



ASX Announcement

20 July 2018

Update on acquisition of Mesirow Advanced Strategies' assets

As previously announced, Navigator Global Investments Limited ('Navigator' or 'the Company') United States subsidiary, Lighthouse Investment Partners, LLC ('Lighthouse') completed its acquisition of substantially all of the assets of Mesirow Advanced Strategies, the multi-manager hedge fund division of Mesirow Financial, on 1 July 2018.

As previously disclosed, the consideration for the transaction is deferred and wholly contingent in nature. As part of the process for determining the fair value of the assets acquired, the Company is in the process of estimating the future contingent consideration to be paid in relation to the transaction. The contingent consideration that may be paid in the future will be determined under an earnout payment over seven years, calculated as an agreed percentage of EBITDA generated by the transitioned assets above a floor amount. Significant assumptions must be made in estimating the contingent consideration, including but not limited to, the retention level of the transitioned assets over full earnout period and the operating expenses required to support these assets. Based on current assumptions as to future EBITDA, we expect the future contingent consideration paid could be up to approximately US\$10m in total over the seven year time period.

The Company expects to be able to provide additional information in relation to the future accounting impacts of the transaction when it announces its 2018 annual results on 9 August 2018.

It is anticipated that consideration paid (if any) will be funded out of future operating cashflows, and as such there is no debt or equity raising required to fund any future consideration payments.

The transitioned assets will be integrated, and in the future will not be managed or reported on as a separate business segment by the Group.

For further information please contact:

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