PACIFIC CURRENT GROUP

ASX ANNOUNCEMENT

16 November 2023

2023 ANNUAL GENERAL MEETING PRESENTATION

Pacific Current Group Limited (ASX:PAC), a global multi-boutique asset management firm, is pleased to provide its 2023 Annual General Meeting Presentation for release to the market.

AUTHORISED FOR LODGEMENT BY:

The Board of Pacific Current Group Limited.

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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 16 November 2023, Pacific Current Group has investments in 16 boutique asset managers globally.

PACIFIC CURRENT GROUP

FULL YEAR 2023

ANNUAL GENERAL MEETING PRESENTATION

PRESENTERS

Paul Greenwood
Managing Director, CEO and CIO

Ashley Killick
CFO

16 November 2023

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.

BUSINESS OVERVIEW

Paul Greenwood, MD, CEO & CIO

FY23 Overview

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

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.

Operational Highlights

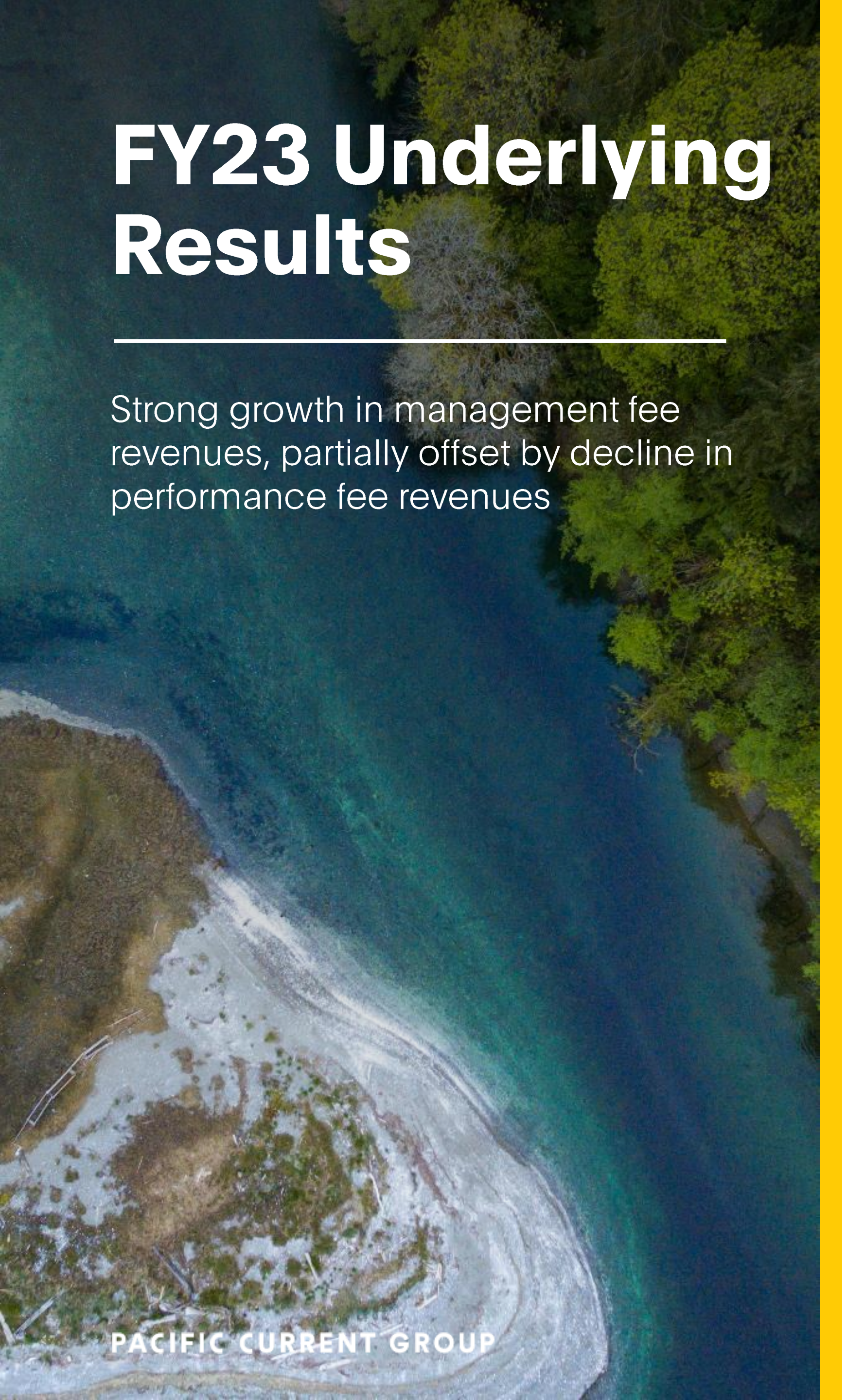
- FUM grew 16% (21% AUD) to US$136.1b (A$204.3b) in FY23. Net flows have been positive for 26 consecutive quarters
- Ownership Adjusted FUM grew 9% (13% AUD), from US$12.9b to US$14.1b
- Invested US$30m in Cordillera Investment Partners
- Sold interest in Proterra Asia (a subsidiary of Proterra Investment Partners) for US$8.3m
- Considerable progress made toward securing external capital to manage

Financial Highlights

- Boutique contributions, ex MTM, increased 2% (10% AUD). Management fee growth of 13% (22% AUD) was partially offset by a 22% (16% AUD) decline in performance fees
- Corporate revenues declined from US$2.9m to US$0.9m, as a result of fewer products in fundraising mode
- NPAT declined 11% (4% AUD), largely due to reduced corporate revenues and growth in interest expense
- Revenues impacted by fundraising delays, which pushed some revenues from FY23 to FY24. Profits also impacted by drawing on debt facility 5 months before deploying capital
- Dividend of A$0.23 per share that is 67% franked
- PAC's NAV adjusted for its fair value estimates exceeds statutory book value by A$2.04 per share

Looking Ahead

- For FY24, PAC expects substantial growth in revenues and profits due to increased contributions from VPC, Pennybacker, IFP, Banner Oak, GQG, annualisation of Cordillera investment and new investment in Avante
- PAC expects A$2b - $5b of gross new commitments in FY24, ex GQG
- PAC expects resolution with regard to on its future ownership situation, though the outcome is still far from certain
- Future dividends will not be franked



FY23 Underlying Results

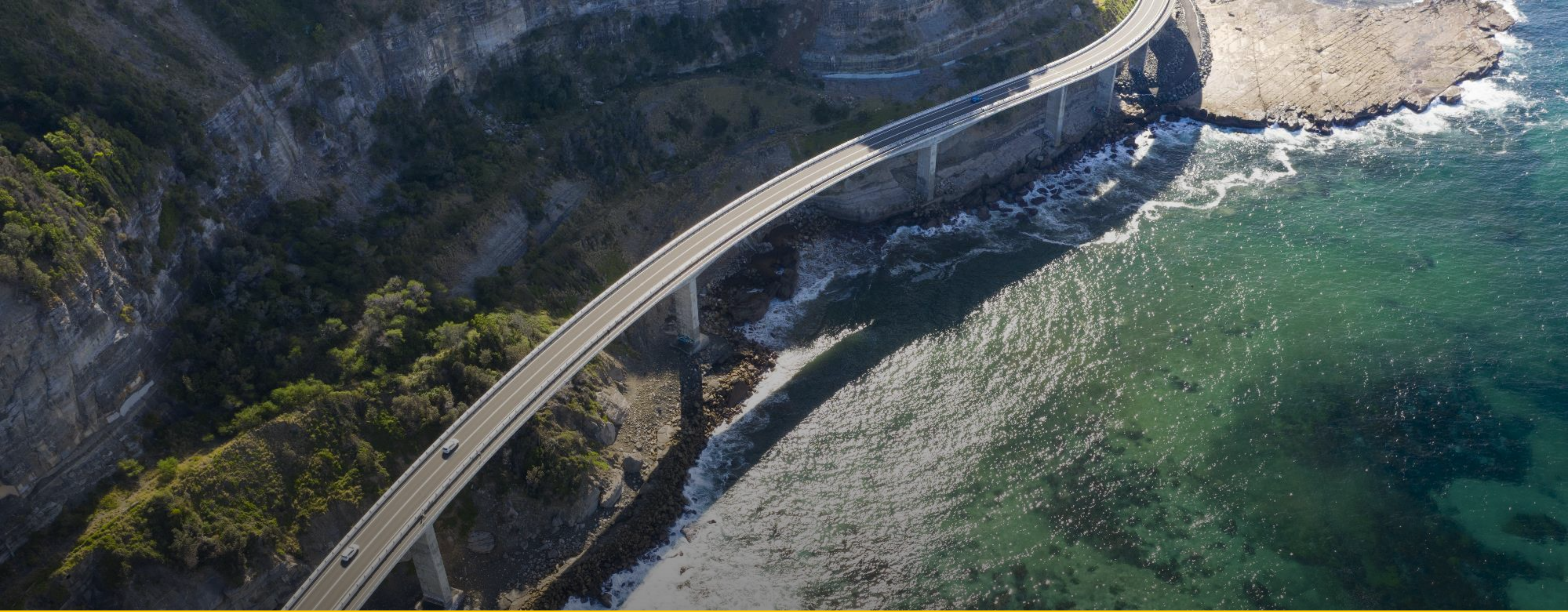
Strong growth in management fee revenues, partially offset by decline in performance fee revenues

	FY23 (A$m)	FY22 (A$m)	FY23 (US$m)	FY22 (US$m)	Comments
Boutique management fees	39.7	32.5	26.7	23.6	Growth driven by annualisation of Banner Oak and GQG, as well as new investment in Cordillera
Boutique performance fees	12.2	14.5	8.2	10.5	Led by VPC, SCI, and Roc
Boutique unrealised MTM	(1.7)	(1.2)	(1.1)	(0.8)	Non-cash item, primarily related to VPC balance sheet items
Boutique contributions	**50.2**	**45.8**	**33.8**	**33.3**	2.4% growth (10% AUD) ex MTM
Corporate revenue	1.3	4.0	0.9	2.9	Reduced commission revenues due to current fundraising cycles and focus on raising capital for PAC to manage
Corporate overheads	16.1	14.1	10.8	10.2	T&E increased YoY; FX impact to A$ overheads
Corporate contribution	**(14.8)**	**(10.1)**	**(9.9)**	**(7.3)**	
Underlying EBITDA	**35.4**	**35.8**	**23.9**	**25.9**	
Underlying NPAT	**26.1**	**27.1**	**17.5**	**19.7**	Debt facility interest expense of A$3.2m reduced NPAT in FY23, though tax burden declined

Underlying earnings per share	51 cents	53 cents	34 cents	39 cents	
Dividends per share	38 cents	38 cents	-	-	
Net Asset Value per share	**$9.88**	**$10.26**	**$6.58**	**$7.08**	Decrease is mainly related to GQG share price movement and Aether impairment

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

For presentation of EBITDA, the prior period comparatives are adjusted to ensure consistency.



PAC VALUATIONS

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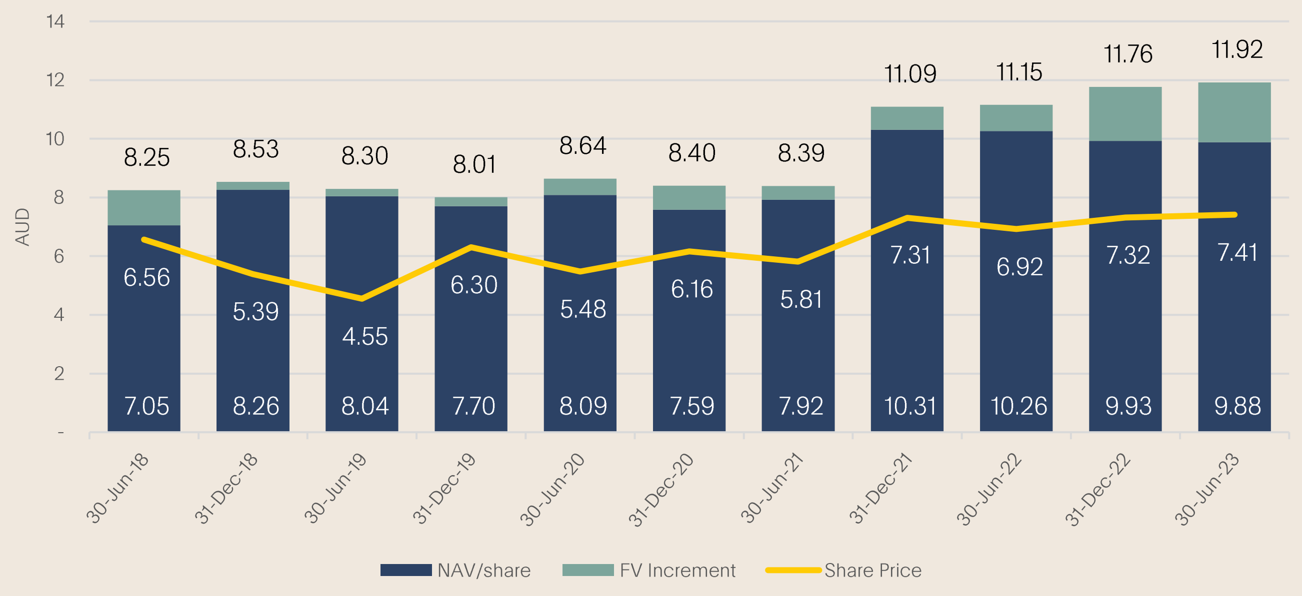
Building Value for Shareholders

NAV vs Fair Value NAV vs Share Price (per share)



- IFRS requires PAC to use a variety of accounting treatments, resulting in some assets reported at fair value in PAC's statutory accounts, while others are initially reported at investment cost and can only be written down but not up
- Accordingly, PAC's reported statutory NAV is significantly lower than its NAV using PAC's fair value estimates. As at 30 June, PAC's fair value adjusted NAV of A$11.92 per share exceeds its statutory NAV by A$2.04 per share

Affiliate	Fair value (A$m)*	Book value (A$m)	Fair value uplift (A$m)
VICTORY PARK CAPITAL	$144.0m	$80.4m	$63.6m
Pennybacker Capital	$76.0m	$31.0m	$45.0m
ROC PARTNERS	$25.6m	$10.0m	$15.6m
Other boutiques	$123.3m	$112.7m	$10.6m
Total	**A$368.9m**	**A$234.1m**	**A$134.8m**

Increase to deferred tax liability	**($29.7m)**
Net fair value uplift	**A$105.1m**
Net fair value uplift per share	**+A$2.04 per share**

*Refer to the Understanding Fair Value NAV slide in the Appendices

PAC NAV Vs PAC Valuation

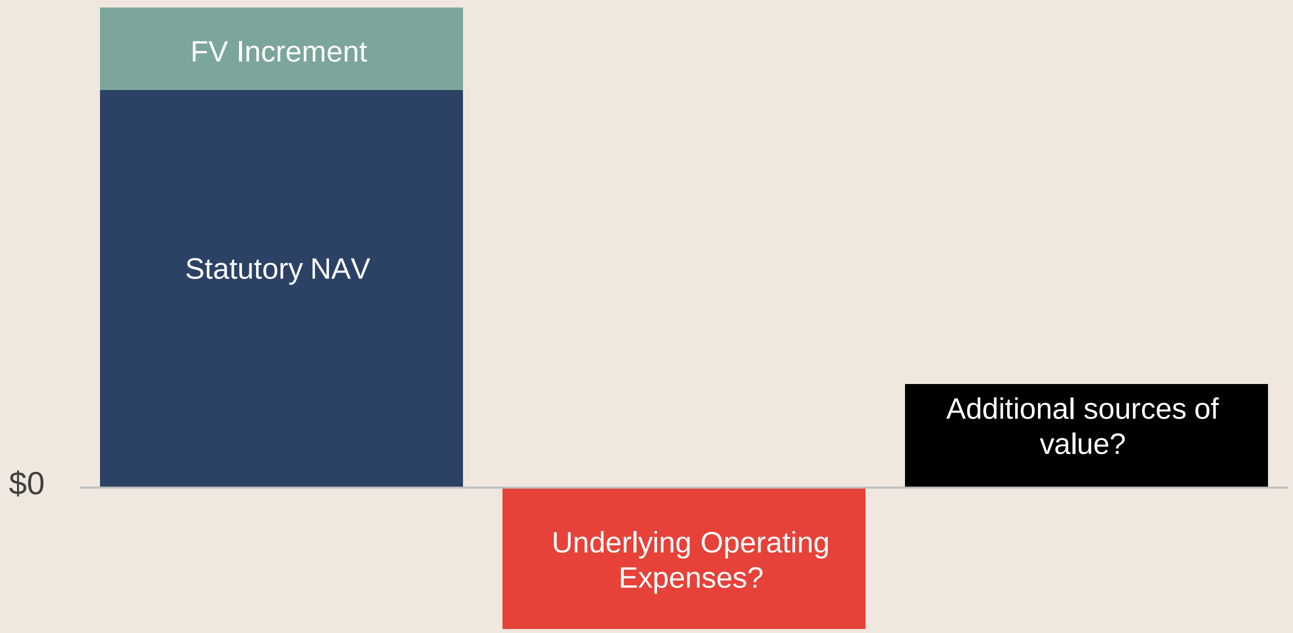
Commentary

Since first presenting year-end results in August, we have received numerous inquiries as to whether PAC's fair value adjusted NAV of A$11.92 per share represents the full value of PAC's business. While representing a meaningful portion, there are other considerations involved in valuing PAC

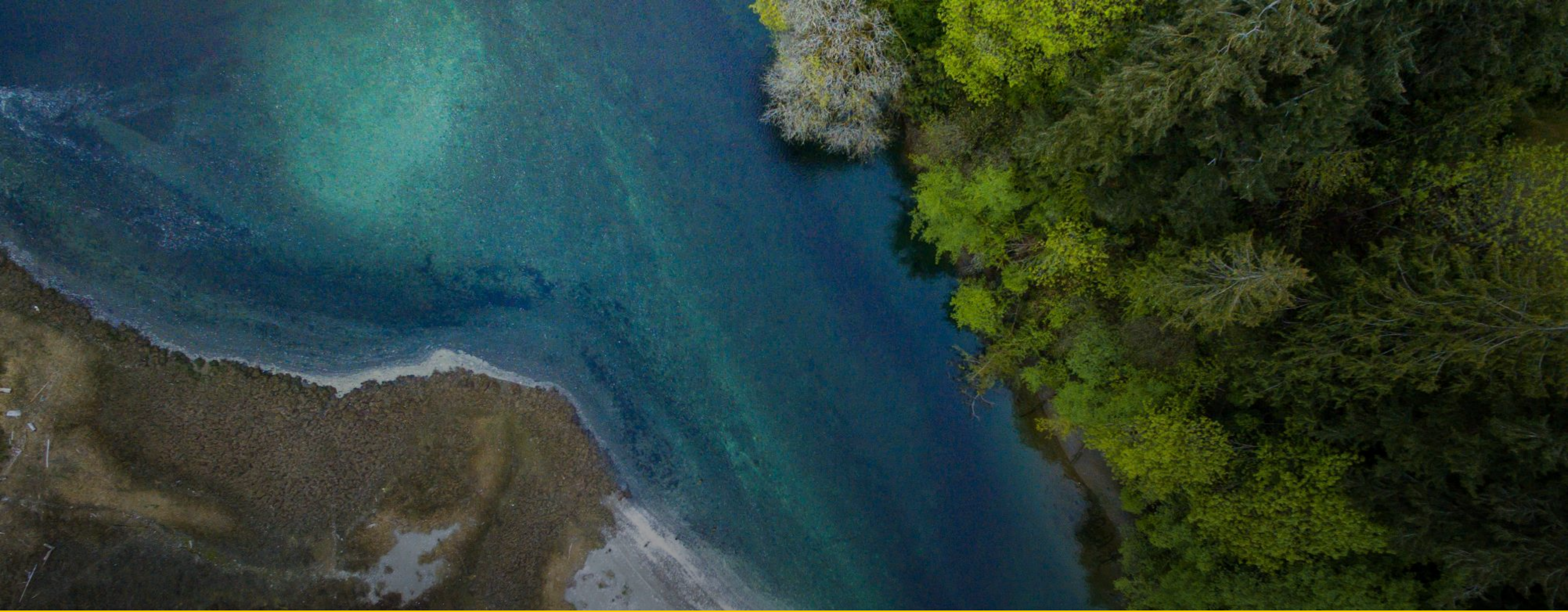
PAC believes that, on average, its fair value estimates are conservative, particularly in the case where a portfolio company could sell part or all of its business. Accordingly, an acquirer of PAC may ascribe value beyond PAC's estimate of fair value adjusted NAV

Acquirers of PAC, however, would likely decrement the value of PAC for the underlying operating expenses (excluding debt) necessary to manage the business. These costs include items such as financial reporting, distribution services, and ongoing portfolio management, which will be necessary under any ownership scenario

Value of PAC



» The graph above is meant to be purely conceptual, and the size of each column should not be interpreted as having any reflection on the value of PAC



PORTFOLIO UPDATE

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Funds under Management – Affiliates

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

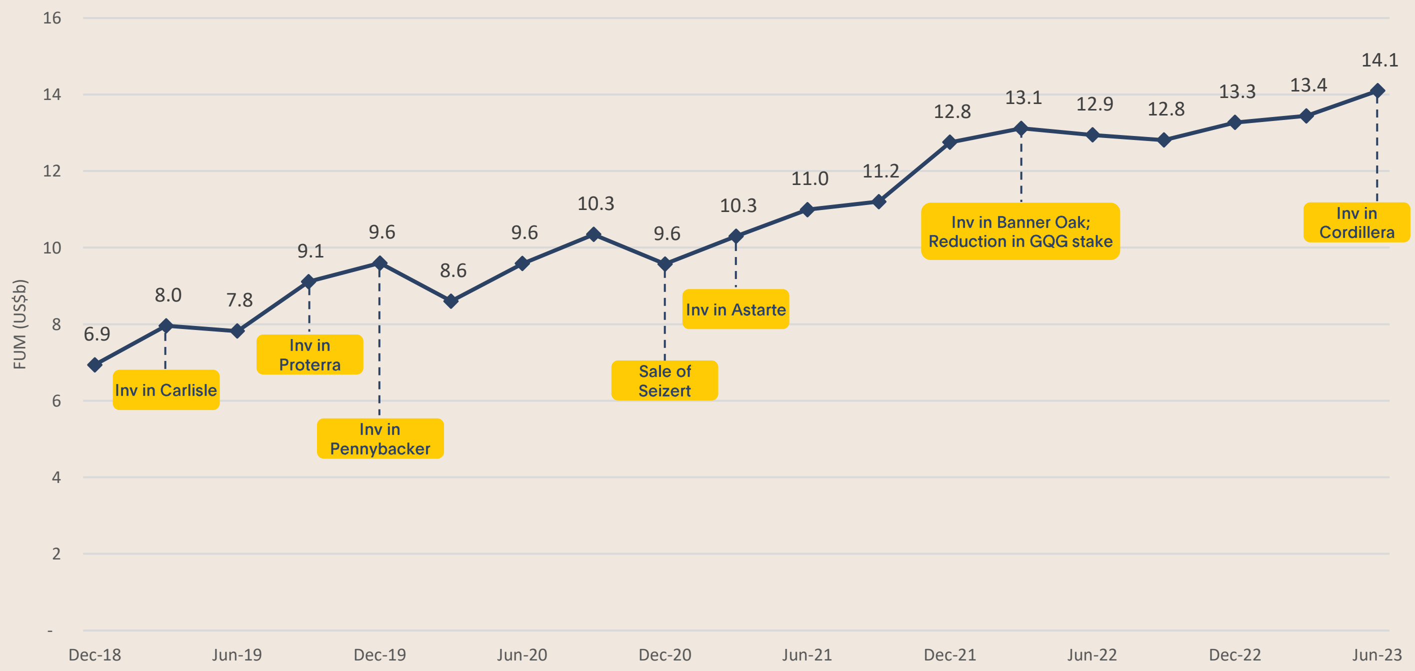
Cumulative 3-year FUM growth as at 30 June 2023
(in affiliate's local currency ($m))

Notes: PAC invested in Astarte on 29 December 2020, Banner Oak on 31 December 2021, and Cordillera on 6 April 2023.
FUM totals for Banner Oak and Proterra reflect total regulatory FUM from one quarter in arrears

Ownership Adjusted FUM (OAF) – 30 June 2023

OAF = PAC Ownership x FUM

Aggregate Ownership Adjusted FUM (US$b)



Commentary

Ownership Adjusted FUM (OAF) reflects PAC's proportionate ownership of each boutique's FUM

The ownership percentage used in the calculation of OAF reflects the proportion of proceeds that PAC, absent any liquidation preferences, would receive in the event of the sale or liquidation of the business*

As an example, PAC owns 24.9% of Victory Park Capital. Thus, for each US$1b increase in Victory Park FUM, PAC's OAF increases by US$249m

OAF changes through new acquisitions, divestments, organic growth, client losses, and fund runoff

*This proportion may differ from the proportion of revenue or profits that PAC receives from boutiques on an ongoing basis.

OUTLOOK

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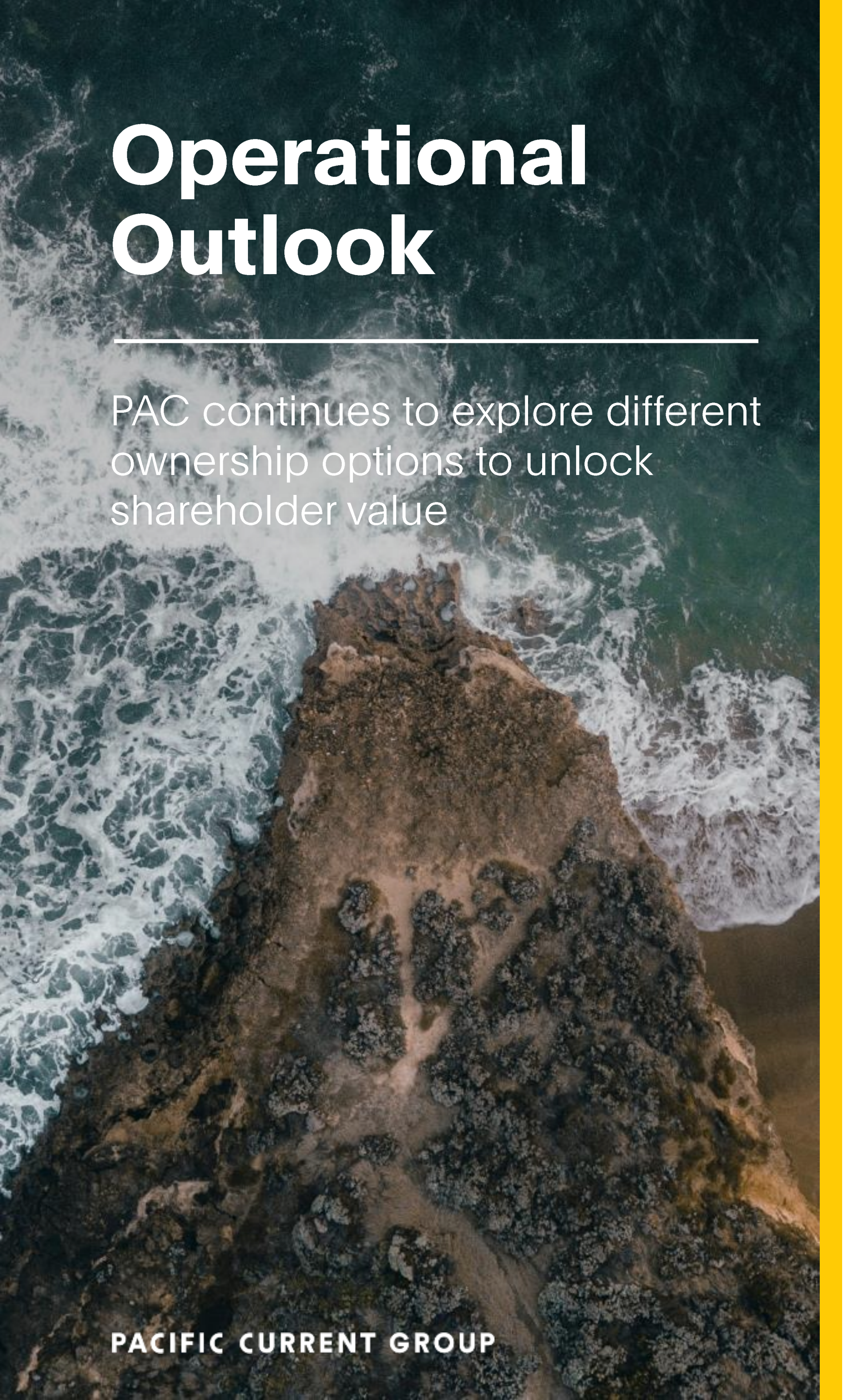


Operational Outlook

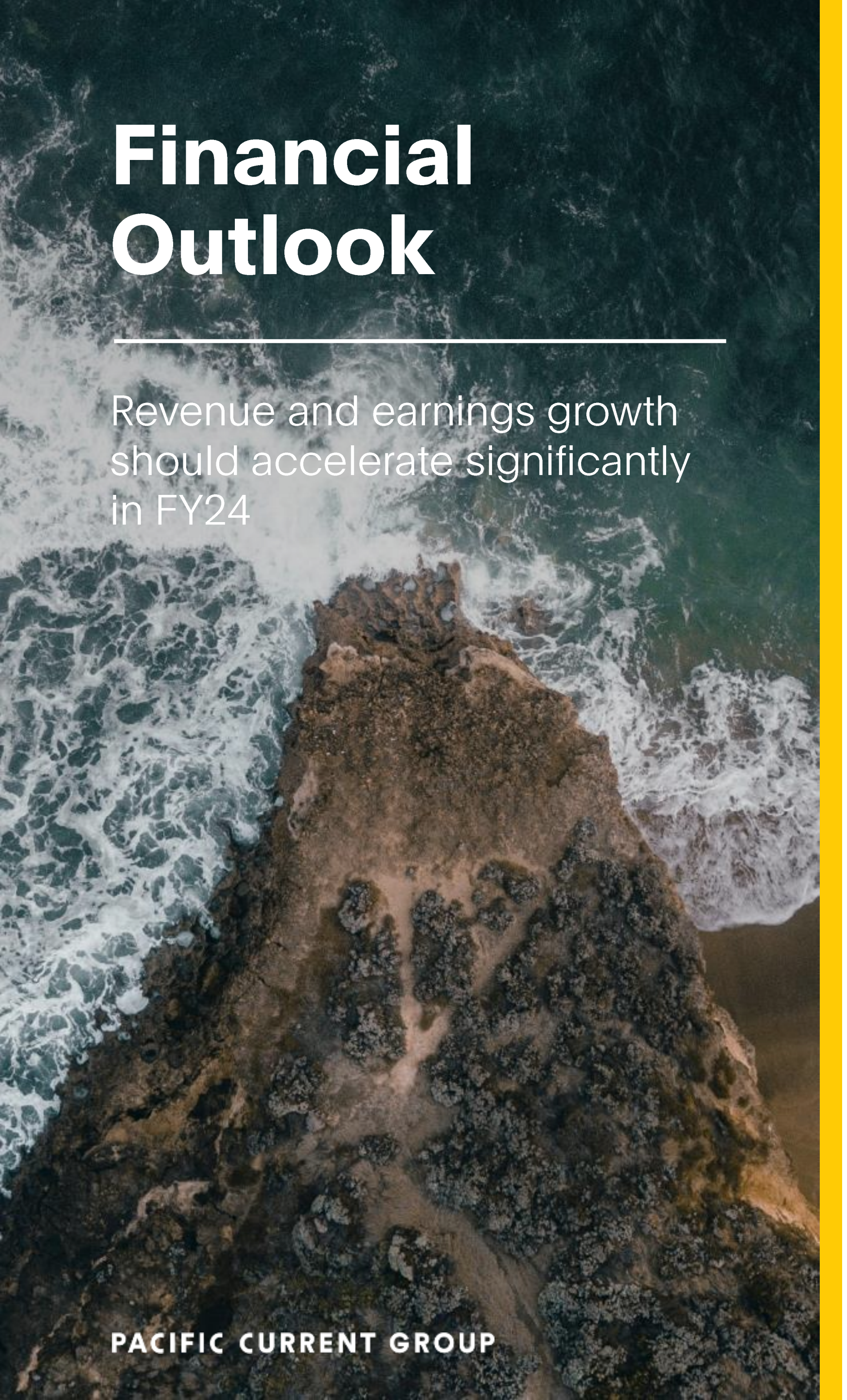
PAC continues to explore different ownership options to unlock shareholder value

The current fundraising market for investment firms is very difficult. Nonetheless, PAC expects its portfolio companies, ex GQG, to receive A$2b-A$5b of gross new commitments in FY24

Increasing likelihood of announcing one or more liquidity events in portfolio in FY24. Any portfolio realisations are likely to occur at valuations that exceed PAC's fair value estimates

Prior to the strategic ownership question arising, PAC was making good progress toward securing outside capital to manage. This was effectively put on hold due to the ongoing questions around PAC's future ownership. Depending on how this issue is resolved PAC, may be able to secure outside capital to manage in FY24

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 FY24. 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

Revenue and earnings growth should accelerate significantly in FY24

PAC expects strong growth in boutique contributions in FY24 due to:

- Growth in management and/or performance fees from key boutiques, including Victory Park, Pennybacker, GQG, Banner Oak, and IFP
- Annualisation of Cordillera investment and contributions from Avante

Operating expenses will show modest growth, though interest expense will grow more significantly as a result of the annualisation of outstanding credit line balance and rising interest rates

Pennybacker is being reclassified to Tier 1. Avante is being classified as Tier 1, though it is not expected to achieve Tier 1 thresholds in the first year of the investment. Aether is being reclassified from Tier 1 to Tier 2 due to slower than expected fundraising progress

Note: Outlook assumes flat equity markets, no change in currency and no partial or complete sale of interests in boutiques. Growth expectations are based primarily but not exclusively on PAC or boutique knowledge of specific prospects that appear likely to allocate to boutiques through FY24. 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.

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