



14 November 2019

By electronic lodgement

The Manager
Company Announcements Office
ASX Ltd
20 Bridge Street
SYDNEY NSW 2000

Rapid Insights Presentation

Pinnacle Investment Management Group Limited is pleased to attach a copy of a presentation that will be given to investors and analysts at a Rapid Insights conference to be hosted at Wilsons Advisory on 20 November 2019.

For further information, please contact 1300 651 577.

Yours faithfully,

Calvin Kwok
Company Secretary

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PINNACLE INVESTMENT MANAGEMENT GROUP LIMITED (PNI)

Investor Presentation – Wilsons Sydney Rapid Insights Conference, Nov 2019

Ian Macoun – Managing Director

Alan Watson – Chairman

Adrian Whittingham – Executive Director

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- FUM at 31 October 2019 of \$57.3 billion, compared with \$54.3 billion at 30 June 2019
- S&P/ASX 300 index up 0.8%; MSCI World index up 2.1% in the four months to 31 October 2019
- MOT raise of \$45m
- Zenith Fund Awards success with Pinnacle awarded Distributor of the Year for the **4th consecutive year**, Resolution Capital – Global REIT Category Winner (**sixth consecutive year**), Metrics – Listed Investment Entities Category **Winner**, Solaris Investment Management - Australian Equities – Alt. Strategies Category **Winner**, Solaris Investment Management - Australian Equities – Large Cap Category Finalist and Antipodes Partners – International Equities – Alternative Strategies Category Finalist

The remainder of this Presentation is as per the 31 October 2019 AGM presentation (Chairman's address and Managing Director's address, and Ramsin Jajoo presentation on 'Secular Trends Facing Our Industry') - except for performance information, which has been updated to 31 October 2019, and total FUM, which has also been updated to 31 October 2019.

Agenda

- Chairman's address – Alan Watson
- Managing Director's Address – Ian Macoun
- Secular Trends Facing Our Industry – Impact on Distribution – Ramsin Jajoo
- Q&A

CHAIRMAN'S ADDRESS

Alan Watson, Chairman

- Building a resilient, diversified business
 - Diversity of asset classes under management
 - Diversity of sources of Funds Under Management
- Medium term track record
 - Review of progress since becoming a 'pure play' Funds Management Group in 2016
- Future growth – measured and ready for opportunities

Building a resilient, diversified business



Resilience has been enhanced by:

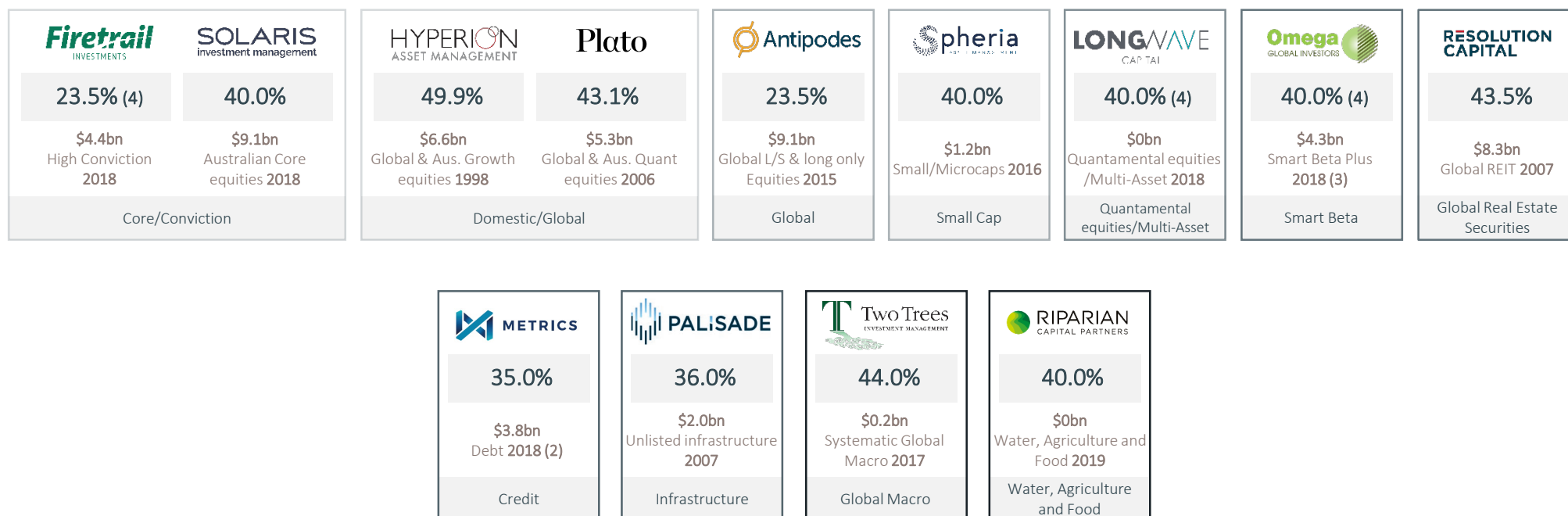
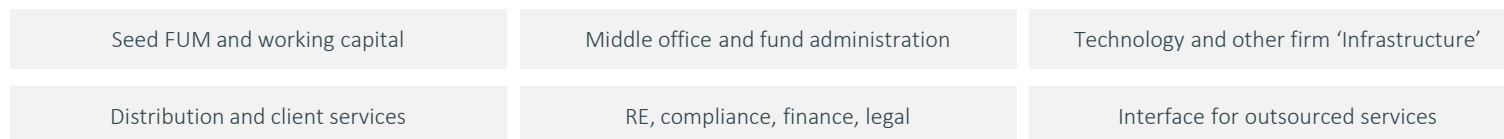
1. Diversity of asset classes
2. Diversity of sources of FUM
3. Percentage of FUM exposed to performance fees

Diversity of Asset Classes under management

CONTINUING TO INVEST IN A DIVERSIFIED PLATFORM TO STRENGTHEN FUTURE GROWTH



- Executives of both Pinnacle and Pinnacle Affiliates have significant equity interests
- Equity ownership enhances alignment with shareholders



- (1) Gross FUM as at 30 June 2019.
- (2) Founded in 2011. Pinnacle acquired equity in August 2018
- (3) Founded in 2008. Pinnacle acquired equity in July 2018
- (4) The percentage represents Pinnacle's total shareholding in the Affiliate. Pinnacle currently holds less than 1% of the voting shares in the Affiliate. However, it has full economic rights in respect of its holding

Adding quality affiliates



A specialist debt fund manager, offering investors actively managed access to attractive risk-adjusted returns in private debt markets



Smart beta, factor investing and client solutions (including ESG) capabilities



High conviction investment manager of Australian and Global equities



Australian equities investment management affiliate, led by David Wanis



Water, agriculture and food investments across the agricultural sector

Diversity of Sources of Funds Under Management



1. Institutional – Domestic
2. Institutional – Offshore
3. Retail – Intermediated
4. Retail - Direct

Australian Institutional Funds Market – Challenges and Mitigants

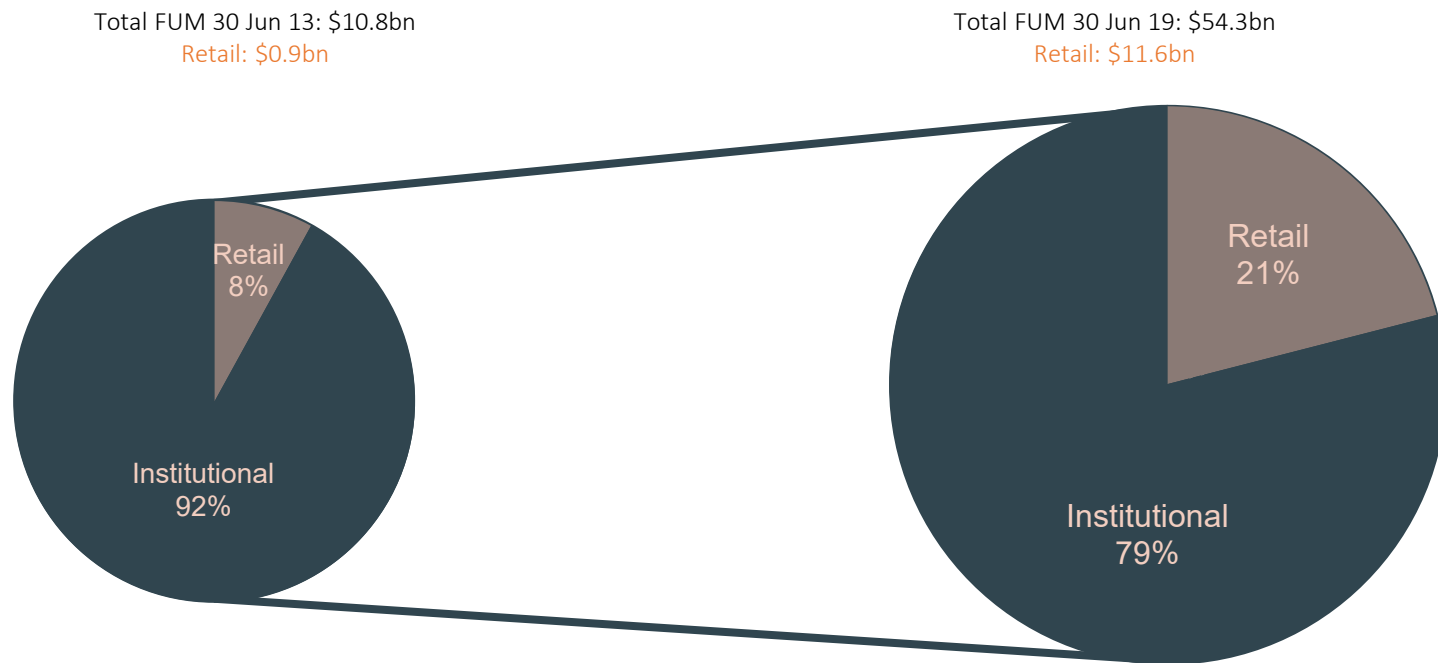
- Trends – Amalgamation, ‘Insourcing’ and some increase in ‘passive’ (index) funds
- Pinnacle response:
 - Client base diversity (78 institutional separate accounts, 95 institutional separate accounts; the largest client <1% of revenues)
 - Retail FUM continues to grow
 - Industry FUM growth mitigates the basis point fee compression
 - Affiliates’ proactive capacity management resists fee compression
 - Attractive investment performance still commands premium fees
 - Performance fees offer better alignment of interests and provide attractive economics for our strongly performing managers
 - We continue to diversify our asset class offerings, and
 - We are diversifying the markets into which we are offering our investment strategies

An Unusual Year in the Retail Market



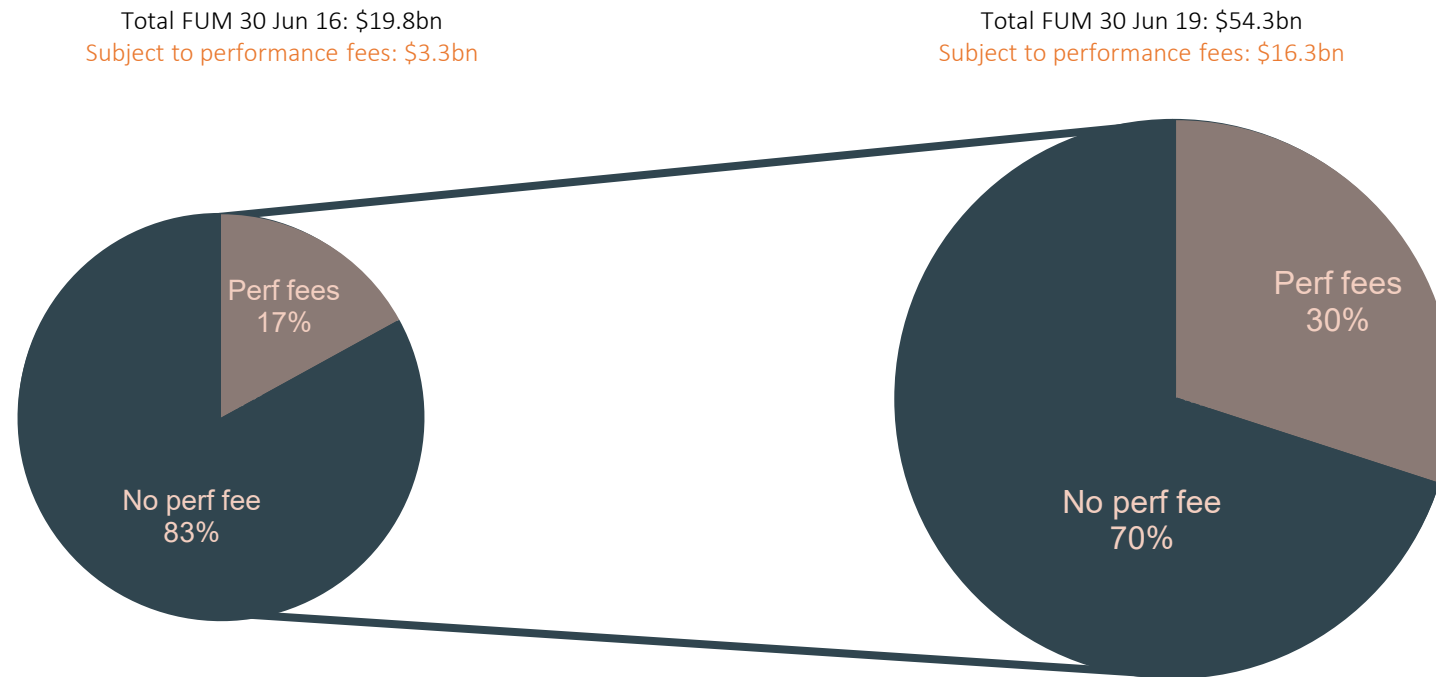
- Royal Commission
- Federal election
- Geo-political concerns
 - US-China Trade Conflict
 - Brexit
 - Hong Kong
- Consequence: Too early to predict medium term effects, but lower inflows short term
- Pinnacle response: We have a diversified skill base in Retail and a market-leading Distribution capability

Retail FUM evolution



- Pinnacle has invested significantly in retail distribution and has generated substantial retail FUM in the last 6 years (~\$10bn of retail FUM growth)
- Initiatives include growth of internal and external sales teams, direct retail and exchange traded funds (open & closed ended)

FUM subject to performance fees



- Significant growth in both absolute and percentage of FUM subject to performance fees
- Diversification across asset classes

Pinnacle is a multi affiliate investment management firm with a mission to establish, grow and support a diverse stable of world-class fund managers

Goals and strategy stated in 2016	Progress
Continue to provide high quality distribution, Responsible Entity and infrastructure services	7 Affiliates, now 13 Affiliates
Support its Affiliated fund managers' high standards	Funds Under Management trebled from \$19.3 billion as at 30 April 2016 to \$56.9 billion as at 30 September 2019 (with retail \$12.2 billion)
Remain focussed on investing, to enable continued strong performance and FUM growth	Net profit after tax also trebled (to \$30.5 million in FY19, from in 1HFY16 of \$4.7 million)
Grow retail FUM	EPS has grown from 5.2c in FY16 to 18.3c in FY19 – over 350%
Continue to assess third party distribution and new boutique opportunities	FY19 dividends of 15.4c compared with 3.3c in FY16, 67% p.a. compound growth

- NPAT from continuing operations attributable to shareholders of \$30.5 million, up 32% from \$23.1 million in the prior year
- Earnings per share from continuing operations of 18.3 cents, up 33% from 14.3 cents in the prior year
- Share of NPAT from Pinnacle Affiliates of 33.1 million, up 33% from \$24.9 million
- Fully franked final dividend of 9.3 cents per share payable on 5 October 2019
- Cash and Principal Investments of \$51.2 million as at 30 June 2019

Fully franked dividend yield AND earnings growth



- 15.4 cents per share Fully Franked dividends FY19
- Up 67% pa from 3.3 cents in FY16
- Ample franking credits (\$28.8m at 30 June 2019)
- Shareholders appreciate dividend income (in addition to earnings growth)
- Earnings have grown well in excess of 20% pa
- FY19 dividends represent approx. 3.1% pa yield at current share price (equal to 4.4% including franking benefit)
- Franking credit balance (\$28.8m) at 30% company tax rate enables potential fully franked dividends of \$67.2m

- Investment in distribution platform
 - Grow ahead of our Affiliates
 - Listen to clients and move quickly to meet their evolving needs
 - Do not become the market – be ahead of it
- Investment in new affiliates adds diversification
 - Global equities (developed & emerging markets)
 - Private capital (debt & equity)
 - Absolute return (single & multi-asset)
- Result: Corporate Stability and, meeting clients' evolving needs

Future Growth – Ready for Opportunities



- \$51.2m of cash and principal investments at 30 June 2019
- Includes \$23.2m invested in strategies managed by Pinnacle Affiliates
- Excludes nearly \$6m of cash applied for Affiliate equity recycling loans, working capital loans (Two Trees) and Affiliate equity purchased
- Excludes post balance date impact of final dividend of \$17 million, offset by final dividends to be received from Affiliates in H1 FY20
- Strategically valuable for Pinnacle to have capital available to seed new Affiliates, facilitate Affiliate equity recycling, and respond to very high quality 'Horizon 3' opportunities
- \$30m new debt facility available as additional 'dry powder'

MANAGING DIRECTOR'S ADDRESS

Ian Macoun, Managing Director

- Group financial summary
- Enhancing the platform – strength, stability and reputation
 - Diversified platform
 - Enhanced opportunities for growth
- Pinnacle affiliates continue to win major industry awards
- Continuing strong investment performance of Affiliates
- FUM and Net FUM inflows
- Pinnacle Foundation
- Recap on Horizon 3 – what could we acquire?

Group financial summary



	FY2019 (\$M)	FY2018 (\$M)	YoY change
PINNACLE			
Revenue	21.1	16.5	27.9%
Expenses	(23.7) ^{1,2}	(18.3) ^{1,2}	29.5%
Share of Pinnacle Affiliates net profit after tax	33.1	24.9	32.9%
Net profit before tax (NPBT) from continuing operations	30.5	23.1	32.0%
Taxation	-	-	
NPAT from continuing operations	30.5	23.1	32.0%
Basic earnings per share:			
From continuing operations	18.3	14.3	28.0%
Total attributable to shareholders	18.3	14.5	26.2%
Diluted earning per share:			
From continuing operations	17.1	13.2	29.5%
Total attributable to shareholders	17.1	17.1	27.6%

- Group NPAT from continuing operations of \$30.5m, compared to \$23.1m in FY18, an increase of 32.0%
- EPS from continuing operations of 18.3 cents per share, compared to FY18 EPS of 14.3 cents per share
- Fully franked final dividend of 9.3 cents per share declared, payable in October 2019, taking the total dividend for FY19 to 15.4 cents per share
- Cash and principal investments of \$51.2m as at 30 June 2019
- P&L 'investment' in support of Horizon 2 growth – adding resources to cater for growth (including ahead of forthcoming growth)
- As we have consistently stated, we will continue to invest in activities which we believe will bring substantial benefits over the medium term, whilst recognising that such investment may restrain growth to some degree in the short term

¹ Includes salaries of additional people, recruitment costs etc. – number of people in 'Pinnacle parent' increased from 39 at 1 July 2017, to 54 at 30 June 2018 and to 68 at 30 June 2019 (approximately 50% distribution and marketing; 50% infrastructure/fund services).

² Includes mark-to-market and realized gains/losses on principal investments, net of hedging. These were net gains of \$1.2m in FY19 (reduces 'expenses'), compared with net losses of \$1.8m in FY18 (increases 'expenses').

- Continuing growth in 'Pinnacle Parent' revenues and costs
 - Significant 'P&L' investment in support of Horizon 2 initiatives (including Offshore distribution, ETF, Direct to retail consumers, new Affiliates)
 - Net gains on principal investments of \$2,715k, compared with losses of \$705k in FY18
 - Continued strong inflows drive distribution fee revenues, including close to \$850m raised into Metrics' LITs in 2H; however, 'traditional' retail flows were lower in 2H which led to lower than anticipated flow- and revenue-based fees
- Significant growth in Pinnacle's share of Affiliate profits on the PCP
 - Impact of higher starting FUM
 - Continuing investment in certain Affiliates ahead of future growth
 - Cost of Two Trees, Longwave and Riparian included as negative NPAT; Firetrail profitable from September following significant early inflows
 - Low performance fees for FY19

PNI balance sheet

	FY2019 (\$M)	FY2018 (\$M)	YoY change
CURRENT ASSETS			
Cash and cash equivalents	26.7	9.3	187.1%
Financial assets	24.5	22.1	10.7%
Total cash and financial assets	51.2	31.4	62.9%
Other current assets	18.3	12.6	
Total current assets	69.5	44.0	57.9%
NON-CURRENT ASSETS			
Investments in affiliates	113.4	55.6	103.9%
Other current assets	3.9	5.3	(25.8%)
Total non-current assets	117.3	60.9	92.6%
Total Assets	186.8	104.9	78.0%
Total liabilities	9.7	6.8	42.7%
Net assets	177.1	98.1	80.5%
Net shareholders' equity	177.1	98.1	80.5%

- Cash and Principal Investments of \$51.2 million
- Includes \$23.2 million invested in strategies managed by Pinnacle Affiliates
- \$60m capital raising (10.9m shares) and \$10m Share Purchase Plan proceeds (1.8m shares) in July 2018
- Excludes impact of final dividend of 9.3 cents per share paid on 4th October 2019
- Also excludes impact of Affiliate dividends received post 30 June 2019

Enhancing the platform - strength, stability and reputation



- Stable & diversified platform
 - Continuing investment excellence
 - Widespread industry recognition and support
 - 'Article of faith' reputation
- Further investment in distribution capability
 - Direct to retail
 - International
- Proven ability to build high quality investment managers, and facilitate substantial success, quickly
- Expanding distribution capability, at high quality
- Critical to maintain highest standards of service and support to Pinnacle Affiliates
- Strong and flexible balance sheet

Pinnacle Affiliates continue to win major industry awards



2019 Zenith Fund Awards:

- Pinnacle – Distributor of the Year (fourth consecutive year)
- Resolution Capital – Global REIT Category Winner (sixth consecutive year)
- Metrics – Listed Investment Entities Category Winner
- Solaris Investment Management - Australian Equities – Alt. Strategies Category Winner
- Solaris Investment Management - Australian Equities – Large Cap Category Finalist
- Antipodes Partners – International Equities – Alternative Strategies Category Finalist

2019 Lonsec/Money Management Fund Manager of the Year:

- Solaris – Equities (Long/Short) Category Winner
- Antipodes Partners – Equities (Long/Short) Category Finalist
- Metrics – Listed Products Category Finalist

2019 Australian Alternative Investment Awards:

- Metrics – Best Private Debt Fund Category Winner

2018 Professional Planner | Zenith Fund Awards:

- Pinnacle – Distributor of the Year (third consecutive year)
- Resolution Capital – Global REIT Category Winner (fifth consecutive year)
- Solaris Investment Management - Australian Equities – Alt. Strategies Category Winner
- Antipodes Partners – International Equities – Alternative Strategies Category Finalist
- Antipodes Partners – International Equities – Global Category Finalist
- Hyperion – International Equities – Global Category Finalist
- Spheria Asset Management – Australian Equities – Small Cap Category Finalist

2018 Lonsec/Money Management Fund Manager of the Year:

- Resolution Capital – Global REIT Category Finalist

2017 Lonsec/Money Management Fund Manager of the Year:

- Antipodes Partners – Equities (Long/Short) Category Winner
- Antipodes Partners – Global Equities (Broad Cap) Category Winner
- Antipodes Partners – Emerging Manager Category Winner
- Antipodes Partners – Overall Fund Manager of the Year Finalist
- Spheria Asset Management – Emerging Manager Finalist

2017 Professional Planner | Zenith Fund Awards:

- Pinnacle – Distributor of the Year (second consecutive year)
- Resolution Capital – Global REIT Category Winner (fourth consecutive year)
- Antipodes Partners – International Equities – Alternative Strategies Category Winner (second consecutive year)
- Antipodes Partners – International Equities – Global Category Winner
- Antipodes Partners – Overall Fund Manager of the Year

2016 Morningstar Fund Manager of the Year Awards:

- Hyperion – Australian Fund Manager of the Year
- Hyperion – Domestic Equities Category Winner, Australia
- Hyperion – Domestic Equities Small Caps Category Winner, Australia

Continuing strong investment performance of Affiliates

94% of Pinnacle Affiliated Investment Manager strategies and products (with a track record exceeding 5 years) **have outperformed** their benchmarks over the **5 years to 31 October 2019**

	5Y	10Y	Inception	Inception date
PINNACLE INVESTMENT MANAGEMENT				
Hyperion Asset Management - Gross Performance				
Hyperion Australian Growth Companies Fund	11.59%	11.12%	12.72%	01 Oct 2002
<i>Outperformance</i>	3.04%	2.88%	3.27%	
Hyperion Small Growth Companies Fund	14.06%	16.02%	17.47%	01 Oct 2002
<i>Outperformance</i>	4.45%	11.40%	10.06%	
Hyperion Australian Equities Composite	11.71%	11.29%	13.63%	01 Nov 1996
<i>Outperformance</i>	3.15%	3.06%	4.46%	
Hyperion Global Growth Companies Fund (Class B Units)	23.52%		21.98%	22 May 2014
<i>Outperformance</i>	9.92%		8.23%	
Plato Investment Management - Gross Performance				
Plato Australian Shares Core Fund	9.14%	9.38%	6.98%	30 Oct 2006
<i>Outperformance</i>	0.58%	1.14%	0.86%	
Plato Australian Shares Equity Income Fund - Class A	10.67%		12.56%	09 Sep 2011
<i>Outperformance</i>	0.54%		1.92%	
Solaris Investment Management - Gross Performance				
Solaris Core Australian Equity Fund	10.45%	9.58%	7.38%	09 Jan 2008
<i>Outperformance</i>	1.98%	1.24%	2.02%	
Solaris High Alpha Australian Equity Fund	10.73%	9.55%	8.12%	04 Feb 2008
<i>Outperformance</i>	2.25%	1.21%	2.39%	
Solaris Total Return Fund (including franking credits)	12.17%		12.33%	13 Jan 2014
<i>Outperformance</i>	2.05%		1.94%	
Resolution Capital - Gross Performance				
Resolution Capital Real Assets Fund	14.26%	13.70%	10.03%	30 Sep 2008
<i>Outperformance</i>	1.60%	1.37%	2.47%	
Resolution Capital Global Property Securities Fund	10.71%	14.66%	12.26%	30 Sep 2008
<i>Outperformance</i>	2.70%	2.08%	4.20%	
Palisade Investment Partners - Gross Performance				
Palisade Diversified Infrastructure Fund	12.66%	12.16%	10.76%	01 Aug 2008
Palisade Australian Social Infrastructure Fund	13.52%		15.32%	31 May 2011
Omega Global Investors - Gross Performance				
Omega Global Corp Bonds Fund	4.82%		6.58%	11 Mar 2010
<i>Outperformance</i>	-0.53%		-0.72%	
Omega Global Listed Infrastructure Fund	8.78%		12.28%	03 Aug 2012
<i>Outperformance</i>	0.03%		0.27%	
Metrics Credit Partners - Gross Performance				
DASLF	5.00%		5.33%	04 Jun 2013
<i>RBA Cash Rate</i>	3.33%		3.47%	
<i>BBSW (90 Days)</i>	3.07%		3.24%	

The investment performance information above is shown for information purposes only. Outperformance is measured based on performance gross of fees (unless otherwise stated) vs relevant benchmark. The one strategy that has underperformed its benchmark was not under Pinnacle ownership for most of the five-year period.

Affiliates' investment performance – 31 October 2019

	1Y	3Y	5Y	10Y	Inception	Inception date
PINNACLE INVESTMENT MANAGEMENT						
Hyperion Asset Management - Gross Performance						
Hyperion Australian Growth Companies Fund	24.59%	13.67%	11.59%	11.12%	12.72%	01 Oct 2002
Outperformance	5.10%	1.14%	3.04%	2.88%	3.27%	
Hyperion Small Growth Companies Fund	26.10%	13.52%	14.06%	16.02%	17.47%	01 Oct 2002
Outperformance	11.69%	3.14%	4.45%	11.40%	10.06%	
Hyperion Australian Equities Composite	26.93%	14.00%	11.71%	11.29%	13.63%	01 Nov 1996
Outperformance	7.43%	1.46%	3.15%	3.06%	4.46%	
Hyperion Global Growth Companies Fund (Class B Units)	21.14%	25.86%	23.52%		21.98%	22 May 2014
Outperformance	4.53%	9.58%	9.92%		8.23%	
Plato Investment Management - Gross Performance						
Plato Australian Shares Core Fund	18.69%	12.86%	9.14%	9.38%	6.98%	30 Oct 2006
Outperformance	-0.80%	0.33%	0.58%	1.14%	0.86%	
Plato Australian Shares Equity Income Fund - Class A	22.68%	14.59%	10.67%		12.56%	09 Sep 2011
Outperformance	1.41%	0.32%	0.54%		1.92%	
Plato Global Shares Income Fund	8.65%	10.97%			7.25%	30 Nov 2015
Outperformance	-7.16%	-4.72%			-3.58%	
Solaris Investment Management - Gross Performance						
Solaris Core Australian Equity Fund	18.30%	14.38%	10.45%	9.58%	7.38%	09 Jan 2008
Outperformance	-0.98%	1.82%	1.98%	1.24%	2.02%	
Solaris High Alpha Australian Equity Fund	17.63%	14.93%	10.73%	9.55%	8.12%	04 Feb 2008
Outperformance	-1.66%	2.37%	2.25%	1.21%	2.39%	
Solaris Total Return Fund (including franking credits)	21.48%	16.41%	12.17%		12.33%	13 Jan 2014
Outperformance	0.22%	2.14%	2.05%		1.94%	
Solaris Australian Equity Long Short Fund	18.45%				18.45%	01 Mar 2017
Outperformance	-0.83%				7.88%	
Solaris Australian Equity Income Fund	22.18%				13.98%	12 Dec 2016
Outperformance	0.92%				1.23%	
Resolution Capital - Gross Performance						
Resolution Capital Real Assets Fund	25.46%	14.49%	14.26%	13.70%	10.03%	30 Sep 2008
Outperformance	1.59%	1.48%	1.60%	1.37%	2.47%	
Resolution Capital Global Property Securities Fund	23.05%	12.07%	10.71%	14.66%	12.26%	30 Sep 2008
Outperformance	3.74%	2.86%	2.70%	2.08%	4.20%	
Palisade Investment Partners - Gross Performance						
Palisade Diversified Infrastructure Fund	9.88%	11.53%	12.66%	12.16%	10.76%	01 Aug 2008
Palisade Australian Social Infrastructure Fund	9.44%	11.00%	13.52%		15.32%	31 May 2011
Antipodes Partners - Gross Performance						
Global Fund	3.18%	10.50%			11.26%	01 Jul 2015
Outperformance	-12.65%	-4.59%			0.88%	
Global Long Only	7.40%	13.69%			12.58%	01 Jul 2015
Outperformance	-8.43%	-1.39%			2.20%	
Asia Fund	11.83%	12.25%			10.74%	01 Jul 2015
Outperformance	-4.66%	0.13%			3.41%	

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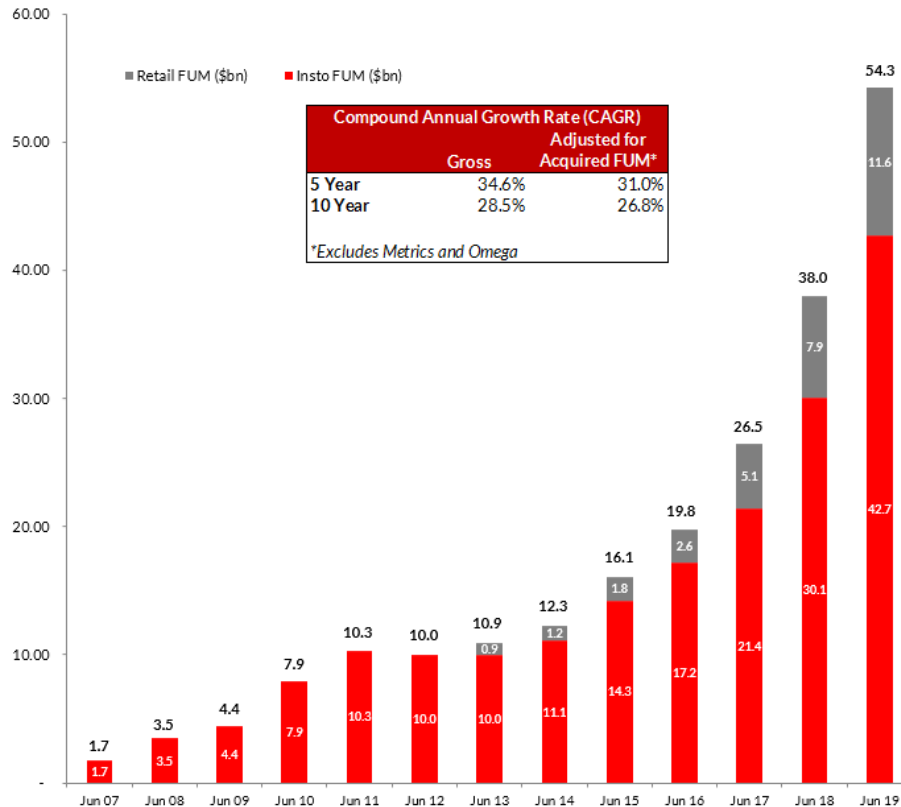
Affiliates' investment performance – 31 October 2019

	1Y	3Y	5Y	10Y	Inception	Inception date
PINNACLE INVESTMENT MANAGEMENT						
Spheria Asset Management - Gross Performance						
Microcap Fund	11.08%	10.42%			13.67%	16 May 2016
<i>Outperformance</i>	-3.33%	0.04%			3.68%	
Smaller Companies Fund	10.06%	12.05%			11.24%	11 Jul 2016
<i>Outperformance</i>	-4.34%	1.67%			2.41%	
Opportunities Fund	12.78%	14.26%			12.77%	11 Jul 2016
<i>Outperformance</i>	0.00%	2.93%			2.55%	
Two Trees Investment Management - Gross Performance						
Global Macro Fund	6.65%				-1.00%	01 Nov 2017
<i>Outperformance</i>	5.00%				-2.77%	
Firetrail Investments - Gross Performance						
High Conviction Fund	9.80%				3.37%	14 Mar 2018
<i>Outperformance</i>	-9.48%				-8.35%	
Absolute Return Fund	-4.24%				-1.42%	14 Mar 2018
<i>Outperformance</i>	-5.54%				-2.79%	
Omega Global Investors - Gross Performance						
Omega Global Corp Bonds Fund	10.66%	4.15%	4.82%		6.58%	11 Mar 2010
<i>Outperformance</i>	-1.44%	-0.72%	-0.53%		-0.72%	
Omega Global Listed Infrastructure Fund	17.01%	8.05%	8.78%		12.28%	03 Aug 2012
<i>Outperformance</i>	-1.57%	-0.43%	0.03%		0.27%	
Metrics Credit Partners - Gross Performance						
DASLF	5.32%	5.02%	5.00%		5.33%	04 Jun 2013
<i>RBA Cash Rate</i>	4.02%	3.59%	3.33%		3.47%	
<i>BBSW (90 Days)</i>	3.79%	3.29%	3.07%		3.24%	
SPDF	8.83%	8.49%			8.29%	26 Nov 2015
<i>RBA Cash Rate</i>	7.54%	7.06%			6.72%	
<i>BBSW (90 Days)</i>	7.30%	6.76%			6.43%	
SPDF II	8.43%				9.04%	09 Oct 2017
<i>RBA Cash Rate</i>	7.14%				7.63%	
<i>BBSW (90 Days)</i>	6.90%				7.32%	
REDF	9.52%				8.99%	09 Oct 2017
<i>RBA Cash Rate</i>	8.23%				7.58%	
<i>BBSW (90 Days)</i>	7.99%				7.26%	
WIT	6.76%				6.58%	09 Oct 2017
<i>RBA Cash Rate</i>	5.47%				5.17%	
<i>BBSW (90 Days)</i>	5.23%				4.85%	
MXT - net performance only	5.70%				5.47%	09 Oct 2017
<i>RBA Cash Rate</i>	4.40%				4.06%	
<i>BBSW (90 Days)</i>	4.17%				3.74%	
Longwave Capital Partners - Gross Performance						
Longwave Australian Small Companies Fund					17.82%	01 Feb 2019
<i>Outperformance</i>					4.00%	

The investment performance information above is shown for information purposes only. Outperformance is measured based on performance gross of fees (unless otherwise stated) vs relevant benchmark.

FY19 funds under management

Gross FUM growth (\$bn)¹



- FUM of \$54.3bn as at 30 June 2019 (increased to \$57.3bn as at 31 October 2019)
- FUM has grown at a CAGR of 34.6% p.a. over the last ten years (31.0% excluding \$6.8bn 'acquired' in July 2018)
- Increase in FUM of \$16.3bn in the year to 30 June 2019
 - \$6.8bn acquired
 - net inflows of \$6.5bn
 - market movements/investment performance of \$3.0bn
- Of the \$6.5bn of net inflows to 30 June 2019, \$2.9bn was retail
- Large institutional flows into Firetrail; now close to institutional capacity
- Low net institutional flows elsewhere during FY19, although there remains a strong pipeline of prospects for the FY20 financial year

¹Pinnacle FUM is 100% of FUM managed by Pinnacle Affiliates. Includes \$6.8 billion 'acquired' in July 2018.

Pinnacle Affiliates financial highlights



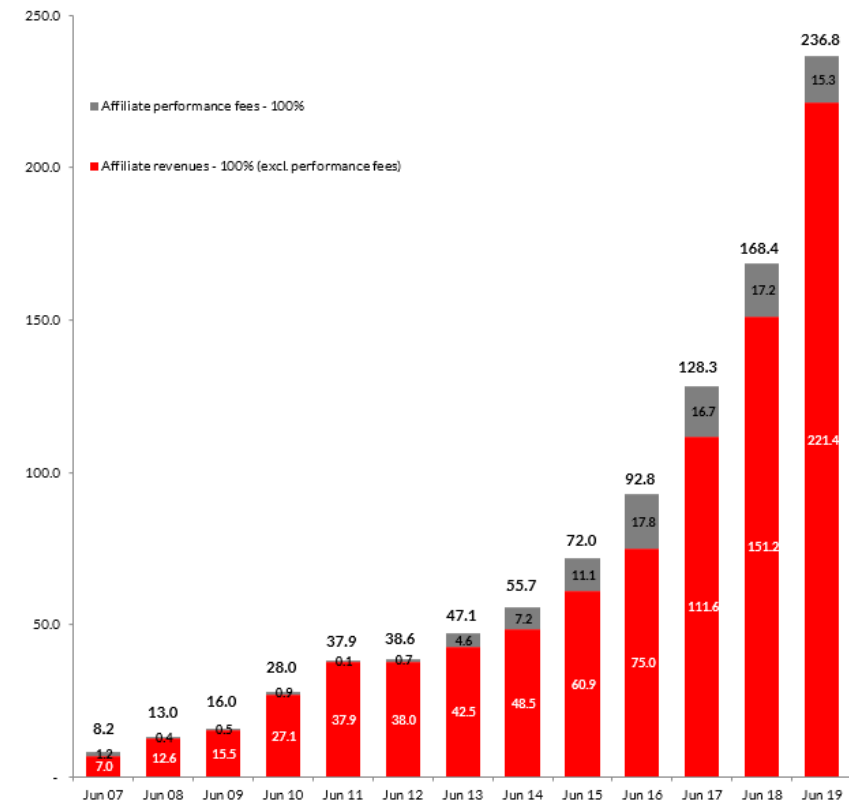
Strong FUM and revenue growth in Pinnacle

Affiliates:

- Total affiliates' revenues of \$236.8m, including \$15.3m (6.5%) in performance fees. In FY18, total affiliates' revenues of \$168.4m included \$17.2m (or 10.2%) in performance fees
- Growth in base management fees of 47.4%

	FY2019 (\$M)	FY2019 (\$M)	YoY change
PINNACLE AFFILIATES (100% aggregate basis)			
FUM (\$billion)	54.3 ¹	38.0	42.9%
Revenue (\$million)	236.8	168.4	40.6%
Net profit before tax	123.1	88.9	38.5%
Tax expense	(34.0)	(27.3)	24.5%
Net profit after tax	89.1	61.6	44.6%

Aggregate affiliate revenues (\$m)¹



¹ \$57.3 billion at 31 October 2019

- Pinnacle is passionate about enabling better lives through investment excellence. This belief is strongly demonstrated through Pinnacle's commitment – together with the Affiliates – to the Pinnacle Charitable Foundation to drive positive, long term social change
- The Foundation's vision is for a compassionate, creative and clever Australia – including a vibrant not for-profit sector. The Foundation's support is frequently provided at an early stage, offering seed funding to young, passionate charities as they seek to make a tangible impact within their communities
- Financially backed by Pinnacle and with access to extensive pro bono services across investment management, portfolio reporting, finance and IT, the Foundation operates with low overheads and high impact. Its investment strategy aims to provide reasonable capital protection whilst driving growth over the longer term. Investments are held in a range of suitable products offered across Affiliates –which all rebate associated management fees
- For the 2019 financial year, Pinnacle made cash contributions of \$311,000 (FY18: \$225,000) to the Foundation, with the Pinnacle Affiliates contributing a further \$110,000 to Foundation projects in collaboration (FY18: \$66,000)
- During the 2019 financial year, combined donations totaling over \$410,000 were directed towards supporting five key priorities:
 - mental health awareness, and prevention / early intervention strategies to reduce mental illness;
 - children facing acute or systemic disadvantage;
 - legal assistance for victims of domestic violence and sexual abuse;
 - development of corporate procurement initiatives for Indigenous communities; and
 - medical research seeking treatments / cures for children's genetic diseases and for Alzheimer's disease
- The Foundation was the largest recipient of a matched employee payroll giving program offered by Pinnacle and several Affiliates. Donations to more than 40 charities in FY19 through the matched giving program totalled just under \$60,000. This is in addition to the \$410,000 donated by the Foundation and Affiliates to the five identified priority causes

Recap on Horizon 3 Criteria – What could we acquire?



Criteria

- Must not place the Company at risk
- Only consider if low risk and high return on capital
- Exercise great care and careful due diligence
- Must be synergistic with existing core
- Few will meet this test

Status

- Metrics Credit and Omega acquisitions in July 2018
- We will continue to explore opportunities such as:
 - existing profitable investment management firms that we could help
 - distribution/retail businesses that may be synergistic

SECULAR TRENDS FACING OUR INDUSTRY

Ramsin Jajoo, Head of Retail Distribution

Australian market – who moved my super?



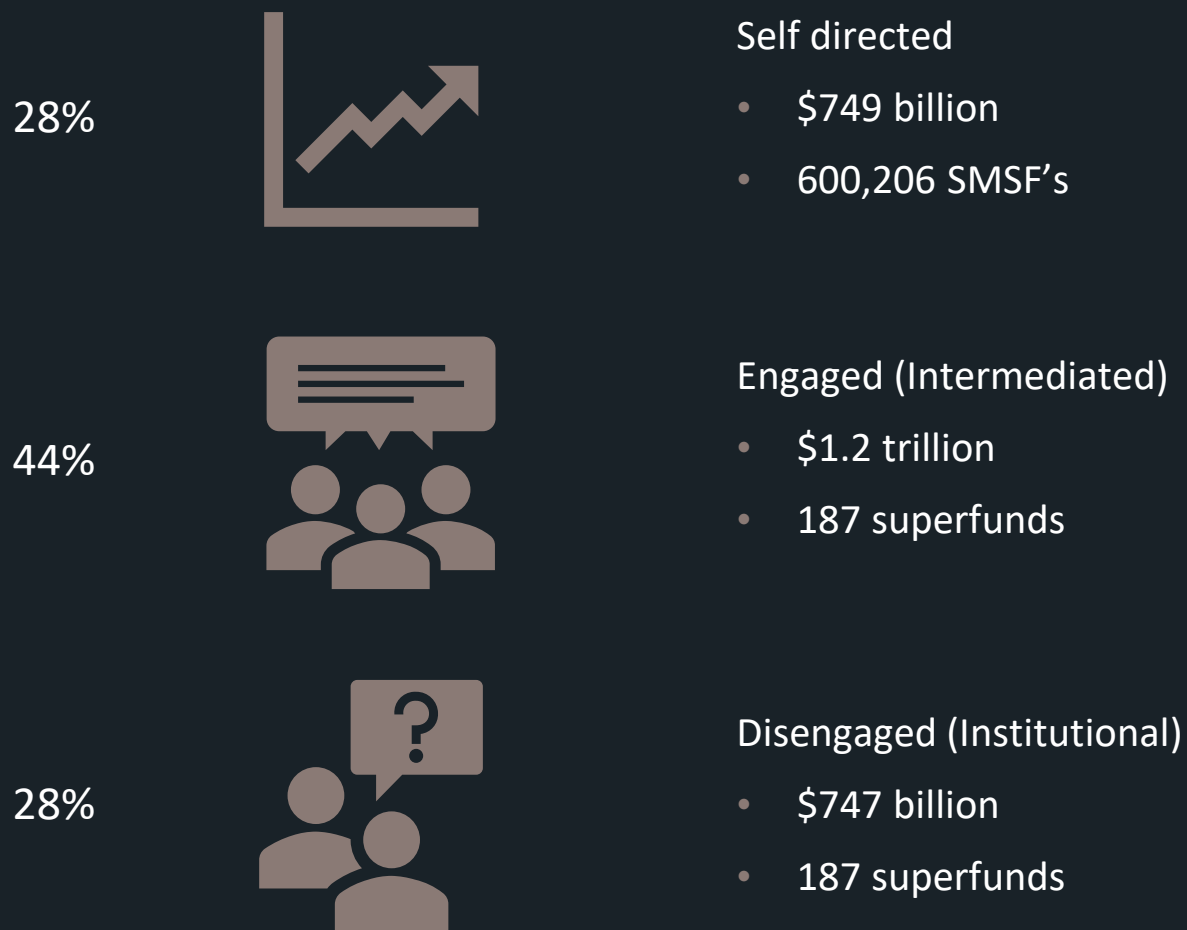
Investment Management

- \$3.6 trillion
- #7 largest in the world
- #1 Asia Pacific

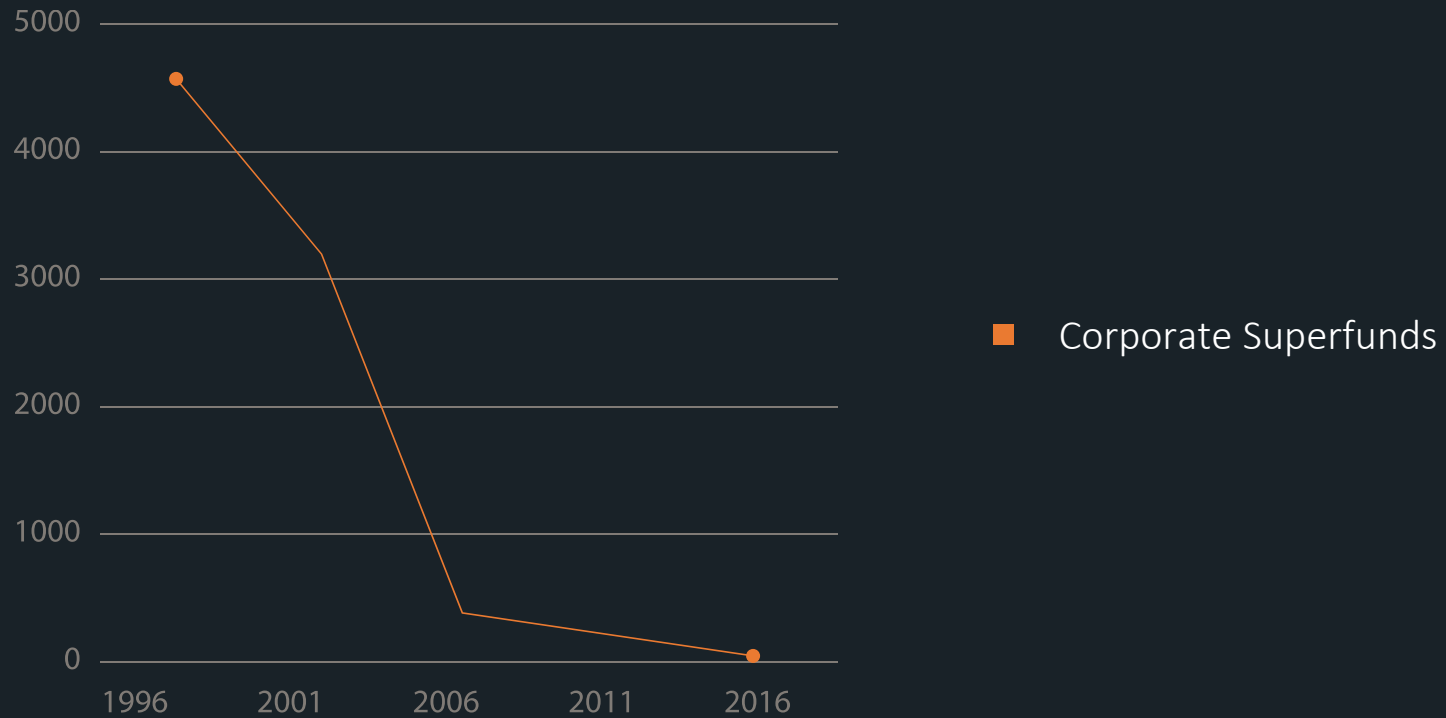


Superannuation

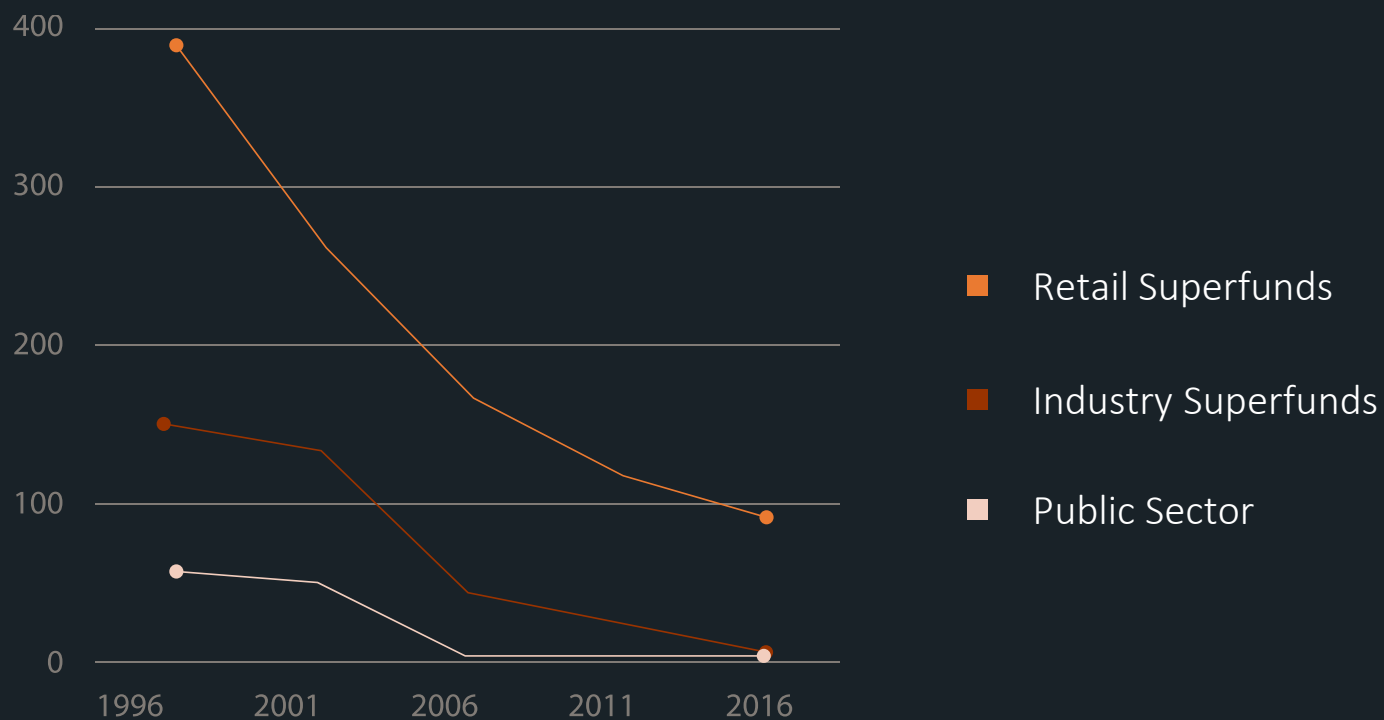
- \$2.8 trillion
- #4 largest in the world



Consolidation of the Australian market

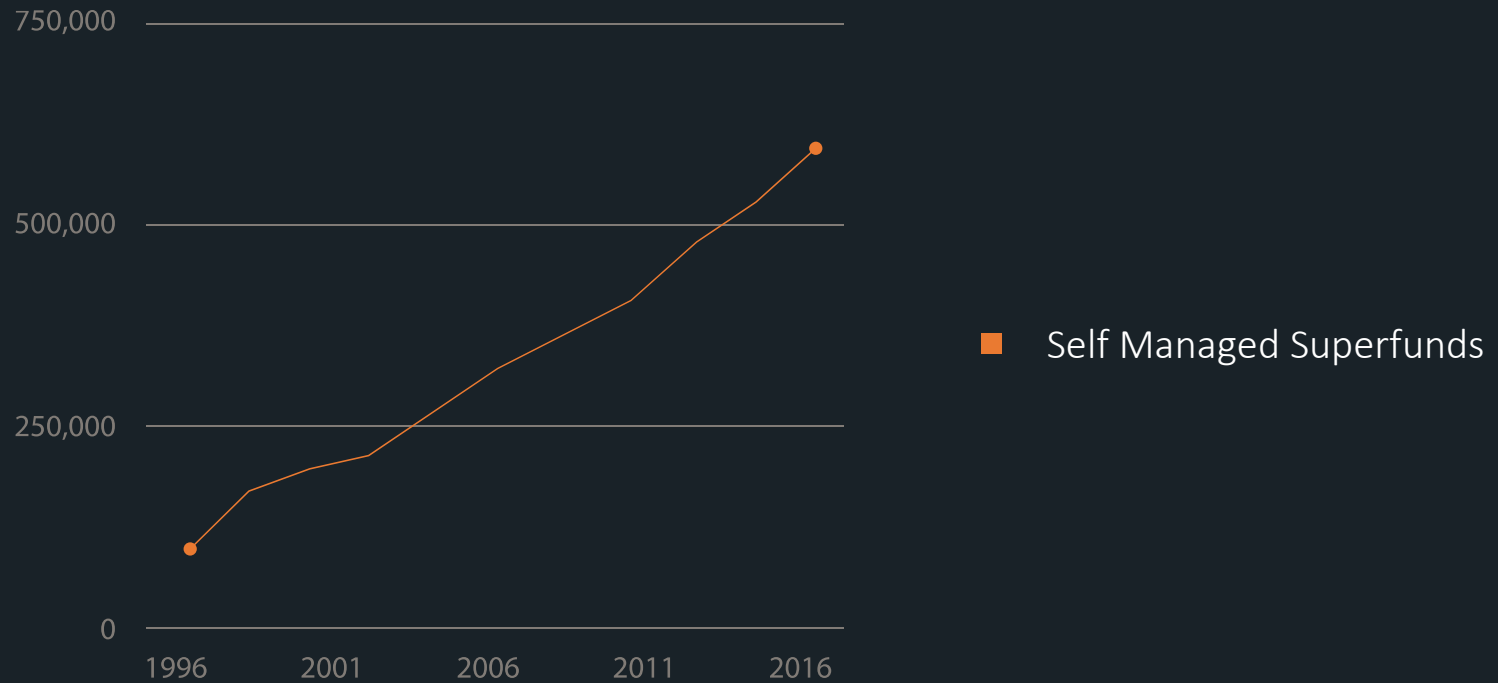


Institutional – consolidation and convergence



Source: ABS & APRA as at 31st March 2019

Fragmentation of the Australian market



Source: ABS & APRA as at 31st March 2019

Fragmentation of the Australian market

28%



Self directed

- \$749 billion
- 600,206 SMSF's



\$250 billion

- Accountants



\$250 billion

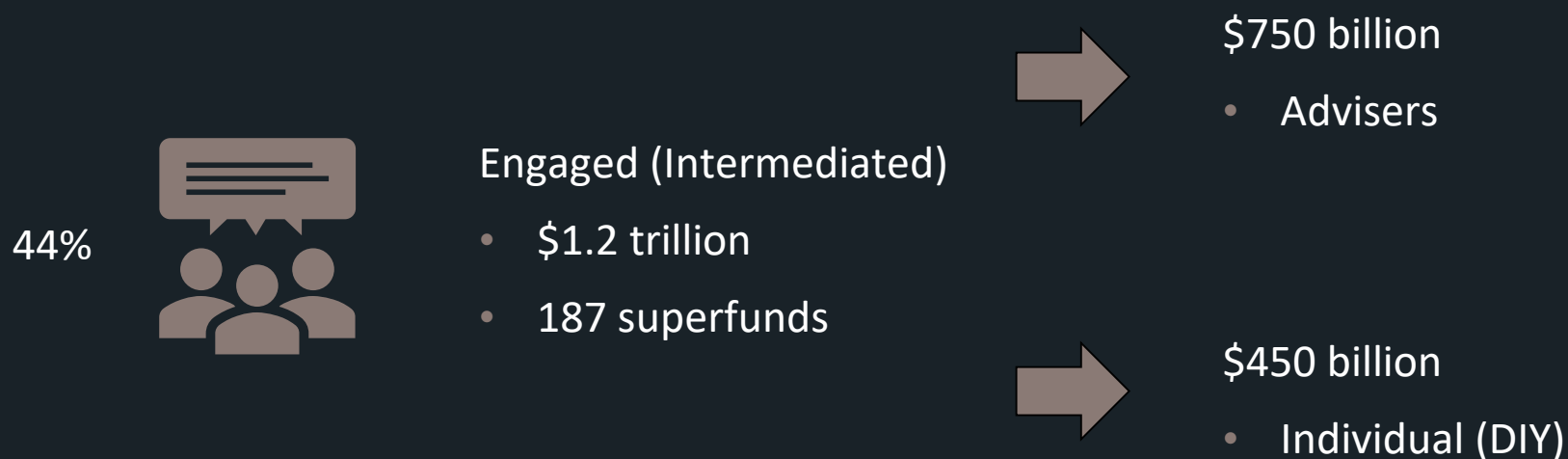
- Advisers



\$249 billion

- Individual (DIY)

Fragmentation of the Australian market



Fragmentation of the Australian market

\$250 billion



Accountants

\$700 billion



Direct Investors

\$1 trillion



Advisers

\$747 billion



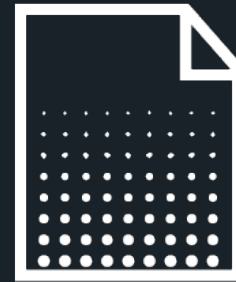
Institutional



Digitalization



Regulation



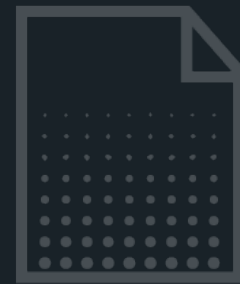
Personalization



Digitalization



Regulation



Personalization



Data + Algorithm + Action = A.I.

Memory
Compute
Storage

Then and NOW...

1956

5MB



2013

4TB



Capacity x 1 million times

Trends

- Active vs Passive
- Engaging millennials
- Going global, going mobile
- Sustainable investing
- Great wealth transfer
- Automated wealth management
- Holistic financial perspective
- Gamification
- Quantamental investing

- Multi-goal assessment
- Smart beta
- Business intelligence
- Behavioural investing
- Fiduciary standards
- Fee compression
- Underbanked & financial literacy
- Social sentiment & crowdsourcing
- Conversational UI

Advanced Technologies

- Artificial intelligence
- Cognitive computing
- Internet of things
- Blockchain
- Cloud
- Componentization
- Augmented / virtual reality



How can technology help me do my job better?



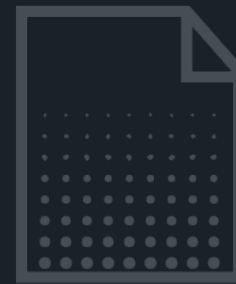
Which technology allows me today to do what I could
never do before?



Digitalization

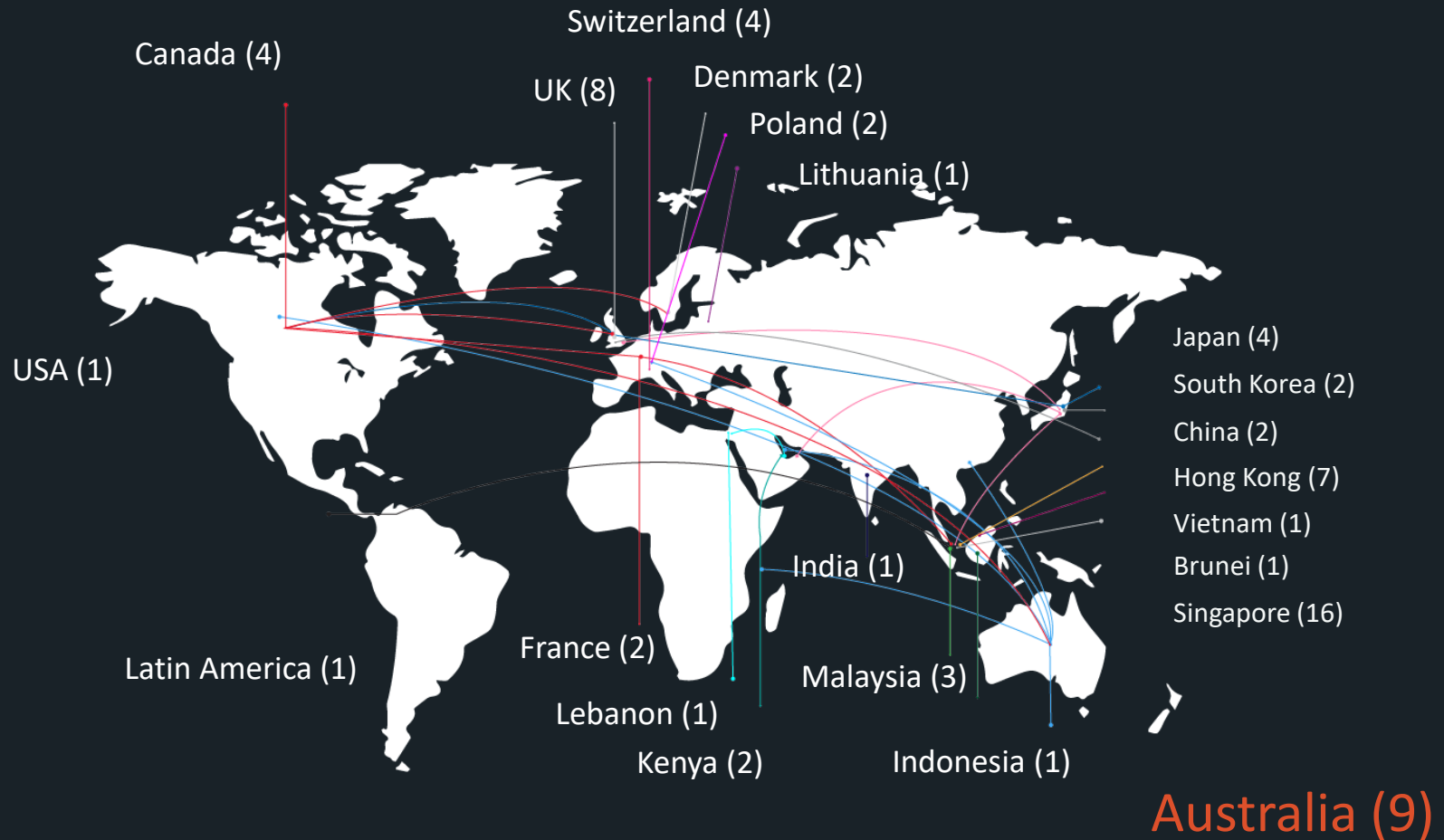


Regulation



Personalization

Global regulatory collaboration





Regulation

Fiduciary

Transparency

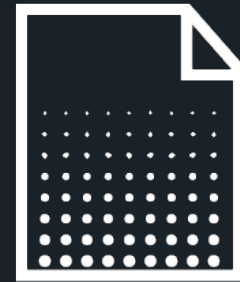
Differentiation



Digitalization



Regulation



Personalization

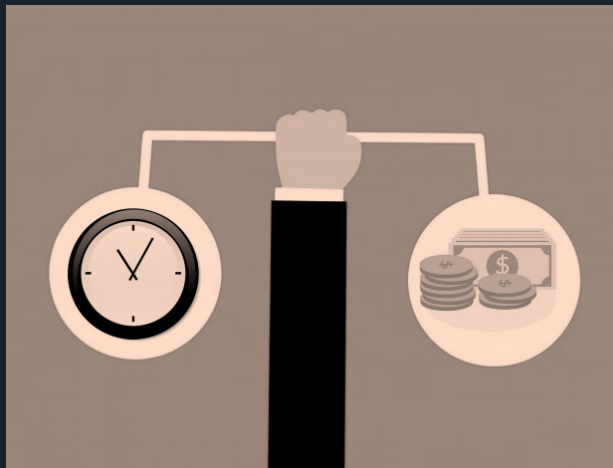


Personalization

Passive
Value / low cost

Goals-based

Values aligned

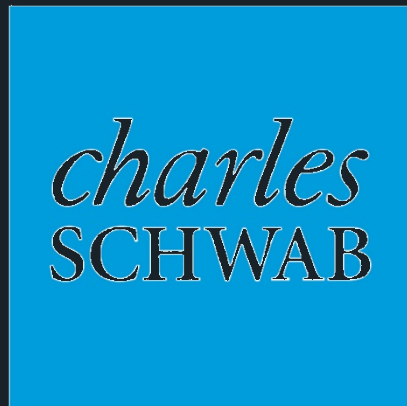


Funds Without Fees? That's Just the Beginning

By [Crystal Kim](#) Aug. 31, 2018 7:37 pm ET

BARRON'S

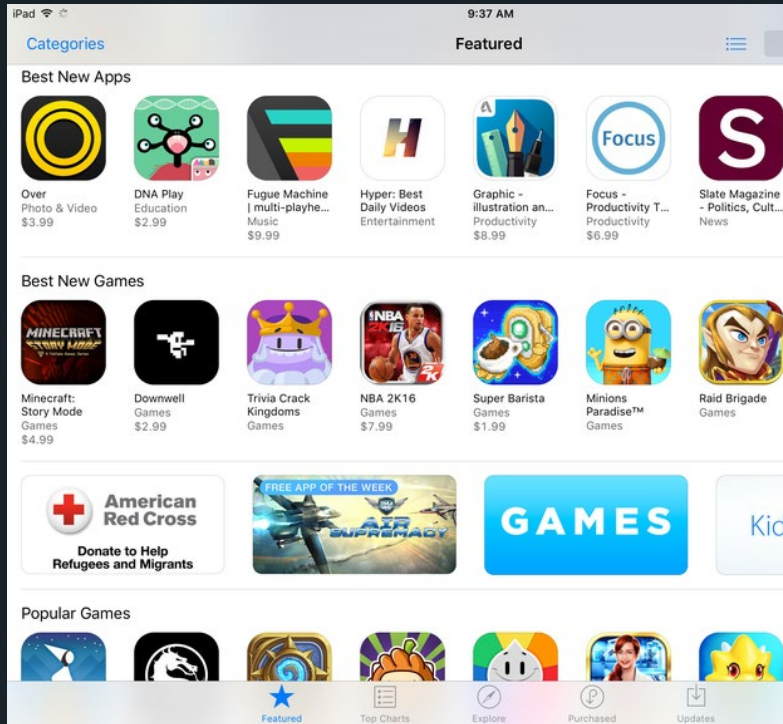
“Investor first” innovation



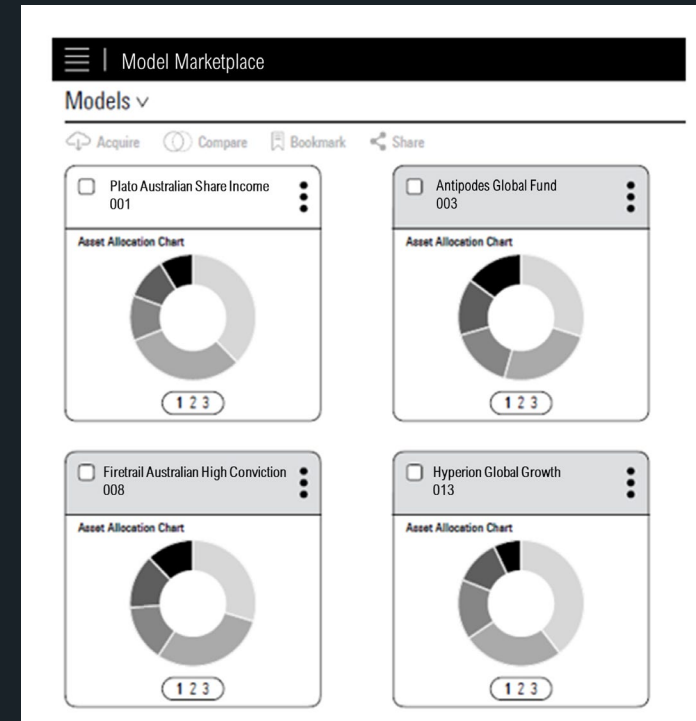
Solaris Core Australian Equity Fund (Performance Alignment) – Zero Management Fee

NEW: Pinnacle aShares Dynamic Cash – Zero Fee (ASX Ticker: Z3RO)

Next gen – Asset Manager IP manufacturers

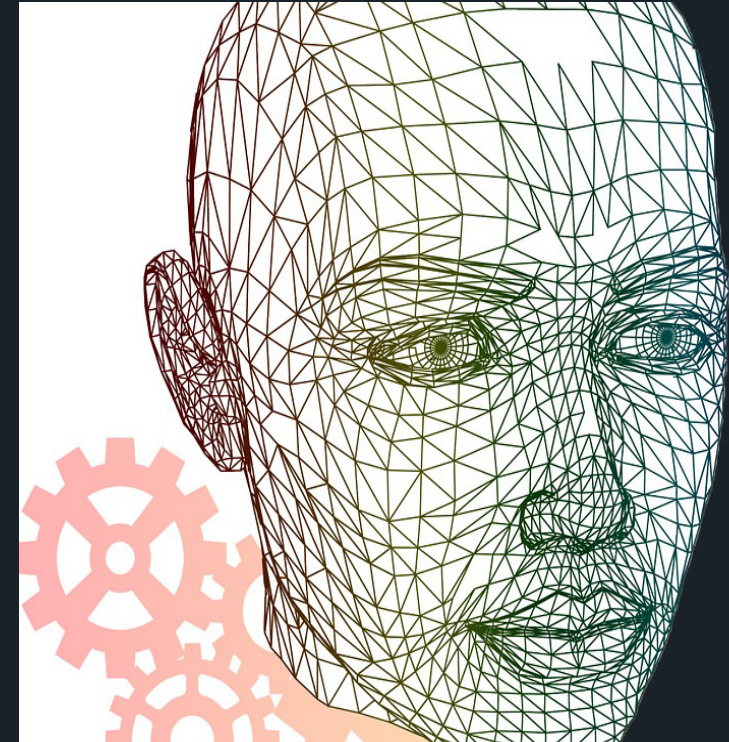
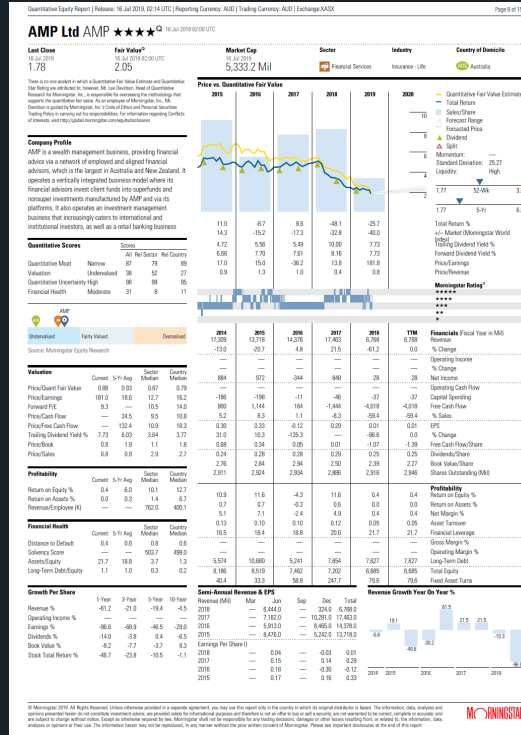
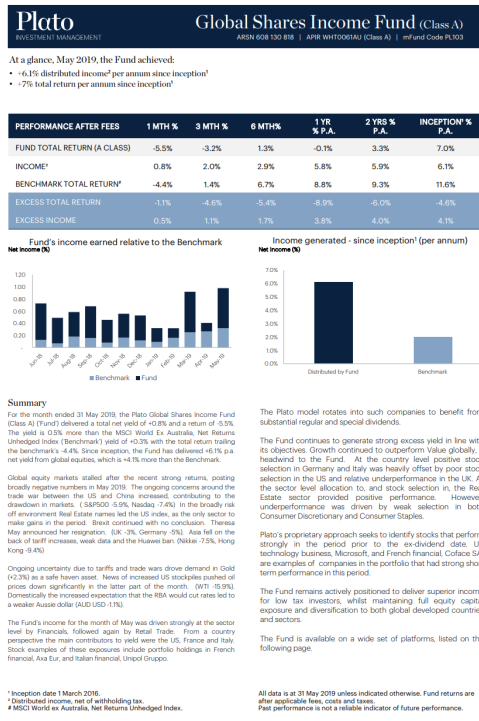


App Store



Model Marketplace
Advisor / Investor Subscriptions*

The rise of the machines



Fact sheets*

Stock reports*

Instant investment plan based on your conversation



Hi Mary, your personalized investment plan based on your conversation today is ready. Shall we proceed?

Yes Alexa

Your personalized plan is ready for execution

“Loyalty today is nothing more than the absence of
something better”

Howard Tullman, Former CEO of 1871*

“FRICTION FREE”

DATA + TRANSPARENCY + EFFICIENCY

Helping investors and advisors reduce friction



Pinnacle
INVESTMENT MANAGEMENT

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INVESTMENT MANAGERS

Through partnerships with high-performing boutique investment management businesses, we provide investors with access to a wide range of quality investment opportunities across various asset classes.

ANTIPODES
GLOBAL INVESTMENT PARTNERS

Firetrail
INVESTMENTS

HYPERION
ASSET MANAGEMENT

LONGWAVE
CAPITAL

METRICS

Omega
GLOBAL INVESTMENTS

PALISADE

Plato
INVESTMENT MANAGEMENT

RESOLUTION
CAPITAL

RIPARIAN
CAPITAL PARTNERS

SOLARIS
INVESTMENT MANAGEMENT

Spheria
ASSET MANAGEMENT

TwoTrees
INVESTMENT MANAGEMENT

Select Manager

ANTIPODES
GLOBAL INVESTMENT PARTNERS

Firetrail
INVESTMENTS

HYPERION
ASSET MANAGEMENT

Select Fund

FUND NAME	APIR code	Initial Investment Minimum	Additional Investment Minimum	APPLY ONLINE
Antipodes Asia Fund	IOF0203AU	\$25,000	\$5,000	APPLY ONLINE
Antipodes Global Fund	IOF0045AU	\$25,000	\$5,000	APPLY ONLINE
Antipodes Global Fund - Long	WHT0057AU	\$25,000	\$5,000	APPLY ONLINE

Contact us!

Graph Value - Stacked

about this graph

79k

50k

25k

0

11 Oct 10

13 Aug 12

16 Jun 14

18 Apr 16

19 Feb 18

SUMMARY

	CAPITAL GAIN	DIVIDENDS	CURRENCY GAIN	TOTAL RETURN
Your Portfolio:	-3,587.56	40,361.54	0.00	36,853.98
0009994	-0.73% p.a.	8.37% p.a.	0.00% p.a.	7.65% p.a.

ACME Inc.

Add a Benchmark

<http://pinnacleinvestment.com/>



Technology

Accelerating change



Innovation

Survive and thrive



Enabling better lives

Investment excellence

Q&A