PACIFIC CURRENT GROUP

Tacoma // Denver // Sydney // Melbourne

ASX ANNOUNCEMENT

21 November 2022

2022 ANNUAL GENERAL MEETING PRESENTATION

Pacific Current Group Limited (ASX:PAC), a global multi-boutique asset management firm, is pleased to provide its 2022 Annual General Meeting Presentation for release to the market.

AUTHORISED FOR LODGEMENT BY:

The Board of Pacific Current Group Limited.

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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 at 21 November 2022, Pacific Current Group has investments in 16 boutique asset managers globally.

PACIFIC CURRENT GROUP

FULL YEAR 2022

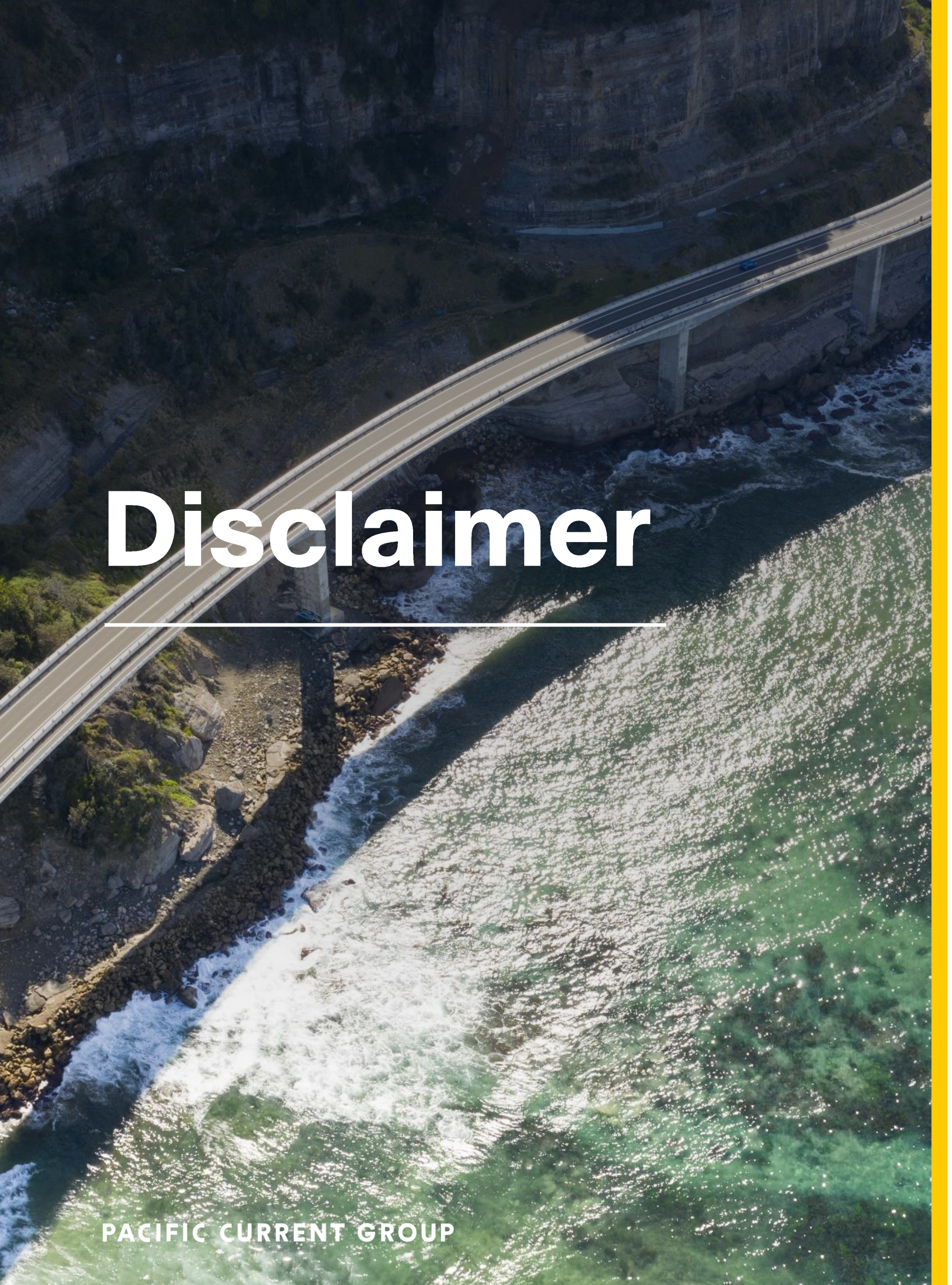
ANNUAL GENERAL MEETING PRESENTATION

PRESENTERS

Paul Greenwood
Managing Director, CEO and CIO

Ashley Killick
CFO

21 November 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.
- Results achieved despite recognizing only 9 months of GQG earnings. The approx. A$3.3m of forgone revenues 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 solid growth in FY23, biased toward 2H23.
- New credit facility will provide dry powder for new investments.
- Ex GQG, PAC expects A$3b-A$5b of new commitments to PAC portfolio companies 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

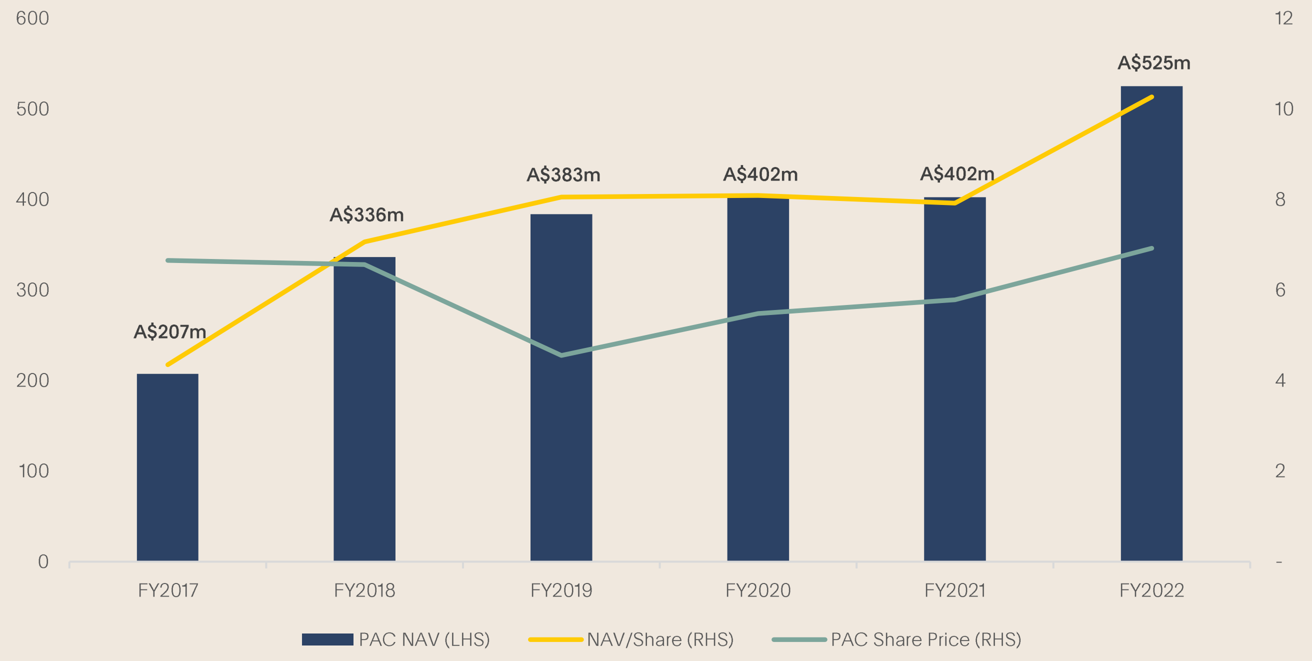
	FY21 (A$m)	FY22 (A$m)	FY21 (US$m)	FY22 (US$m)	Comments
Revenues					
Boutique management fees	33.3	32.5	24.8	23.6	Management fee revenues remain stable, though only reflect 9 months of contributions from GQG. PAC estimates management fee revenues would have been approximately A$3.3m higher if 12 months 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

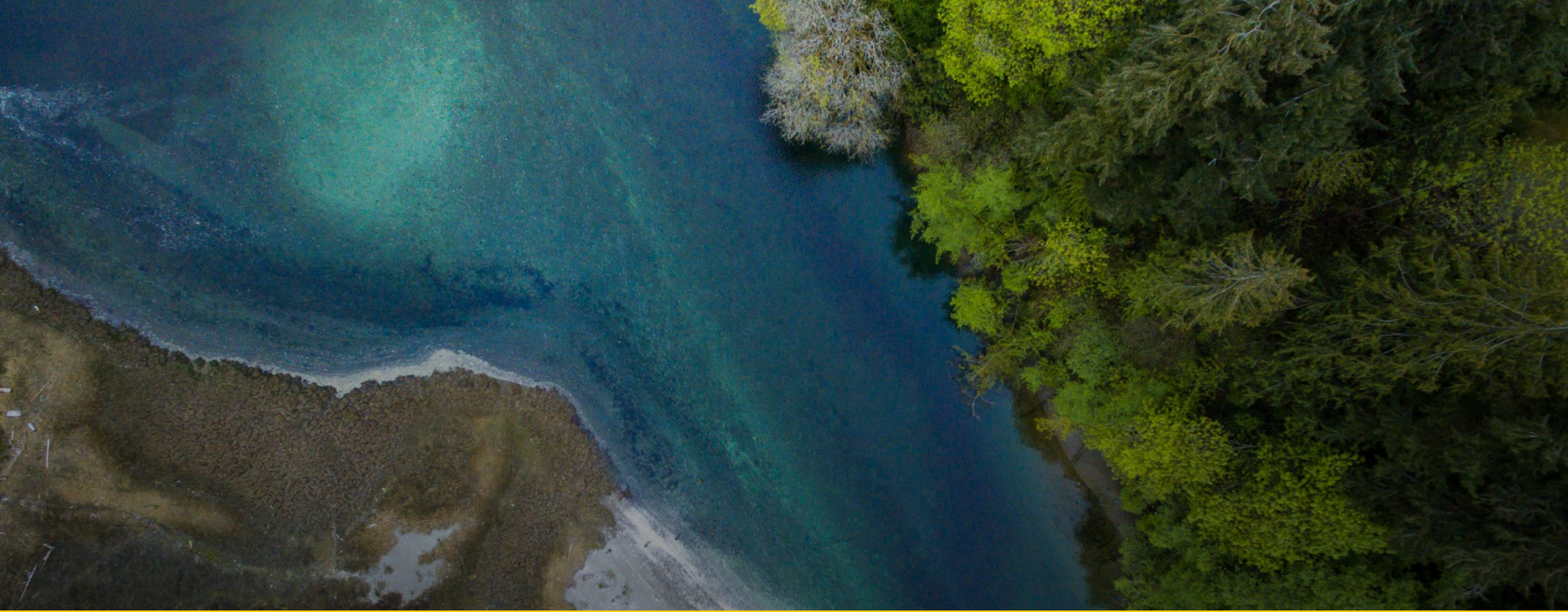
Note: Underlying results illustrated in table above are unaudited and non-IFRS financial measures used by PAC to manage its business.

PAC's Net Asset Value

PAC NAV Movement (A$)



- Significant step up in NAV in FY22 due to GQG listing.
- 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).
- PAC believes NAV understates "true" NAV because accounting standards do not allow PAC to write up the value of many of its investments like VPC, Pennybacker, & Roc.
- Additional value could potentially be recognized in FY23 through a full or partial sale of one or more portfolio investments.



PORTFOLIO UPDATE

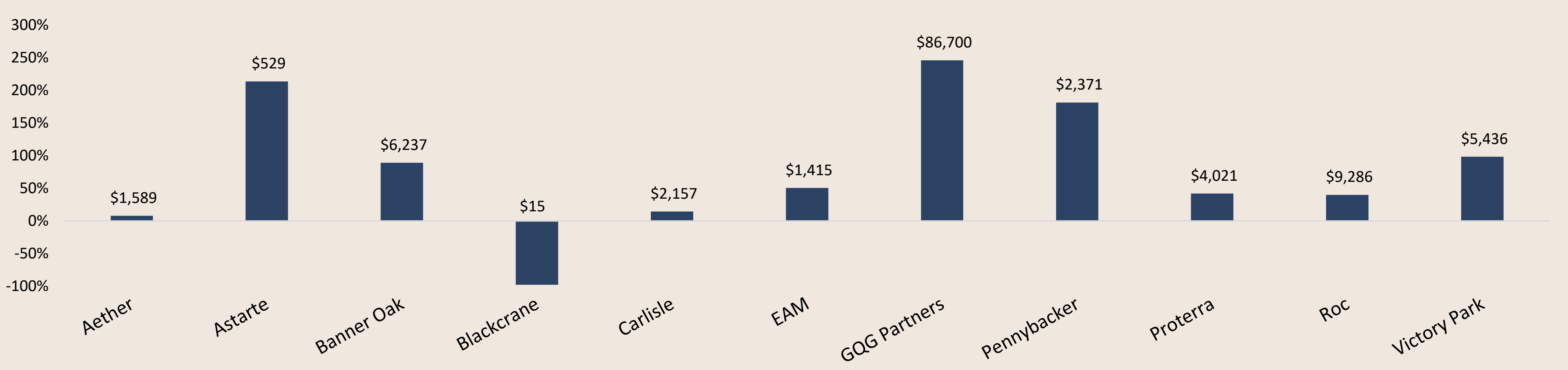
PACIFIC CURRENT GROUP

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))



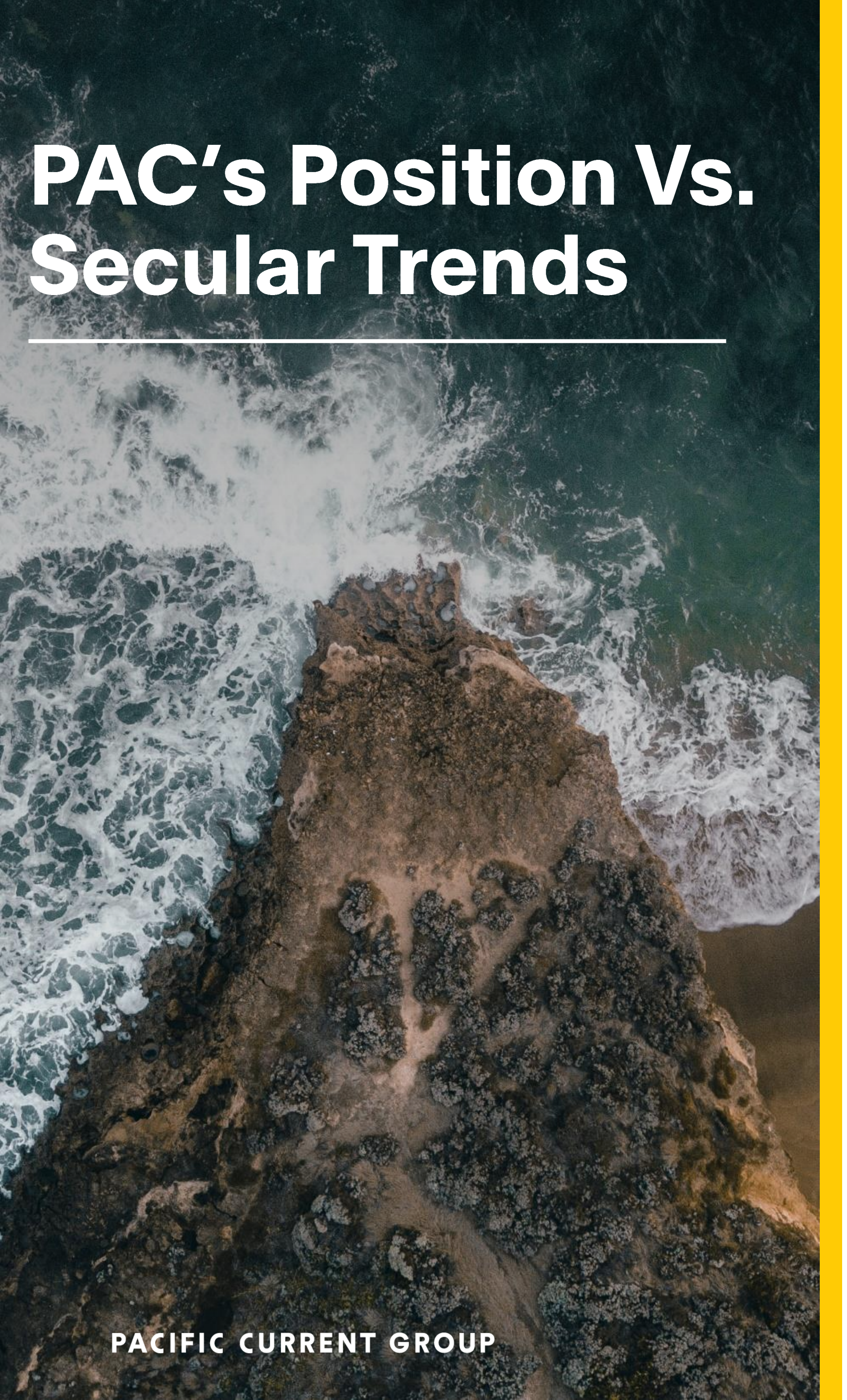
Notes: PAC invested in Banner Oak on 31 December 2021, Astarte on 29 December 2020, Proterra on 23 September 2019, Pennybacker on 25 November 2019.

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

OUTLOOK

PACIFIC CURRENT GROUP

PAC's Position Vs. Secular Trends



Trends	Implications for PAC
Growth in alternatives	▪ Vast majority of new investments are in faster growing private capital asset classes.
Democratization of alternative assets	• Moving in this direction rapidly. Managers like Roc, Alti, and many in pipeline are focused on this trend.
Super Fund fee compression	▪ PAC's long only managers have below average fees, which aids them with Super funds. However, acute fee sensitivity has made it increasingly difficult for Super funds to allocate to private capital strategies.
Decline in active Management	▪ We expect active managers market share to continue to decline. To invest in this space a manager must offer a compelling risk/return proposition at a very attractive valuation to PAC.
Pension de-risking	▪ Will become a bigger issue given rise in interest rates and efforts to immunize liabilities increases. It wil increase our urgency to diversify into more retail/HNW/E&F/DC channels.
Rising asset management valuations	▪ Huge amounts of capital dedicated to investing in asset managers ▪ Most capital is focused on larger investments than those PAC typically makes. ▪ PAC likely to be a beneficiary of this trend, via full or partial liquidity in some investments. ▪ To reduce reinvestment risk, PAC has increased proprietary deal flow ▪ PAC must offer a unique value proposition (distribution and highly flexible economic structures).

Market Update

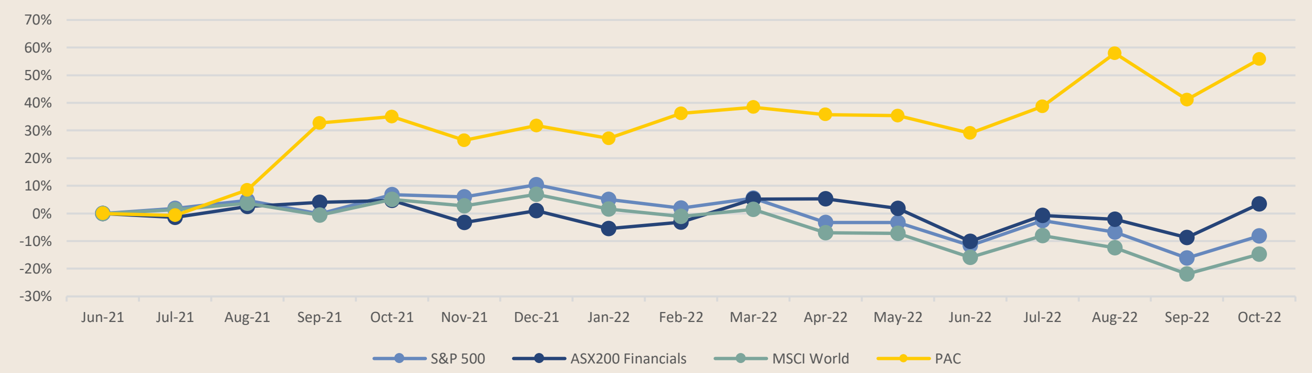
Increased economic uncertainty, declining equity markets, rising interest rates, and inflation are creating a more difficult macro environment.

- A minority of PAC's investments (GQG, EAM, IFP) have a direct link to equity markets, so market decline will negatively impact FY23 revenues. The impact is notably mitigated by GQG inflows and very strong relative performance.
- Decline in equities held in VPC's UK listed vehicle will likely reduce 1H23 incentive fees it earns, though there is no change in our carried interest expectation (which are 2H biased) or longer-term outlook for VPC's growth or economic contributions to PAC.
- Certain boutiques have slowed rate of capital deployment due to market conditions. This may have a slight negative impact on revenues in FY23.

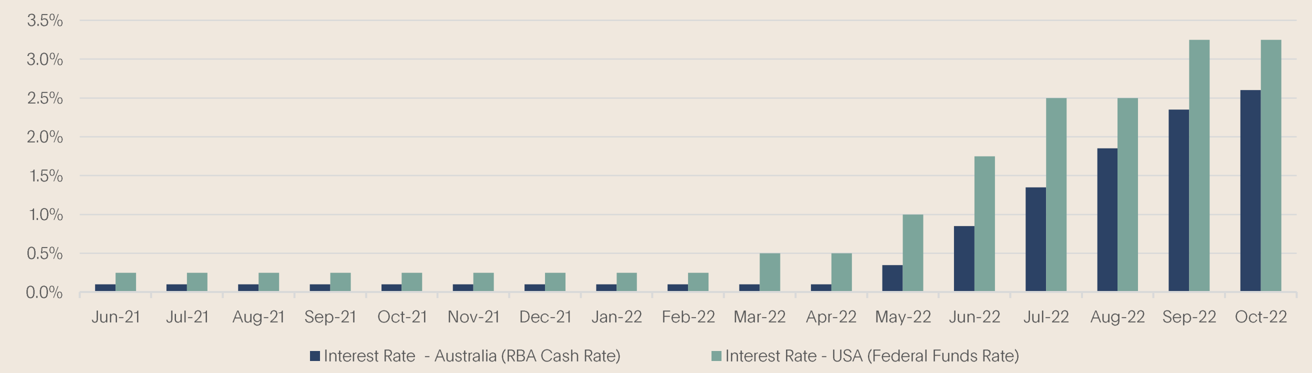
PAC's portfolio has been built to reduce, though not eliminate, the negative impact of macro events. This is best exhibited through:

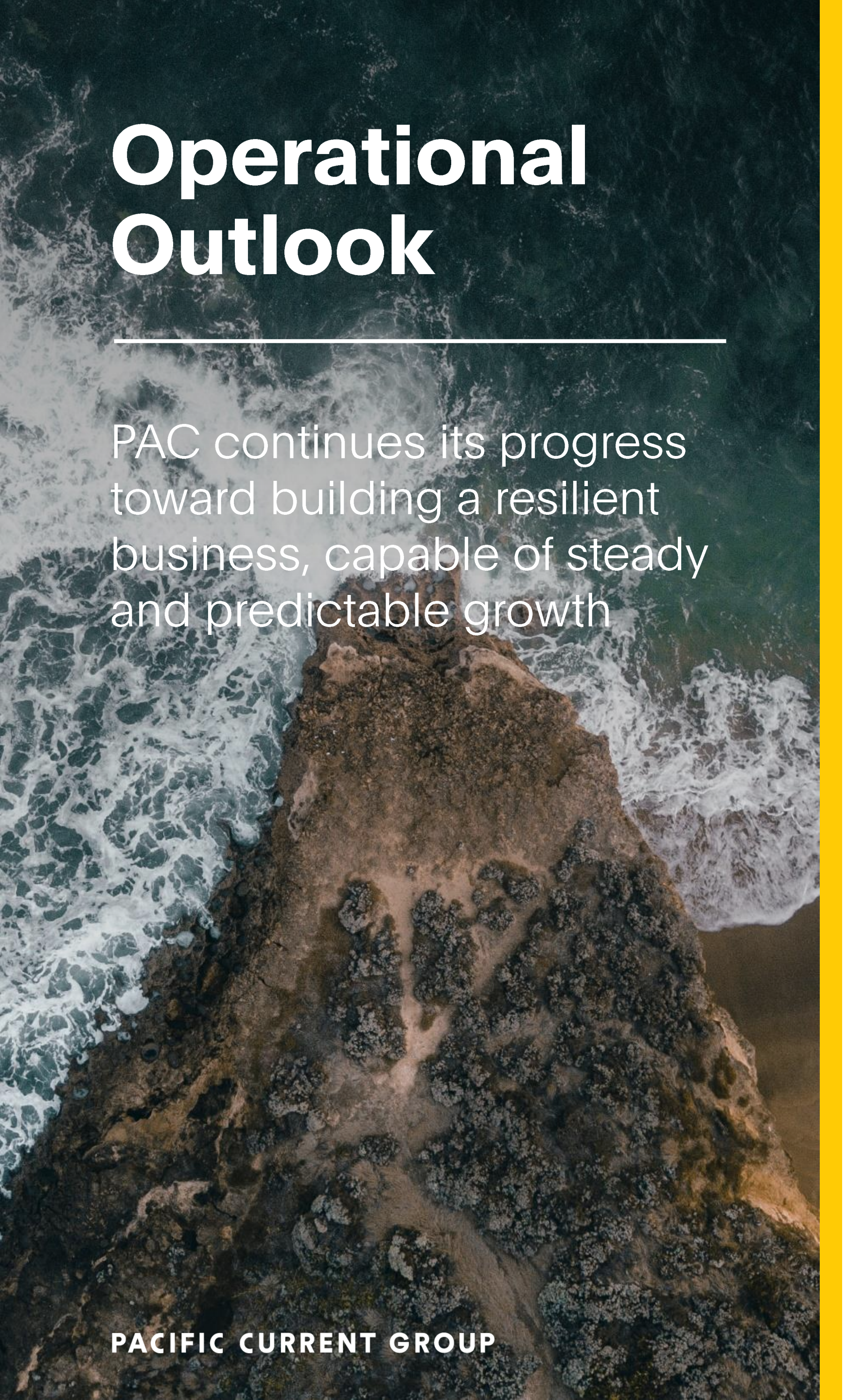
- Limited exposure to public capital markets and broad diversification across asset classes.
- Strategies where revenue is linked to "committed capital" not "invested capital and strategies that are not marked to market daily.
- Private credit managers (like VPC) that lend at variable rates, such that their performance fees should grow as rates rise (assuming no credit issues).

Equity Markets – Monthly Movement



Interest Rates – Australia & USA





Operational Outlook

PAC continues its progress toward 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.

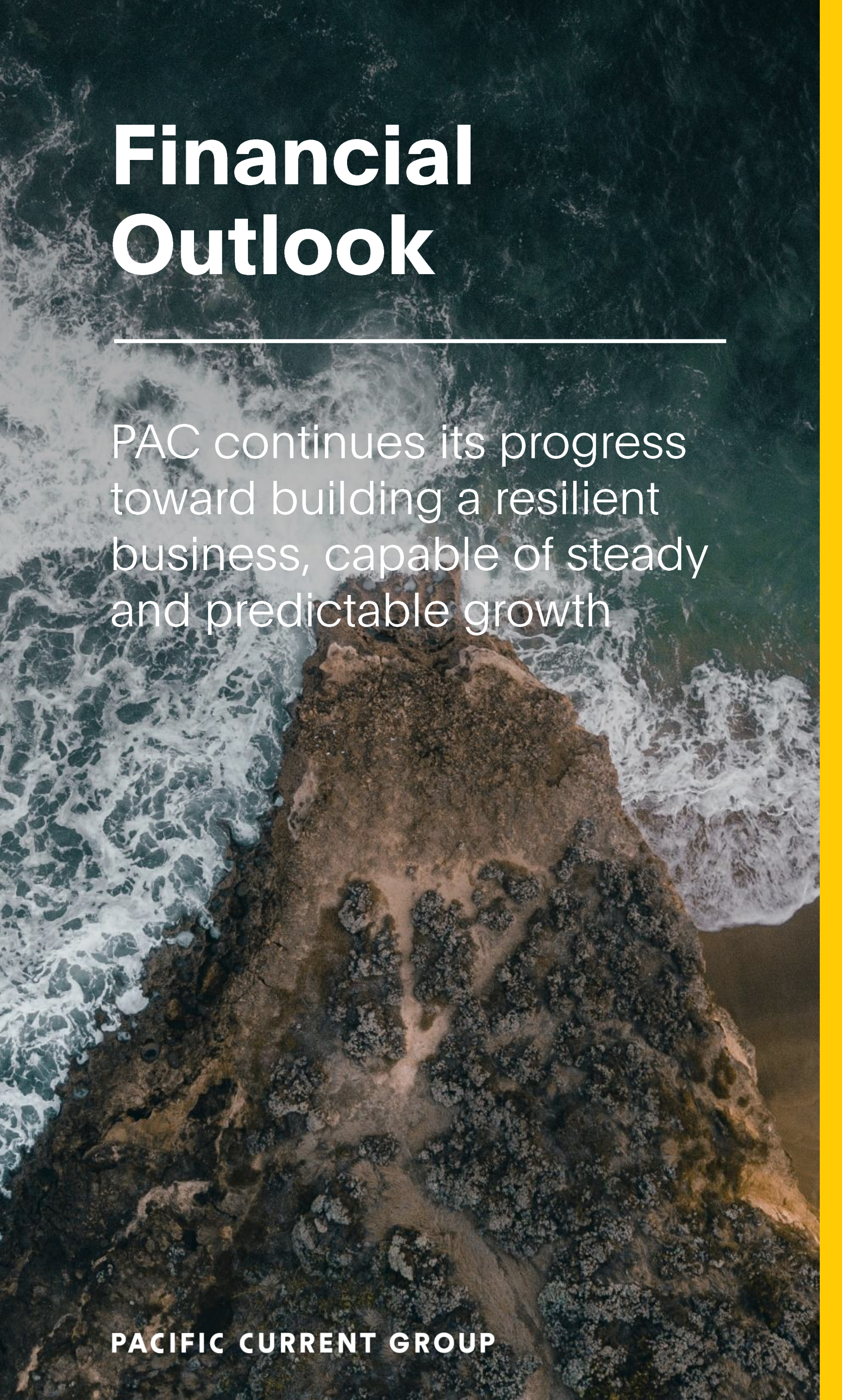
PAC still expects an additional A$3b-A$5b of gross new allocations, ex GQG, in its portfolio investments in FY23 despite signs of reduced allocator activity. It expects that the majority of its boutiques will receive new allocations in FY23.

In FY23, PAC expects to make multiple investments, including larger higher yielding investments as well as earlier stage opportunities. These will be funded from cash flow and the new debt facility.

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

In 2H23 we should have a sense for whether pursuit of outside capital to manage is likely to be successful.

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.



Financial Outlook

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

PAC continues to expect solid revenue and profitability growth in FY23; however, decline in equity markets will obviously be felt, primarily through GQG and reduced 1H incentive fees for Victory Park.

1H23 is expected to show a notable increase in management fee revenues versus 1H22, but likely lower performance fees.

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 anticipates deploying significant capital in FY23, though there is always uncertainty around the timing.

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

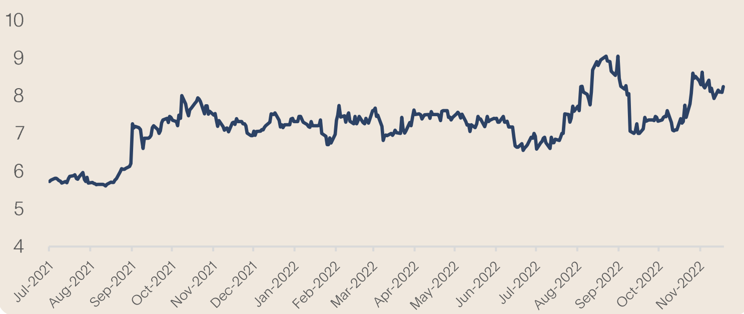
Pacific Current Overview

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.

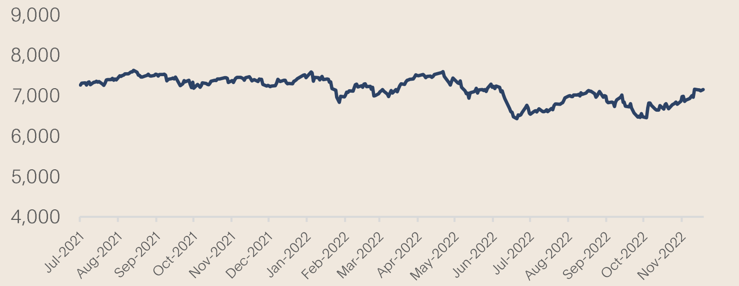
Market information *

Shares on Issue	51,337,467
Market Cap (30 June 22)	$354M
52-Week High	$9.54
52-Week Low	$6.27
Average Volume	62,673

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 18 November 2022. Trailing P/E is calculated using FY22 underlying earnings and share price as at 30 June 2022.