(10.5)	Expenses remain controlled
Underlying NPBT	**32.6**	**35.4**	**24.3**	**25.7**	9% increase YOY
Underlying NPAT	**26.3**	**27.1**	**19.6**	**19.7**	

Underlying earnings per share	52 cents	53 cents	39 cents	39 cents	EPS increased 2%, but flat in USD
Dividends per share	36 cents	38 cents	-	-	6% increase YOY
NAV per share	A$ 7.92	A$ 10.26	US$ 5.93	US$ 7.08	Substantial increase due to public listing of GQG

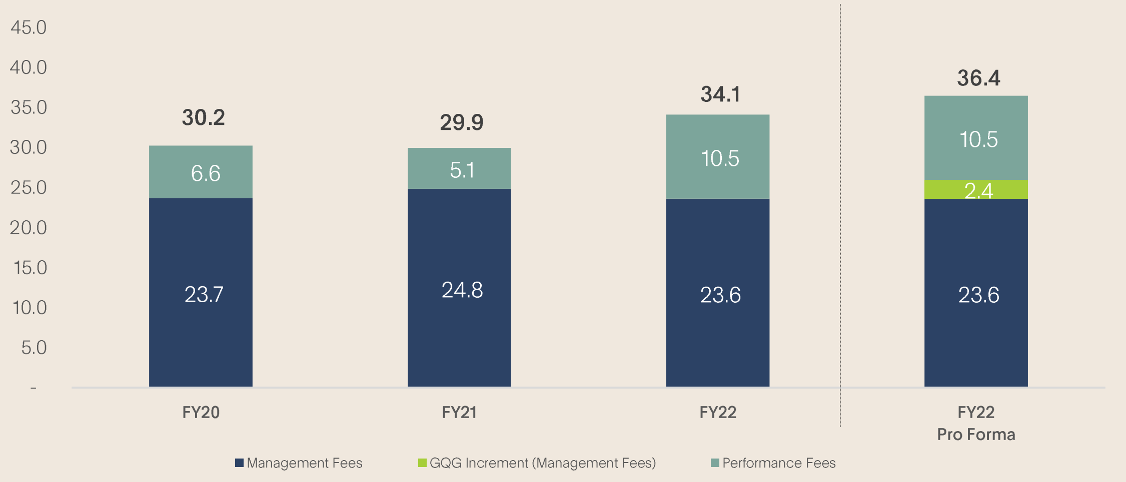
Note: Underlying results illustrated in table above are unaudited and non-IFRS financial measures used by PAC to manage its business.

Revenue Composition
Steady growth in core drivers of business

Underlying Revenues (US$)



Management Fee Revenues and Performance Fees (US$)



PAC's management fee related revenues fell 5%. This stemmed primarily from only recognizing 9 months of GQG related earnings (due to an intra year accounting change). If able to recognize 12 months, management fee revenues would have been US$2.4m higher an increase of 5% YOY.

VPC posted strong performance fees, with SCI and Roc also providing noteworthy contributions. PAC expects performance fees to increase significantly in FY24 and beyond.

Commission and retainer revenues increased 73% primarily due to PAC's success in raising FUM on behalf of VPC.

Boutique balance sheets have grown in recent years, and PAC recognizes its share of unrealized gains/losses. These are non-cash items and expected to be positive contributors over time.

The core of PAC's revenues are management fees and performance fees. Commission revenues are episodic and transactional. Boutique mark to market impacts vary over time, but ultimately reflected in management fee revenues when realized.

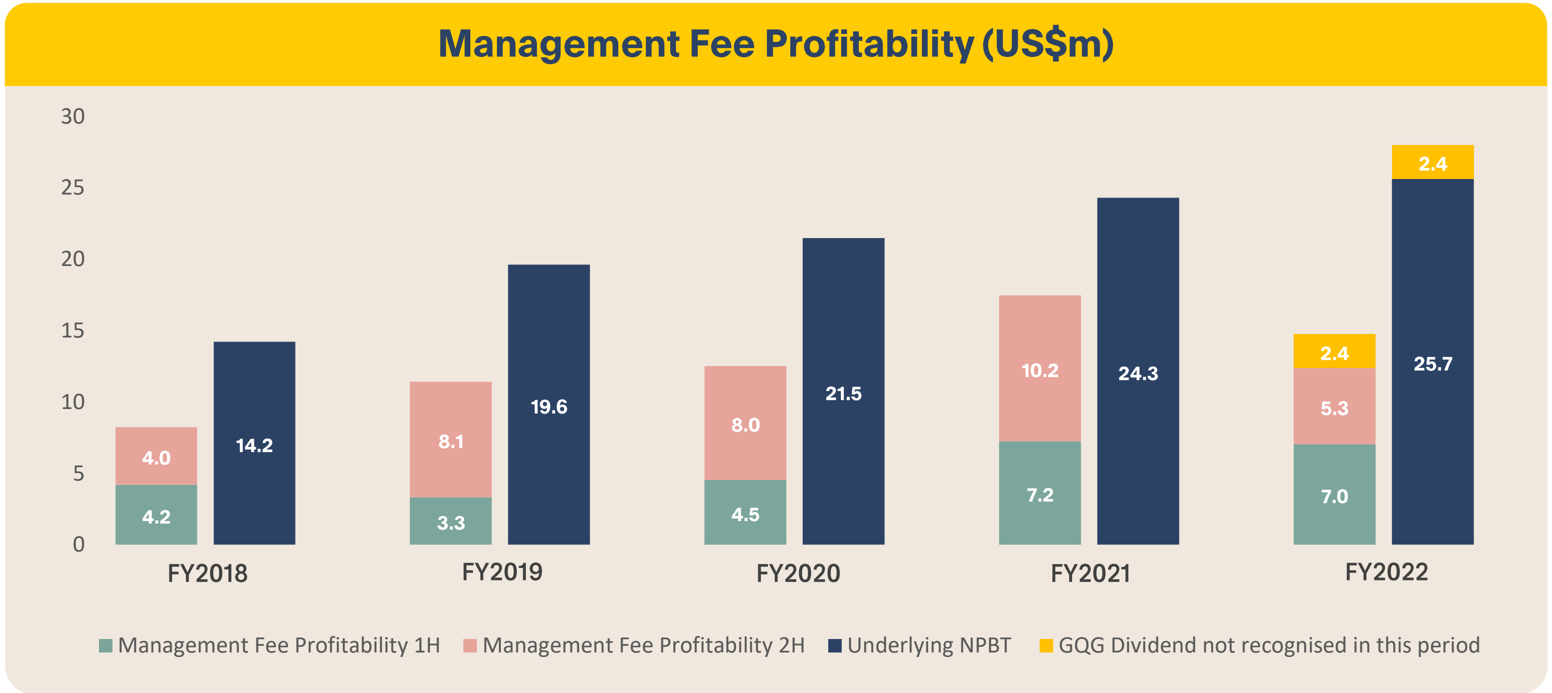
The combination of management fees and performance fees grew 14% in FY22 (approx. 22% if you include 12-months of GQG earnings).

PAC expects the combination of management fee revenues and performance fees to grow >10% in FY23, primarily due to management fee growth.

Performance fees should be solid in FY23, but beginning in FY24 are expected to be sustainably higher.

Management Fee Profitability

PAC expects the majority of profits to be derived from management fee related revenues



PAC emphasizes management fee related revenues over performance fees. This reduces earnings volatility and helps deliver high quality, sustainable earnings to shareholders.

Management Fee Profitability declined in FY22 primarily from unrealized mark to market movements on marketable securities at the boutique level. It would have declined less if PAC was able to recognize 12 months of GQG contributions.

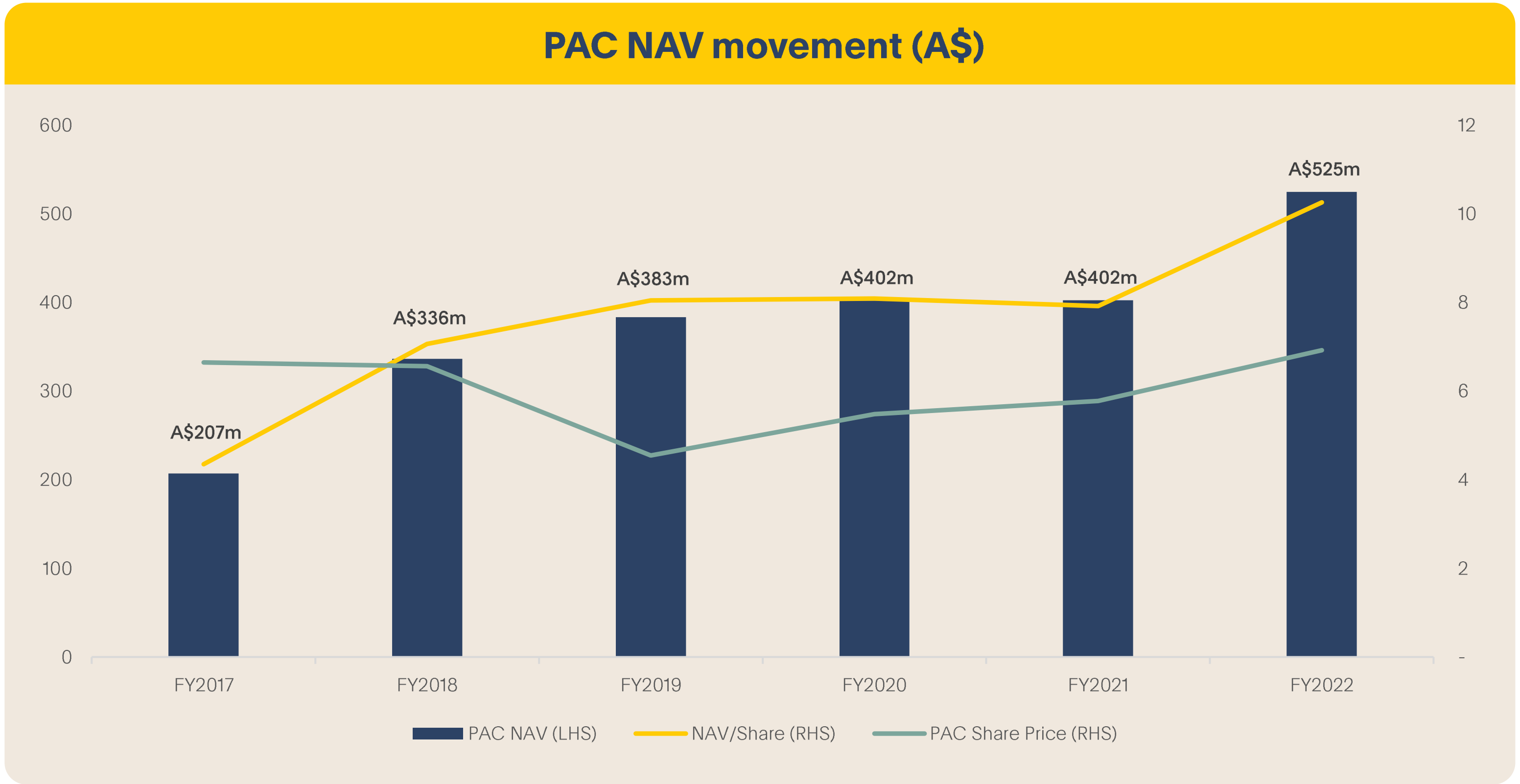
Increase in revenues and earnings driven by higher performance fee income, mainly from Victory Park.

Management fee profitability expected to grow significantly in FY23 due to annualization of Banner Oak, organic growth, future investments, and the ability to recognize 12 months of GQG contributions.

Notes: Some boutiques hold marketable securities on their balance sheets, which can impact management fee revenues when marked to market.

PAC's Net Asset Value

Continued growth in Net Assets, most notably driven through realizations in the portfolio



Over last five years NAV has grown >19% per year.

Step-up in NAV is most often associated with realization events (e.g. FY18 sale of IML, FY19 sale of Aperio, & FY22 GQG IPO).

Additional value could potentially be recognized through an FY23 sale of one or more portfolio investments.

PAC believes stated NAV above understates actual NAV because accounting standards do not allow PAC to write up the value of many of its investments like VPC, Pennybacker, & Roc.

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

PAC Shareholder Returns

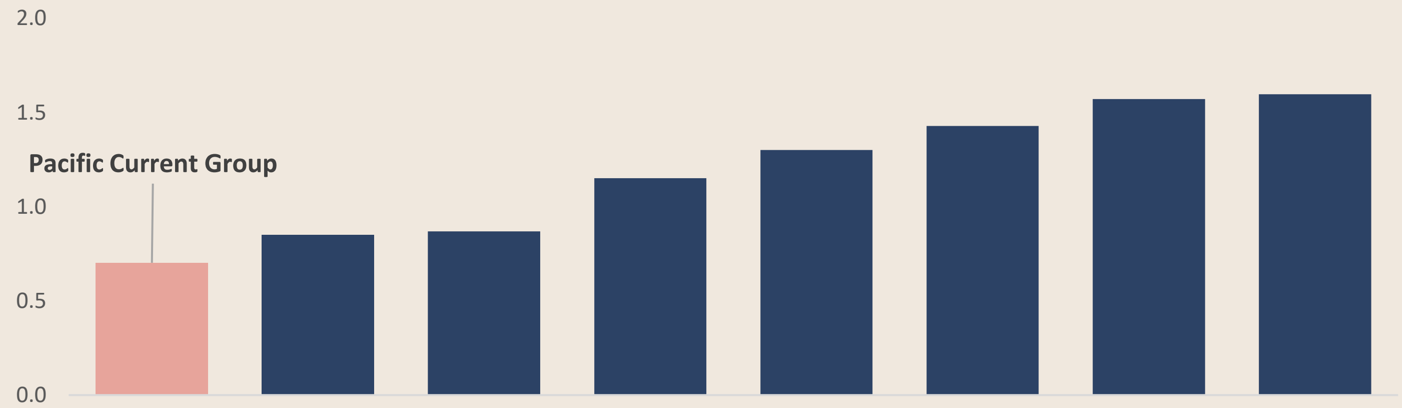
Solid returns versus peers with lower volatility

PAC's relative shareholder return (annualized)

	1 Year	3 Year	5 Year
S&P ASX200 Financials*	(7.5%)	0.7%	2.4%
Pacific Current Group	26.2%	20.3%	4.9%
Excess Performance (%)	**33.7%**	**19.6%**	**2.5%**

Raw Beta over 5-Year period

(Listed Australian Asset Management Firms)

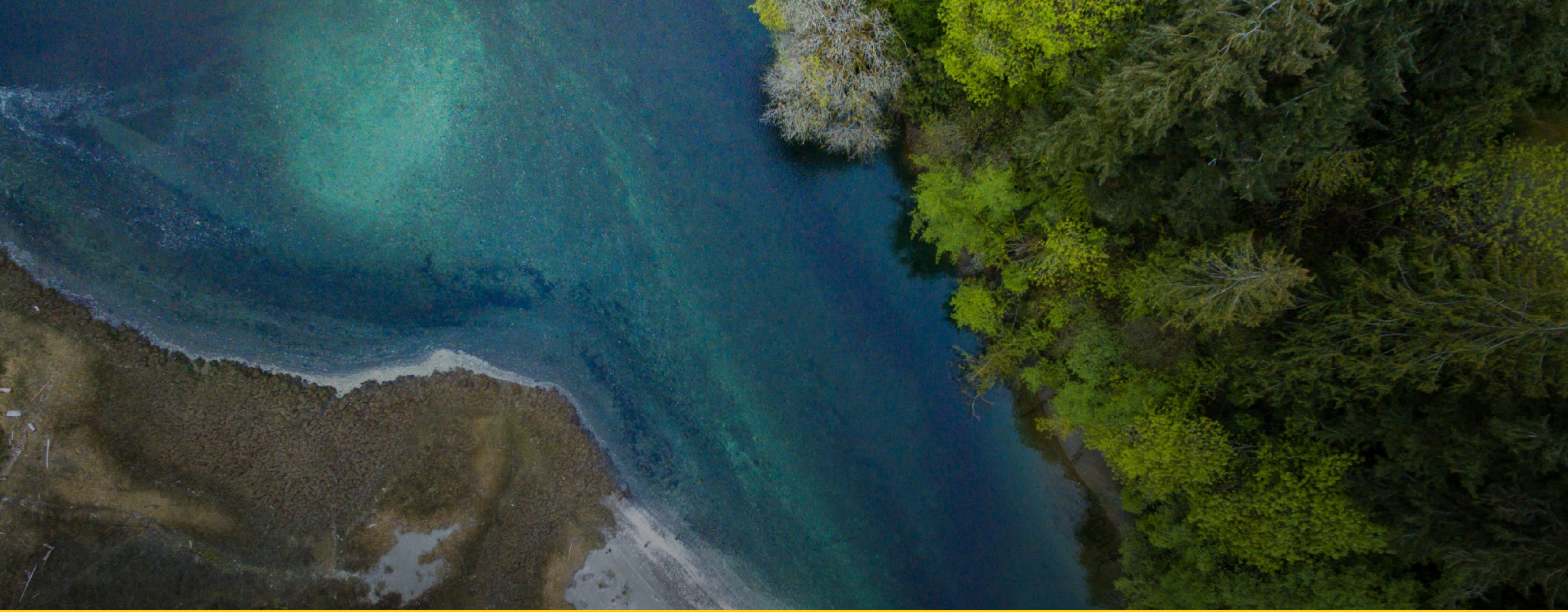


PAC endeavors to build a portfolio that is not "leveraged beta," but rather one with measured exposure to equity markets.

As a result of how PAC's portfolio is constructed, PAC expects that the relative performance of its share price will be best in modest increasing or declining equity markets (such as last year)

Over the last five years PAC has had the lowest beta among its ASX peers

* Total shareholder returns including dividend are compared against ASX 200 Financials index total returns. ASX200 Financials Index used being the most representative of group of stocks in similar industry as PAC. https://www.spglobal.com/spdji/en/indices/equity/sp-asx-200-financials/#. Raw Beta has been sourced from Bloomberg.



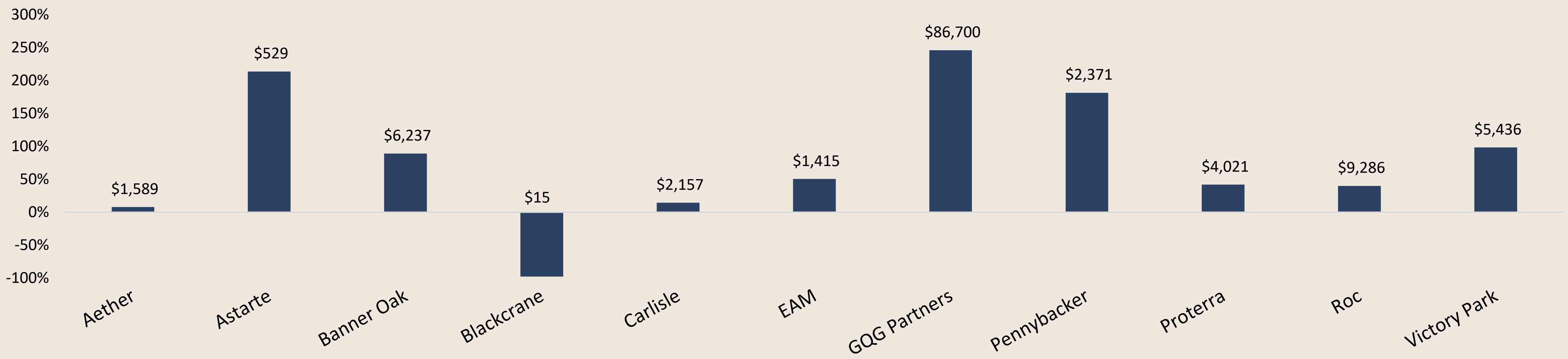
PORTFOLIO UPDATE

PACIFIC CURRENT GROUP

Funds Under Management

FUM managed by boutique asset managers within Pacific Current Group's portfolio

Cumulative 3-year FUM growth
(in boutique's local currency ($m))



Notes: PAC invested in Banner Oak on 31 December 2021, Astarte on 29 December 2020, Proterra on 23 September 2019, Pennybacker on 25 November 2019.

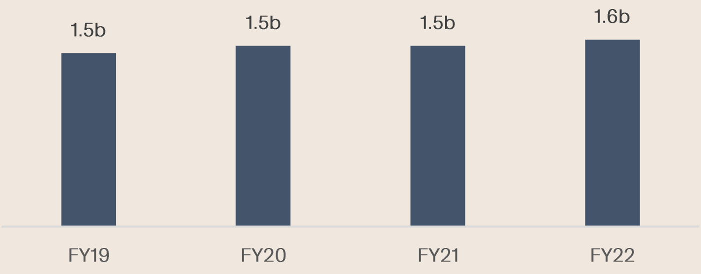
FUM totals for Banner Oak, Pennybacker and Proterra reflect total regulatory FUM from one quarter in arrears

PAC Tier 1 Boutiques Update

AETHER INVESTMENT PARTNERS, LLC

Private equity, real assets
2008 investment
USA

- In market with Aether Seed Fund. Secured initial US$70m commitment in 2H22
- Targeting US$250m - US$500m fund size
- Improved commodity prices and inflation bring momentum back to the real asset space

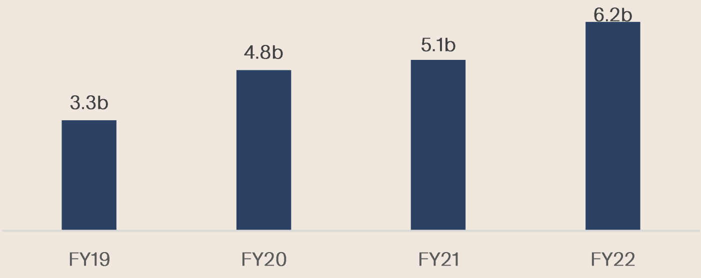


FUM (US$)

BANNER OAK CAPITAL PARTNERS

Private real estate
2021 investment
USA

- US$35m investment into Banner Oak on 31 December 2021
- Continued excellent investment performance
- Deployed US$429M in first six months of 2022
- Future growth most likely to be driven through increased client diversification

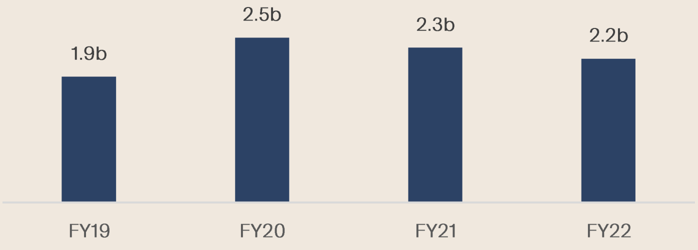


FUM (US$)

Carlisle MANAGEMENT

Life settlements
2019 investment
Luxembourg

- Open-end fund performance soft over last year. With the completion of fund restructure we expect improved results. Closed end funds performing consistent with expectations
- Conditions in life settlement market, which was highly disrupted by COVID, slowly returning to normal
- Currently in market raising Absolute Return Fund IV



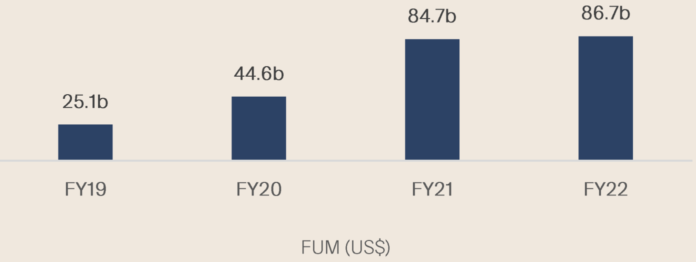
FUM (US$)

PAC Tier 1 Boutiques Update

GQG PARTNERS

Global, international, & EM equity
2016 investment
USA

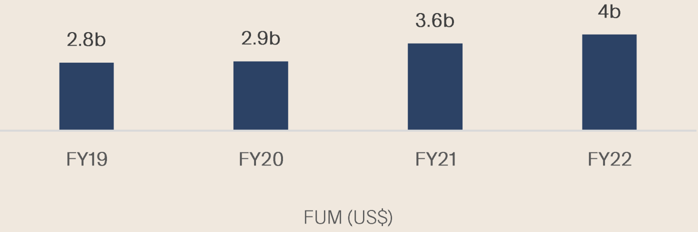
- Listed on ASX in October in largest IPO of year
- Investment performance has been exceptionally strong and inflows continue despite difficult equity markets
- PAC's 4% holding no longer subject to escrow



PROTERRA INVESTMENT PARTNERS

Private equity and private credit, natural resources
2019 investment
USA

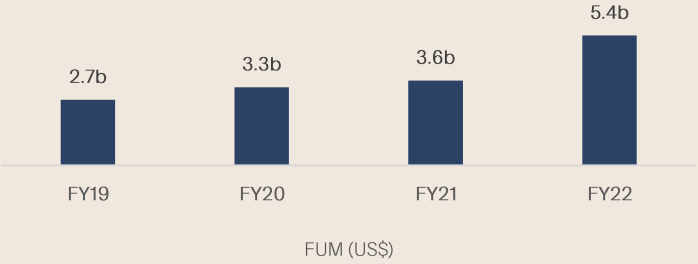
- Generally strong investment performance
- Credit Fund 2 in market and being very well received
- Food Fund 3 nearing end of fundraise and Sustainable Fund 2 likely to launch in 2023
- New products expected to be launched in FY23



VICTORY PARK CAPITAL

Private credit
2018 investment
USA

- Completed US$2.4B of fundraise into the Asset Backed Opportunistic Credit (ABOC) strategy. Should be back in market for next ABOC fund in 2023
- New FUM will increasingly translate into management fee revenues throughout FY23
- PAC expects VPC to become largest economic contributor no later than FY24. Share of performance fees should step up sustainably beginning in FY24

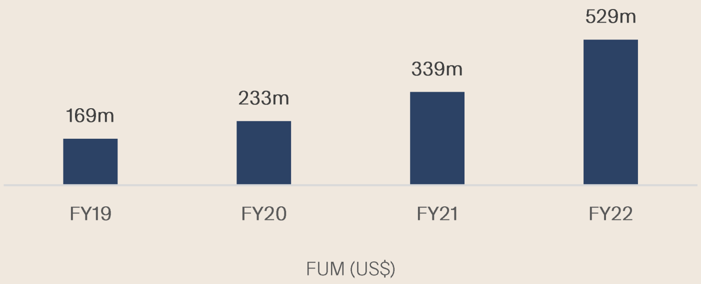


PAC Tier 2 Boutiques Update

Astarte Capital Partners

Private equity, real assets
2021 investment
UK

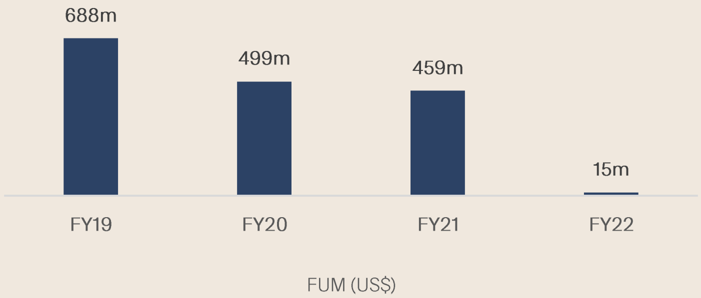
- Initial Fund (ASOP 1) investments tracking well
- Secured first committed capital for ASOP 2, targeting US$350m fund size



Blackcrane Capital

International and global equity
2014 investment
USA

- Very difficult performance in CY21 led to significant client loss
- Working to rebuild track record



CAMG LLP Capital & Asset Management Group

Private and listed infrastructure
2018 investment
UK

- Working on launching a listed vehicle in 1H23
- Also working on a number of managed accounts and segregated mandates to provide short term revenue.

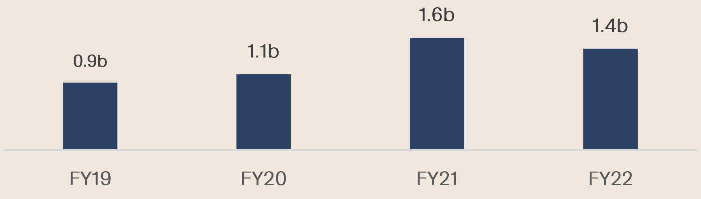
CAMG is in process of raising funds and currently does not have any funds under management.

PAC Tier 2 Boutiques Update

EAM GLOBAL INVESTORS

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

- Received large additional Australian institutional mandate in 1H22
- Investment results trailed indices, though consistent with expectation given growth orientation of investment strategy



FUM (US$)

INDEPENDENT [FINANCIAL] PARTNERS

Hybrid RIA platform
2019 investment
USA

- Revenues influenced by equity market returns but solid organic growth continues
- Completed restructure of business in late 2021, which has aided bottom line and growth prospects

IFP is a hybrid RIA/broker-dealer/insurance agency platform and, as such, it does not have funds under management. IFP earns revenue in the form of advisory fees and dealer/agency commissions.

Nereus

Private equity, renewable energy
2008 investment
India

- In market to sell NCI Singapore's two solar plants
- PAC working on settlement documentation with NCI Singapore's joint venture partner

Nereus operates two solar plants in India and does not have funds under management as such.

PAC Tier 2 Boutiques Update

NORTHERN LIGHTS ALTERNATIVE ADVISORS

Placement agent
2014 investment
UK

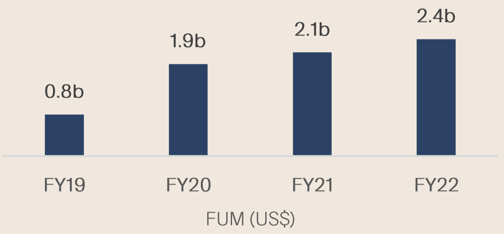
- FY22 was strong year and business appears to be accelerating
- PAC expects increasing distributions over next several years

NLAA is a placement agent and earns revenues on the deals completed. There is no funds under management.

Pennybacker Capital

Private real estate
2019 investment
USA

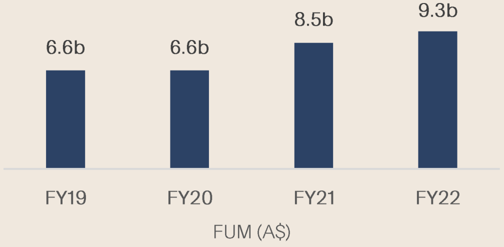
- In market securing commitments for Fund 6. US$450m has been secured, targeting at least US$1.5b
- Other strategies likely to be added to platform in CY23
- If Pennybacker achieves fundraising targets, PAC may reclassify as Tier 1 at end of FY23



ROC PARTNERS

Private equity, Asia-Pacific
2014 investment
Australia

- Firm continues to diversify investor base, build FUM, and grow revenues
- Over time, the growth in higher fee FUM will improve quality of earnings
- PAC expects performance fees to continue to grow over time as investment portfolio matures



STRATEGIC CAPITAL INVESTORS

Hedge fund seeding and acceleration
2015 investment
UK

- Once again strong performance fees received
- PAC's economic participation ends at the end of December 2023
- PAC has already received more than 5x its initial investment

SCI no longer has funds under management.

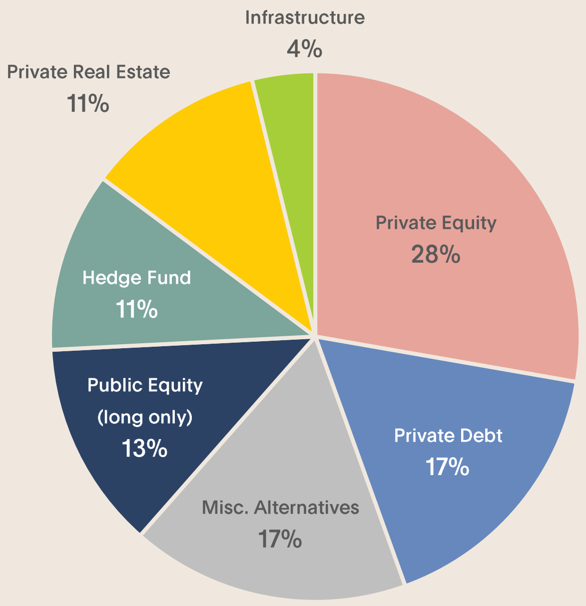
OUTLOOK

PACIFIC CURRENT GROUP

Investment Opportunities

More difficult macroeconomic environment having little impact on deal flow.

Opportunities by asset class



>170 opportunities reviewed in the last 12 months

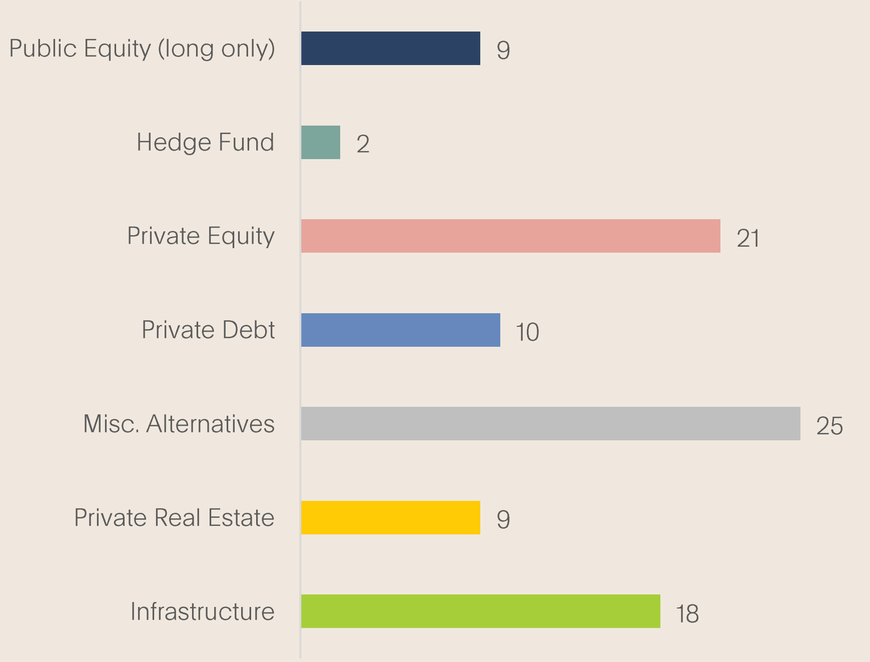
Large number of high-quality opportunities available, though also seeing increase in lower quality opportunities

Valuations have expanded at larger end of PAC's size range, but sub US$30m investments still remain reasonably priced

Most compelling opportunities being found in private credit, private real estate, and private equity

Expect to draw on new credit line to fund pipeline in FY23

Average opportunity size by asset class (US$m)



Operational Outlook

PAC continues building a resilient business, capable of steady and predictable growth

Expect modest increases in expenses, primarily due to increased travel and increased compensation expenses, including commissions.

PAC expects an additional A$3b-A$5b of gross new allocations, ex GQG, for FY23.

Expect to fund investment pipeline through new credit facility, while continuing to explore other sources of capital.

In FY23, PAC expects to make investments into earlier stage asset managers as well as larger, higher yielding investments.

Increasing likelihood of liquidity in portfolio. If this occurs, it is expected to be at highly attractive valuations, such that proceeds could be reinvested and increase aggregate earnings.

Note: Growth expectations are based primarily but not exclusively on PAC or boutique knowledge of specific prospects that appear likely to allocate to boutiques through FY23. New allocations to boutiques cannot be known with certainty, nor can the timing of any allocations be precisely forecasted.

Financial Outlook

PAC continues its progress toward building a resilient business, capable of steady and predictable growth

PAC expects double digit revenue growth in FY23, biased toward 2H23 due to:

- Recognition of 12 months of GQG earnings (rather than 9 months recognized in FY22);
- Annualization of investment in Banner Oak;
- Revenue growth from VPC and Pennybacker;
- Progress with early stage investments like IFP and Astarte; and,
- New investments.

2H23 should be particularly strong due to expected boutique fundraising achievements, increased deployment of boutique FUM, growing performance fees, and "catch up" fees.

Pennybacker may move to Tier 1 classification at end of 2H23 if capital raising objectives meet expectations.

Beginning in FY24 PAC expects VPC to produce consistently higher performance fees and become the largest revenue/earnings contributor to PAC.

PAC's share of accrued, but unrecognised, performance fees on boutiques' financial statements is approx. A$15m.

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 FY23. 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.

APPENDICES

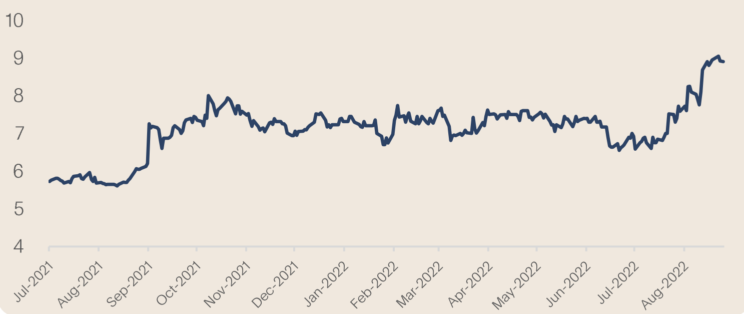
PACIFIC CURRENT GROUP

Pacific Current Overview

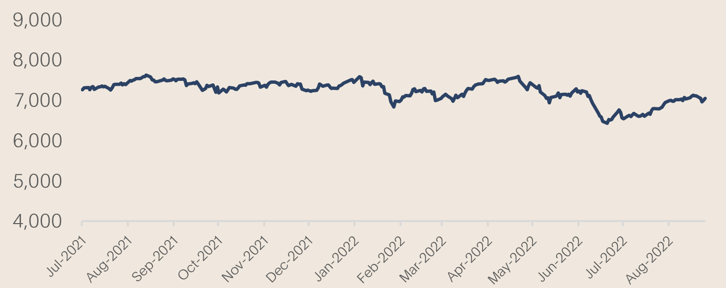
Pacific Current is an ASX-listed, global, multi-boutique asset management business, which leverages its experience and resources to identify exceptional asset managers and help them grow.

Market information *	
Shares on Issue	51,149,723
Market Cap (30 June 22)	$354M
52-Week High	$9.54
52-Week Low	$5.97
Average Volume	66,342

Pac share price movement



ASX 200 movement



Financial information FY22	
Underlying Trailing P/E*	13.0x
Underlying EPS	53 cents
FY22 Dividends per share	38 cents
Gearing	0
Underlying Revenue	A$49.8 million
Underlying NPAT	A$27.1 million

Directors and executives	
Mr Antony Robinson	Chairman
Mr Paul Greenwood	Managing Director
Mr Jeremiah Chafkin	Non Exec Director
Ms Melda Donnelly	Non Exec Director
Mr Gilles Guérin	Non Exec Director
Mr Peter Kennedy	Non Exec Director

Company information	
Incorporation	24 September 2004
IPO	24 September 2004
Offices	Melbourne, Sydney, Tacoma, Denver
PAC Corporate staff	20

* Information current as at close of business on 25 August 2022. Trailing P/E is calculated using FY22 underlying earnings and share price as at 30 June 2022.

Statutory Profit or Loss

Results include the revenues and expenses of operating subsidiaries (i.e. Seizert (until 30 Nov 2020), Aether, & SCI).

A$000s	FY21	FY22
Statutory income		
Revenue from operations	20,123	21,646
Distributions and dividend income	26,686	22,418
Other income	237	138
Changes in fair value	4,160	(66,741)
Loss on sale of investment	(2,250)	-
Gain/(loss) on derecognition of financial asset/liability	271	-
Total statutory income	**49,227**	**(22,539)**
Employment expenses	(15,235)	(14,381)
Impairment expenses	(3,536)	(4,182)
Administration and general expenses	(10,030)	(11,885)
Depreciation and amortisation expenses	(3,461)	(3,269)
Interest expenses	(108)	(60)
Total statutory expenses	**(32,370)**	**(33,777)**
Share of net profits of associates and joint venture	6,608	8,130
Profit/(loss) before tax	**23,465**	**(48,186)**
Income tax (expense)/benefit	(5,777)	15,419
Profit/(loss) after tax	**17,688**	**(32,767)**
Non-controlling interests	(275)	(2,503)
Profit/(loss) after tax attributable to the PAC members	**17,413**	**(35,270)**

Notable for FY22

- Dividends from GQG and Carlisle were lower, reducing the dividend income in FY22
- Loss in fair value movement due to change in GQG classification, partly offset by gains in fair value movements of Proterra and Carlisle are recorded in P&L
- Impairment expense reflects write-down of Blackcrane and CAMG
- Share of associates higher due to Banner Oak and Pennybacker results
- Admin expenses higher due to increased legal, consulting and deal related expenses

Notable for FY21

- Disposal of Seizert resulted in a loss on sale of investment

Statutory to Underlying Reconciliation

Reported results impacted by extraordinary/non-cash items

A$000s	FY21	FY22
Reported NPBT/(NLBT)	**23,465**	**(48,186)**
Non-cash items		
Amortisation expenses	5,846	7,218
Fair value adjustment of financial assets	(5,850)	66,327
Fair value adjustment of financial liabilities	1,690	414
Impairment of investments and financial assets	3,536	4,182
Share-based payment expenses	594	1,206
Non-recurring items		
Provision for estimated Nereus liability	-	983
Legal, consulting, deal and break fee expenses	1,253	2,117
Net foreign exchange loss	-	1,124
Loss on sale of subsidiary	2,250	-
Other	(206)	-
Underlying NPBT	**32,578**	**35,385**
Income tax (expense)/benefit	(6,038)	(5,748)
Share of non-controlling interests	(275)	(2,503)
Underlying NPAT attributable to members of the parent	**26,265**	**27,134**

Notable for FY22

- Impairment of investments relates to Blackcrane and CAMG
- The decreased value of investment held at FVtPL reflects movement in GQG share price (fair value) between listing date and 30 June 22, partially offset by increases in value for Proterra and Carlisle
- Legal, consulting and deal expenses are primarily related to investments

Notable for FY21

- The increased value of investments held at FVTPL (Proterra and Carlisle) is recorded in P&L as Fair Value adjustment of financial assets
- Loss on sale of subsidiary reflects sale of Seizert

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.

$000s		FY21 (A$)	FY22 (A$)	FY21 (US$)	FY22 (US$)
Revenues		**2,588**	**4,001**	**1,931**	**2,902**
Expenses	Employment	8,492	9,084	6,336	6,589
	Marketing/commissions	266	160	199	116
	Travel/entertainment	16	393	12	285
	Advisory, tax and accounting	1,805	1,253	1,347	909
	Legal and consulting	1,015	1,107	757	803
	Insurance	606	661	452	479
	Depreciation	596	349	444	253
	Other	1,408	1,453	1,050	1,054
Total expenses		**14,203**	**14,460**	**10,597**	**10,488**
Profit before tax and share of boutiques		**(11,615)**	**(10,459)**	**(8,666)**	**(7,586)**
Boutique contributions		44,193	45,845	32,971	33,251
Underlying NPBT		**32,578**	**35,385**	**24,306**	**25,665**
Underlying NPAT		**26,265**	**27,134**	**19,596**	**19,680**

Notable Items

- Corporate revenues increased due to commission primarily due to PAC's success in raising FUM on behalf of VPC
- Pandemic related reduction in travel and marketing expenses in FY21 picked up in FY22
- Boutique contributions increased due to greater contributions from VPC and SCI in FY22, offset by lower dividend income from GQG, as PAC was not able to recognise 3 months of dividend in FY22

Note: US$ amounts are calculated using the average fx rates for the respective financial year
(FY21: A$1.00 = US$ 0.7461, FY22: A$1 = US$ 0.7253)

Underlying Functional P&L Summary

- Corporate Revenues and Expenses broken out by functional area to shed light on profitability of different business segments

A$000s	FY22				FY21
	Investment	Sales	Group	Total	Total
Underlying Revenues					
Boutique contributions					
Management fees	32,523	-	-	32.523	33,276
Performance fees	14,476	-	-	14,476	6,846
Unrealized MTM	(1,154)	-	-	(1,154)	4,070
Boutique contributions	**45,845**	**-**	**-**	**45,845**	**44,193**
Commissions and retainers	-	3,788	-	3,788	2,211
Interest income	-	-	139	139	237
Other revenue	-	-	74	74	141
Underlying revenue	**45,845**	**3,788**	**213**	**49,846**	**46,782**
Expenses					
Employment	2,590	2,876	3,619	9,084	8,492
Marketing/commission	-	160	-	160	266
Legal and consulting	277	311	519	1,107	1,015
Advisory, tax and accounting	17	45	1,191	1,253	1,805
Other	206	599	2,051	2,856	2,625
Underlying expenses	**3,090**	**3,991**	**7,380**	**14,460**	**14,203**
Underlying NPBT	**42,755**	**(203)**	**(7,167)**	**35,385**	**32,578**

Notable Items

- Investment, Sales, and Group expenses reflect costs for those functional areas, including compensation expenses
- Increased revenue from distribution activities related to revenues from VPC

Statutory Balance Sheet

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

(A$000s)	30 June 21	30 June 22
Cash	28,298	34,886
Other current assets	21,982	12,116
Non-current assets		
Investments in associates and joint ventures	132,058	195,117
Intangible assets	52,705	54,315
Other financial assets	221,774	304,785
Other assets	1,698	3,499
Total assets	**458,515**	**604,717**
Current liabilities	17,495	22,773
Non-current liabilities		
Deferred tax liability	27,904	43,349
Provisions	71	34
Lease liabilities	378	771
Financial liabilities	9,857	11,064
Total liabilities	**55,705**	**77,991**
Net assets	**402,810**	**526,726**
Non controlling interests	432	1,916
Net assets attributable to PAC shareholders	**402,378**	**524,810**
Net assets per share	**7.92**	**10.26**

Notable Items

- The increase in the cash balance arises from the accumulation of dividends from boutiques
- Carrying values have been tested and adjusted for:
  - FV adjustments (PL) – GQG, Carlisle & Proterra
  - FV adjustments (OCI) – EAM
- The depreciation of A$ against US$ positively impacted the A$ carrying value of our offshore boutique investments
- The deferred consideration associated with the Aether Fund V and the long-term rental obligation under AASB 16 are included in Non-current liabilities
- The increased number of shares on issue following the DRP resulted in a small dilution of the Net assets per share

Alternate Balance Sheet

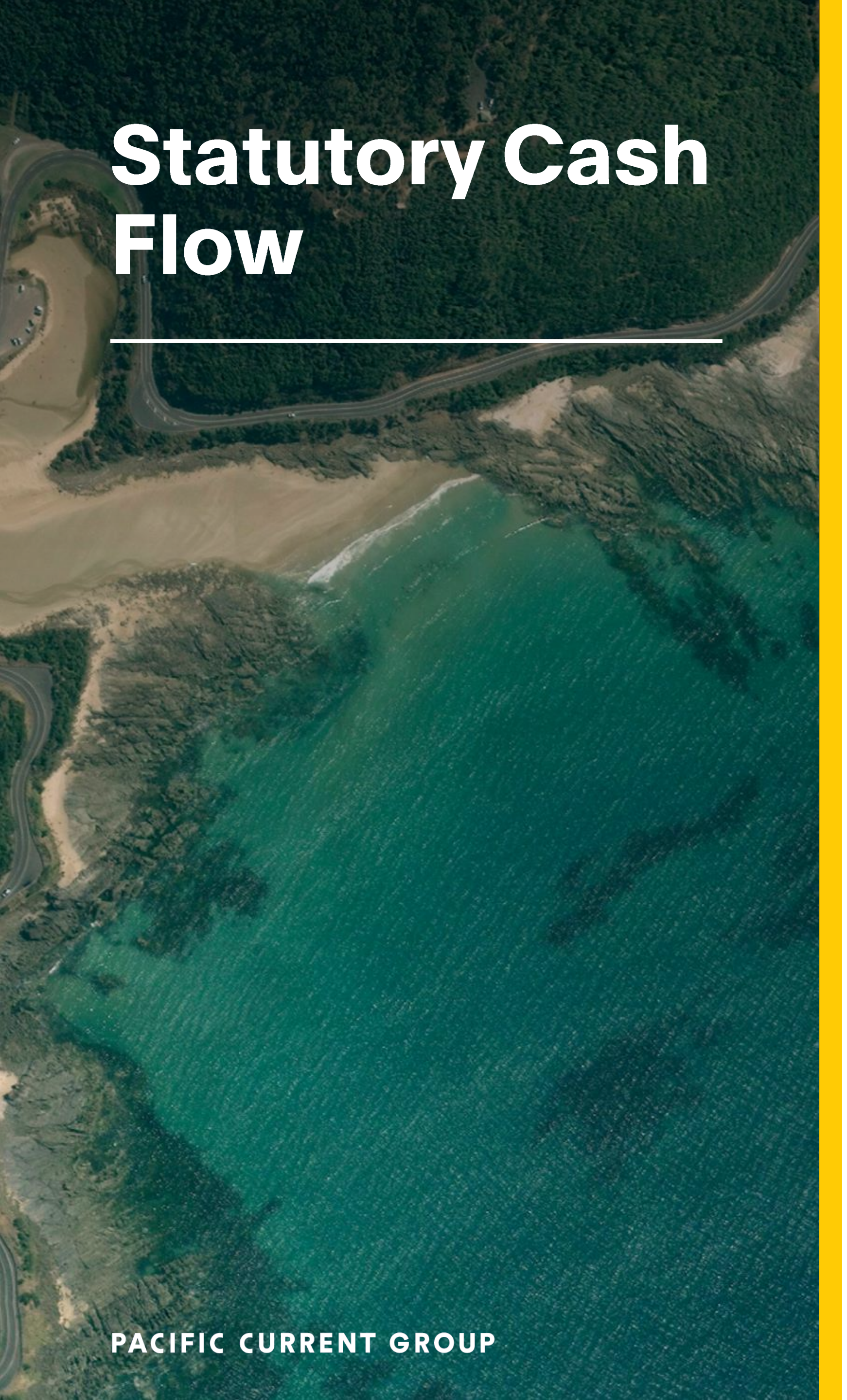
Reflects deconsolidation of operating subsidiaries (i.e. Aether and SCI) to present PAC on a "look through" basis

(A$000s)	30 June 21	30 June 22
Cash	21,032	23,480
Other current assets	20,368	9,342
Current liabilities	(14,828)	(17,974)
PAC's investable cash	**26,572**	**14,848**
Investment in boutiques		
Subsidiaries	57,464	61,378
Associates & joint ventures	132,058	195,117
FVTPL	93,284	290,429
FVTOCI	128,884	14,513
Other non-current assets	2,094	3,639
Deferred tax liability	(27,904)	(43,349)
Other non-current liabilities	(10,074)	(11,764)
Net assets	**402,378**	**524,810**

Notable Items

- Investable cash balance 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
- The acquisition of Banner Oak was the primary contributor in the increase in the value of associates & joint ventures
- FVTPL assets are materially higher as GQG IPO resulted in a large increase recorded in book value. GQG was transferred from FVTOCI to FVTPL due to accounting treatment change as a result of the IPO
- Deferred tax liability higher as it corresponds to the increased value of GQG

Note: 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.



Statutory Cash Flow

A$000s	FY21	FY22
Operating cash flow		
Net receipts from customers/suppliers/financiers	(4,135)	(1,491)
Dividends received	34,515	33,762
Income tax (paid)/received	(1,232)	(8,803)
Investing cash flow		
Net proceeds on sale of associate/subsidiary	2,271	58,089
Increased/new investments	(9,423)	(55,299)
Other	1,279	1,971
Financing cash flow		
Share issue	1,974	-
Dividends paid to PAC shareholders	(13,271)	(18,598)
Other	(2,774)	(4,578)
Net increase/(decrease) in cash	**9,204**	**5,053**

Notable for FY22

- Dividends from Carlisle lower in FY22 impacting dividends received
- Increased investments in IFP and CAMG totalled A$6.4m and investment in Banner Oak was A$47.8m
- The sale of 1% stake in GQG provided the Group with additional cash (net of tax), largely offset by new investment in Banner Oak

Notable for FY21

- The sale of Seizert provided the Group with additional cash
- The issue of shares through the underwriting of the DRP increased share capital
- Increased investments in IFP and CAMG totalling A$1.2m

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

Alternate Cash Flow

Reconciles the underlying NPBT to cash generated from operating activities.

A$000s	FY21	FY22
Underlying NPBT	**32,578**	**35,385**
Accounting earnings from boutiques	(36,498)	(35,005)
Dividends from boutiques	34,515	33,762
Net interest income	(26)	23
Depreciation and amortisation	819	508
Changes in operating assets and liabilities	388	2,138
Other	-	(2,065)
Underlying pre-tax cash earnings	**31,776**	**34,746**
Legal, consulting, deal and break fee expenses	(1,253)	(2,117)
Net foreign exchange loss	(143)	(358)
Pre-tax cash earnings	**30,380**	**32,271**
Income tax paid	(1,232)	(8,803)
Cash provided by operating activities	**29,148**	**23,468**
Underlying Pre-Tax Cash Conversion	**97.5%**	**98.2%**

Notable Items

- Dividends reported in the P&L reflect income from the Fair Value Boutiques (such as GQG, EAM, Carlisle and Proterra) while dividends cash received reflects those dividends and the dividends received from the associates
- Reduced dividends from Carlisle and increase income tax paid (GQG IPO) driving the cash profit lower
- Other in FY22 is the deferred commission income

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

Aether Investment Partners

100%

Private equity, real assets
2008 investment
USA

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

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

Astarte Capital Partners

39% / 44.5%

Private equity, real assets
2021 investment
UK

Astarte Capital Partners (Astarte) 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 utilize 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 44.9% of value of business in the event of sale/liquidation

Banner Oak Capital Partners

35%

Private real estate
2021 investment
USA

Banner Oak Capital Partners (Banner Oak) is an alternative investment manager focused on private real estate.

- Banner Oak's flagship investment strategy focuses on providing operating capital, credit enhancement solutions, and/or GP commit capital to real estate operators in exchange for shared economics in the business and exclusive access to deal flow.
- PAC owns a bottom-line profit share of Banner Oak's business.

Note: PAC has an initial distribution preference that will provide more than its 35% pro-rata share until certain return thresholds are met.

Blackcrane Capital

25%

International and global equity
2014 investment
USA

Blackcrane Capital (Blackcrane) is a public equity manager with concentrated international and global portfolios with differentiated investment process.

- PAC owns a bottom-line profit share of Blackcrane's business.

PAC Boutique Investments

CAMG LLP
Capital & Asset Management Group

40%

Private and listed infrastructure
2018 investment
UK

Capital and Asset Management Group (CAMG) is a London-based developer and manager of infrastructure assets.

- CAMG is working on a combination of investment vehicles investing in developmental and value-add assets in OECD countries with a focus of the UK and Europe.
- PAC owns a bottom-line profit share of CAMG's business.

Carlisle Management

16% / 40%

Life settlements
2019 investment
Luxembourg

Carlisle Management Company (Carlisle) Is a Luxembourg-based firm focused on investments in life settlements, which is the sale of an existing life insurance policy for more than its cash surrender value but less than its net death benefit.

- Carlisle generates revenues that are generally uncorrelated with capital markets, providing enhanced resilience to PAC's revenue stream.
- PAC owns a top-line revenue share in Carlisle's business.

Note: PAC is entitled to 16% of Carlisle's gross revenue and 40% of proceeds in the event of sale/liquidation

EAM Global Investors

Pref. Equity / 18.8%

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

EAM Global Investors (EAM Global) 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 EAM Global's business.

GQG Partners

4%

Global, international, & EM equity
2016 investment
USA

GQG Partners (GQG) manages global, international and emerging markets public equity strategies and is led by Rajiv Jain.

- The firm has become one of the fastest-growing boutiques in the history of investment management.
- PAC owns 4% of the stock in GQG's business.

PAC Boutique Investments

INDEPENDENT [FINANCIAL] PARTNERS

24.9%

Hybrid RIA platform
2019 investment
USA

Independent Financials Partners ("IFP") is a hybrid Registered Investment Advisor (RIA), broker-dealer, and general insurance agency that serves as a back and middle office for financial professionals who register with the firm's various entities.

- IFP's platform enables it's financial professional to custody client assets at a wide array of platforms and provides enhanced economics in the form of payouts and low fees compared to its competitors
- PAC owns a bottom-line profit share of IFP's business.

Nereus

50%

Private equity, renewable energy
2008 investment
India

Nereus was originally formed as a renewable energy asset manager in India.

- Nereus joined with PAC and Hareon to develop two solar plants in India.
- PAC owns a bottom-line profit share of Nereus' business.

NORTHERN LIGHTS ALTERNATIVE ADVISORS

Pref. Equity / 23%

Placement agent
2014 investment
UK

Northern Lights Alternative Advisors (NLAA) is a London-based placement agent focused on private alternative investment opportunities across PE, PC, and Special Situations.

- The firm is one of London's premier private alternative placement and advisory agents.
- PAC owns a top-line revenue share in NLAA's business.

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

Pennybacker Capital

16.5%

Private real estate
2019 investment
USA

Pennybacker Capital Management (Pennybacker) is a diversified real asset investment manager focused on making relative value investments across both the capital stack and product types within middle-market real estate..

- More recently, Pennybacker has sponsored two standalone tactical credit vehicles, and that component of the platform will be fully-integrated into its flagship strategy beginning in Pennybacker VI, LP.
- PAC owns a bottom-line profit share of Pennybacker's business.

Note: PAC is entitled to 16.5% of Pennybacker's net income and 2.5% of all carried interest from new funds post PAC's 2019 investment

PAC Boutique Investments

PROTERRA INVESTMENT PARTNERS

8% / 16%

Private equity and private credit, natural resources
2019 investment
USA

Proterra Investment Partners (Proterra) manages private equity and private credit strategies focused on global natural resources.

- The investment team's industry experience, dedicated emphasis on natural resources, and Cargill heritage contribute to substantial proprietary deal flow.
- PAC owns a top-line revenue share in Proterra's business.

ROC PARTNERS

30%

Private equity, Asia-Pacific
2014 investment
Australia

ROC Partners (Roc) is a specialized investment firm offering both pooled and customized Asia Pacific private equity solutions.

- PAC owns a bottom-line profit share of Roc's business.

STRATEGIC CAPITAL INVESTORS

60%

Hedge fund seeding and acceleration
2015 investment
UK

Strategic Capital Investors (SCI) is a London-based hedge fund seeding firm.

- SCI made one successful investment with available capital but is in the process of winding down.
- PAC owns a bottom-line profit share of SCI's business.

VICTORY PARK CAPITAL

24.9%

Private credit
2018 investment
USA

Victory Park Capital Advisors (VPC) is a Chicago-based private credit manager with a disciplined approach to private credit investing in primarily technology-enabled portfolio companies.

- VPC's senior secured credit strategy seeks to provide a diversified portfolio of asset-backed loans with strong structural protections and an attractive cash return profile.
- PAC owns a bottom-line profit share of VPC's business.

Note: PAC is entitled to 8% of Proterra's management fees and 16% of proceeds in the event of sale/liquidation

Key Definitions

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.

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).

Management Fee Profitability

Management Fees (see above) less PAC's underlying operating expenses (excluding commission expenses).

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.

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.

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.

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.

Tier-1 Boutiques

Asset managers that PAC expects to produce at least an average of A$4m of annual earnings for PAC over the next three years. 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.

Tier-2 Boutiques

Boutiques that PAC expects will contribute less than A$4m of annual earnings for PAC.

A$ & US$

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

Local currency

Functional currency of the boutique.

Tips for Analyzing PAC

Revenue recognition

- Private equity, private infrastructure, and private real estate managers normally charge fees on committed capital. Thus, new FUM generates 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% mgt 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 recognized at the time of commitment but rather after they are paid.