Alaris Equity Partners Income Trust Releases 2023 First Quarter Results

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CALGARY, May 09, 2023 - Alaris Equity Partners Income Trust (together, as applicable, with its subsidiaries, "Alaris" or the "Trust") is pleased to announce its results for the three months ended March 31, 2023. The results are prepared in accordance with International Accounting Standard 34. All amounts below are in Canadian dollars unless otherwise noted.

Highlights:

- Revenue of $36.7 million and cash from operations, prior to changes in working capital, of $17.5 million in the first quarter of 2023 each represent 7% and 51% decreases respectively, as compared to the same period in 2022. On a per unit basis, revenue of $0.81 and cash from operations, prior to changes in working capital, of $0.39 each represent 8% and 50% decreases, respectively, as compared to Q1 2022;
- The Trust had a net unrealized and realized gain from investments in Q1 2023 of $0.8 million. The main driver of the net gain in Q1 2023 is an increase of $5.5 million in the fair value of Fleet Advantage, LLC ("Fleet"). This was partially offset by various less significant decreases to fair value during the quarter;
- Subsequent to March 31, 2023, Alaris entered into settlement discussions with respect to the outstanding litigation arising from the Sandbox Acquisitions, LLC and Sandbox Advertising LP (collectively, "Sandbox") transaction, in which the parties have agreed to the core terms and are working on an agreement to finalize the settlement. The impact of the expected settlement is reflected in the current periods profit and loss. While the Trust believes they would have ultimately prevailed in the litigation, given the inherent risks associated with the process, and its protracted nature and associated legal costs, which were approximately $4.0 million in the twelve months ended December 31, 2022 alone, the decision was made to proceed with settlement discussions;
- Also subsequent to quarter end, Alaris contributed an initial investment of US$36.5 million to Federal Management Partners, LLC ("FMP") inclusive of US$30.5 million preferred equity and a US$6.0 million minority common equity investment. There is an additional US$3.5 million of preferred equity available to FMP in a second tranche if certain financial hurdles are met. The contribution of preferred equity is in exchange for preferred Distributions at an annualized pre-tax yield of 14%;
- The weighted average combined Earnings Coverage Ratio [5] for Alaris' Partners has remained consistent with the previous quarter and remains above 1.60x with eleven of nineteen Partners greater than 1.5x;
- Alaris reduced its outstanding senior debt to approximately $203 million as of the date of this release with $247 million of available capacity based on covenants and terms; and
- The Actual Payout Ratio[2] for Alaris for the three months ended March 31, 2023 was 60%, which is within target range.

"While Q1 was negatively impacted by a one-time item, the fundamentals of our business remained stable and we are excited to have added new partner FMP. The expected settlement of the Sandbox litigation is a substantial cost in the current quarter, however as a result we expect a significant decrease in G&A moving forward. In addition, the deferral of LMS revenue to help manage the temporarily inflated cost of their steel inventory shows our focus on ensuring our partnerships are long-term in nature, with alignment of interests for both Alaris and company's management. Our criteria of recession resistant companies with little to no debt continues to provide good results despite the macroeconomic headwinds. Common equity dividends are again tracking ahead of previous guidance. We were very pleased to complete a new partnership with FMP subsequent to quarter end and we expect a solid year of deployment ahead in a combination of additional new partners as well as funding growth within our nineteen current partners. We believe the competitive environment for Alaris' capital, given the more difficult and costly capital markets, continues to be strong as our combination of flexibility and lower cost capital represents a great fit for entrepreneurs." said Steve King President and CEO.

Results of Operations

Per Unit Results	Three months ended		
Period ending March 31	2023	2022	% Change
Revenue	$0.81	$0.88	-8.0%
EBITDA *(Note 1)*	$0.37	$0.91	-59.3%
Cash from operations, prior to changes in working capital	$0.39	$0.78	-50.0%
Distributions declared	$0.34	$0.33	+3.0%
Basic earnings	$0.12	$0.61	-80.3%
Fully diluted earnings	$0.12	$0.59	-79.7%
Weighted average basic units (000's)	45,308	45,161	

For the three months ended March 31, 2023, revenue per unit decreased by 8.0% compared to the same period in 2022. The decrease in revenue period over period is primarily due to LMS Management LP and LMS Reinforcing Steel USA LP (collectively, "LMS") deferring their Distributions in the current quarter, the redemptions in 2022 of Kimco Holdings, LLC ("Kimco") and Falcon Master Holdings LLC, dba FNC Title Service ("FNC") and partial redemptions of Unify Consulting, LLC ("Unify") and Fleet. These decreases were partially offset by Distributions from the new investment in Sagamore Plumbing and Heating, LLC ("Sagamore"), follow-on investments in Body Contour Centers, LLC ("BCC"), Accscient, LLC ("Accscient"), and Heritage Restoration, LLC ("Heritage"). Also, partially offsetting the decrease in revenue per unit is an overall positive reset on the Distributions received in Q1 2023 and the impact of the average exchange rate during Q1 2023 being approximately 7% more favorable than in Q1 2022, contributing to an improvement in US denominated Distribution revenue.

In Q1 2023, EBITDA per unit of $0.37 decreased by 59.3% compared to Q1 2023 mainly due to an increase in general and administrative costs primarily related to the expected settlement for the outstanding litigation associated with the Sandbox transaction. All costs associated with the Sandbox litigation amounted to $13.1 million in Q1 2023 and $0.8 million in Q1 2022. Excluding these costs EBITDA per unit decreased by 29% in Q1 2023 when compared to Q1 2022. Contributing to the decrease in EBITDA per unit was the decrease in revenue per unit described above, as well as a decrease in the net realized and unrealized gain on the fair value of investments quarter over quarter.

As the Trust's cash from operations, prior to changes in working capital, excludes primarily all non-cash items in the Trust's consolidated statement of comprehensive income, the cash from operations, prior to changes in working capital, per unit and the changes from period to period is an important tool to use to summarize the ability for Alaris to generate cash. The per unit decrease in Q1 2023 of 50.0% is primarily the result of the higher general and administrative costs which include accrued costs for an expected settlement of the outstanding litigation related to the Sandbox transaction, as well as a decrease in revenue per unit compared to Q1 2022, both as discussed above. After excluding all legal fees and costs associated to the Sandbox litigation in the respective quarters, cash from operations, prior to changes in working capital per unit decreased by 15% in Q1 2023 compared to Q1 2022.

Basic earnings per unit decreased by 80.3% in Q1 2023 compared to Q1 2022, mainly as a result of the same reasons described above for decreases in EBITDA per unit.

Outlook

The Trust deployed US$36.5 million since December 31, 2022 up to the date of this release, with an initial investment in FMP finalized subsequent to March 31, 2023. Additionally, Alaris re-invested into BCC during Q1 2023 as part of a strategic investment that will help extend the successful partnership further into the future. These transactions along with a generally positive environment for the rest of Alaris' portfolio result in the outlook summarized below. The $36.7 million of total revenue in Q1 2023 was slightly below previous guidance of $37.0 million primarily due to LMS deferring the majority of Q1 2023 Distributions, partially offset by a higher average exchange rate than forecast. As outlined below, the outlook for the next twelve months includes Run Rate Revenue(3) expected to be approximately $156.7 million. This includes current contracted amounts, an additional US$2.4 million from PFGP related to deferred Distributions during COVID-19, and an estimated $5.4 million of common dividends. Alaris expects total revenue from its Partners in Q2 2023 of approximately $36.1 million.

The Run Rate Cash Flow table below outlines the Trust's expectation for revenue, general and administrative expenses, interest expense, tax expense and distributions to unitholders for the next twelve months. The Run Rate Cash Flow is a Non-GAAP financial measure and outlines the net cash from operating activities, net of distributions paid, that Alaris is expecting to have after the next twelve months. This measure is comparable to net cash from operating activities less distributions paid, as outlined in Alaris' condensed consolidated interim statements of cash flows. The Trust's method of calculating this Non-GAAP financial measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

Run rate general and administrative expenses are currently estimated at $16.5 million and include all public company costs, which is a decrease in general and administrative expenses from previous guidance to reflect a reduction in legal fees as a result of the expected settlement of the outstanding litigation related to the Sandbox transaction. In addition, general and administrative costs are expected to continue to incrementally decline in forward outlooks as Alaris continues to unwind any outstanding fees in the short-term associated to the expected settlement. The Trust's Run Rate Payout Ratio (4) is expected to be within a range of 65% and 70% when including Run Rate Revenue (3), overhead expenses and its existing capital structure. The table below sets out our estimated Run Rate Cash Flow alongside the after-tax impact of positive net deployment, the impact of every 1% increase in SOFR based on current outstanding USD debt and the impact of every $0.01 change in the USD to CAD exchange rate.

Run Rate Cash Flow *($ thousands except per unit)*		Amount ($)	$ / Unit
Revenue		$ 156,700	$ 3.45
General and administrative expenses		(16,500)	(0.36)
Interest and taxes		(49,800)	(1.10)
Net cash from operating activities		$ 90,400	$ 1.99
Distributions paid		(61,900)	(1.36)
Run Rate Cash Flow		$ 28,500	$ 0.63
Other considerations (after taxes and interest):			
New investments	Every $50 million deployed @ 14%	+2,738	+0.06
Interest rates	Every 1.0% increase in SOFR	-900	-0.02
USD to CAD	Every $0.01 change of USD to CAD	+/- 900	+/- 0.02

The senior debt facility was drawn to $142.5 million at March 31, 2023 in the Trust's statement of financial position. The annual interest rate on that debt, inclusive of standby charges on available capacity, was approximately 6.7% for the three months ended March 31, 2023. Subsequent to March 31, 2023, following a draw for the investment in FMP, the total drawn on the facility on the date of this release is approximately $203 million with the capacity to draw up to an additional $247 million based on covenants and credit terms.

The Condensed Consolidated Interim Statements of Financial Position, Condensed Consolidated Interim Statements of Comprehensive Income, and Condensed Consolidated Interim Statements of Cash Flows are attached to this news release. Alaris' financial statements and MD&A are available on SEDAR at www.sedar.com and on our website at www.alarisequitypartners.com.

Earnings Release Date and Conference Call Details

Alaris management will host a conference call at 9am MT (11am ET), Wednesday, May 10, 2023 to discuss the financial results and outlook for the Trust.

Participants must register for the call using this link: Q1 2023 Conference Call . Pre-register to receive the dial-in numbers and unique PIN to access the call seamlessly. It is recommended that you join 10 minutes prior to the event start (although you may register and dial in at any time during the call). Participants can access the webcast here: Q1 Webcast. A replay of the webcast will be available two hours after the call and archived on the same web page for six months. Participants can also find the link on our website, stored under the "Investors" section - "Presentations and Events", at www.alarisequitypartners.com.

An updated corporate presentation will be posted to the Trust's website within 24 hours at www.alarisequitypartners.com.

About the Trust:

Alaris, through its subsidiaries, provides alternative financing to private companies ("Partners") in exchange for distributions, dividends or interest (collectively, "Distributions") with the principal objective of generating stable and predictable cash flows for distribution payments to its unitholders. Distributions from the Partners are adjusted annually based on the percentage change of a "top-line" financial performance measure such as gross margin or same store sales and rank in priority to the owner's common equity position.

Non-GAAP and Other Financial Measures
The terms EBITDA, Actual Payout Ratio, Run Rate Revenue, Run Rate Payout Ratio, Earnings Coverage Ratio, Run Rate Cash Flow, and Per Unit amounts (collectively, the "Non-GAAP and Other Financial Measures") are financial measures used in this news release that are not standard measures under International Financial Reporting Standards ("IFRS"). The Trust's method of calculating EBITDA, Actual Payout Ratio, Run Rate Revenue, Run Rate Payout Ratio, Earnings Coverage Ratio, Run Rate Cash Flow, and Per Unit amounts may differ from the methods used by other issuers. Therefore, the Trust's EBITDA, Actual Payout Ratio, Run Rate Revenue, Run Rate Payout Ratio, Earnings Coverage Ratio, Run Rate Cash Flow, IRR and Per Unit amounts may not be comparable to similar measures presented by other issuers.

(1) "EBITDA" and "EBITDA per unit" are Non-GAAP financial measures and refer to earnings determined in accordance with IFRS, before depreciation and amortization, interest expense (finance costs) and income tax expense and the same amount divided by weighted average basic units outstanding. EBITDA and EBITDA per unit are used by management and many investors to determine the ability of an issuer to generate cash from operations, aside from still including fluctuations due to changes in exchange rates and changes in the Trust's investments at fair value. Management believes EBITDA and EBITDA per unit are useful supplemental measures from which to determine the Trust's ability to generate cash available for servicing its loans and borrowings, income taxes and distributions to unitholders. Refer to the reconciliation of EBITDA and calculation of EBITDA per unit in the table below.

	Three months ended March 31					
$ thousands except per unit amounts	2023		2022		% Change	
Earnings	$	5,553	$	27,405	-79.7	%
Depreciation and amortization		56		53	+5.7	%
Finance costs		6,517		6,466	+0.8	%
Total income tax expense		4,698		7,287	-35.5	%
EBITDA	$	16,824	$	41,211	-59.2	%
Weighted average basic units (000's)		45,308		45,161		
EBITDA per unit	$	0.37	$	0.91	-59.3	%

(2) "Actual Payout Ratio" is a supplementary financial measure and refers to Alaris' total distributions paid during the period (annually or quarterly) divided by the actual net cash from operating activities Alaris generated for the period. It represents the net cash from operating activities after distributions paid to unitholders available for either repayments of senior debt and/or to be used in investing activities.

(3) "Run Rate Revenue" is a supplementary financial measure and refers to Alaris' total revenue expected to be generated over the next twelve months based on contracted distributions from current Partners, excluding any potential Partner redemptions, it also includes an estimate for common dividends or distributions based on past practices, where applicable. Run Rate Revenue is a useful metric as it provides an expectation for the amount of revenue Alaris can expect to generate in the next twelve months based on information known.

(4) "Run Rate Payout Ratio" is a Non-GAAP financial ratio that refers to Alaris' distributions per unit expected to be paid over the next twelve months divided by the net cash from operating activities per unit calculated in the Run Rate Cash Flow table. Run Rate Payout Ratio is a useful metric for Alaris to track and to outline as it provides a summary of the percentage of the net cash from operating activities that can be used to either repay senior debt during the next twelve months and/or be used for additional investment purposes. Run Rate Payout Ratio is comparable to Actual Payout Ratio as defined above.

(5) "Earnings Coverage Ratio ("ECR")" is a supplementary financial measure and refers to the EBITDA of a Partner divided by such Partner's sum of debt servicing (interest and principal), unfunded capital expenditures and distributions to Alaris. Management believes the earnings coverage ratio is a useful metric in assessing our partners continued ability to make their contracted distributions.

(6) "Run Rate Cash Flow" is a Non-GAAP financial measure and outlines the net cash from operating activities, net of distributions paid, that Alaris is expecting to have after the next twelve months. This measure is comparable to net cash from operating activities less distributions paid, as outlined in Alaris' consolidated statements of cash flows.

(7) "Per Unit" values, other than earnings per unit, refer to the related financial statement caption as defined under IFRS or related term as defined herein, divided by the weighted average basic units outstanding for the period.

supplementary financial measure may differ from the methods used by other issuers. Therefore, it may not be comparable to similar measures presented by other issuers.

The terms EBITDA, Actual Payout Ratio, Run Rate Revenue, Run Rate Payout Ratio, Earnings Coverage Ratio, Run Rate Cash Flow and Per Unit amounts should only be used in conjunction with the Trust's annual audited financial statements, complete versions of which available on SEDAR at www.sedar.com.

Forward-Looking Statements

This news release contains forward-looking information and forward-looking statements (collectively, "forward-looking statements") under applicable securities laws, including any applicable "safe harbor" provisions. Statements other than statements of historical fact contained in this news release are forward-looking statements, including, without limitation, management's expectations, intentions and beliefs concerning the growth, results of operations, performance of the Trust and the Partners, the future financial position or results of the Trust, business strategy and plans and objectives of or involving the Trust or the Partners. Many of these statements can be identified by looking for words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. In particular, this news release contains forward-looking statements regarding: the anticipated financial and operating performance of the Partners; the attractiveness of Alaris' capital offering; Alaris and its partners ability to perform during a recession; the Trust's Run Rate Payout Ratio, Run Rate Cash Flow, Run Rate Revenue and total revenue; the impact of recent new investments and follow-on investments; expectations regarding receipt (and amount of) any common equity distributions or dividends from Partners in which Alaris holds common equity, including the impact on the Trust's net cash from operating activities, Run Rate Revenue, Run Rate Cash Flow and Run Rate Payout Ratio; the use of proceeds from the senior credit facility; impact of future deployment; the Trust's ability to deploy capital; the expected settlement of outstanding litigation; the yield on the Trust's investments and expected resets on Distributions; the impact of deferred distributions from partners and the timing of repayment there of; the Trust's return on its investments; and Alaris' expenses for the remainder of 2023. To the extent any forward-looking statements herein constitute a financial outlook or future oriented financial information (collectively, "FOFI"), including estimates regarding revenues, Distributions from Partners (including expected resets, restarting full or partial Distributions and common equity distributions), Run Rate Payout Ratio, Run Rate Cash Flow, net cash from operating activities, expenses and impact of capital deployment, they were approved by management as of the date hereof and have been included to provide an understanding with respect to Alaris' financial performance and are subject to the same risks and assumptions disclosed herein. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur.

By their nature, forward-looking statements require Alaris to make assumptions and are subject to inherent risks and uncertainties. Assumptions about the performance of the Canadian and U.S. economies over the next 24 months and how that will affect Alaris' business and that of its Partners (including, without limitation, any ongoing impact of COVID-19) are material factors considered by Alaris management when setting the outlook for Alaris. Key assumptions include, but are not limited to, assumptions that: the Russia/Ukraine conflict and other global economic pressures over the next twelve months will not materially impact the economy; interest rates will not rise in a matter materially different from the prevailing market expectation over the next 12 to 24 months; that COVID-19 or any variants there of will not impact the economy or our partners operations in a material way in the next 12 months; the businesses of the majority of our Partners will continue to grow; more private companies will require access to alternative sources of capital; the businesses of new Partners and those of existing Partners will perform in line with Alaris' expectations and diligence; and that Alaris will have the ability to raise required equity and/or debt financing on acceptable terms. Management of Alaris has also assumed that the Canadian and U.S. dollar trading pair will remain in a range of approximately plus or minus 15% of the current rate over the next 6 months. In determining expectations for economic growth, management of Alaris primarily considers historical economic data provided by the Canadian and U.S. governments and their agencies as well as prevailing economic conditions at the time of such determinations.

There can be no assurance that the assumptions, plans, intentions or expectations upon which these forward-looking statements are based will occur. Forward-looking statements are subject to risks, uncertainties and assumptions and should not be read as guarantees or assurances of future performance. The actual results of the Trust and the Partners could materially differ from those anticipated in the forward-looking statements contained herein as a result of certain risk factors, including, but not limited to, the following: an increase in COVID-19 (or its variants) or other widespread health crises; and other global economic factors (including, without limitation, the Russia/Ukraine conflict, inflationary measures and global supply chain disruptions on the Trust and the Partners (including how many Partners will experience a slowdown of their business and the length of time of such slowdown), the dependence of Alaris on the Partners; leverage and restrictive covenants under credit facilities; reliance on key personnel; general economic conditions, including any new investment structures; failure to complete or realize the anticipated benefit of Alaris' financing arrangements with the Partners; a failure to obtain required regulatory approvals on a timely basis or at all; changes in legislation and regulations and the interpretations thereof; risks relating to the Partners and their businesses, including, without limitation, a material change in the operations of a Partner or the industries they operate in; inability to close additional Partner contributions or collect proceeds from any redemptions in a timely fashion on anticipated terms, or at all; a failure to settle outstanding litigation on expected terms, or at all; a change in the ability of the Partners to continue to pay Alaris at expected Distribution levels or restart distributions (in full or in part); a failure to collect material deferred Distributions; a change in the unaudited information provided to the Trust; and a failure to realize the benefits of any concessions or relief measures provided by Alaris to any Partner or to successfully execute an exit strategy for a Partner where desired. Additional risks that may cause actual results to vary from those indicated are discussed under the heading "Risk Factors" and "Forward Looking Statements" in Alaris' Management Discussion and Analysis and Annual Information Form for the year ended December 31, 2022, which is or will be (in the case of the AIF) filed under Alaris' profile at www.sedar.com and on its website at www.alarisequitypartners.com.

Readers are cautioned that the assumptions used in the preparation of forward-looking statements, including FOFI, although considered reasonable at the time of preparation, based on information in Alaris' possession as of the date hereof, may prove to be imprecise. In addition, there are a number of factors that could cause Alaris' actual results, performance or achievement to differ materially from those expressed in, or implied by, forward looking statements and FOFI, or if any of them do so occur, what benefits the Trust will derive therefrom. As such, undue reliance should not be placed on any forward-looking statements, including FOFI.

The Trust has included the forward-looking statements and FOFI in order to provide readers with a more complete perspective on Alaris' future operations and such information may not be appropriate for other purposes. The forward-looking statements, including FOFI, contained herein are expressly qualified in their entirety by this cautionary statement. Alaris disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

For more information please contact:
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Alaris Equity Partners Income Trust
Consolidated statements of financial position

	31-Mar	31-Dec
$ thousands	2023	2022
Assets		
Cash	$ 24,938	$ 60,193
Derivative contracts	1,341	2,507
Accounts receivable and prepayments	3,384	2,689
Income taxes receivable	15,192	22,675

Current Assets	$ 44,855	$ 88,064
Property and equipment	449	485
Other long-term assets	33,818	33,395
Investments	1,220,033	1,248,159
Non-current assets	$ 1,254,300	$ 1,282,039
Total Assets	$ 1,299,155	$ 1,370,103
Liabilities		
Accounts payable and accrued liabilities	$ 18,404	$ 11,517
Distributions payable	15,463	15,395
Derivative contracts	2,159	2,818
Office Lease	317	352
Income tax payable	159	306
Current Liabilities	$ 36,502	$ 30,388
Deferred income taxes	69,812	67,386
Loans and borrowings	142,457	216,077
Convertible debenture	94,476	93,446
Senior unsecured debenture	62,733	62,613
Other long-term liabilities	975	1,938
Non-current liabilities	$ 370,453	$ 441,460
Total Liabilities	$ 406,955	$ 471,848
Equity		
Unitholders' capital	$ 760,595	$ 757,220
Translation reserve	51,871	51,391
Retained earnings	79,734	89,644
Total Equity	$ 892,200	$ 898,255
Total Liabilities and Equity	$ 1,299,155	$ 1,370,103

Alaris Equity Partners Income Trust
Consolidated statements of comprehensive income

	Three months ended March 31	
$ thousands except per unit amounts	2023	2022
Revenues, including realized foreign exchange gain	$ 36,688	$ 39,564
Net realized gain from investments	12,500	-
Net unrealized gain / (loss) on investments at fair value	(11,678)	10,028
Total revenue and other operating income	$ 37,510	$ 49,592
General and administrative	16,960	3,487
Transaction diligence costs	1,351	908
Unit-based compensation	1,779	1,877
Depreciation and amortization	56	53
Total operating expenses	20,146	6,325
Earnings from operations	$ 17,364	$ 43,267
Finance costs	6,517	6,466
Net unrealized (gain) / loss on derivative contracts	381	(2,060)
Foreign exchange loss	215	4,169
Earnings before taxes	$ 10,251	$ 34,692
Current income tax expense	2,228	1,554
Deferred income tax expense	2,470	5,733
Total income tax expense	4,698	7,287
Earnings	$ 5,553	$ 27,405

Other comprehensive income		
Foreign currency translation differences	480	(13,225)
Total comprehensive income	$ 6,033	$ 14,180
Earnings per unit		
Basic	$ 0.12	$ 0.61
Fully diluted	$ 0.12	$ 0.59
Weighted average units outstanding		
Basic	45,308	45,161
Fully Diluted	45,791	49,657

Alaris Equity Partners Income Trust
Consolidated statements of cash flows

	Three months ended March 31	
$ thousands	2023	2022
Cash flows from operating activities		
Earnings for the period	$ 5,553	$ 27,405
Adjustments for:		
Finance costs	6,517	6,466
Deferred income tax expense	2,470	5,733
Depreciation and amortization	56	53
Net realized gain from investments	(12,500)	-
Net unrealized (gain) / loss of investments at fair value	11,678	(10,028)
Unrealized (gain) / loss on derivative contracts	381	(2,060)
Unrealized foreign exchange loss	221	5,019
Transaction diligence costs	1,351	908
Unit-based compensation	1,779	1,877
Cash from operations, prior to changes in working capital	$ 17,506	$ 35,373
Changes in working capital:		
Accounts receivable and prepayments	(784)	(1,780)
Income tax receivable / payable	7,292	791
Other long-term assets	(990)	-
Accounts payable, accrued liabilities	6,491	(2,775)
Cash generated from operating activities	$ 29,515	$ 31,609
Cash interest paid	(3,774)	(3,865)
Net cash from operating activities	$ 25,741	$ 27,744
Cash flows from investing activities		
Acquisition of investments	-	$ (82,316)
Transaction diligence costs	(1,351)	(908)
Proceeds from partner redemptions	28,930	1,263
Net cash from / (used in) investing activities	$ 27,579	$ (81,961)
Cash flows from financing activities		
Repayment of loans and borrowings	$ (73,197)	$ (58,912)
Proceeds from loans and borrowings	-	73,473
Proceeds from senior unsecured debenture, net of fees	-	62,192
Distributions paid	(15,395)	(14,899)
Office lease payments	(35)	(38)
Net cash from / (used in) financing activities	$ (88,627)	$ 61,816
Net increase / (decrease) in cash	$ (35,307)	$ 7,599
Impact of foreign exchange on cash balances	52	(2,657)
Cash, Beginning of period	60,193	18,447
Cash, End of period	$ 24,938	$ 23,389

Cash taxes paid / (received)	$ (5,132)	$ 352