

## Quarterly activity report – for the quarter ended 31 March 2023

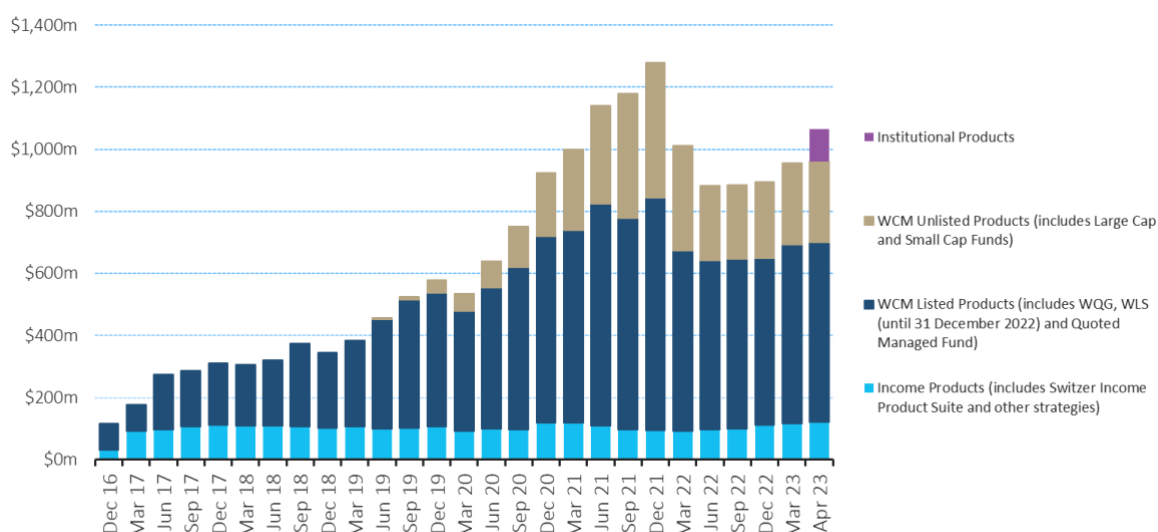
### FUM Update

Associate Global Partners Limited (ASX:APL) (**AGP** or the **Company**) is pleased to announce that its total Funds Under Management (**FUM**) was \$956 million as at 31 March 2023. As at 26 April 2023, total FUM was \$1.099 billion<sup>1</sup>. The substantial increase in FUM from the 31 December 2022 balance of \$893 million reflects improved market conditions to start the calendar year and the completed acquisition of Brookvine Pty Limited and its related entities (**Brookvine**) on 6 April 2023.

The March 2023 quarter remained volatile with central banks determined to tighten financial conditions further by pushing official interest rates higher. More recently in March, despite the month being marred by both a major US bank failure and a Swiss government-backed banking merger, global markets moved higher. The collapse of Silicon Valley Bank, closely followed by the merger of Credit Suisse and UBS caused temporary panic in financial markets. However, by month end, this fear was replaced by optimism that these events may act as a catalyst for central banks potentially to halt the pace and scale of future interest rate increases, especially with signs of inflation peaking in countries like the US and Australia.

Pleasingly, portfolio performance has improved in the first quarter of 2023, especially with the WCM Large and Small Cap strategies.

The chart below illustrates the quarterly movement in FUM since 31 December 2016:<sup>1</sup>

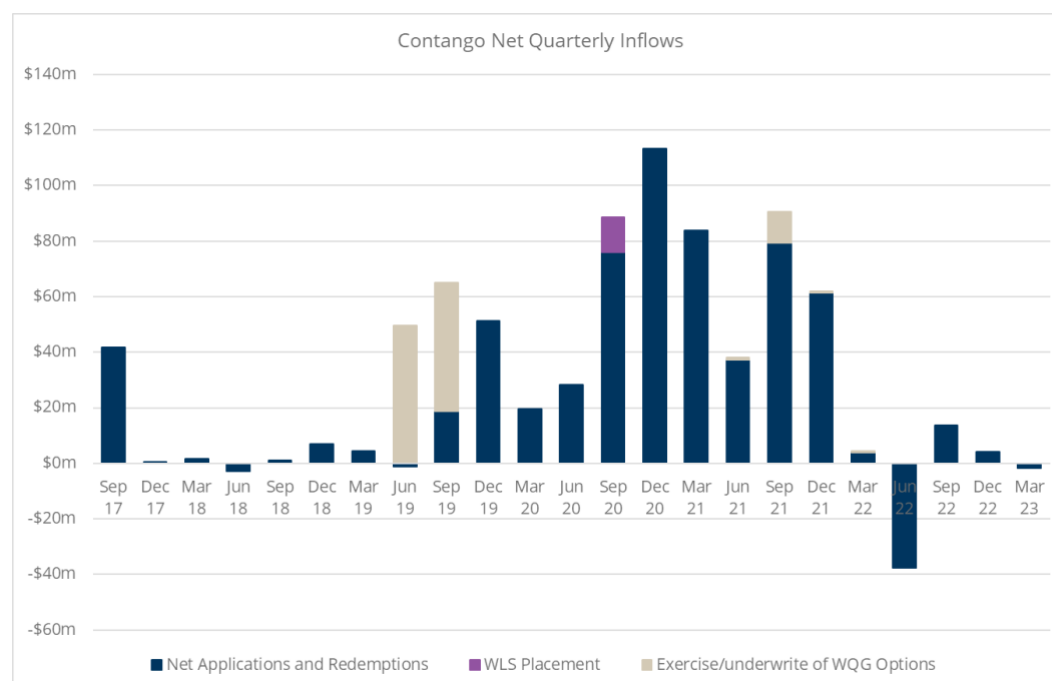


NB: Excludes Contango Microcap management rights reassigned in October 2017. Excludes FUM associated with the Vantage distribution initiative.

The March 2023 quarter experienced a small total net outflow of \$1.6 million. This was largely attributable to the impact of the WCM Global Long Short Limited Scheme of Arrangement which was implemented on 30 December 2022. Fund flows remain positive for the financial year, notwithstanding the continued difficult market conditions, highlighting the strength and importance of our strong relationships with financial advisers and investors.

<sup>1</sup> All FUM and flow information is approximate, rounded, and has not been audited. FUM information is provided by AGP's appointed custodian NAB Asset Servicing. Brookvine FUM valued as at 31 March 2023. Existing AGP FUM valued as at 26 April 2023.

The chart illustrates the quarterly net inflows and outflows since June 2018.



NB: Excludes WCM Global Long Short Limited selective buy-back in July 2021. Excludes payments and reinvestment of dividends and distributions. Source: Link Market Services and Link Funds Solutions.

### Acquisition of Brookvine

On Thursday 6 April 2023, the Company completed the acquisition of Brookvine. Brookvine was founded in 2001 and operates a multi-boutique, third-party distribution and placement business which brings investment opportunities to institutional investors ([www.brookvine.com.au](http://www.brookvine.com.au)). It has institutional-grade, global investment manager relationships and clients across Australia.

Brookvine's focus has been on finding investment opportunities in alternative asset classes and highly differentiated strategies in mainstream asset classes.

The acquisition of Brookvine is strategically important for AGP as it provides the Company with:

- an institutional brand that is recognised domestically and internationally as a leading placement, third-party distribution firm, further expanding and diversifying the Company's distribution and marketing capabilities;
- additional institutional-grade manager relationships;
- an established distribution infrastructure for institutional and wholesale investors; and
- a business with a track record of identifying and securing relationships with top quartile institutional investment managers for institutional clients.

The acquisition will be funded from AGP's existing cash reserves, with a payment on completion and deferred consideration linked to future revenues over a period of approximately three years. Brookvine is profitable and cash flow positive.

The Founder and Chief Executive Officer of Brookvine, Steven Hall, will remain with the business to oversee the integration of Brookvine with AGP and to provide strategic advice. Steven's continued involvement is positive for the Company to ensure continuity with existing manager and client relationships, as well as the future growth of the Brookvine business.

## WCM Strategies

WCM Investment Management (**WCM**) is a global and international equities specialist with total FUM of over A\$115 billion<sup>2</sup>. AGP has an exclusive retail distribution arrangement to distribute WCM's strategies in Australia.

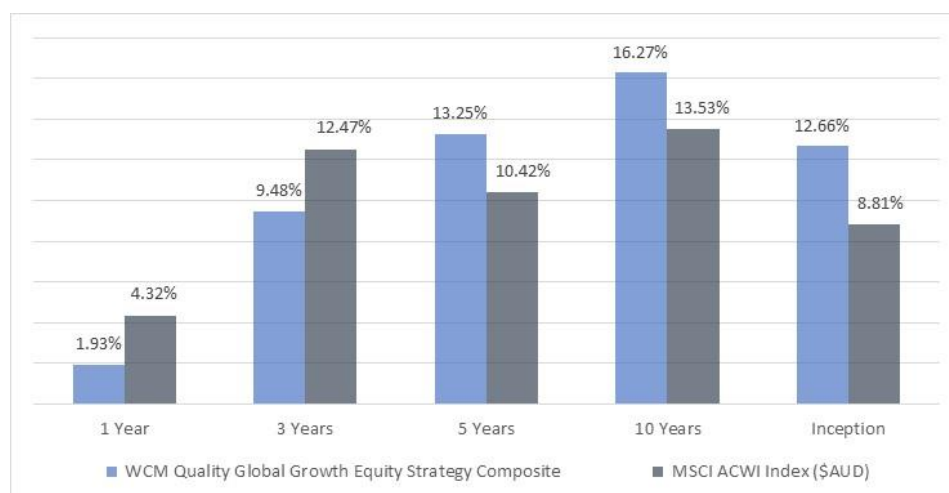
After a relatively flat quarter ended 31 December 2022, pleasingly the WCM product suite comprising WCM Global Growth Limited (**WQG**), WCM Quality Global Growth Fund (Quoted Managed Fund) (**WCMQ**), WCM Quality Global Growth Fund (Hedged and Unhedged) (**WCMM**) and the WCM International Small Cap Growth Fund (Managed Fund) (**WCMS**) had a very positive start to the calendar year. Both the WCM Large Cap and Small Cap strategies returned over 10% in this period and all products are currently outperforming their benchmarks for the calendar year.

For the March 2023 quarter: WCM's Large Cap strategy, the WCM Quality Global Growth Equity Strategy Composite, delivered a return of 10.92%, relative to its benchmark which delivered 8.79%; and the WCM International Small Cap Growth Strategy Composite delivered a return of 9.50%, compared with its benchmark of 7.51%.

Whilst markets continue to be volatile in the short term, the performance of both strategies remains well above benchmarks for all periods of five years and more, highlighting the positive, long-term performance of each strategy.

## Large Cap Track Record

Returns of the WCM Quality Global Growth Equity Strategy Composite versus its benchmark are shown below. All figures below are returns on a per annum basis:<sup>4</sup>

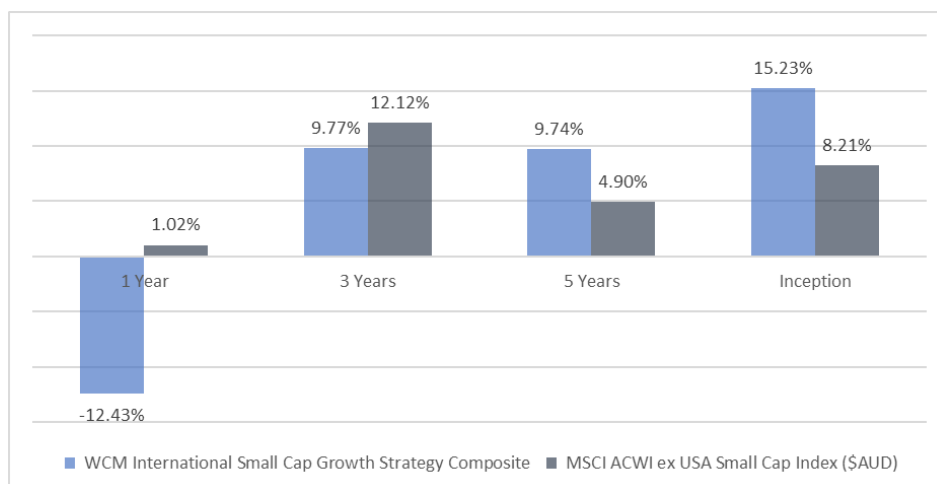


## Small Cap Track Record

Returns of the WCM International Small Cap Growth Strategy Composite versus its benchmark are shown below. All figures below are returns on a per annum basis:<sup>3</sup>

<sup>2</sup> As at 31 March 2023 in AUD.

<sup>3</sup> Source: WCM. Data as at 31 March 2023 in AUD. Performance presented is net of fees and includes the reinvestment of all dividends and income. Returns for periods of more than one year are annualised. Past performance is not indicative of future results. Inception date of the WCM Quality Global Growth Equity Strategy Composite is 31 March 2008. WCM is the investment advisor for WCM Global Growth Limited (WQG) and the investment manager for WCM Quality Global Growth Fund (Quoted Managed Fund) (WCMQ) and WCM Quality Global Growth Fund (Managed Fund) (WCMM). WCM applies the same investment principles, philosophy, and execution approach of its WCM Quality Global Growth Equity Strategy (QGG), ex-Australia, to WQG, WCMQ and WCMM. Inception date of the WCM International Small Cap Growth Strategy Composite is 31 December 2014. The WCM International Small Cap Growth Strategy is accessible to Australian retail investors through the WCM International Small Cap Growth Fund (Managed Fund) which is an unlisted managed fund.



## WCM International Small Cap Growth Fund (WCMS) Now Available to Retail Investors

WCMS, which has previously only been available to wholesale investors, is now available to retail investors through the issue of a new Product Disclosure Statement on 30 March 2023.

The WCMS fund provides retail investors with access to a high conviction, actively managed diversified portfolio of listed, quality, high growth, small cap companies sourced from developed (ex. US) and emerging markets.

This change has no impact on the operation of the fund, the name of the fund or the way in which the fund invests.

## Woodbridge Capital

The Woodbridge Private Credit Fund (**Woodbridge Fund**) has continued to attract interest from both financial advisers and direct investors, capitalising on the significant investor interest in private credit strategies emerging in the market. Since launch, the Woodbridge Fund has been a positive contributor to the total FUM of the Company. There is also a healthy pipeline for future growth.

In the March 2023 quarter, the Woodbridge Fund was added to the BT Panorama platform. It is also available via other wealth management platforms including Netwealth, Mason Stevens, HUB24, Powerwrap and Macquarie Wrap. SQM Research has recently initiated coverage on the Woodbridge Fund with a favourable rating.<sup>4</sup>

Since inception on 31 May 2022, the Fund has delivered a return of 7.37%. The Fund has an objective of returning 6-8% above the RBA cash rate to investors over a 12-month period<sup>5</sup>.

<sup>4</sup> The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

<sup>5</sup> Source: Woodbridge Capital as at 31 March 2023. Fund performance is in AUD and calculated based on net asset value per unit after management fees and expenses and assumes that all distributions are reinvested in the Fund. Inception date is 31 May 2022.

## Switzer Product Suite

### **Switzer Dividend Growth Fund (Quoted Managed Fund) (ASX:SWTZ)**

Since April 2021, SWTZ has been managed by Blackmore Capital Pty Limited and the fund has achieved a return of 5.30%, compared with the ASX 200 Accumulation Index benchmark return of 7.84%<sup>6</sup>.

Over the quarter to 31 March 2023, the fund delivered a return of 1.88%, compared with the benchmark return of 3.46%.

Over the past 12 months, SWTZ has paid a distribution yield of 5.53% or 7.34% including franking credits. Distribution yield is calculated as the distributions received over the 12 months to 31 March 2023 relative to the SWTZ unit price at the beginning of the period.

### **Switzer Higher Yield Fund (Managed Fund) (CXA:SHYF)**

The Switzer Higher Yield Fund (Managed Fund) has been managed by Coolabah Capital Institutional Investments since December 2020. Over the quarter to 31 March 2023, the fund returned 1.15%, compared with the RBA Cash Rate which delivered 0.84% and its benchmark which delivered 1.21%.

## Financial Update

Total cash receipts from customers reported in the March 2023 quarter are higher than the December 2022 quarter due to the timing of management fee receipts and payments to underlying managers (which are netted against fees received). The underlying net management fee revenue from the Group's FUM is expected to increase, reflecting the improvement in portfolio performance to start the 2023 calendar year.

Expense payments in the March 2023 quarter for administration and corporate costs were substantially lower compared with the December 2022 quarter which, as previously reported, included a number of full year expenses and annual costs associated with 30 June financial year end, including fund audit fees and a one-off recruitment fee. Consequently, net operating cash outflow for the quarter is reported at \$0.315 million, down from \$1.111 million for the December 2022 quarter.

The Company's cash balances as at 31 March 2023 totalled \$4.416 million and debt was \$1.25 million.

Payments were also made in the quarter to Related Parties of the Entity and their Associates – the Company made payments of \$204,614 for the remuneration of the Directors and the Managing Director in accordance with their respective services and employment contracts.

The Company's key focus remains on investing in the distribution of the products of its key investment manager partners, in support of further growth in total FUM, while closely managing operational cash flows. This solid financial position enabled AGP to continue to invest in the establishment and support of its product suite during the quarter, while exploring other new product and distribution opportunities.

Yours faithfully,



Marty Switzer  
CEO and Managing Director  
Associate Global Partners Limited  
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<sup>6</sup> From the period 21 April 2021 to 31 March 2023.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Associate Global Partners Limited and Controlled Entities

ABN

Quarter ended ("current quarter")

56 080 277 998

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,757	5,176
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(397)	(1,505)
(c) advertising and marketing	(41)	(19)
(d) leased assets	-	-
(e) staff costs	(820)	(2,515)
(f) administration and corporate costs	(826)	(2,889)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	16	53
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – advances re new funds	(4)	(313)
Other – GST paid on NAOS receivable	-	(166)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(315)</b>	<b>(2,178)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – GST on Item 2.2 (l) above	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	-	-

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,731	6,594
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(315)	(2,178)

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>4,416</b>	<b>4,416</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,416	1,231
5.2	Call deposits	3,500	3,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,416</b>	<b>4,731</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 - paid to Directors in accordance with remuneration arrangements	205
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		



## Quarterly cash flow report for entities subject to Listing Rule 4.7B

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	1,252	1,252
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	1,252	1,252
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>The Company has an unsecured loan facility of \$750,000 with an unrelated private family trust. The loan carries an interest rate of 8% per annum and does not have loan covenant requirements. The Company has an additional unsecured loan facility of \$502,000 from that party. The loan is for 10 years expiring on 28 August 2028 with an interest rate of 8% per annum and does not have loan covenant requirements.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(315)
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,416
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	4,416
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	14
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023



Authorised by: .....

Marty Switzer (CEO and Managing Director)