



ASX ANNOUNCEMENT

28 April 2023

Funds under management as at 31 March 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 from A\$175.1b to A\$187.3b for the quarter ended 31 March 2023.

Highlights from the quarter include the following:

- aggregate FUM grew 6.9% in AUD. In native currency, USD-denominated fund managers saw FUM increase by 6.5% as a result of the rebound in global equity markets and strong inflows;
- excluding GQG, FUM increased 3.4% for USD-denominated fund managers and decreased 15.6% for the AUD-denominated fund manager;
- GQG had notable inflows and benefited from the rebound in equity markets during the quarter, while PAC's private capital boutiques received combined new commitments of approximately A\$1.2b;
- PAC's Ownership Adjusted FUM grew from US\$13.3b to US\$13.4b.
- PAC's boutiques (excluding GQG) have received A\$9.4b of new capital commitments from 1 July 2021 and A\$4.5b from 1 July 2022.*

Pacific Current Group's CEO, Paul Greenwood, noted, "While the macro environment has been less than ideal, our companies have continued to secure new capital commitments. We expect this trend to continue through 2023, in part because some of our boutiques that have not been in market raising capital in the last few quarters are expected to begin efforts to raise new investment vehicles in the near future."

FUM flows and balances as at 31 December 2022 and 31 March 2023, by boutique tier and category, are shown in the Appendix attached.

* The reported new capital commitments of A\$9.4b and A\$4.5b includes new commitments through 31 March 2023 for all boutiques except Banner Oak and Proterra given each boutique reports FUM one quarter in arrears. The new commitment amounts for Banner Oak and Proterra for the quarter ended 31 March 2023 will be reported/included in the following quarter.

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.

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

Appendix

Funds Under Management – 31 March 2023

FUM by Pacific Current Group boutique manager in reporting currency

\$m	Open End		Closed End		Total FUM as at 31 December 2022	Total FUM as at 31 March 2023
	31 December 2022	31 March 2023	31 December 2022	31 March 2023		
Tier 1 - Boutiques reporting in USD						
Aether	—	—	1,537	1,545	1,537	1,545
Banner Oak ¹	—	—	6,780	7,249	6,780	7,249
Carlisle	1,060	1,011	1,009	1,010	2,069	2,021
GQG	88,000	94,500	—	—	88,000	94,500
Proterra ¹	—	—	3,869	3,945	3,869	3,945
Victory Park ²	—	—	5,637	5,566	5,637	5,566
Total Tier 1	89,060	95,511	18,833	19,315	107,893	114,826
Tier 2 - Boutiques reporting in USD						
Astarte ³	—	—	531	638	531	638
EAM	1,412	1,507	—	—	1,412	1,507
Pennybacker	—	—	2,854	3,069	2,854	3,069
Total Tier 2	1,412	1,507	3,385	3,707	4,798	5,214
FUM (USD) - Boutiques reporting in USD	90,472	97,018	22,218	23,022	112,691	120,040
FUM (AUD) - Boutiques reporting in USD	132,792	144,743	32,611	34,347	165,403	179,090
Tier 2 - Boutique reporting in AUD						
Roc	—	—	9,735	8,219	9,735	8,219
Total FUM (AUD) - PAC Boutiques	132,792	144,743	42,346	42,566	175,138	187,309

1. FUM for Banner Oak Capital Partners and Proterra Investment Partners represent regulatory FUM from one quarter in arrears. Although Pennybacker and Carlisle previously reported FUM one quarter in arrears as well, those two boutiques are now reporting current quarter FUM so the information above is through 31 March 2023.
2. Victory Park Capital has sponsored multiple Special Purpose Acquisition Companies (SPACs). SPACs do not represent funds under management and are not reported in the numbers above. Rather, these amounts may economically benefit Victory Park through enhanced performance fees generated from the vehicles/funds managed by Victory Park that provide risk capital to the SPACs. Victory Park FUM includes the firm's regulatory capital for 30 September, 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 31 December 2022	Net Flows ⁴	Other ⁵	FX movement ⁶	FUM as at 31 March 2023
Tier-1 (Ex-GQG)	29,198	(171)	804	494	30,325
Tier-2	16,776	(1,062)	155	128	15,997
Sub-Total	45,975	(1,233)	959	622	46,322
GQG ⁷	129,163	7,311	2,193	2,319	140,986
Total (AUD)	175,138	6,078	3,152	2,941	187,309

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. Starting this quarter, the Pennybacker FUM is being reported as current and not in arrears. As a result, the current quarter includes a one-time adjustment and shows inflows from two quarters (December 2022 and March 2023) instead of just one.
5. Other includes investment performance, market movement and distributions.
6. The Australian dollar weakened against US dollar during the quarter. The AUD/USD exchange rate was 0.6813 as at 31 December 2022 compared to 0.6703 as at 31 March 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 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 31 December 2022	Total FUM as at 31 March 2023	PAC Interest	Ownership Adjusted FUM (OAF) as at 31 December 2022	Ownership Adjusted FUM (OAF) as at 31 March 2023
Tier 1						
Aether	Private	1,537	1,545	100%	1,537	1,545
Banner Oak	Private	6,780	7,249	35.0%	2,373	2,537
Carlisle	Private	2,069	2,021	40.0%	828	808
GQG	Public	88,000	94,500	4.0%	3,546	3,808
Proterra	Private	3,869	3,945	16.0%	619	631
Victory Park	Private	5,637	5,566	24.9%	1,404	1,386
Tier 2						
Astarte	Private	531	638	44.5%	236	284
EAM	Public	1,412	1,507	18.8%	265	283
Pennybacker	Private	2,854	3,069	16.5%	471	506
ROC Partners	Private	6,632	5,510	30.0%	1,990	1,653
Total (USD)		119,321	120,040		13,269	13,441

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.