



7 January 2022

By Electronic Lodgement

Market Announcements Office  
ASX Ltd  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

## Market update

Pinnacle Investment Management Group Limited (**Pinnacle**) is pleased to advise that four Affiliates have crystallized performance fees for the six months ended 31 December 2021 (**1H FY22**) totalling approximately \$18.0m at 100% gross in aggregate. Pinnacle's net share of these performance fees, after tax payable by the Affiliates on this revenue, is in the order of \$6.2m.

Within the Affiliates, there are 18 diverse strategies with the potential to produce significant performance fees each year, and 11 of those had the potential to crystallise in the first half. Of those 11, 5 strategies have delivered this half-year. In the second half, all 18 strategies have the potential to crystallise performance fees (although note that 6 strategies are currently below their high-water mark).

Pinnacle also advises that it expects the net return on Principal Investments for 1H FY22 to be in the order of positive \$2.0m. This amount is made up of 'Dividends and distributions' received of \$1.9m and 'Fair value gains/losses on financial assets at fair value through profit or loss' of net positive \$0.1m, which includes the losses from hedging equity market exposures.

It is emphasised that these numbers represent preliminary estimates and are still subject to auditor review. Auditor-reviewed half-year financial results, together with additional information including detail on funds under management as at 31 December 2021 and net inflows for the half-year ended 31 December 2021, are scheduled to be released on Thursday, 3 February 2022.

Please contact Ian Macoun on +61 (2) 8970 7700 if you require any further information.

Authorised by:

Calvin Kwok  
**Company Secretary**