

## Quarterly activity report – for the quarter ended 31 March 2024

Associate Global Partners Limited (ASX: APL or the Company) is pleased to provide an update on its activities for the quarter ended 31 March 2024, along with its Appendix 4C cash flow report.

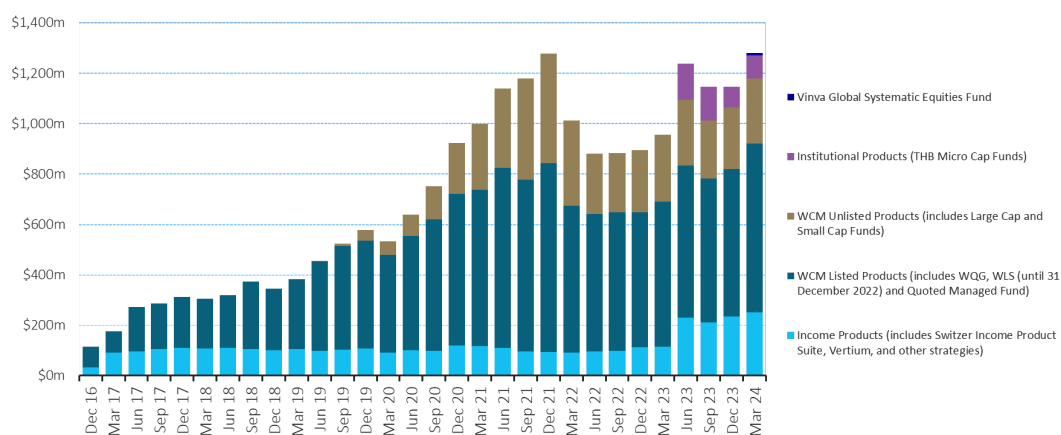
### Quarterly Highlights

- **Growth in FUM:** Funds Under Management grew by \$132 million to \$1.279 billion as at 31 March 2024.
- **Improvement in net cash outflow:** Net operating cash outflow reduced to \$0.267 million from \$0.454 million in the December 2024 quarter.
- **Cash balance:** The Company had a total cash balance of \$3.996 million and debt of \$1.252 million as at 31 March 2024.

### FUM Update and Quarterly Flows

Total funds under management (**FUM**) as at 31 March 2024 was \$1.279 billion. As at 29 April 2024, total FUM was \$1.241 billion<sup>1</sup>.

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



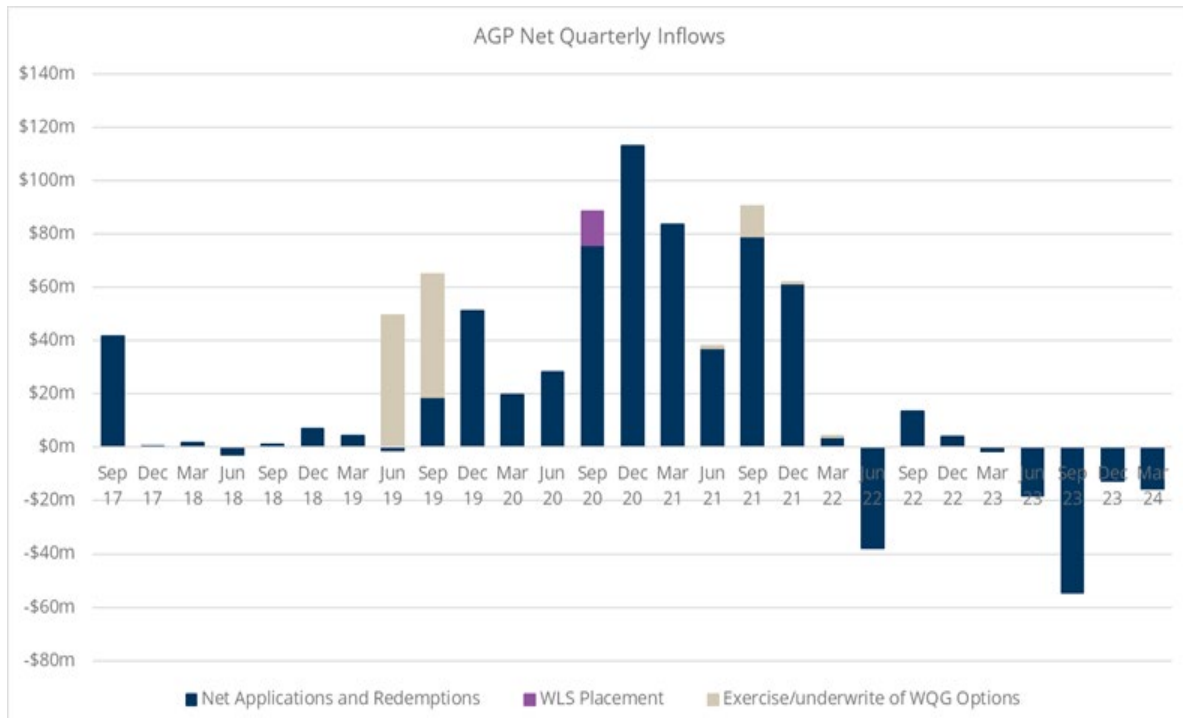
NB: Excludes Contango Microcap management rights reassigned in October 2017. Excludes FUM associated with the Vantage distribution initiative.

Total FUM increased by \$132 million during the March 2024 quarter, primarily due to improved global market conditions positively impacting the WCM Large and Small Cap strategies. FUM also grew with positive contributions from the Company’s broader product suite.

These positive contributions were offset by two adviser group redemptions on behalf of clients in the WCM Quality Global Growth Fund (Hedged) and WCM Quality Global Growth Fund (Quoted Managed Fund) (WCMQ). Consequently, the March 2024 quarter experience a total net outflow of \$15.5m.

The following chart illustrates the quarterly net inflows and outflows since September 2017.

<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, Link Market Services, Vertium Asset Management and Specialised Private Capital Limited.



NB: Excludes WCM Global Long Short Limited selective buy-back in July 2021. Excludes outflows in relation to Switzer Higher Yield Managed Fund, Mittleman Global Value Equity Fund, and THB International Microcap Fund closure. Excludes payments and reinvestment of dividends and distributions. Source: Link Market Services.

**Business Activities Update**

**WCM Investment Management**

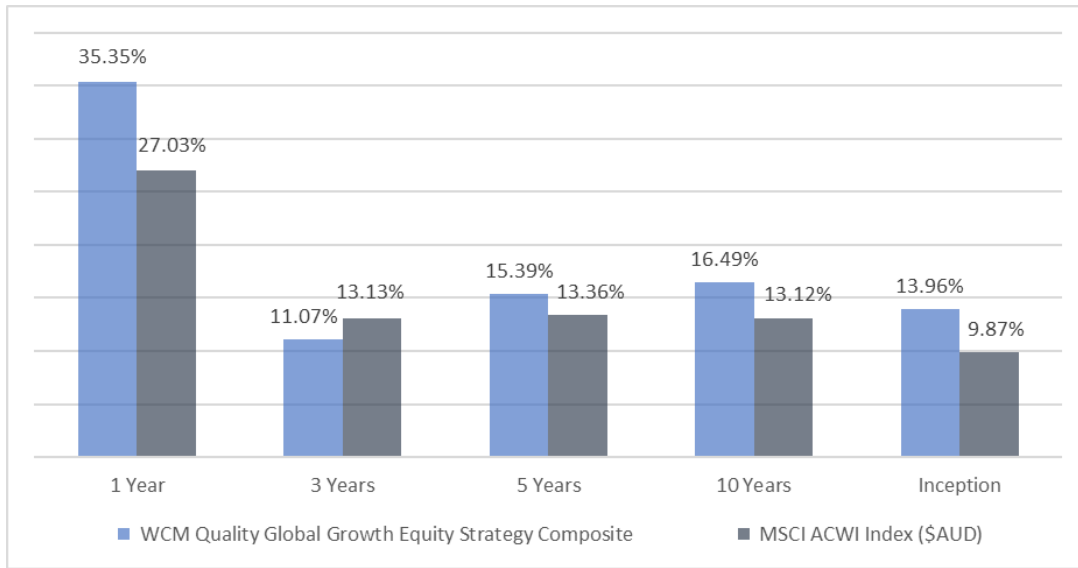
Both the WCM Large Cap strategy (the WCM Quality Global Growth Equity Strategy Composite) and the WCM Small Cap strategy (the WCM International Small Cap Growth Strategy Composite) had strong quarters relative to their benchmarks. Respectively, the strategies delivered returns of 19.55% and 6.59%, relative to their benchmarks which delivered returns of 13.23% and 6.61%.

Over the longer term, both the large and small cap strategies continue to perform well against their respective benchmarks as shown below.

*Large Cap Track Record*

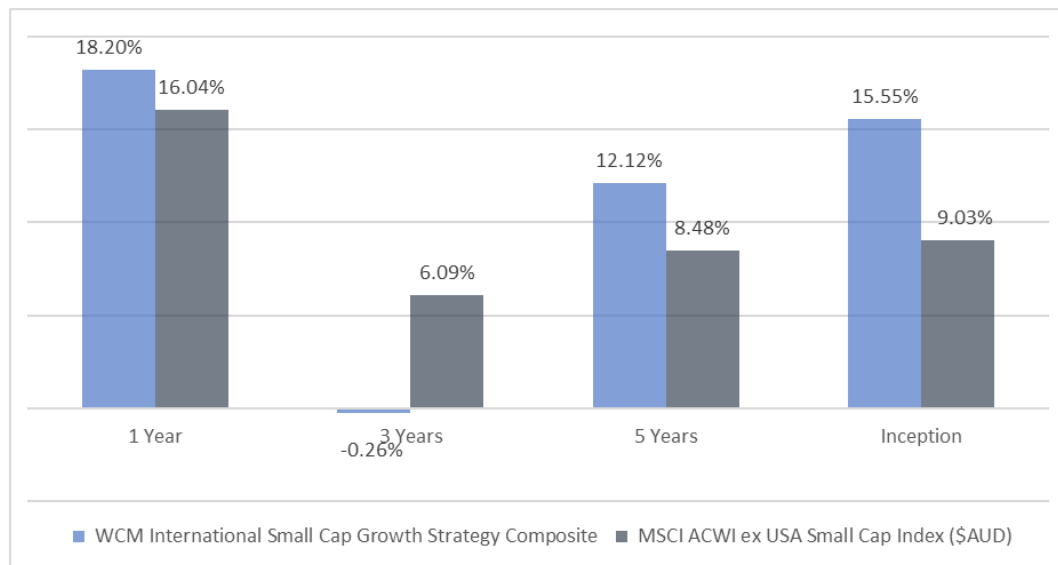
Returns of the WCM Quality Global Growth Equity Strategy Composite versus its benchmark are shown on the following page. All figures in the chart are returns on a per annum basis:<sup>2</sup>

For personal use only



*Small Cap Track Record*

Returns of the WCM International Small Cap Growth Strategy Composite versus its benchmark are shown below. All figures in the chart are returns on a per annum basis:<sup>2</sup>



<sup>2</sup> Source: WCM. Data as at 31 March 2024 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) (WCMF). 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 WCMF. 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.

For personal use only

During the quarter, several activities were undertaken to support the growth of WCM in the market. These activities included:

- **The completion of a national WCM roadshow** – Ryan Quinn, Client Portfolio Manager at WCM Investment Management, visited Australia in March 2024 to meet with several existing and prospective advisers to discuss the WCM Large and Small Cap strategies. Over the course of the one-week roadshow, Ryan attended 29 meetings with various adviser groups and held a webinar for over 170 registered attendees comprising existing clients and new prospects. Several opportunities have been identified for both the WCM large and small cap strategies during the visit. The Company’s distribution team continues to follow up on these new opportunities.
- **Addition of WCM International Small Cap Growth Fund to wealth management platforms** - The WCM International Small Cap Growth Fund (**Small Cap Fund**) was added to CFS FirstWrap and Edge in February 2024. The addition of the Small Cap Fund to these platforms increases the availability of the strategy to a larger audience of advisers and their clients. The Small Cap Fund is already available via the Macquarie, PowerWrap, Praemium, HUB24, and Ausmaq platforms. The Small Cap Fund is expected to be made available on more platforms in the coming months.

### Vinva Investment Management

As announced on 2 August 2023, AGP entered into a new distribution agreement with Specialised Private Capital Ltd (**SPC**) acting as the responsible entity for a new fund managed by Vinva Investment Management Limited (**Vinva**).

In the March 2024 quarter, the Company worked closely with SPC and Vinva on preparations to launch the Vinva Global Systematic Equities Fund (**Vinva Fund**), which is a 120/20 equities strategy now available to retail investors. In March a roadshow was held for asset consultants and researchers to introduce the Vinva Fund.

### Vertium Asset Management

Since the announcement of the new distribution agreement with Vertium Asset Management (**VAM**) in June 2023, AGP has worked closely with VAM to distribute its Vertium Equity Income Fund (**Vertium Fund**) to the private wealth market, continuing to build on the strong growth of the VAM strategy to date. Pleasingly, the Vertium Fund was a positive contributor to FUM growth during the March 2024 quarter.

Meetings with advisers continued during the quarter, as well as the completion of research reviews by Zenith Investment Partners and Independent Research Review, as part of the efforts to grow FUM. Planning and scheduling for a Western Australian roadshow was also undertaken. This roadshow will take place early in the June 2024 quarter.

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

As announced on 27 February 2024, the Company’s wholly owned subsidiary, AGP Investment Management Limited (**AGP IM**) advised that it had appointed Vertium as investment manager (**Investment Manager**) of SWTZ, effective 28 March 2024.

The Board made this change believing there is an opportunity to improve the performance of SWTZ in terms of both income and capital through a change in Investment Manager. Investors can also potentially benefit from accessing an award-winning Australian equity income manager with an expected continued reliable income stream, increased focus on downside protection, and a proven investment process that has been recommended from leading research houses including Zenith Investment Partners and Lonsec Research.

As part of the transition of Investment Manager, there were two main changes to the investment strategy of SWTZ, being:

- changing the investment benchmark from the S&P/ASX 200 to the S&P/ASX100 index. This will impact some stock weightings within the portfolio; and

- allowing the investment strategy to use derivatives up to a maximum of 10% of the fund. This will provide an efficient way for managing market exposure and allowing SWTZ to maximise option income for investors.

These changes were communicated to investors during the March 2024 quarter, with current investors not needing to take any action. The Company will work with Vertium to grow FUM for SWTZ in the future.

### Woodbridge Capital

As announced on 3 April 2024, the Company mutually agreed to cease its Distribution Arrangement (**Arrangement**) with Woodbridge Capital Pty Limited (**Woodbridge**) effective 2 April 2024.

The cessation of this Arrangement will not have a material impact on the Company, with revenues from the Arrangement accounting for less than 5% of the Company's expected revenue for FY2024. As part of the cessation of the Arrangement, both the Company and Woodbridge will pay various outstanding amounts under the Arrangement.

AGP IM will remain as trustee of the Woodbridge Private Credit Fund until it can facilitate an orderly transition to a new, independent trustee on or before 30 June 2024. The Woodbridge Private Credit Fund remains unaffected by this change. Further information will be provided to investors when the appointment of the new trustee has been confirmed.

### Financial Update

Total cash receipts from customers of \$1.770 million reported in the March 2024 quarter were lower than the December 2023 quarter of \$1.848 million. This was primarily due to the timing of management fee receipts and payments to underlying managers.

The Company continued to invest in important strategic initiatives, including actively distributing and marketing the WCM Large and Small Cap strategies, as well as preparing for the market launch of the Vinva Fund, including obtaining research ratings and platform access.

Pleasingly, there was a favourable net reduction of \$0.293 million in operating payments compared with the December 2023 quarter, primarily attributable to lower product manufacturing costs as well as staff expenses. Interest income from the Company's cash balances in the March 2024 quarter was lower than the prior quarter due to the timing of interest income from term deposits.

Overall, the net operating cash outflow for the quarter was \$0.267 million down from \$0.454 in the December 2024 quarter.

Net cash outflow from investing activities for the quarter was \$0.100 million, relating to a seed investment in the Vinva Fund which launched on 15 February 2024. The investment is redeemable at any time.

Net cash outflow from financing activities for the quarter was \$0.013 million due to the final costs paid for the fully underwritten, one for six pro-rata, non-renounceable entitlement offer completed in the December 2023 quarter.

The Company's cash balances as at 31 March 2024 totalled \$3.996 million, and debt was \$1.252 million. Payments were also made in the quarter to Related Parties of the Entity and their Associates totalling \$256,991 for the remuneration of the Directors and the Managing Director in accordance with their respective services and employment contracts.

For personal use only

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 operating cash flows in 2024 and beyond.

Yours faithfully,



Marty Switzer  
CEO and Managing Director - Associate Global Partners Limited  
M: **0407 297 702**  
E: [marty.switzer@associateglobal.com](mailto:marty.switzer@associateglobal.com)

For personal use only

## 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 2024

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	1,771	5,897
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(357)	(1,608)
(c) advertising and marketing	-	(19)
(d) leased assets	-	-
(e) staff costs	(826)	(2,550)
(f) administration and corporate costs	(870)	(2,777)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	104
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	-	-
Other – GST paid on NAOS receivable	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(267)</b>	<b>(953)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	(455)
(c) property, plant and equipment	-	-
(d) investments	(100)	(100)

## 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 Net cash from / (used in) investing activities</b>	<b>(100)</b>	<b>(555)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	(13)	1,451
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 Net cash from / (used in) financing activities</b>	<b>(13)</b>	<b>1,451</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	4,376	4,053
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(267)	(953)



## 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)	(100)	(555)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(13)	1,451
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,996</b>	<b>3,996</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	1,496	1,876
5.2	Call deposits	2,500	2,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,996</b>	<b>4,376</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	257
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

## 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	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.		
	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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(267)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,996
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	3,996
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: 30 April 2024



Authorised by: .....

Marty Switzer (CEO and Managing Director)