

# River Capital

Market Announcements Office  
Australian Securities Exchange  
Level 50, South Tower, Rialto  
525 Collins Street  
Melbourne VIC 3000

26 July 2023

## **River Capital Pty Ltd - Notice of change of interests of substantial holder – Pacific Current Group Limited**

In accordance with section 671B of the Corporations Act, we attach a Form 604 (Notice of change of interests of substantial holder) in relation to shares in Pacific Current Group Limited (ASX: PAC).

River Capital Pty Ltd has entered into an agreement with Regal Partners Limited pursuant to which River Capital Pty Ltd has become an associate of Regal Partners Limited.

Yours faithfully



Jim Craig  
0417 213 793

on behalf of  
River Capital Pty Ltd

**Form 604**  
Corporations Act 2001  
Section 671B

**Notice of change of interests of substantial holder**

To Company Name/Scheme Pacific Current Group Ltd (PAC)

ACN/ARSN ACN 006 708 792

**1. Details of substantial holder (1)**

Name River Capital Pty Ltd (River Capital)

ACN/ARSN (if applicable) ACN 073 531 469

There was a change in the interests of the substantial holder on

24 July 2023

The previous notice was given to the company on

9 December 2022

The previous notice was dated

9 December 2022

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Fully paid ordinary shares in PAC (PAC Shares)	9,826,290	19.14% (based on 51,337,467 PAC Shares on issue)	16,459,645	31.91% (based on 51,573,734 PAC Shares on issue)

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
	<b>See Annexure A</b>				

**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
River Capital	JP Morgan Chase Nominees Australia Limited	JP Morgan Chase Nominees Australia Limited	Power to exercise (or control the exercise of) the rights to vote attached to, and/or dispose of, the PAC Shares as discretionary managers of managed investments schemes and investment management agreements	5,313,702 PAC Shares	5,313,702
River Capital	JP Morgan Chase Nominees Australia Limited	JP Morgan Chase Nominees Australia Limited	As above	2,759,037 PAC Shares	2,759,037
Bellwether Investments Pty Ltd	Bellwether Investments Pty Ltd	Bellwether Investments Pty Ltd	As above	1,160,161 PAC Shares	1,160,161

River Capital Nominees Pty Ltd	River Capital Nominees Pty Ltd	River Capital Nominees Pty Ltd	As above	980,112 PAC Shares	980,112
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### 5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Regal Partners Limited ( <b>Regal</b> )	<p>Regal has become an associate of River Capital as a result of entry into a Funding Co-operation Agreement by River Capital and Regal on 24 July 2023, a copy of which is included at Annexure B (<b>Co-operation Agreement</b>). Under the Co-operation Agreement, River Capital and Regal have agreed to work together in relation to a potential acquisition of PAC, for which River Capital would provide funding.</p> <p>Details of the PAC Shares in which Regal and its associate, Regal Funds Management Pty Limited, (together, <b>Regal Funds</b>) have an interest in are set out in Annexure C.</p>

### 6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
River Capital	Level 18, 644 Chapel Street, South Yarra, VIC 3141
Regal Funds	Level 47, Gateway, 1 Macquarie Place, Sydney, NSW 2000

### Signature

print name **Jim Craig**

capacity **Director**

sign here



date **26 July 2023**

### DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:

**Annexure A**

This is **Annexure A** of 1 page referred to in the Form 604 (*Notice of change of interests of substantial holder*) in relation to Pacific Current Group Ltd (ACN 006 708 792).

Signed:

Name: Jim Craig

Capacity: Director

Date: 26 July 2023

Person whose relevant interest changed	Nature of change	Consideration given in relation to change	Class and number of securities affected	Person's votes affected
River Capital	Securities issued under dividend distribution plan	\$779,995.72	113,702 PAC Shares	113,702
River Capital	Buy	\$112,748.00	14,896 PAC Shares	14,896
River Capital	Securities issued under dividend distribution plan	\$404,993.82	59,037 PAC Shares	59,037
River Capital	Buy	\$776,251.00	103,289 PAC Shares	103,289
Bellwether Investments Pty Ltd	Securities issued under dividend distribution plan	\$170,306.36	24,826 PAC Shares	24,826
River Capital Nominees Pty Ltd	Securities issued under dividend distribution plan	\$143,867.92	20,972 PAC Shares	20,972
River Capital Nominees Pty Ltd	Buy	\$377,128.47	50,000 PAC Shares	50,000

- (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
- (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
  - (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
  - (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.
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**Annexure B**

This is **Annexure B** of 15 pages referred to in the Form 604 (*Notice of change of interests of substantial holder*) in relation to Pacific Current Group Ltd (ACN 006 708 792).

Signed: 

Name: Jim Craig

Capacity: Director

Date: 26 July 2023

**Ashurst**

# Funding co-operation agreement

**River Capital Pty Ltd**

**Regal Partners Limited**

**THIS AGREEMENT** is made on 24 July 2023

**BETWEEN:**

- (1) **River Capital Pty Ltd** (ACN 073 531 469) of Level 18, 644 Chapel Street, South Yarra VIC 3141 (**River**); and
- (2) **Regal Partners Limited** (ACN 129 188 450) of L47 Gateway Building, 1 Macquarie Place, Sydney NSW 2000 (**Regal**).

**BACKGROUND**

- (A) Regal proposes to acquire PAC by way of a scheme of arrangement (**Proposed Transaction**).
- (B) The parties have jointly determined that they would like to work together to explore the possibility of River providing funding in connection with the Proposed Transaction (**Funding Proposal**) and, in consideration of the mutual promises in this agreement, have agreed to enter this agreement to facilitate their development of, and with a view to negotiating, the Funding Proposal.
- (C) Each party agrees to comply with the terms of the agreement to consider and negotiate the Funding Proposal. Each party acknowledges that the terms of the agreement (including any restrictions imposed on the parties) are for the purposes of the Funding Proposal and are reasonably necessary for progressing the Funding Proposal.

**THE PARTIES AGREE AS FOLLOWS:**

1. **Definitions**

The following definitions apply in this document.

**Funding Key Terms** means the key commercial and funding principles and terms as set out in the document in the Annexure.

**Funding Proposal** has the meaning given in recital (B).

**PAC** means Pacific Current Group Limited.

**Proposed Transaction** has the meaning given in recital (A).

Terms defined in the *Corporations Act 2001* (Cth) have the same meaning in this document unless the context otherwise requires.

2. **Proposed funding arrangements**

2.1 **Working together**

- (a) River and Regal have agreed to jointly undertake work in good faith to consider and negotiate the Funding Proposal.
- (b) The key commercial principles in respect of the Funding Proposal are set out in the Funding Key Terms. Each of the parties agree that for the purpose of considering and negotiating the definitive final and binding terms of the Funding



Proposal, they will co-operate in good faith in a manner that is consistent with the principles set out in the Funding Key Terms.

- (c) This agreement governs the relationship between the parties for the purposes of developing and progressing the Funding Proposal.

## 2.2 Due diligence process

The parties:

- (a) acknowledge that, for the Funding Proposal to proceed, it is necessary for River to conduct due diligence in relation to PAC; and
- (b) agree to cooperate with each other in relation to the due diligence which River is conducting for the purposes of the Funding Proposal and which Regal is conducting for the purposes of the Proposed Transaction.

## 2.3 Internal approvals

The parties acknowledge and agree that Funding Proposal and the Proposed Transaction will not proceed unless and until:

- (a) the parties have each concluded, to their own satisfaction, their due diligence investigations in relation to the Proposed Transaction;
- (b) all applicable board, investment committee or other relevant internal approvals in relation to the Funding Proposal and Proposed Transaction have been obtained by each party;
- (c) binding legal agreements relating to the Proposed Transaction have been executed by Regal and by PAC; and
- (d) binding legal agreements relating to the Funding Proposal have been executed by Regal and by River.

## 3. Term and termination

- (a) If:
  - (i) Regal decides to no longer progress the Proposed Transaction or the Funding Proposal; or
  - (ii) River decides to no longer progress the Funding Proposal,  
it must promptly (and in any event within 24 hours) notify the other party in writing.
- (b) A party will be deemed to have given the notice in clause 3(a) if it is reasonably apparent from its acts or failures to act or other conduct that it is no longer progressing or intending to progress the Proposed Transaction or Funding Proposal (as applicable) in a timely manner.
- (c) Either party may terminate this document at any time by written notice to the other.
- (d) This agreement terminates on the earlier of:
  - (i) written notice of termination by a party under clause 3(c);

- (ii) execution of binding transaction documents in respect of the Funding Proposal; and
- (iii) the date on which either party gives, or is deemed pursuant to clause 3(b) to give, a notice under clause 3(a).

#### 4. **Relationship between the parties**

##### 4.1 **No other relationship**

- (a) Nothing in this agreement gives rise to, or will be construed as giving rise to, a partnership, fiduciary relationship or agency relationship between the parties.
- (b) No party may act as the agent of, assume any obligation or responsibility on behalf of the other party or in any way bind the other party.

##### 4.2 **No relevant interest and no lock up**

- (a) For the avoidance of doubt, there is no agreement, arrangement or understanding between the parties or their respective related bodies corporate in respect of the ownership, disposal or voting of, the PAC shares owned by each other or their related bodies corporate (or the exercise of any voting or disposal rights in respect of such shares) and nothing in this agreement or otherwise will be construed as giving rise to any such agreement, arrangement or understanding.
- (b) Without limiting clause 4.2(a):
  - (i) River, Regal and their respective related bodies corporate remain free to vote the PAC shares owned by them respectively (or their related bodies corporate) in their absolute discretion, including but not limited to, voting in favour of any form of competing proposal in respect of PAC (including a competing proposal that would result in PAC abandoning or otherwise failing to proceed with the Proposed Transaction); and
  - (ii) River, Regal and their respective related bodies corporate remain free to dispose of the PAC shares owned by them respectively (or their related bodies corporate) in their absolute discretion.
- (c) This agreement and any announcements or filings in connection with this agreement is not, and cannot be considered to be, a notification or a public announcement of an intention to make a takeover offer pursuant to section 631 of the *Corporations Act 2001* (Cth).

#### 5. **General**

##### 5.1 **Notices**

- (a) A notice, consent or other communication under this document is only effective if it is:
  - (i) in writing, signed by or on behalf of the person giving it and addressed to the person to whom it is to be given; and
  - (ii) either delivered to that person's address by hand or by courier or sent in electronic form (and no notice of failure of delivery is received) to the person's address set out below (or as the person otherwise notifies):

**River**

Address: Level 18, 644 Chapel Street, South Yarra VIC 3141

Email: j [REDACTED]  
Attention: Josh Ludski and Jim Craig

**Regal**

Address: L47 Gateway Building, 1 Macquarie Place, Sydney NSW 2000.  
Email: [REDACTED]  
Attention: General Counsel

- (b) A notice, consent or other communication that complies with this clause 5.1 is regarded as given and received if it is delivered:
  - (i) by 5 pm on a business day – on that day; or
  - (ii) after 5 pm on a business day, or on a day that is not a business day – on the next business day.

**5.2 Amendment**

This document can only be amended or replaced by another document (and any waiver or consent given by a party under this agreement is only effective if) executed in writing by the parties.

**5.3 Governing law**

This document and any dispute arising out of or in connection with the subject matter of this document is governed by the laws of Victoria, Australia. Each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia and courts of appeal from them.

**5.4 Operation of this document**

- (a) This document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is terminated and replaced by this document and has no further effect.
- (b) This document is not to be interpreted against the interests of a party merely because that party proposed this document or some provision in it or because that party relies on a provision of this document to protect itself.
- (c) The sole remedy of either party in respect of or in connection with this document is damages. In no event is either party entitled to apply to specific performance, an injunction or other non-monetary remedy.
- (d) The rights, powers and remedies of each party in connection with this document are exclusively set out in this document and all other rights, powers and remedies given in any other document or by law independently of this document are expressly excluded.

**5.5 Counterparts**

This document may be executed in counterparts.

**EXECUTED** as an agreement.

**EXECUTED** by **RIVER CAPITAL PTY LTD:**



Barry Carp

\_\_\_\_\_  
Name

James Craig

\_\_\_\_\_  
Name

**EXECUTED** by **REGAL PARTNERS LIMITED:**

\_\_\_\_\_  
|

\_\_\_\_\_  
Name

\_\_\_\_\_

\_\_\_\_\_  
Name

**EXECUTED** as an agreement.

**EXECUTED** by RIVER CAPITAL PTY LTD:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

**EXECUTED** by REGAL PARTNERS LIMITED:



Brendan O'Connor

Name

Ian Cameron

Name

## Annexure

### Funding Key Terms

#### 1. Proposed Transaction Overview

No.	Matter	Term
1.1.	<b>Parties</b>	<ul style="list-style-type: none"> <li>Regal Partners Limited ("Regal") (as bidder).</li> <li>River Capital Pty Ltd (or an entity managed by it) ("River") (as funding partner).</li> </ul>
1.2.	<b>Company</b>	Pacific Current Group Limited (the "Company").
1.3.	<b>Proposed Transaction</b>	<ul style="list-style-type: none"> <li>Regal intends to explore the potential acquisition of the Company via a scheme of arrangement.</li> <li>Shareholders would receive 2.2 GQG shares plus \$7.50 cash per share in the Company, which represents an implied value of \$10.75* per share (with shareholders able to elect to receive Regal shares in lieu of cash or GQG shares).<sup>1</sup></li> <li>The offer price values the Company's interest in the Victory Park Capital assets ("VPC") at \$4 per share.</li> <li>The offer price would be reduced by the value of any dividends declared or paid by the Company prior to implementation of the scheme.</li> <li>This document and any announcements or filings in connection with this document is not, and cannot be considered to be, a notification or a public announcement of an intention to make a takeover offer pursuant to section 631 of the <i>Corporations Act 2001</i> (Cth).</li> </ul>

#### 2. Funding Proposal Overview

No.	Matter	Term
2.1.	<b>Funding Proposal</b>	<ul style="list-style-type: none"> <li>The cash consideration for the acquisition will be partially funded with cash funding from River in the form of Convertible Loan Notes ("CLN") on the terms set out in 2.2. River's cash funding will be an amount equal to 50% of the value of the JV Trust, which is expected to be \$95 million.</li> <li>It is intended that the US\$30m of existing debt from Washington Soul Pattinson be addressed as described in 4.3.</li> </ul>

<sup>1</sup> Subject to the assumptions set out in the NBIO provided to the Company on 24 July 2023.

\* Implied value of \$10.75 per share calculated as at 19 July 2023. Implied value of \$10.77 per share in the NBIO calculated as at 24 July 2023.

<p><b>2.2. River Convertible Loan Note</b></p>	<ul style="list-style-type: none"> <li>• The Parties understand that the Company's assets are currently held in a series of partnerships. It is intended that all Specified Assets (see 2.4) will be aggregated into a single unit trust ("JV Trust"). The JV Trust will receive distributions from each partnership and then distribute to unitholders in their respective ownership proportions.</li> <li>• The Terms of the CLN will be as follows:             <ul style="list-style-type: none"> <li>○ CLNs cannot be transferred to non-River entities without the prior written consent of the Regal unitholder</li> <li>○ Maturity date of 36 months</li> <li>○ CLN to convert to 49.99% of units in the JV Trust</li> <li>○ Conversion to occur within 3 months of completion of the scheme (or earlier if practicable)</li> <li>○ Right to convert solely in the discretion of River</li> <li>○ Interest rate of 5% p.a (waived on conversion)</li> <li>○ Cash lock up until maturity or conversion. If cash paid out, then adjustment mechanism to make River whole</li> </ul> </li> </ul>
<p><b>2.3. JV Trust</b></p>	<ul style="list-style-type: none"> <li>• The JV Trust will be governed by the principles laid out in 3 (Governance of JV Trust).</li> <li>• The JV Trust will own the Company's interests in the Specified Assets.</li> </ul>
<p><b>2.4. Specified Assets</b></p>	<p>Specified Assets are the Company's investments in all boutiques apart from GQG and VPC.</p>

3. Due Diligence

No.	Matter	Term
<p><b>3.1.</b></p>	<p><b>Transaction Costs</b></p>	<ul style="list-style-type: none"> <li>• Appointment of transaction advisers to be jointly agreed by the Parties.</li> <li>• Transaction advisers' budgets to be jointly agreed (including maximum failed deal costs).</li> <li>• Parties to agree a fair and reasonable apportionment to share their third party out of pocket legal and financial adviser costs in relation to those matters which relate to both parties' participation in the Proposed Transaction, provided always that the terms of such advisers' engagements and fees have been pre-agreed in writing between the Parties.</li> <li>• Any third party advice that either party receives on the funding of their respective parts of the consideration will be covered only by the party obtaining the advice.</li> </ul>

- |  |   |
|--|---|
| <p><b>3.2. Advisers</b></p>              | <ul style="list-style-type: none"> <li>• To streamline the transaction process with the Company, the following transaction advisers will be engaged by the applicable Party: <ul style="list-style-type: none"> <li>○ Financial: Barrenjoey / Macquarie Capital.</li> <li>○ Legal: KWM / Ashurst.</li> <li>○ Accounting and tax: TBD</li> </ul> </li> <li>• The scope of each advisers' role and the division of activities is to be finalised by Regal and River.</li> </ul>   |
| <p><b>3.3. Due Diligence</b></p>         | <ul style="list-style-type: none"> <li>• To streamline the due diligence process with the Company, Regal and River will work together to undertake customary due diligence in connection with the Proposed Transaction, with both Parties to have reliance on any due diligence reports.</li> <li>• To streamline the due diligence process with the Company: <ul style="list-style-type: none"> <li>○ Regal and River will agree a detailed due diligence plan, including meeting of underlying boutiques; and</li> <li>○ Regal and River will establish a joint working team for due diligence, with the expectation that all due diligence information is shared.</li> </ul> </li> </ul> |
| <p><b>3.4. Existing shareholding</b></p> | <ul style="list-style-type: none"> <li>• Without limiting any provision of the co-operation agreement to which this document is attached, both Parties and their respective related bodies corporate remain free to transact in their shares in the Company, and vote as they deem fit. Nothing in this document (or otherwise) conveys any rights in either party's (or their respective related bodies corporate's) shares to the other party.</li> </ul>   |
| <p><b>3.5. Public Disclosure</b></p>     | <ul style="list-style-type: none"> <li>• The Parties will co-operate in good faith in respect of any public comments in relation to the Proposed Transaction.</li> <li>• No public comments can be made about the other party without the other party's consent (except as required by law).</li> </ul>   |
| <p><b>3.6. Regulators</b></p>            | <ul style="list-style-type: none"> <li>• The Parties will communicate with any relevant regulator as required by law.</li> <li>• Wherever practicable, the Parties will cooperate in relation to communications with any relevant regulator.</li> </ul>   |
| <p><b>3.7. Confidentiality</b></p>       | <ul style="list-style-type: none"> <li>• No party may disclose the confidential information, of another party, or anything about either party's interest in the Company, to any other person or entity except: <ul style="list-style-type: none"> <li>○ with the consent of the party whose confidential information it is;</li> </ul> </li> </ul>  |





- as required by law or an applicable governmental or other regulatory authority or stock exchange; or
- to its professional advisers and employees for the purpose of negotiating the Transaction and the transaction documents, on the basis that they keep the information confidential.

4. Governance of JV Trust

No.	Matter	Term
<b>Investment Structure</b>		
4.1.	<b>Overview</b>	<ul style="list-style-type: none"> <li>• The Terms in this table deal specifically with the JV Trust.</li> <li>• If the CLNs are converted, it is intended that the Parties will have a 50.01/49.99% (Regal/River) economic interest in the JV Trust with governance and decision making for material matters to be on a 50/50 basis. The Parties to agree a delegation framework to enable day to day decisions to be made (noting that day to day decisions are expected to be limited to administrative matters, given the limited scope of the JV Trust's activities).</li> <li>• All legal and ownership rights in the Specified Assets will be aggregated in the JV Trust. Subject to due diligence, this will not include any of the Company's overheads or liabilities (except for debt to the extent outlined in this document and liabilities in respect of the Specified Assets).</li> <li>• The JV Trust is intended to have minimal expenses (i.e. only third party compliance costs), with all operating costs the responsibility of the Parties.</li> </ul>
4.2.	<b>Investment Strategy</b>	<ul style="list-style-type: none"> <li>• JV Trust's Investment Strategy is intended to:                             <ul style="list-style-type: none"> <li>○ Make semi-annual distributions to unitholders.</li> <li>○ JV Trust will manage the Specified Assets in accordance with the Asset Management Plan per 4.5.</li> <li>○ JV Trust will make distributions to unitholders in their respective proportions in accordance with the agreed Distribution Policy per 4.4.</li> <li>○ JV Trust will be periodically recapitalised as addressed in 4.13 to fund additional distributions to Parties in their respective proportions.</li> </ul> </li> </ul>
4.3.	<b>Capital Structure</b>	<ul style="list-style-type: none"> <li>• Parties to take all reasonable steps to procure that up to US\$30m of the Company's debt will be</li> </ul>

assumed by the JV Trust, subject to the terms of that debt.

#### 4.4. Distribution Policy

- Distributions of the JV Trust to be paid according to JV Trust unitholders' respective proportions of units.
- It is intended that JV Trust will distribute all cash flows (save for debt servicing and third party compliance costs).

#### 4.5. Asset Management Plan

- JV Trust trustee will undertake bi-annual director asset valuations.
- Asset acquisitions and liquidations are a Reserved Matter.
- JV Trust may only seek to acquire further assets with unanimous approval as a Reserved Matter.
- Proceeds of the sale of the JV Trust's interest in boutiques to be distributed to unitholders in their respective proportions or used to reduce debt.

#### 4.6. Ongoing Management of JV Trust

- Ongoing management structure will be agreed by the Parties, consistent with the following principles:
  - JV Trust will require minimal ongoing management and will do so as cost effectively as possible.
  - Parties to commit limited internal resources to managing JV.
  - Ongoing management of JV will involve ensuring underlying boutique compliance with relevant agreements, monitoring boutique performance, participation on portfolio company boards (if relevant), collecting cash, the preparation and reporting of JV Trust financial accounts.
  - Parties may provide placement or other support services to JV Trust's underlying portfolio companies but will be remunerated directly by them subject to agreement as a Reserved Matter.

#### 4.7. Related Parties

- River Capital and Regal will not be able to engage in JV Trust related party transactions without consent from the other party as a Reserved Matter.

### JV Trust Governance

#### 4.8. Trustee Board

- Board of trustee will comprise:
  - 2 River Capital Representatives.
  - 2 Regal Representatives.

**4.9. Board Meetings and Reporting**

- Quarterly meetings.
- Monthly financials.

**4.10. Reserved Matters**

- None of the matters listed below will be undertaken without unanimous approval of the parties.
  - JV Trust Business plan and annual budget and material amendments thereto.
  - Material changes to the nature of the JV Trust business.
  - Acquisitions or disposals of the JV Trust.
  - Any incurrence or refinancing of indebtedness of the JV Trust other than ordinary course indebtedness (subject to 4.13).
  - JV Trust entering into Joint ventures, partnerships or mergers.
  - Equity issuances in JV Trust.
  - Appointment/removal of auditor of JV Trust.
  - Changing accounting reference date of JV Trust.
  - Distributions/returns of capital of JV Trust.
  - Any change to the Distribution Policy of JV Trust.
  - Related party transactions with the JV Trust.
  - Appointing representatives to Boards of portfolio assets.
  - Altering the Investment Strategy.
  - Acquisition, sale or divestment of any asset held by the JV Trust except as contemplated in at 4.11.

**Liquidity**

**4.11. Liquidity**

- Each Party will hold their interest in the JV Trust for 4 years, unless mutually agreed between the Parties.
- Between the 4th anniversary and the 8th anniversary of closing, the Parties will (on an annual basis) in good faith negotiate a potential transfer of one's interest in JV Trust to the other at an agreed fair and reasonable valuation, provided that nothing requires either Party to sell to the other under this clause except as agreed.
- From the 4th anniversary of closing up to the date which is 7.5 years after closing, the Parties may solicit third party interest in their units in the JV Trust and sell to a third party, subject to pre-emptive rights and a last right of refusal in favour of Regal.
- From the date which is 7.5 years after closing:

- River may provide written notice to Regal that it intends to sell either one or more assets and/or all of the units in the JV Trust (**Sale Process Notice**). A Sale Process Notice can only be given once in any 6-month period.
- Following a Sale Process Notice having been given, River will conduct a process to identify from a reasonable number of bona fide third party buyers (**Bidders**) interest in the assets/units, and during this period Regal may also conduct due diligence on the assets/units.
- Three months after the Sale Process Notice has been given, River will provide notice to Regal of the assets/units that it proposes to sell and the material terms (including price) that River expects to achieve (a **Sale Intention Notice**).
- Regal will have 10 Business Days from the date of the Sale Intention Notice to determine whether it wishes to buy the assets/units specified in the Sale Intention Notice, on the terms set out in the Sale Intention Notice. If it serves a notice to buy within that period, the assets/units will be sold to Regal on the terms specified in the Sale Intention Notice with settlement within 30 Business Days of that notice.
- If Regal does not serve a notice to buy, then River shall have 6 weeks from the end of the 10 Business Day period to agree definitive transaction documents to sell the assets/units to a Bidder (**Buyer**) for those assets/units at a cash price equal to or exceeding the price specified in the Sale Intention Notice and on terms which are, on the whole, no more favourable to the Buyer in any material respect than the terms set out in the Sale Intention Notice.
- If River identifies a Buyer for the assets/units as specified above, River may require the Parties will enter into documents to give effect to the transaction with the Buyer.
- Regal will act in good faith to assist River finding Bidders and execute all relevant documentation required to give effect to the sale process (including in relation to the sale of its units to a Buyer, if applicable).
- Regal must be periodically updated in respect of the sale process, including by being provided all due diligence information in relation to the units/assets which is provided to any Bidder at



substantially the same time as that information is provided to a Bidder.

- In any sale to a Buyer, each Party must give the same representations, warranties and indemnities to the Buyer, provided that liability under such warranties is given on an individual basis only (and not on a joint basis) and allocated pro rata based on the sale proceeds. Liability for representations, warranties and indemnities must not be in excess of 100% of the sale proceeds in aggregate. River must use reasonable endeavours to obtain W&I insurance.

**4.12. JV Trust Liquidity**

- Save as outlined above in 4.11, neither Party may transfer its interest in JV Trust without the consent of the other Party.

**4.13. Recapitalisation**

- Parties to take all reasonable steps to procure that after the third anniversary of closing, River Capital will have the right to facilitate a debt recapitalisation of JV Trust to a reasonable leverage level, to give effect to a capital return to unitholders.

**Annexure C**

This is **Annexure C** of 1 page referred to in the Form 604 (*Notice of change of interests of substantial holder*) in relation to Pacific Current Group Ltd (ACN 006 708 792).

Signed: 

Name: Jim Craig

Capacity: Director

Date: 26 July 2023

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and number of securities	Person's votes
REGAL FUNDS	UBS NOMINEES PTY LTD	UBS AG, AUSTRALIA BRANCH	HOLDER OF SHARES IN PAC	1,094,505 PAC SHARES	1,094,505
REGAL FUNDS	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED A/C 2	MORGAN STANLEY & CO INTL PLC	HOLDER OF SHARES IN PAC	216,872 PAC SHARES	216,872
REGAL FUNDS	MERRILL LYNCH (AUS) NOMINEES PTY LTD	MERRILL LYNCH INTERNATIONAL LIMITED	HOLDER OF SHARES IN PAC	1,782,366 PAC SHARES	1,782,366
REGAL FUNDS	J.P. MORGAN PRIME NOMINEES LTD	J.P MORGAN SECURITIES PLC	HOLDER OF SHARES IN PAC	2,485,108 PAC SHARES	2,485,108
REGAL	REGAL	REGAL	HOLDER OF SHARES IN PAC	667,782 PAC SHARES	667,782