

Pinnacle Investment Management Group Limited

ABN 22 100 325 184

Interim Report

for the half year ended 31 December 2025

For personal use only

Pinnacle Investment Management Group Limited

ABN 22 100 325 184

Interim Report - 31 December 2025

Contents

	Page
Directors' report	3
Interim financial report	7
Directors' declaration	25
Independent auditor's review report to the members of Pinnacle Investment Management Group Limited	26

Directors' report

We, your directors, present our report on the consolidated group consisting of Pinnacle Investment Management Group Limited (the Company) and the entities it controlled (together, the Group) at the end of, or during, the half year ended 31 December 2025 (1H FY26).

Directors

The following persons were directors of Pinnacle Investment Management Group Limited during the half year and up to the date of this report:

Mr A Watson
Mr I Macoun
Ms D Beale AM
Mr A Chambers
Ms L Berends AM
Ms C Lenard

Review of operations

Profit attributable to shareholders for the half year was \$67.3 million, compared with \$75.7 million for the prior corresponding period (PCP), a decrease of 11%. This translated to earnings per share of 30.4c (basic) and 30.1c (fully diluted), compared with 36.9c (basic) and 36.7c (fully diluted) for the PCP, representing decreases of 18% in both basic earnings and on a fully diluted basis.

An interim dividend of 29.0 cents, franked to 80% (compared with 33.0c per share in the PCP, which represents a decrease of 12% but a 7% increase from the FY25 final dividend of 27.0c per share), has been declared and will be payable on 20 March 2026 to shareholders registered on the record date of 6 March 2026.

Income tax was paid at the Affiliate level and there was also an income tax expense at the Group level of \$4.9m for the half year, compared with \$3.1m in the prior corresponding period, with brought forward tax losses having been utilized part way through that period.

Funds under management and net inflows

Aggregate Affiliates' funds under management (at 100%) increased by 13% during the half year from \$179.4 billion at 30 June 2025 to \$202.5 billion at 31 December 2025.

Total net inflows for the half year were \$17.2 billion (retail net inflows were \$6.8 billion, international net inflows were \$3.4 billion, whilst domestic institutional net inflows were \$7.0 billion), with market movements and investment performance contributing positive \$5.9 billion over the half year. Whilst it was pleasing to see strong flows across all channels, we note the extremely strong start in our newest Horizon 2 Affiliate, Life Cycle Investment Partners, based in London, which ended the half managing nearly \$30bn, just under eighteen months since its effective launch. This is primarily a testament to the quality and relevance of their investment capabilities but also further evidence of the power of the Pinnacle model, providing high quality distribution and infrastructure at scale, increasingly also in markets outside of Australia.

Also noteworthy was the net inflow outcome in the Australian retail market, representing a record outcome within a half year period and with flows positive across all Affiliates.

Revenues and expenses

Aggregate Affiliate revenues including performance fees grew by 85% over the PCP (128% excluding performance fees).

The alpha generation of eight Affiliates delivered performance fees that contributed \$13.4 million to Pinnacle's net profit after tax, compared with \$36.4 million from nine Affiliates in the PCP. Particularly noteworthy in the PCP was the contribution from Hyperion, which delivered very large performance fees and has been delivering long-term alpha generation for investors for nearly thirty years.

Within 'Pinnacle Parent', staff costs were deliberately grown by a total of \$4.9 million (22%) compared to the PCP, across salaries and provisions for short- and long-term incentives. Of this increase, around two-thirds was attributable to additional headcount, which we expect to contribute meaningfully to our FUM and revenue growth

in future periods, with the remainder attributable to remuneration increases for existing people in response to growth in roles and responsibilities. We have continued to add headcount to support our ongoing growth and expansion, with investment in our people remaining critical and focused on maintaining a high quality, highly effective workforce. Final remuneration decisions will be made when results for the full year are known, however, for the first half, the provision for incentives is at 100% of target maximum for all staff, given the continuing robust results. Shareholders will recall that the level of this provisioning is adjusted near to the end of the financial year based on overall Company outcomes, as well as individual performance for the full financial year.

Principal investments

Principal Investments (PI) totalled \$384.2 million at 31 December 2025, compared to \$436.9 million at 30 June 2025 and \$350.0 million at 31 December 2024.

The return on PI, prior to interest expense, for 1H FY26 was \$3.9 million (1H FY25 \$12.2 million). The return on PI is made up of 'Dividends and distributions' received of \$9.5 million and 'Fair value gains/losses on financial assets at fair value through profit or loss' of a net loss of \$5.6 million, which includes losses from hedging equity market exposures. Part of our PI is deployed as seed capital for new strategies, noting Pinnacle itself hedges a portion of its direct market exposure. Given market conditions during the half, there were significant unrealized losses on certain seed positions, impacting the overall return.

The interest expense on the fully drawn \$100 million CBA borrowing facility, all of which is deployed in funds managed by Pinnacle Affiliates, was \$2.9 million in 1H FY26 (1H FY25 \$3.3 million).

Further commentary

In October 2025, we announced the acquisition of up to 13% of Advantage Partners over a 3-year period, via an initial 5% stake for A\$92m and a 3-year option over a further 8% on the same terms. Advantage Partners is the largest independent, multi-strategy private markets platform in Japan. Our investment was alongside Advantage Partners' existing strategic partner, Tokyo Century Corporation, with founders and employees retaining majority ownership.

Advantage Partners is unique, as the only locally-grown diversified private markets platform in Japan. The partnership provides Pinnacle with a leading private markets investment platform and substantial LP footprint in Japan, one of the world's largest pension and insurance markets. It is aligned with Pinnacle's objective to diversify internationally and increase exposure to global private assets, particularly in the attractive mid-market area, following the recent acquisition of an interest in VSS in the US and successful domestic partnerships in Metrics, Five V, Palisade and Riparian.

Whilst we remain well-positioned to pursue further growth opportunities, both organic and inorganic, that are complementary to our platform, we also continue to caution that macroeconomic and geopolitical events have the ability to cause uncertainty in investment markets to which we would not be immune. Nevertheless, Pinnacle, together with the Affiliates, has continued its deliberate program of investment to continue to diversify the business – across Horizons 2 and 3 – creating additional capacity and broadening the platform from which further growth can be delivered.

Matters subsequent to the end of the reporting period

On 22 October 2025, the Company announced an agreement to acquire an initial 5% strategic interest in Japanese private markets firm Advantage Partners for A\$92m. On 30 January 2026, the Company, via its wholly owned subsidiary Pinnacle Investment Management Limited, completed the initial acquisition.

On 3 February, 2026, the Company, through its wholly owned subsidiary, Pinnacle Investment Management (UK) Limited, reached an agreement to acquire the remaining 79.2% (75% pre-dilution from Staff LTIP) interest in Pacific Asset Management LLP ("PAM") for a total consideration of ~£ 212.4m (A\$418.8m). Selling shareholders in PAM will receive ~£120.6m (~A\$237.8m) in cash and the equivalent value of ~£91.8m (~A\$181.0m) in Pinnacle shares issued at a price of A\$17.157 per share based on the VWAP for the five trading day period ending on the trading day immediately before the date of the agreement (~10.5m of shares representing 4.6% of outstanding capital).

The acquisitions will be funded from existing balance sheet capacity. Subsequent to the completion of these transactions, the Company expects to retain approximately \$110m of capacity for further initiatives, including its debt facility with the CBA.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' report and financial report. Amounts in the Directors' report and financial report have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of Directors.



Mr A Watson
Chair
Sydney
3 February 2026



Auditor's Independence Declaration

As lead auditor of Pinnacle Investment Management Group Limited's financial report for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the financial report; and
- b) no contraventions of any applicable code of professional conduct in relation to the review of the financial report.

A handwritten signature in black ink, appearing to read 'M. Laithwaite'.

Marcus Laithwaite
Partner
PricewaterhouseCoopers

Sydney
3 February 2026

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000,
GPO BOX 2650 SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999

Pinnacle Investment Management Group Limited

ABN 22 100 325 184

Interim Financial Report - 31 December 2025

Contents

	Page
Interim financial report	
Consolidated Statement of Profit or Loss	8
Consolidated Statement of Comprehensive Income	9
Consolidated Statement of Financial Position	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Notes to the Interim Financial Report	13
Directors' declaration	25
Independent auditor's review report to the members	26

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Pinnacle Investment Management Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

This interim financial report covers the consolidated entity consisting of Pinnacle Investment Management Group Limited and its subsidiaries.

The interim financial report is presented in Australian currency.

Pinnacle Investment Management Group Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office is:

Level 19, 307 Queen Street
Brisbane QLD 4000

Its principal place of business is:

Level 25, Australia Square Tower
264 George Street
Sydney NSW 2000

The interim statements were authorised for issue by the Directors on 3 February 2026. The Directors have the power to amend and re-issue the interim financial report.

Pinnacle Investment Management Group Limited
Consolidated Statement of Profit or Loss
For the half year ended 31 December 2025

	Notes	Half Year	
		31 Dec 2025 \$'000	31 Dec 2024 \$'000
Revenue from continuing operations	3	46,065	27,643
Fair value gains/(losses) on financial assets at fair value through profit or loss		(5,583)	9,163
Employee benefits expense		(15,855)	(13,220)
Short-term incentives expense		(8,727)	(7,252)
Long-term incentives expense		(2,503)	(1,753)
Professional services expense		(863)	(977)
Travel and entertainment expense		(1,368)	(999)
Technology and communications expense		(1,452)	(1,377)
Finance costs expense		(3,262)	(3,733)
Other expenses from operating activities	4	(3,684)	(3,001)
Share of net profits of associates accounted for using the equity method		<u>69,441</u>	<u>74,313</u>
Profit before income tax from continuing operations		72,209	78,807
Income tax expense	5	<u>(4,874)</u>	<u>(3,100)</u>
Profit from continuing operations		67,335	75,707
Profit for the half year		67,335	75,707
Profit for the half year is attributable to:			
Owners of Pinnacle Investment Management Group Limited		67,335	75,707
Non-controlling interests		<u>-</u>	<u>-</u>
		67,335	75,707
		Cents	Cents
Earnings per share:			
From continuing operations attributable to owners of Pinnacle Investment Management Group Limited			
Basic earnings per share	10	30.4	36.9
Diluted earnings per share	10	30.1	36.7
Total profit attributable to owners of Pinnacle Investment Management Group Limited			
Basic earnings per share	10	30.4	36.9
Diluted earnings per share	10	30.1	36.7

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

Pinnacle Investment Management Group Limited
Consolidated Statement of Comprehensive Income
For the half year ended 31 December 2025
(continued)

	Notes	Half Year	
		31 Dec 2025 \$'000	31 Dec 2024 \$'000
Profit for the half year		67,335	75,707
Other comprehensive income		-	-
Total comprehensive income for the half year		67,335	75,707
Total comprehensive income for the half year is attributable to:			
Owners of Pinnacle Investment Management Group Limited		67,335	75,707
		67,335	75,707
Total comprehensive income for the half year attributable to owners of Pinnacle Investment Management Group Limited arises from:			
Continuing operations		67,335	75,707
		67,335	75,707

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Pinnacle Investment Management Group Limited
Consolidated Statement of Financial Position
As at 31 December 2025

	Notes	31 Dec 2025 \$'000	30 Jun 2025 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	6	55,409	26,557
Trade and other receivables		69,755	50,048
Financial assets at fair value through profit or loss	15	384,240	436,908
Assets held at amortised cost		3,702	3,602
Total current assets		513,106	517,115
Non-current assets			
Investments accounted for using the equity method		528,521	514,208
Financial assets at fair value through profit or loss	15	240	240
Property, plant and equipment		359	338
Intangible assets	7	1,571	1,621
Deferred Tax Assets		-	-
Right-of-use assets		10,116	9,646
Assets held at amortised cost		13,628	15,447
Total non-current assets		554,435	541,500
Total assets		1,067,541	1,058,615
LIABILITIES			
Current liabilities			
Trade and other payables		12,730	16,808
Lease liabilities		2,245	2,350
Borrowings	12	31	46
Current tax liabilities		4,443	6,116
Provisions	16	3,036	2,894
Total current liabilities		22,485	28,214
Non-current liabilities			
Lease liabilities		8,728	7,969
Borrowings	12	100,000	100,000
Deferred Tax Liabilities		2,001	3,646
Provisions	16	464	369
Total non-current liabilities		111,193	111,984
Total liabilities		133,678	140,198
Net assets		933,863	918,417
EQUITY			
Contributed equity	8	889,906	883,068
Reserves	9(a)	(33,230)	(35,733)
Retained Earnings	9(b)	77,187	71,082
Total equity		933,863	918,417

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Pinnacle Investment Management Group Limited
Consolidated Statement of Changes in Equity
For the half year ended 31 December 2025

	Note	Attributable to owners of Pinnacle Investment Management Group Limited Contributed equity \$'000	Reserves \$'000	Retained Earnings \$'000	Total Equity \$'000
Opening balance at 1 July 2024		430,735	(39,902)	65,061	455,894
Profit and total comprehensive income for the half year		-	-	75,707	75,707
Transactions with owners in their capacity as owners:					
Dividends paid to shareholders	11	960	-	(53,623)	(52,663)
Capital contribution, net of issue costs		391,553	-	-	391,553
SPP, net of issue costs		50,293	-	-	50,293
Employee loan share repayments	8	6,249	-	-	6,249
Share-based payments		-	1,753	-	1,753
		449,055	1,753	(53,623)	397,185
Closing balance at 31 December 2024		879,790	(38,149)	87,145	928,786
Opening balance at 1 July 2025		883,068	(35,733)	71,082	918,417
Profit and total comprehensive income for the half year		-	-	67,335	67,335
Transactions with owners in their capacity as owners:					
Dividends paid to shareholders	11	2,779	-	(61,230)	(58,451)
Capital contribution, net of issue costs		-	-	-	-
Options exercised		524	-	-	524
Employee loan share repayments	8	3,535	-	-	3,535
Share-based payments		-	2,503	-	2,503
		6,838	2,503	(61,230)	(51,889)
Closing balance at 31 December 2025		889,906	(33,230)	77,187	933,863

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Pinnacle Investment Management Group Limited
Consolidated Statement of Cash Flows
For the half year ended 31 December 2025

		Half Year	
	Notes	31 Dec 2025 \$'000	31 Dec 2024 \$'000
Cash flows from operating activities			
Receipts from customers		19,171	15,945
Payments to suppliers and employees		(37,826)	(30,649)
Dividends and distributions received from financial assets at fair value		258	485
Dividends and distributions received from associates accounted for using the equity method		55,911	48,672
Interest received		817	608
Income taxes paid		(8,192)	-
Finance and borrowings costs paid		(2,962)	(3,367)
Proceeds from sale of financial assets at fair value through profit or loss		158,461	90,658
Payments to purchase financial assets at fair value through profit or loss		(102,509)	(275,605)
Net cash inflow/(outflow) from operating activities		83,129	(153,253)
Cash flows from investing activities			
Payments for property, plant and equipment		(61)	(9)
Loan repayments from related parties		2,291	1,105
Loan advances to related parties		-	(9,913)
Loan repayments from shareholders		3,534	6,249
Proceeds from investments accounted for using the equity method		4,764	-
Payments for investments accounted for using the equity method		(5,546)	(174,398)
Net cash outflow from investing activities		4,982	(176,966)
Cash flows from financing activities			
Ordinary dividends paid to shareholders	11	(58,451)	(52,663)
Lease payments		(1,332)	(1,126)
Repayment of borrowings		-	-
Proceeds from issue of shares, net of issue costs	8	524	441,846
Net cash inflow from financing activities		(59,259)	388,057
Net increase in cash and cash equivalents		28,852	57,838
Cash and cash equivalents at the beginning of the half year		26,557	32,565
Cash and cash equivalents at end of half year	6	55,409	90,403

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1 Basis of preparation

This consolidated interim financial report for the half year reporting period ended 31 December 2025 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Pinnacle Investment Management Group Limited during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(a) Material Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year and corresponding half year reporting period, as disclosed in the 30 June 2025 annual report.

(b) New and amended standards adopted by the Group

No new or amended standards became applicable for the current reporting period that had an impact on the Group.

(c) Impact of standards issued but not yet applied by the entity

There are no standards that are not yet effective that are expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2 Segment information

The Group operates one business segment, being its funds management operations. The business operations are principally conducted out of one geographic location, being Australia.

3 Revenue from operations and other income

The Group derives its revenue from contracts with customers from the transfer of services over time. A disaggregation of the Group's revenue is shown below.

	Half Year	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Revenue from contracts with customers		
Services revenue – over time		
Service charges	35,452	23,508
	<u>35,452</u>	<u>23,508</u>
Other income		
Interest received or due	1,065	1,034
Dividends and distributions	9,532	2,993
Other income	16	108
	<u>10,613</u>	<u>4,135</u>
	<u>46,065</u>	<u>27,643</u>

4 Expenses

	Half Year	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Profit before income tax includes the following specific expenses:		
<i>Right-of-use asset amortization – included in other expenses</i>		
Right-of-use asset amortization – leased properties	1,202	1,063
	<u>1,202</u>	<u>1,063</u>
<i>Depreciation and amortization – included in other expenses from operating activities</i>		
Depreciation – property, plant and equipment	41	10
Amortization – intangible assets	50	50
	<u>91</u>	<u>60</u>

5 Income tax expense

Numerical reconciliation of income tax expense to prima facie tax payable

	Half Year	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Profit from continuing operations before income tax expense	72,209	78,807
Profit before income tax	72,209	78,807
Tax at the Australian tax rate of 30.0% (31 December 2024 - 30.0%)	21,663	23,642
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Share of profits from associates accounted for using the equity method	(20,832)	(22,294)
Non-deductible expenditure	338	569
Other items	3,705	2,212
	4,874	4,129
Offset against deferred tax assets *	-	(1,029)
Total income tax expense	4,874	3,100

*There were no unrecognized deferred tax assets at 31 December 2025 (31 December 2024 - Nil).

6 Cash and cash equivalents

	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Cash at bank and on hand	55,409	26,557
	55,409	26,557

7 Intangible Assets

	Software \$'000	Customer Contracts \$'000	Total \$'000
30 June 2025			
Cost	15	4,574	4,589
Accumulated amortization	(15)	(2,953)	(2,968)
Net book value	-	1,621	1,621
Half year ended 31 December 2025			
Opening net book amount	-	1,621	1,621
Additions	-	-	-
Amortization charge	-	(50)	(50)
Closing net book value	-	1,571	1,571

7 Intangible Assets (cont.)

	Software \$'000	Customer Contracts \$'000	Total \$'000
31 December 2025			
Cost	15	4,574	4,589
Accumulated amortization	(15)	(3,003)	(3,018)
Net book value	-	1,571	1,571

8 Contributed equity

(a) Share capital

	31 Dec 2025 No. of shares	31 Dec 2024 No. of shares	31 Dec 2025 Paid \$'000	31 Dec 2024 Paid \$'000
Ordinary shares:				
Fully paid contributed equity - Company	222,372,216	220,465,168	889,906	879,790
Total contributed equity	222,372,216	220,465,168	889,906	879,790

(b) Movements in ordinary share capital

Date	Details	Number of shares	\$'000
1 July 2025	Opening balance	220,572,736	883,068
	Shares issued under Dividend Reinvestment Plan (DRP), net of costs (\$18.71 per share)	148,512	2,779
	Options exercised	100,000	524
	Performance rights	968	-
	Employee loan share repayments	1,550,000	3,535
31 Dec 2025	Closing Balance	222,372,216	889,906
1 July 2024	Opening balance	198,214,482	430,735
	Shares issued under Dividend Reinvestment Plan (DRP), net of costs (\$16.60 per share)	57,840	960
	Capital contribution, net of issue costs (\$20.30 per share)	19,704,434	391,553
	SPP, net of issue costs (\$20.30 per share)	2,488,412	50,293
	Employee loan share repayments	-	6,249
31 Dec 2024	Closing Balance	220,465,168	879,790

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

8 Contributed equity (cont.)

(d) Treasury stock

Treasury stock are shares in Pinnacle Investment Management Group Limited that are subject to share mortgage under employee loans used for the purposes of acquiring interests in the Company (refer note 14). The value ascribed to treasury stock is the balance of the loans secured by share mortgage at period end.

Treasury stock movement for the period is detailed in the table below:

Date	Details	Number of treasury shares	\$'000
1 July 2025	Opening balance	6,227,000	69,501
	Employee loan share repayments	-	(3,535)
	Vested employee loan shares	(1,550,000)	-
	Forfeited employee loan shares	(330,000)	(4,441)
	Issue of loan shares under Pinnacle Omnibus Plan	1,679,000	29,177
31 Dec 2025	Closing Balance	6,026,000	90,702
1 July 2024	Opening balance	4,897,000	50,237
	Employee loan share repayments	-	(6,249)
	Issue of loan shares under Pinnacle Omnibus Plan	1,270,000	26,028
31 Dec 2024	Closing Balance	6,167,000	70,016

9 Reserves and retained earnings

(a) Reserves

	31 Dec 2025 \$'000	30 Jun 2025 \$'000
Share-based payments reserve	26,373	23,870
Transactions with non-controlling interests reserve	(59,603)	(59,603)
	(33,230)	(35,733)

The share-based payments reserve is used to recognise:

- the grant date fair value of options issued to employees but not exercised;
- the grant date fair value of shares issued to employees;
- the issue of shares held by employee share plans to employees; and
- the grant date fair value of the Pinnacle Long-term Employee Incentive Plan and Pinnacle Omnibus Incentive Plan.

The transactions with non-controlling interests reserve is used to recognise the excess of the consideration paid to acquire non-controlling interests above the carrying value of the non-controlling interest at time of acquisition. In 2016, the Company acquired the remaining 24.99% interest in its subsidiary Pinnacle Investment Management Limited that it did not own. The difference between the fair value of the consideration paid and the carrying value of the non-controlling interest is reflected in the Transactions with non-controlling interests reserve.

9 Reserves and retained earnings (cont.)

(b) Retained earnings

Movements in retained earnings were as follows:

	\$'000
Balance at 1 July 2025	71,082
Profit attributable to owners of Pinnacle Investment Management Group Limited	67,335
Dividends paid to shareholders (refer note 11)	<u>(61,230)</u>
Balance at 31 December 2025	<u>77,187</u>

10 Earnings per share

	Half Year	
	31 Dec 2025 Cents	31 Dec 2024 Cents
(a) Basic earnings per share		
Attributable to the ordinary equity holders of the Company:		
From continuing operations	30.4	36.9
From total operations	<u>30.4</u>	<u>36.9</u>

(b) Diluted earnings per share

Attributable to the ordinary equity holders of the Company:		
From continuing operations	30.1	36.7
From total operations	<u>30.1</u>	<u>36.7</u>

	Half Year	
	31 Dec 2025 \$'000	31 Dec 2024 \$'000
(c) Basic and diluted earnings per share		
Profit/(loss) attributable to the ordinary equity holders of the Company used in calculating basic and diluted earnings per share:		
From continuing operations	67,335	75,707
Profit used in calculating basic and diluted earnings per share	<u>67,335</u>	<u>75,707</u>

	Half Year	
	31 Dec 2025 Number	31 Dec 2024 Number
(d) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	221,439,683	204,935,147
Adjustments for calculation of diluted earnings per share:		
Weighted average options and treasury stock	2,182,452	1,386,314
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	<u>223,622,135</u>	<u>206,321,461</u>

(e) Information concerning the classification of securities

Options granted to employees under employee share schemes are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share.

11 Dividends

	Half Year	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
(a) Ordinary shares		
Final dividend for the year ended 30 June 2025 of 27.0 cents per fully paid ordinary share paid on 19 September 2025 (2024 – 26.4 cents paid on 20 September 2024)		
88% franked based on tax paid @ 30.0% (2024 – 72% franked)	61,230	53,623
Total dividends paid	61,230	53,623

The Company activated its Dividend Reinvestment Plan (DRP) on 29 August 2017. The final dividend for the year ended 30 June 2025, totaling \$61,229,179 was paid \$58,451,099 in cash and \$2,778,080 via the DRP. The DRP associated with the final dividend for the year ended 30 June 2024, totaling \$53,622,320 was paid \$52,662,089 in cash and \$960,231 via the DRP.

(b) Dividends not recognised at the end of the half year

Since period end the Directors have recommended the payment of an interim dividend of 29.0 cents per fully paid ordinary share, 80% franked based on tax paid at 30% (2025 – 33.0 cents, 72% franked). The aggregate amount of the dividend expected to be paid on 20 March 2026 (2025 – 21 March 2025), but not recognised as a liability at half year end, is:

66,235	74,789
66,235	74,789

12 Borrowings and Financing Facilities

In June 2025, the Group entered into an amended facility deed, which is secured by a general security deed over the assets of the Group and guarantees provided by the Company and other Group entities. Further details regarding the Corporate Card Facility and Bank Guarantee are provided in Note 13.

As at 31 December 2025, the contractual maturities of the Group's non-derivative financial liabilities were as follows:

31 December 2025	0 - 1 year \$'000	1 - 2 years \$'000	2 - 5 years \$'000	Over 5 years \$'000	Total contractual cashflows \$'000	Carrying Amount \$'000
<i>Contractual maturity of financial liabilities</i>						
Trade payables	12,730	-	-	-	12,730	12,730
Borrowings	5,516	102,821	-	-	108,337	100,031
Lease Liabilities	2,781	2,939	6,463	-	12,183	10,973
Total non-derivatives	21,027	105,760	6,463	-	133,250	123,734

30 June 2025	0 - 1 year \$'000	1 - 2 years \$'000	2 - 5 years \$'000	Over 5 years \$'000	Total contractual cashflows \$'000	Carrying Amount \$'000
<i>Contractual maturity of financial liabilities</i>						
Trade payables	16,808	-	-	-	16,808	16,808
Borrowings	5,646	5,600	100,000	-	111,246	100,046
Lease Liabilities	2,464	2,609	4,615	-	9,688	8,693
Total assets	24,918	8,209	104,615	-	137,742	125,547

12 Borrowings and Financing Facilities (cont.)

- The amended facility agreement requires that:
- the interest cover ratio must be at least 4.0 times;
- the net leverage cover ratio is no more than 2.0 times; and
- the minimum tangible net wealth in respect of any financial year must be at least the greater of:
 - \$130 million, and
 - an amount equal to 75% of the tangible net wealth in respect of the previous financial year.

The Group has provided the bank with a security interest over its property, excluding its holdings in Affiliates. Compliance with covenants is reviewed on a regular basis and compliance has been maintained during the period. As at 31 December 2025, the interest cover ratio was 31 times, the net leverage cover ratio was 0.23 times and the tangible net wealth was \$932 million (136% of the tangible net wealth at 30 June 2025).

The Loan Facility is split into two Tranches – 'Tranche A' is \$60 million and is for general corporate purposes. 'Tranche B' is \$40 million and is for acquisitions, or investments into certain liquid investment strategies managed by the Pinnacle Affiliates. The Loan Facility of \$100m was fully drawn as at 31 December 2025. The loan is a variable rate, Australian-dollar denominated loan, which is carried at amortised cost. The facility term ends on 2 July 2027.

13 Contingencies

Guarantees

Pinnacle Investment Management Group Limited has provided guarantees in relation to Australian Financial Services License Net Tangible Asset obligations (via bank guarantee) in respect of:

- (i) Pinnacle Funds Services Limited - \$5,000,000 (2025: \$5,000,000)
- (ii) Pinnacle RE Services Limited - \$50,000 (2025: \$50,000)

The Group has also provided guarantees in respect of its leased premises:

- (iii) Pinnacle Services Administration Pty Ltd - \$2,902,000 (30 June 2025 - \$2,991,000)

The guarantees for the leases noted above are held between Pinnacle Investment Management Limited (\$457,439) and Pinnacle Services Administration Pty Ltd (\$2,444,758).

The unused bank guarantee facility available at balance date was \$275,000 (30 June 2025: \$275,000). The Group has also provided guarantees in relation to its corporate credit card facility (facility limit of \$400,000 of which \$294,000 was unused at balance date).

These guarantees may give rise to liabilities for the Company if the related entities do not meet their obligations that are subject to the guarantees.

No material losses are anticipated in respect of any of the above contingent liabilities.

14 Related party transactions

Movement in Key Management Personnel Loan Share under the Pinnacle Omnibus Plan

Further details of these loans are provided in the Group's 2025 annual report.

The value of the loans issued for each of the key management personnel at period end and repayments made during the half year were as follows:

Key Management Personnel	Loan balance – 1 July 2025 \$	Issued \$	Forfeited \$	Repayments made \$	Loan balance - 31 Dec 2025 \$
Ian Macoun	1,447,390	-	-	-	1,447,390
Andrew Chambers	2,981,832	1,833,594	-	(39,414)	4,776,012
Daniel Longan	5,240,196	2,688,759	-	(98,536)	7,830,419
Calvin Kwok*	4,612,813	-	(3,612,312)	(1,000,501)	-
*leaver 13 October 2025					

15 Fair value measurement of financial instruments

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report. The Group has fully drawn down its \$100,000,000 facility with the Commonwealth Bank of Australia (\$100,000,000 at 30 June 2025), with the proceeds deployed in liquid funds managed by Affiliates.

(a) Fair value hierarchy

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 31 December 2025 and 30 June 2025 on a recurring basis:

31 December 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets				
<i>Financial assets at fair value through profit or loss:</i>				
Australian listed equity securities	4,761	-	-	4,761
Unlisted unit trusts	-	368,442	-	368,442
Derivative financial instruments - futures	8,734	-	-	8,734
Other unlisted instruments	-	-	2,543	2,543
	13,495	368,442	2,543	384,480
Total assets	13,495	368,442	2,543	384,480

No liabilities were held at fair value at 31 December 2025.

30 June 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets				
<i>Financial assets at fair value through profit or loss:</i>				
Australian listed equity securities	21,083	-	-	21,083
Unlisted unit trusts	-	409,770	-	409,770
Derivative financial instruments - futures	5,752	-	-	5,752
Other unlisted instruments	-	-	543	543
	26,835	409,770	543	437,148
Total assets	26,835	409,770	543	437,148

No liabilities were held at fair value at 30 June 2025.

15 Fair value measurement of financial instruments (cont.)

The Group did not measure any financial assets or liabilities at fair value on a non-recurring basis as at 31 December 2025.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(b) Valuation techniques used to determine fair values

The fair value of Australian listed securities and exchange traded futures is based on quoted market prices at the end of the reporting period. The quoted price used for Australian listed securities and exchange traded options held by the Group is the current bid price. These instruments are included in level 1.

The quoted market price used for unlisted unit trusts is the current exit unit price. These instruments are included in level 2.

The fair value of unlisted equity securities is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. In the circumstances where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are included in level 3.

The carrying amounts of cash and cash equivalents and trade receivables and payables are assumed to approximate their fair values due to their short-term nature. Loans to associates and loans to shareholders are carried at amortised cost. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(c) Fair value measurements using significant unobservable inputs (level 3)

Level 3 items include unlisted equity securities held by the Group. The following table presents the changes in level 3 instruments for the half year ended 31 December 2025:

	Unlisted equity securities \$'000
Opening balance 1 July 2025	543
Unrealised gains / (losses) recognised in fair value gains / (losses) on financial assets at fair value through profit and loss	-
Additions	2,000
Fair value adjustments recognised in other comprehensive income	-
Closing balance 31 December 2025	<u>2,543</u>

(i) Valuation process

Unlisted equity securities valued under level 3 are investments in unlisted companies. Where possible, the investments are valued based on the most recent transaction involving the securities of the investee company. Where there is no recent information or the information is otherwise unavailable, the value is derived from calculations based on the value per security of the underlying net tangible assets of the investee company.

(ii) Transfer between levels

There were no transfers between levels during the half year.

16 Provisions

	31 Dec 2025 \$'000	30 Jun 2025 \$'000
Current		
Employee benefits – annual leave and long service leave	3,036	2,894
	<u>3,036</u>	<u>2,894</u>
Non-Current		
Employee benefits – long service leave	464	369
	<u>464</u>	<u>369</u>
	Employee Benefits \$'000	Total \$'000
Current		
Balance at 1 July 2025	2,894	2,894
Amounts provided for during the period (net)	<u>142</u>	<u>142</u>
Balance at 31 December 2025	<u>3,036</u>	<u>3,036</u>
Non-Current		
Balance at 1 July 2025	369	369
Amounts provided for during the period (net)	<u>95</u>	<u>95</u>
Balance at 31 December 2025	<u>464</u>	<u>464</u>

17 Events occurring after the reporting period

On 22 October 2025, the Company announced an agreement to acquire an initial 5% strategic interest in Japanese private markets firm Advantage Partners for A\$92m. On 30 January 2026, the Company, via its wholly owned subsidiary Pinnacle Investment Management Limited, completed the initial acquisition.

On 3 February, 2026, the Company, through its wholly owned subsidiary, Pinnacle Investment Management (UK) Limited, reached an agreement to acquire the remaining 79.2% (75% pre-dilution from Staff LTIP) interest in Pacific Asset Management LLP ("PAM") for a total consideration of ~£ 212.4m (A\$418.8m). Selling shareholders in PAM will receive ~£120.6m (~A\$237.8m) in cash and the equivalent value of ~£91.8m (~A\$181.0m) in Pinnacle shares issued at a price of A\$17.157per share based on the VWAP for the five trading day period ending on the trading day immediately before the date of the agreement (~10.5m of shares representing 4.6% of outstanding capital).

The acquisitions will be funded from existing balance sheet capacity. Subsequent to the completion of these transactions, the Company expects to retain approximately \$110m of capacity for further initiatives, including its debt facility with the CBA.

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

In the opinion of the directors of Pinnacle Investment Management Group Limited (the Company):

- (a) the interim financial report and notes set out on pages 7 to 24 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half year ended on that date, and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Mr A Watson
Chair
Sydney
3 February 2026



Independent auditor's review report to the members of Pinnacle Investment Management Group Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Pinnacle Investment Management Group Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity, consolidated statement of cash flows, for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Pinnacle Investment Management Group Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000,
GPO BOX 2650 SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999



Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'M. Laithwaite'.

Marcus Laithwaite
Partner

Sydney
3 February 2026