



ASX ANNOUNCEMENT

31 January 2024

Funds under management as at 31 December 2023

Pacific Current Group Limited (**ASX:PAC**), a global multi-boutique asset management firm, is reporting total Funds under Management (**FUM**) managed by boutique asset managers within Pacific Current Group's portfolio increased to A\$227.3b from A\$215.1b for the quarter ended 31 December 2023.

Highlights from the quarter include the following:

- Aggregate FUM grew 5.6% in AUD. In native currency, USD-denominated fund managers saw FUM increase by 12.0%, primarily as a result of continued inflows and positive performance for GQG;
- Excluding GQG, FUM increased 4.5% for USD-denominated fund managers and decreased 0.5% for the one AUD-denominated fund manager;
- GQG had strong inflows during the quarter with PAC's private capital boutiques, led by Pennybacker, Victory Park, and Roc Partners, receiving combined new commitments of more than A\$1.6b;
- PAC's Ownership Adjusted FUM* grew from US\$14.3b to US\$15.3b; and
- PAC's boutiques made strong progress toward PAC's projection of A\$2b – A\$5b (excluding GQG) of gross new commitments in FY24, with A\$2.6b of commitments already secured in first half of FY24.

Pacific Current Group's CEO, Paul Greenwood, noted, "As expected, our portfolio experienced strong FUM growth during the quarter, with GQG, Pennybacker, Victory Park, and Roc receiving significant new commitments. More of our portfolio companies will be in active fundraising mode in 2024, which should result in another year of solid growth."

FUM flows and balances as at 30 September 2023 and 31 December 2023, by boutique tier and category, are shown in the Appendix attached.

Other Considerations

The relationship between the boutiques' FUM and the economic benefits received by PAC can vary dramatically based on factors such as:

- the fees charged by each boutique on the assets it manages, including one-time, up-front fees;
- the varying size of PAC's ownership interest in each boutique; and
- the unique economic terms negotiated between PAC and each boutique including the manner in which PAC expects to realize value from its investment.

* see appendix for definition of Ownership Adjusted FUM

Accordingly, PAC cautions against simple extrapolation of PAC's projected results based on FUM trends.

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ABOUT PACIFIC CURRENT GROUP

Pacific Current Group Limited is a multi-boutique asset management firm dedicated to providing exceptional value to shareholders, investors, and partners. We apply our strategic resources, including capital, institutional distribution capabilities and operational expertise to help our partners excel. As of 31 January 2024, Pacific Current Group has investments in 16 boutique firms globally.

Funds Under Management – 31 December 2023

FUM by Pacific Current Group boutique manager in reporting currency

\$m	Open End		Closed End		Total FUM as at 30 September 2023	Total FUM as at 31 December 2023
	30 September 2023	31 December 2023	30 September 2023	31 December 2023		
Tier 1 - Boutiques reporting in USD						
Avante	-	-	558	557	558	557
Banner Oak ¹	-	-	7,467	8,001	7,467	8,001
Carlisle	974	965	991	999	1,965	1,964
Cordillera	159	159	1,254	1,332	1,413	1,491
GQG	105,800	120,600	-	-	105,800	120,600
Pennybacker	268	271	3,062	3,402	3,330	3,673
Proterra ¹	-	-	3,413	3,457	3,413	3,457
Victory Park ²	-	-	5,769	5,864	5,769	5,864
Total Tier 1	107,202	121,995	22,514	23,612	129,716	145,607
Tier 2 - Boutiques reporting in USD						
Aether	-	-	1,545	1,545	1,545	1,545
Astarte ³	-	-	474	534	474	534
EAM	1,434	1,516	-	-	1,434	1,516
Total Tier 2	1,434	1,516	2,019	2,079	3,452	3,595
FUM (USD) - Boutiques reporting in USD	108,635	123,511	24,533	25,691	133,168	149,202
FUM (AUD) - Boutiques reporting in USD	168,929	181,507	38,149	37,755	207,079	219,262
Tier 2 - Boutique reporting in AUD						
ROC Partners	-	-	8,067	8,024	8,067	8,024
Total FUM (AUD) - PAC Boutiques	168,929	181,507	46,216	45,779	215,146	227,287

1. FUM for Banner Oak Capital Partners and Proterra Investment Partners represent regulatory FUM from one quarter in arrears.
2. Victory Park FUM includes the firm's regulatory capital for 31 December, as well as other client FUM where VPC is paid a one-time, upfront fee.
3. Astarte FUM represents aggregate FUM of funds managed by investment managers in which Astarte has an interest as well as the unallocated committed capital from funds managed by Astarte.

FUM by Pacific Current Group Tier 1/Tier 2 Classification in AUD

A\$m	FUM as at 30 September 2023	Net Flows ⁴	Other ⁵	FX movement ⁶	FUM as at 31 December 2023
Tier-1 (Ex-GQG) ⁷	37,189	1,286	391	(2,116)	36,750
Tier-2	13,436	16	160	(303)	13,307
Sub-Total	50,625	1,301	551	(2,420)	50,056
GQG ⁷	164,521	2,765	19,973	(10,029)	177,230
Total	215,146	4,067	20,523	(12,449)	227,287

4. For Closed End funds, Net Flows only includes additional capital commitments. Distributions to limited partners of Closed End funds will be reflected as reduction in Net Asset Value, which is included in the 'Other' category for PAC reporting.
5. The 'Other' category includes investment performance, market movement and distributions.
6. The Australian dollar strengthened against US dollar during the quarter. The AUD/USD exchange rate was 0.6431 as at 30 September 2023 compared to 0.6805 as at 31 December 2023. The Net Flows and Other items are calculated using average rates.
7. Beginning with quarter ending 31 December 2021, GQG is separated in the table above as GQG is now a listed entity, therefore PAC will only include GQG's FUM data as it is disclosed by GQG in its quarterly FUM announcement. GQG continues to be a Tier-1 boutique in the PAC portfolio.

Tier 1 Boutique is a term used to describe an asset manager that PAC expects to produce at least an average of AUD 4m of annual pre-tax earnings for PAC over the next three years, while a **Tier 2 Boutique** is one that PAC expects will contribute less than this amount. Although there is no guarantee any Tier 1 boutique will meet this threshold, this categorisation is intended to provide insight into which boutiques are expected to be the most economically impactful to Pacific Current Group

Open-end is a term used to indicate funds under management that are not committed for an agreed period and therefore can be redeemed by an investor on relatively short notice. **Closed-end** is a term used to denote funds under management where the investor has committed capital for a fixed period and redemption of these funds can only eventuate after an agreed time and in some cases at the end of the life of the fund.

Ownership Adjusted FUM by Pacific Current Group boutique manager in USD

US\$m	Private Market / Public Market Strategy	Total FUM as at 30 September 2023	Total FUM as at 31 December 2023	PAC Interest	Ownership Adjusted FUM (OAF) as at 30 September 2023	Ownership Adjusted FUM (OAF) as at 31 December 2023
Tier 1						
Avante	Private	558	557	24.9 %	139	139
Banner Oak	Private	7,467	8,001	35.0 %	2,614	2,800
Carlisle	Private	1,965	1,964	40.0 %	786	786
Cordillera	Private	1,413	1,491	24.9 %	352	371
GQG	Public	105,800	120,600	4.0 %	4,264	4,860
Pennybacker	Private	3,330	3,673	16.5 %	549	606
Proterra	Private	3,413	3,457	16.0 %	546	553
Victory Park	Private	5,769	5,864	24.9 %	1,437	1,460
Tier 2						
Aether	Private	1,545	1,545	100.0 %	1,545	1,545
Astarte	Private	474	534	44.5 %	211	238
EAM	Public	1,434	1,516	18.8 %	269	284
ROC Partners	Private	5,188	5,460	29.7 %	1,541	1,622
Total (USD)		138,356	154,662		14,251	15,264

Ownership Adjusted FUM (OAF) - The ownership percentage used in the calculation of OAF reflects the proportion of proceeds that PAC, absent any distribution preferences, would receive in the event of the sale or liquidation of the business. The portfolio above does not include boutiques that do not manage FUM.